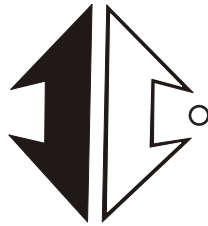


32nd Annual Report 2017 - 2018



INTEGRATED TECHNOLOGIES LIMITED

CIN : L31909DL1995PLC277176

Board of Directors

- Mr. Rajeev Bali Managing Director
- Mr. Virendra Kashyap Independent Director
- Mr. Amit Seth (Independent Director-Additional Director w.e.f.21st May 2018)

Statutory Auditors

M/s. S.K Mittal & Co.,
Chartered Accountants, Mittal House,
E-29, N.D.S.E., Part II, New Delhi-110049

Internal Auditor

Saurabh Vanya Sharma & Co.
Chartered Accountants,
B-4, Somdutt Chamber-II, Bhikaji Cama Place,
New Delhi-110066

Secretarial Auditor

S.Joshi & Associates.,
Practicing Company Secretaries,
H.No.100, St.No.5, Krishna Nagar,
PO-Safdarjung Enclave,
New Delhi-110029

Registered Office

C-24, Defence Colony, New Delhi-110024

Registrars & Transfer Agents

Skyline Financial services Pvt. Ltd.
D- 153A, 1st Floor, Okhla Phase-I, New Delhi-110020

Bankers

State Bank of India

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NOTICE FOR THIRTY SECOND ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Second Annual General Meeting of the Members of **INTEGRATED TECHNOLOGIES LIMITED** will be held on Friday 28th day of September, 2018 at C-24, Defence Colony, New Delhi-110024 at 9.00 A.M at the Registered Office of the Company to transact the following business: -

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 and Profit & Loss Account 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. Rajeev Bali (holding DIN:00772978), who retires by rotation for compliance with the requirements of Section 152 of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

II. SPECIAL BUSINESS :

3. To approve appointment of Mr. Amit Seth (holding DIN : 02768012) as Non-Executive Independent Director not liable to retire by rotation. 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 152 of Companies Act, 2013 (“Act”) and rules framed there under, as amended from time to time approval of the shareholders is accorded to appointment of Dr. Amit Seth (holding DIN : 02768012) as Non-Executive Independent Director not liable to retire by rotation.”

By Order of the Board of Directors

Place : New Delhi
Dated : 13.08.2018

Rajeev Bali
(Managing Director & Compliance officer)
DIN: 00772978

NOTES:

1. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED, DULY FILLED AND AUTHENTICATED AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS (FORTY-EIGHT HOURS) BEFORE THE SCHEDULED TIME OF THE MEETING.**
2. Member/Proxies should bring the Attendance Slip in the Meeting duly filed in, for attending the meeting.
3. The statement setting out the material facts pursuant to section 102 of the Companies Act, 2013 (“the Act”) concerning Special Business in the Notice is annexed hereto and forms part of this Notice.
4. Profile of the Directors seeking appointment/ re-appointment as required in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015 is annexed to this Notice.
5. Statutory Registers under the Companies Act, 2013 is available for the inspection at the Registered Office of the Company during business hours.
6. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
7. Members are requested to bring their admission slips along with copy of the report and accounts to the Annual General Meeting.
8. SEBI has mandated the submission of Permanent Account Number (PAN) for participation in the securities market, deletion of name of deceased holder, transmission/transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialized form or to M/s Skyline Financial Services Private Limited, D-153A, First



- Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 in case of holdings in physical form, mentioning your correct Folio Number.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact M/s Skyline Financial Services Private Limited, D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 for assistance in this regard.
 10. Electronic copy of the Annual Report for 2017-18 is being sent to all members whose email ids are registered with the Company/Depository Participants for communication purpose unless any member has requested for a physical copy of the same.
 11. Instructions for e-voting:
The complete details of the instructions for e-voting are annexed to this Notice.
 12. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2018 to 28th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
 13. Members are requested to notify change in address, if any immediately to the Company's Registrars M/s Skyline Financial Services Private Limited.
 14. Members who hold shares in dematerialization form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
 15. The route map showing directions to reach the venue of the 32nd AGM is annexed as per requirement of SS-2 on General Meetings.

Process and manner for members opting for e-voting are as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in compliance of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company is pleased to provide to the members, the facility to exercise their right to vote at the 32nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Ltd. (CDSL).

The Board has appointed M/s. S. Joshi & Associates, Company Secretaries in whole time practice as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

The instructions for e-voting are as under:

- (i) The remote e-voting period begins on 25th September, 2018 from 9.00 A.M and ends on 27th September, 2018 up to 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (17th August, 2018), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on Shareholders.
- (iv) Now, select the Electronic Voting Sequence Number ["EVSNN"] along with "INTEGRATED TECHNOLOGIES LIMITED" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and casted your vote earlier for any company/ entity, then your existing password is to be used.



- (vii) If you are a first time user follow the steps given below:
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and casted your vote earlier for any company/ entity, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|--|---|
| PAN | <ul style="list-style-type: none">❖ Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)❖ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of sequence number in the PAN field.❖ In case the Sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Sequence number 1, then enter RA00000001 in the PAN Field. |
| DOB | <ul style="list-style-type: none">❖ Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">❖ Please enter the DOB or Dividend Bank Details in order to login. If both the details are not recorded with the depository or company please enter the member id / folio no. in the Dividend Bank details field as mentioned in instruction. |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the EVSN selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are requested to mandatory change their login password in the new password field. Kindly note that this password is to be also used by the demat Account holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the detail can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Integrated Technologies Limited on which you choose to vote.
- (xii) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies you dissent to the resolution.
- (xiii) Click on the "Resolutions File Link" if you wish to view the entire detail of resolutions.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of voting done by you by clicking on "click here to print" option on the voting page.
- (xvii) If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CSDL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile**



- (xix) Note for Non – Individual Shareholders and Custodians
- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ❖ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ❖ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) Pursuant to Section 107 of the Companies Act, 2013 read with rule 20 of the Companies (Management & Administration) Rules, 2014 there will be not be voting by show hands on any of the agenda items at the Meeting and poll will be conducted in lieu thereof.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instruction:

- a. The e-voting period commences on 25th September, 2018 [9:00 a.m.] and ends on 27th September, 2018 [5:00 p.m.]. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
- c. Ms. Shalini Sharma, Proprietor, M/s. S.Joshi & Associates Company Secretary [Membership No. 5911, CP No. [6091] has been appointed as the scrutinizer to scrutinize the e-voting process.

Brief resume of the Directors Seeking appointment/ Re-appointment at the 32nd Annual General Meeting

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

| | |
|--|--------------------|
| Name of Director | Rajeev Bali |
| DIN | 00772978 |
| Date of Birth | 29.10.1957 |
| Relationship with other Director inter-se | NIL |
| Date of appointment | 23.08.1995 |
| Qualification | MBA |
| Expertise | Business |
| Directorship held in other companies | NIL |
| Membership/Chairmanships of Committee in other Public Companies | NIL |
| Number of shares held in the Company as on 31/03/2018 | 272,950 |



| | |
|--|---|
| Name of Director | Dr. Amit Seth |
| DIN | 02768012 |
| Date of Birth | 14.09.1968 |
| Relationship with other Director inter-se | NIL |
| Date of appointment | 22.05.2018 |
| Qualification | MBBS, Specialisation indermatology |
| Expertise | Dermatologist |
| Directorship held in other companies | NIL |

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013-

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No.3 of the accompanying notice dated 13th August, 2018 should be taken as forming part of Notice.

ITEM NO.3

Dr. Amit Seth was appointed as Ordinary Director appointed as Independent Additional Director w.e.f 21st May 2018 and is now proposed to be appointed as Ordinary Director not liable to retire by rotation being an Independent Director.

The Board accordingly recommends Item No. 3 of the Notice for approval of the shareholders.

By Order of the Board of Directors

Sd/ -

RAJEEV BALI

(Managing Director & Compliance officer)

DIN: 00772978

Place: New Delhi

Date: 13.08.2018



DIRECTORS' REPORT

Your Directors have pleasure in presenting the thirty second Annual Report together with Audited Accounts of the Company for the year ended 31st March 2018.

FINANCIAL

(In Rupees)

Particulars

| | | |
|--|--------------|--------------|
| Profit before tax | (769,825) | (4,740,642) |
| Less : Deferred Tax | (8,674,869) | 1,706,718 |
| Profit After tax | (9,444,694) | (2,749,743) |
| Balance profit from last year | (41,133,587) | (38,383,844) |
| Balance profit carried to balance sheet | (50,578,281) | (41,133,587) |
| Earnings per share (face value Rs. 10/-) | | |
| - Basic and Diluted before extraordinary item (in Rs.) | (1.98) | (0.58) |
| - Basic and Diluted after extraordinary item (in Rs.) | (1.98) | (0.58) |

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

STATUS ON THE AFFAIR OF THE COMPANY

The Company expected to receive permission to exit from the 100% EOU Scheme for which it had applied well over six years ago and was forced to suspended production till receipt of the de-bonding permission from the Commerce Ministry (NSEZ). While the Company has received NOC from the Range Jurisdictional Customs and Excise Office at Gurgaon, the Central office of the Department has disputed the Customs and Excise duties actually payable. The Company has paid the requisite duties demanded as per the Gurgaon office, based on which the Ministry of Commerce has given the final permission to the Company to exit the 100% EOU Scheme as desired after 6 years. Keeping in view the different duties demanded by 2 wings of the same department, the matter is now before CESTAT (Central Excise and Customs Tribunal) for adjudication. The Company shall recommence business upon closure of this adjudication process.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the company during the financial year.

DIVIDEND

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

CHANGE IN SHARE CAPITAL

There is no change in the Share Capital of the Company during the financial year.

DIRECTORS

It is proposed to re-appoint Mr. Rajeev Bali (holding DIN:00772978), who is retiring by rotation on the Board of Directors. The appointment forms part of the business of the ensuing Annual General Meeting of the Company.

PROFILE OF DIRECTOR SEEKING RE-APPOINTMENT-

| | |
|--|--------------------|
| Name of Director | Rajeev Bali |
| DIN | 00772978 |
| Date of Birth | 29.10.1957 |
| Relationship with other Director inter-se | NIL |
| Date of appointment | 23.08.1995 |
| Qualification | MBA |
| Expertise | Business |
| Directorship held in other companies | NIL |
| Membership/Chairmanships of Committee in other Public Companies | NIL |
| Number of shares held in the Company as on 31/03/2018 | 272,950 |



PROFILE OF DIRECTOR SEEKING APPOINTMENT-

Dr. Amit Seth (holding DIN: 02768012), was appointed as Additional Directors w.e.f.21st May 2018 on the Board of Directors. He is now proposed to be appointed as an Non-Executive Independent not liable to retire by rotation, his appointment forms part of the business of the ensuing Annual General Meeting of the Company.

| | |
|--|--|
| Name of Director | Dr.Amit Seth |
| DIN | 02768012 |
| Date of Birth | 14.09.1968 |
| Relationship with other Director inter-se | NIL |
| Date of appointment | 21.05.2018 |
| Qualification | MBBS, specialization in dermatology |
| Expertise | Dermatologist |
| Directorship held in other companies | NIL |

DIRECTOR WHO CEASED TO BE DIRECTOR DURING THE YEAR-

Mrs. Rajwant Kaur (holding DIN: 07141092) resigned from the Board of Directors on 28th September 2017.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Detail of Management Discussion & Analysis Report is separately given in this Annual Report which forms the part of this Annual Report.

DETAILS OF STOCK EXCHANGE

BSE Limited

P.J.Towers,

Dalal Street, Mumbai

SUBSIDIARIES & JOINT VENTURE

The Company does not have any Subsidiary Company or Joint venture.

RELATIONSHIP BETWEEN DIRECTORS

None of the Directors of the Company are related with each other in any manner.

DIRECTORS' RESPONSIBILITY STATEMENT

The Company has taken the utmost care in Compliances pertaining to all statutory requirements, and specifically, financial disclosure and Financial Statements have been made to give a true and fair view of the state of affairs of the Company. As required under Section 134 (5) and 134(3) (c). Based upon the detailed representation your Board of Directors confirm as under

- (i) That in the preparation of the Annual Accounts for the financial year ended 31st March, 2018, 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, 2013 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, 2018 on a 'going concern' basis.
- (v) Internal Financial controls have been laid down by the Company and such financial controls were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in Form MGT-9 as per the requirement of Section 92(3), Section 134(3) (a)



and Rule 11 of the Companies (Management and Administration) Rule, 2014 has been annexed with this Board of Directors Report as Annexure 1.

NUMBER OF BOARD MEETING

There were Six meetings of the Board of Directors held during the Financial Year 2017-18, Detail of each meeting of the Board of Directors have been provided under Corporate Governance Report which form a part of this Annual Report.

| Date of Board Meetings | | | |
|-------------------------------|-------------------|-------------------|-------------------|
| 29.05.2017 | 30.06.2017 | 24.08.2017 | 06.09.2017 |
| 14.11.2017 | 12.02.2018 | | |

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT-

The Statutory Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Companies Act, 2013, including rules made thereunder

DECLARATION BY INDEPENDENT DIRECTOR

Presently the company has 2 independent director namely Mr. Virender Kashyap (DIN:00772978) and Mr. Amit Seth (DIN : 02768012) who has given declaration that they meet the criteria of independence as provided in sub- Section (7) of Section 149 of the Companies Act, 2013 read with the Schedules and Rules made thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force.

DISCLOSURE IN RELATION TO VIGIL MECHANISM

The Board of Directors of the Company in their meeting held on 30.03.2015 adopted the Vigil Mechanism policy in compliance of Companies Act, 2013. The detail of the Policy has been provided in the corporate governance report, which forms part of this Annual Report.

DISCLOSURE RELATING TO RISK MANAGEMENT POLICY

The Board of Directors of the company in their meeting held on 30.03.2015 constituted a Risk Management Committee in terms of the circular no. CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014 and Companies Act, 2013 and Rule Framed their under. The elements of risk threatening the Company's existence are very minimal.

DISCLOSURE ON NOMINATION AND REMUNERATION POLICY OF THE COMPANY PURSUANT TO SECTION 134(3)(e) AND SECTION 178(3)

The nomination and remuneration committee had laid down broad framework relating to nomination, remuneration & evaluation policies in 2015 and has not made any changes to the same during the year.

CORPORATE SOCIAL RESPONSIBILITY POLICY

As the Company does not meet the criteria specified in Section 135 (1) of the Companies Act, 2013, therefore it does not require to adopt the CSR policy. However, as and when the Company in future does meet the criteria, the said Committee shall be formed and appropriate Policy shall be adopted by the company as per the requirement of Companies Act, 2013 and Rules & Regulation made there under.

EVALUATION BY BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS WITH REFERENCE TO SECTION 134 (3) (P) OF COMPANIES ACT 2013 AND RULE 8(4) OF COMPANIES (ACCOUNTS) RULES 2014 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to the above said provisions of the Companies Act, 2013, rules thereof and SEBI (listing obligations and disclosure requirements) regulations, 2015 the Board has carried out an evaluation of its own performance, the Directors individually as well as its Committees as per the criteria laid down in the Nomination, Remuneration and Evaluation policy. Furthermore, the independent directors have also reviewed the performance of the non - independent directors and the Board as a whole including reviewing the performance of the Chairperson of the company taking into account the views of Executive Directors and Non-Executive Directors in their separate meeting.



PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not made any loans, provided guarantees or made investments under this provision of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB SECTION 1 OF SECTION 188

The Company has not made any contracts or arrangement with the related parties as per the provisions of Companies Act, 2013 and Rules & Regulations made thereunder.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY BODIES / COURTS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an independent Internal Control System, commensurate with the size, scale and complexity of its operations. The Audit Committee of the Company has been delegated power to review the internal control systems and its adequacy. The Audit Committee monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the SEBI (listing obligations and disclosure requirements) regulations, 2015 although the provisions of Corporate Governance is not applicable on the Company as per Regulation 15 of SEBI (listing obligations and disclosure requirements) regulations, 2015.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

AUDIT COMMITTEE

As required under section 177 of the Companies Act, 2013 the Company has constituted an Audit Committee comprising of Mr. Devendra Manchanda, Mr. Rajeev Bali and Mr. Virendra Kashyap. Mr. Devender Manchanda had been appointed the Chairman of the Committee. Subsequent to resignation of Mr. Devender Manchanda w.e.f 22nd May 2018, Mr. Virender Kashyap has been appointed as the Chairman of the Committee and Dr. Amit Seth has been appointed as member 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.

AUDITORS & THEIR REPORT

S.K. Mittal & Co., Chartered Accountants (Firm Registration No. 001135N) the statutory Auditors of the Company, were appointed for a period for 5 years at the 29th AGM held on 30th September 2015 to hold office from the conclusion of 29th Annual General Meeting (AGM) till the conclusion of 34th Annual General Meeting to be held in the year 2020 subject to ratification of their appointment at every AGM. However, in accordance with the Companies Amendment Act, 2017, enforced on 07th May 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

There are no qualifications, reservations or adverse remarks made by S.K. Mittal & Co., Chartered Accountants (Firm Registration No. 001135N), the Statutory Auditors of the Company, in their Report.

COST AUDITORS

The Company has not appointed the Cost Auditor pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, since the Company is not carrying on any production activities.



SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment & Remuneration of Managerial personnel) Rules, 2014 the Company has appointed S.Joshi & Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company for the Financial Year 2017-18. The Report of the Secretarial Auditor is annexed herewith. The Report of the Secretarial Auditor is self-explanatory.

There are no qualifications, reservations or adverse remarks made by M/s S.Joshi & Associates, Company Secretaries, Secretarial Auditor of the Company, in their Report.

INTERNAL AUDITOR

The Company has appointed M/s Saurabh Vanya Sharma & Co., Chartered Accountants, (Firm Reg. No. 030489N) as the Internal Auditor of the Company for the Financial Year 2017-18.

DISCLOSURES PURSUANT TO SECTION 197 (12) AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

| Sr. No. | Name | Designation | Remuneration (Yearly) |
|---------|------|-------------|-----------------------|
| 1 | | | |

DISCLOSURE ON NUMBER OF SHARES AND CONVERTIBLE DEBENTURES HELD BY NON-EXECUTIVE DIRECTORS

Non – Executive Directors of the Company do not hold any equity share, convertible debentures or any other securities.

DETAILS AND INFORMATION AS REQUIRED UNDER SECTION 134 (3) (1)

No material changes or commitments, which can affect the financial position of the Company, have taken place during the year under review, and till the date of this Report.

NOTES TO THE ACCOUNTS ANNEXED TO THE AUDITORS' REPORT ARE SELF-EXPLANATORY AND NEED NO EXPLANATION, AS THERE IS NO QUALIFYING REMARK BY THE AUDITORS.

INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, your Company has instituted a comprehensive Code which lays down guidelines and advises the Directors and Employees of the Company on procedures to be followed and disclosures to be made while dealing in securities of the Company.

DEPOSITS

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

SHARES

11,21,038 Shares of the Company's paid up Equity capital has been dematerialized and the Balance of 36,60,472 are in physical form as on 31st March, 2018. The Company's Registrar is M/s. Skyline Financial Services Pvt. Ltd. and their address is detailed in the compliance report on the Corporate Governance forming part of this report. The Listing fee has been paid to Bombay Stock exchange for the Financial Year 2018-19.

FUTURE OUTLOOK-

The PCB industry is expected to be a \$ 75 Billion industry by 2020 (IPC USA Data). There have been dramatic changes in technology, for the electronics industries and therefore the PCB industry necessitating a proliferation of materials to cater to diverse, high end uses and product profiles especially the use of high performance laminates. BPA Technology Consulting projects growth at 4% CAGR upto 2020, with China accounting for over 45% of the world's total production. However, high technology applications such as defence, aerospace, proprietary technologies and designs etc. are increasingly getting localized, with this trend beginning to gather momentum in the past few years. Also gaining ground is the concept now being dubbed as "re-shoring", with companies increasingly moving production back to their home countries as well.



Domestic production has settled at approx. US\$ 165 Million, with the rest being imported, especially specialty PCBs or Multi-layer PCBs in the higher technology space, mostly from China. However, with very little or no substantial investments forthcoming, this trend of import of PCBs of all types and materials will continue.

At this point it is difficult to estimate trends for the next few years due mainly to policy initiatives such as GST etc. and its impact on the industry. As of now, this has exacerbated instability, forcing MNCs to close operations or exit from India altogether. The government's programmes and policy initiatives with respect to "Make IN India" etc. too have not taken off as expected, pushing a freeze on investments by corporates. No new PCB manufacturing plants have been set up recently in the country. Some companies have moved from bulk manufacturing to prototype development only. The only gains appear to be in PCB design.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The information under this head is as follows:

(Rs. In Lacs)

| | |
|--|-----|
| Foreign Currency Earnings | Nil |
| Foreign Currency Outgo | Nil |
| (1) Travelling (foreign) | Nil |
| (2) Import of Machinery and Spares Parts | Nil |
| (3) Import of raw materials | Nil |
| (4) Consumption of raw materials | Nil |
| (5) Fees and subscription | Nil |

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rule 2014, 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.

EMPLOYEES

The Information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 in respect of employees of the Company. 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

Sd/-
Virender Kahsyap
Director
DIN: 003423043

Sd/-
Rajeev Bali
Managing Director & CFO
DIN: 00772978

Place: New Delhi
Dated: 13.08.2018



Form No. MR-3
SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2018

[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 Technologies Limited
C-24, Defence Colony, New Delhi-110024

I have conducted the secretarial audit of the compliance of, applicable statutory provisions and adherence to good corporate practices by INTEGRATED TECHNOLOGIES LIMITED (L31909DL1995PLC277176)(hereinafter called" the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31st March, 2018("Audit Period")complied with the statutory provisions listed hereunder. The Company has proper Board – processes and compliance–mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31stMarch, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye- laws Framed there under;
- iv. 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) Regulation, 1992;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliances with the applicable clauses of the following:-

- a) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India
- b) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and it was noted that the Company has complied with the same to the extent possible, however the stricter applicability of the Secretarial Standards is to be observed by the company.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals. Further, our report should also be read along with the views, as given by the Statutory Auditors in their report for the financial year 2017-18.

During the period under review, the Company had complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above and subject to the following observations:

- 1. The company has not complied with the provisions of Section 203 by not appointing Company Secretary and Chief Financial Officer after their resignation and the resulting vacancy were not filled-up within six months from the date of vacancy.**

We further report that 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 and that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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.

There were no instances of:-

- i. Issue of shares on rights basis or on preferential basis,
- ii. Redemption/ buy-back of securities,
- iii. Merger/amalgamation/reconstruction, etc.
- iv. Foreign technical collaborations.

For S. Joshi & Associates.
Company Secretaries
Sd/-

Shalini Sharma
FCS 5911
C P No.:6091

Place: New Delhi
Date : 13.08.2018

This Report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



ANNEXURE-II

**To,
The Members,
Integrated Technologies Limited
C-24, Defence Colony,
New Delhi-110024**

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the
Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|--|
| 1. | CIN | L31909DL1995PLC277176 |
| 2. | Registration Date | 23.08.1995 |
| 3. | Name of the Company | Integrated Technologies Limited |
| 4. | Category/Sub-category of the Company | Public Limited |
| 5. | Address of the Registered office & contact details | C-24, Defence Colony, New Delhi-110024 |
| 6. | Whether listed company | Yes |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Skyline Financial Services Pvt. Ltd. , D- 153A, First Floor, Okhla Industrial Area, Phase -I, New Delhi-110020 |

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)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Printed Circuit Board | - | Nil |

III. SHARE HOLDING PATTERN (Category wise Share Holding)

| Category of Shareholders | No. of Shares held at the beginning of the year[As on 31 March-2015 | | | | No. of Shares held at the end of the year[As on 31-March-2016 | | | | % Change during the year |
|---|---|----------------|----------------|-------------------|---|----------------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 272950 | 7 510 | 280460 | 5.87 | 272950 | 7 510 | 280460 | 5.87 | Nil |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 3155600 | 3155600 | 66 | 0 | 3155600 | 3155600 | 66 | Nil |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) (1) | 272950 | 3163110 | 3436060 | 71.87 | 272950 | 3163110 | 3436060 | 71.87 | Nil |
| (2) Foreign | | | | | | | | | |
| NRIs-Individual | 0 | 50000 | 50000 | 1.05 | 0 | 50000 | 50000 | 1.05 | Nil |
| Bodies Corporate | 0 | 100000 | 100000 | 2.09 | 0 | 100000 | 100000 | 2.09 | Nil |
| Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoters A(2) | 0 | 150000 | 150000 | 3.14 | 0 | 150000 | 150000 | 3.14 | Nil |
| Total (A1+A2) | 272950 | 3313110 | 3586060 | 74.99 | 272950 | 3313110 | 35,86,060 | 74.99 | Nil |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |



| | | | | | | | | | |
|--|----------------|----------------|----------------|--------------|----------------|----------------|----------------|--------------|-------------|
| a) Mutual Funds | 0 | 12950 | 12950 | 0.27 | 0 | 12950 | 12950 | 0.27 | Nil |
| b) Banks / FI | 10 | 2420 | 2430 | 0.05 | 10 | 2420 | 2430 | 0.05 | Nil |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 10 | 15370 | 15380 | 0.32 | 10 | 15370 | 15380 | 0.32 | Nil |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 14776 | 55040 | 69816 | 1.46 | 14162 | 55,040 | 69202 | 1.45 | -0.01 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to Rs. 1 lakh/Rs. 2 lakh | | | | | | | | | |
| | 281937 | 221102 | 503039 | 10.52 | 283081 | 220442 | 503523 | 10.52 | 0.01 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh/ Rs. 2 lakh | | | | | | | | | |
| | 531828 | 56460 | 588288 | 12.30 | 531828 | 56,460 | 588288 | 12.30 | 0.00 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | | | | | | | | | |
| | 9145 | 50 | 9195 | 0.19 | 9145 | 50 | 9195 | 0.19 | 0.00 |
| HUF | 9732 | 0 | 9732 | 0.20 | 9962 | 0 | 9962 | 0.21 | 0.01 |
| Clearing Members | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Bodies - D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(2):- | 847418 | 332652 | 1180070 | 24.68 | 847418 | 332652 | 1180070 | 24.68 | 0.02 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 847428 | 348022 | 1195450 | 25.00 | 848088 | 347362 | 1195450 | 25.00 | Nil |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 2220378 | 3661132 | 4781510 | 100 | 1121038 | 4781510 | 4781510 | 100 | Nil |

B) Shareholding of Promoter

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|----|--------------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|---|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1 | Rajeev Bali | 2,72,950 | 5.71 | - | 2,72,950 | 5.71 | - | - |
| 2 | Krishna Bali | 5510 | 0.12 | - | 5510 | 0.12 | - | - |
| 3 | Sarita Bali | 2000 | 0.04 | - | 2000 | 0.04 | - | - |
| 4 | Haryana State Electronics Dev. Corp. | 44,000 | 0.92 | - | 44,000 | 0.92 | - | - |
| 5 | Bubble Softsolutions Pvt. Ltd. | 31,11,600 | 65.08 | - | 31,11,600 | 65.08 | - | - |
| 6 | Kandasamy Ranjit Shiva Kumar | 50,000 | 1.05 | - | 50,000 | 1.05 | - | - |
| 7 | Fuba Hans Kolbe& Co. | 1,00,000 | 2.09 | - | 1,00,000 | 2.09 | - | - |



C) Change in Promoters Shareholding (please specify, if there is no change)

| SN. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| | At the beginning of the year | 35,86,060 | 74.99 | 35,86,060 | 74.99 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | There is no change in the total shareholding of promoters of individual promoters shareholding between 01-04-2015 to 31-03-2016 | | | |
| | At the end of the year | 35,86,060 | 74.99 | 35,86,060 | 74.99 |

D. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | Aditya Prasad | | | | |
| | At the beginning of the year | 2,17,303 | 4.54 | 2,17,303 | 4.54 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 2,17,303 | 4.54 | 2,17,303 | 4.54 |
| 2 | Paramjit Singh | 1,18,529 | 2.48 | 1,18,529 | 2.48 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 1,18,529 | 2.48 | 1,18,529 | 2.48 |
| 3 | Abhinavjit Singh Pannu | 1,08,652 | 2.27 | 1,08,652 | 2.27 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 1,08,652 | 2.27 | 1,08,652 | 2.27 |
| 4 | Kantilal Mishrimajji Vardhan | 49,385 | 1.03 | 49,385 | 1.03 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 49,385 | 1.03 | 49,385 | 1.03 |
| 5 | Pyramid Capital Services Pvt. Ltd. | 43,830 | 0.92 | 43830 | 0.92 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 43,380 | 0.92 | 43,380 | 0.92 |
| 6 | Mohammed Iqbal Ebrahim Baig | 31,200 | 0.65 | 31,200 | 0.65 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 31,200 | 0.65 | 31,200 | 0.65 |
| 7 | Gopal G Sethi | 25,260 | 0.53 | 25,260 | 0.53 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 25,260 | 0.53 | 25,260 | 0.53 |
| 8 | Meena Jatin Vora | 16,922 | 0.35 | 16,922 | 0.35 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 16,922 | 0.35 | 16,922 | 0.35 |
| 9 | Salim Roshanali Lakhandwala | 10571 | 0.22 | 10571 | 0.22 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 10571 | 0.22 | 10571 | 0.22 |
| 10 | Vimal R Shah | 10466 | 0.22 | 10466 | 0.22 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | There is no change in the total between 01-04-2017 to 31-03-2018 | | | |
| | At the end of the year | 10466 | 0.22 | 10466 | 0.22 |



E) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| | Rajeev Bali | | | | |
| | At the beginning of the year | 2,75,950 | 5.71% | | 5.71% |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | There is no change in the total shareholding between 01-04-2015 to 31-03-2016 | | | |
| | At the end of the year | 2,72,950 | 5.71% | NA | 5.71% |

F) 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 | NIL | 48,265,550 | NIL | 48,265,550 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | 48,265,550 | | 48,265,550 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | NIL | NIL | NIL | NIL |
| * Reduction | NIL | NIL | NIL | NIL |
| Net Change | NIL | NIL | NIL | NIL |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | NIL | 48,265,550 | NIL | 48,265,550 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | 48,265,550 | | 48,265,550 |

MUNERATION OF MANAGING DIRECTOR AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Wholetime Directors and/or Manager:

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|-----|-----------------------------|-------------------------|-----|-----|-----|--------------|
| | | ---- | --- | --- | --- | |
| 1 | Gross salary | NIL | NIL | NIL | NIL | NIL |

B. Remuneration to other Directors

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|-------------------------------|-------------------|-----|-----|-----|--------------|
| | | ---- | --- | --- | --- | |
| 1 | Independent Directors | NIL | NIL | NIL | NIL | NIL |
| 2 | Other Non-Executive Directors | NIL | NIL | NIL | NIL | NIL |

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

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|-----------------------------|--------------------------|-----|-----|-----|
| | | - | - | - | - |
| | Salary | NIL | NIL | NIL | NIL |

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |
| B. DIRECTORS | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |



MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Management Discussion and Analysis

The Company has received permission to exit the 100% EOU Scheme vide Noida Special Economic Zone (NSEZ) Ministry of Commerce, Government of India letter No. F.No. 01 / 07 / 92 – 100% EOU / 6325 dated date July 01, 2016.

This permission was pending receipt of NOC from Central Excise and Customs Department, Gurgaon, Government of India. The Department issued the requisite No Objection (NOC) upon directing the Company with necessary orders and permissions for scrapping the complete plant and machineries along with all utilities obtained by the Company against Excise and Customs duty exemptions applicable to all 100% Export Oriented Units (100% EOUs) under supervision of their personnel, and further upon payment of duties applicable on the scrap so generated to the Central Excise and Customs department, Gurgaon, Haryana. Upon compliance by the Company, Central Customs and Excise Department Gurgaon then issued its No Objection, enabling NSEZ Min. of Commerce to issue its approval for exit of the company's 100% EOU unit from the 100% EOU Scheme.

Having waited exactly six years for an expectedly positive decision regarding the Company's application for De-bonding of its 100% EOU PCB manufacturing unit as of July 01, 2010, the Company was most unfortunately and finally forced into this position necessitating scrapping of its production and related duty exempt assets by the Government of India's concerned departments and Policy in force at the juncture. This most unfortunate outcome was thus forced upon the Company :

- a. Mainly by the delays in the relevant Govt of India departments' decision making
- b. Delay despite clear Policy pronouncements allowing such de-bonding requested by the Company within very short time frames defined as per Policy pronouncements
- c. Delays causing incalculable losses in :-
 - i. Time and therefore business clients / customers who eventually began to source their requirements elsewhere (mainly through imports)
 - ii. Causing very substantial and in many cases irreversible damage to machineries rendering them junk or obsolete
 - iii. Requiring massive reinvestment in machineries due to their ruination
 - iv. Valuable time, growth and overall business opportunities lost for the Company, its promoters and various stakeholders

This emergent situation has effectively put a complete halt to the Company's relentless pursuit of its' business plans and interests in terms of manufacturing of PCBs for the lucrative and growing domestic market, as also the interests of all its stake holders. Needless to mention, the Company had otherwise paid all other liabilities to its secured creditors and had emerged strongly as a zero debt Company, with only some unsecured debt outstanding to promoters, which the promoters have from time to time been re-investing in the Company and it's business.

The Management as a consequence of these developments strongly believes that the reasons for its current predicament and recent negative results has been almost entirely due to Central and State Government departments and institutions' acts of omission and commission, delays, and administrative dysfunctionality. There is an unmistakable and gaping, wide disparity between Policy pronouncements by Governmental authorities and their implementation. Furthermore, policy initiatives and fresh so called "reforms" have a strong bias towards large business enterprises, consolidation of businesses into large conglomerates, or in favour of MNCs with large capital access, especially in consumer retail. Scope for SME growth is quickly vanishing, as is for capital goods, components, high tech etc. Existing companies are not expanding their operations. New domestic investment is not forthcoming.

In view of these clear emergent trend scenarios, Management feels that the Company needs to re-evaluate its business plans and accordingly focus on businesses with minimal governmental interface / approvals. Furthermore, the Company's management does not perceive future opportunities in areas such as manufacturing which per force shall be relegated to low priority due mainly to disincentives for SMEs, rising cost of "skilled" labour, very poor quality of skill sets available in the existing labour force, and in general higher input taxation via GST and costs, apart from and including certain provisions of the revised Company laws effective 2013 onwards which entail much higher compliance costs which do not necessarily enhance corporate governance.



The world at large sees India more in terms of its potential as a large consumer market with interesting demographics which could sustain high demand for consumer goods and services. Most MNCs see India in terms of their direct sales as opposed to “make in India”, for reasons enumerated above. In fact, PCB manufacturing has now been downgraded by Indian PCB companies existing to mainly Single-sided production, which is the lowest technology and profitability segment with little or insignificant demand outside of India. Worldwide focus is on Multilayer PCBs (which your Company excelled in) and newer technologies such as additive processes including 3D manufacturing. Higher technology products / PCBs are being imported, largely from China, and in some areas such as aerospace and defence production, from European sources. Indian labour skills and technology levels do not meet standards required to manufacture these locally. The prognosis / outlook for the domestic PCB industry as per current trends looks static at best.

The Company Management has taken all these information and trends into consideration in devising its future course, while maintaining the central focus of the stakeholders' interests. The management believes that the future plans being so considered factoring the above inputs would lead to substantial growth of the Company and it's stakeholders net worth looking forward.

The Company very shortly plans to announce its revised business plan and strategy upon conclusion of existing litigation imposed on the Company by Central and the State Government departments including CESTAT. It is pertinent to note that the Company has identified business areas in terms of the emergent business and political environment determining future trends, and in terms of areas of its core competence in electronics and related fields. The Management is confident that it shall soon position the Company towards profitability with its current resources.

Declaration by the CEO/MD affirmation for compliances with the code of Conduct-

I, Rajeev Bali, Managing Director certify that-

- a) I have reviewed the financial statements including the Cash Flow statement for the year ended 31st March 2018, and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2018 are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal control, if any, of which I am aware have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
 - a) There has not been any significant change in internal control over financial reporting during the year under reference;
 - b) The changes in the Significant Accounting Policies from the adoption of Indian Accounting Standards have been discussed with the Auditors and approved by the Audit Committee;
 - c) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having significant role in the Company's Internal control system over financial reporting.

Place: New Delhi
Date: 13.08.2018

Sd/ -
RAJEEV BALI
(Managing Director & Compliance officer)
DIN: 00772978



INDEPENDENT AUDITORS' REPORT

To The Members of

INTEGRATED TECHNOLOGIES LIMITED **Report on the Financial Statements**

We have audited the accompanying financial statements of **INTEGRATED TECHNOLOGIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, 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 (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.



Emphasis of Matter

We draw attention:

- (a) That no provision has been made in respect of disputed Custom & Central Excise duty of Rs. 5,262,304 which has been shown as a contingent liability (refer note no. 15 read with note no. 13(a).
- (b) That no provision has been made in respect of a sum of Rs. 8,423,135 payable to HARTRON (Haryana State Electronic Development Corporation) with interest @ 9% p.a. w.e.f. 01.11.2000 which has been shown as a contingent liability (refer note no. 17 read with note no. 13(c).

Our Opinion is not qualified / modified in respect of these matters.

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 - A, a statement on the matters specified in the paragraph 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 including Other Comprehensive Income, 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under;
 - e. On the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms 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; and
 - 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 has disclosed the impact of pending litigations on its financial position in its financial statements – refer note no. 13, 15, 16 & 17 to the 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 S.K. Mittal & Co.
Chartered Accountants
[FRN: 001135N]

(K. S. Mittal)
Partner
[Membership No. 010633]

Place : New Delhi
Dated : 30.05.2018



ANNEXURE -A TO THE AUDITOR'S REPORT

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018, we report that:

- i.
 - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets of the company have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification.
 - c) The Company has no immovable property and accordingly, provision of paragraph i(c) of the Order is not applicable to the Company.
- ii. The Company has no Inventory and accordingly provision of paragraph 3 (ii) of the Order is not applicable.
- iii. In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the Company.
- v. In our opinion and according to information and explanations given to us, the company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 framed there under. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. To the best of our knowledge and as explained to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013.
- vii.
 - a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues. According to information and explanations given to us, no undisputed amounts payable in respect of statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable except income tax dues of Rs. 2,000,000 for the assessment years 1995-96 to 1997-98.
 - b) The disputed outstanding statutory dues are as under as per information and explanations given to us and records provided for our examination:

| Name of Statute | Nature of dues | Amount (Rs) | Period to which the amount relates | Forum where dispute is pending |
|-----------------------------|--|--------------|------------------------------------|--|
| The Central Excise Act,1944 | Excise & Custom duty foregone on the imported/indigenous raw materials & capital goods | 52,62,304/- | 1995-96 to 2010-11 | Custom Excise & Service Tax Appellate Tribunal |
| Income Tax Act,1961 | Interest | 19, 32,005/- | A.Y. 1995-96 to 1997-98 | CBDT |

- viii) In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank, Government or to debenture holders.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, provision of paragraph 3 (ix) of the Order is not applicable.
- x. According to information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- xi.** According to information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided any managerial remuneration. Accordingly, provision of paragraph 3 (xi) of the Order is not applicable.
- xii.** In our opinion and according to information and explanations given to us, the Company is not a nidhi Company. Accordingly, provision of paragraph 3 (xii) of the Order is not applicable.
- xiii.** According to 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 Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.** According to information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv.** According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Accordingly, provision of paragraph 3 (xv) of the Order is not applicable.
- xvi.** The Company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.

For S.K. Mittal & Co.
Chartered Accountants
[FRN: 001135N]

(K. S. Mittal)
Partner
[Membership No. 010633]

Place : New Delhi
Dated : 30.05.2018



ANNEXURE – B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **INTEGRATED TECHNOLOGIES Limited** (“the Company”) as of 31 March 2018 in conjunction with our audit of the 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 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 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.

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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain 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 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 Company's 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 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 (3) 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the 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 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 31 March 2018, 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 Accountants of India.

For S.K. Mittal & Co.
Chartered Accountants
[FRN: 001135N]

(K. S. Mittal)
Partner
[Membership No. 010633]

Place : New Delhi
Dated : 30.05.2018



BALANCE SHEET AS AT 31ST MARCH 2018

(Rs.)

| Particulars | Note No. | As at 31 March 2018 | As at 31 March 2017 | As at 01 April 2016 |
|---------------------------------------|----------|---------------------|---------------------|---------------------|
| ASSETS | | | | |
| Non Current Assets | | | | |
| Property, Plant and Equipment | 1 | 32,946 | 49,492 | 4,976,213 |
| Deferred Tax Assets (net) | | 47,007,270 | 55,682,139 | 53,975,421 |
| | | 47,040,216 | 55,731,631 | 58,951,634 |
| Current Assets | | | | |
| Inventories | 2 | - | - | 799,820 |
| Trade Receivables | 3 | - | - | 107,931 |
| Cash and Cash Equivalents | 4 | 857,259 | 1,741,791 | 787,176 |
| Other Current Assets | 5 | 642,096 | 589,664 | 524,852 |
| | | 1,499,355 | 2,331,455 | 2,219,779 |
| | | 48,539,571 | 58,063,086 | 61,171,413 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share Capital | 6 | 48,265,550 | 48,265,550 | 48,265,550 |
| Other Equity | 7 | (50,578,281) | (41,133,587) | (38,383,844) |
| | | (2,312,731) | 7,131,963 | 9,881,706 |
| Non Current Liabilities | | | | |
| Loans & Advances from Related Parties | 8 | 46,839,945 | 46,839,945 | 47,039,945 |
| Current Liabilities | | | | |
| Trade Payables | | 1,904,054 | 1,950,132 | 2,027,921 |
| Other Current Liabilities | 9 | 2,108,303 | 2,141,046 | 2,221,841 |
| | | 4,012,357 | 4,091,178 | 4,249,762 |
| | | 48,539,571 | 58,063,086 | 61,171,413 |

Significant Accounting Policies

The accompanying Notes form an integral part of the financial statements 1 to 25.

As per our report of even date
For S.K. Mittal & Co.

Chartered Accountants
FRN : 001135N

For and on behalf of the Board

K.S. Mittal
Partner
M.No. 010633

Amit Seth
Director
DIN: 02768012

Rajeev Bali
Managing Director
DIN: 00772978

Place: New Delhi
Dated: 30-05-2018



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs.)

| Particulars | Note No. | 2017-18 | 2016-17 |
|---|-------------|---------------------------|---------------------------|
| Revenue from Operations | | - | - |
| Other Income | 10 | 58,822 | 284,181 |
| Total Income | | <u>58,822</u> | <u>284,181</u> |
| Expenses | | | |
| Employee Benefits Expense | 11 | 25,200 | 22,816 |
| Depreciation and Amortization Expense | 1 | 16,546 | 2,758 |
| Other Expenses | 12 | 786,901 | 4,715,068 |
| Total Expenses | | <u>828,647</u> | <u>4,740,642</u> |
| Profit/(Loss) before Tax | | (769,825) | (4,456,461) |
| Tax Expenses | | | |
| Current Tax | | - | - |
| Deferred Tax Asset | | (8,674,869) | 1,706,718 |
| Profit/(Loss) after Tax | | (9,444,694) | (2,749,743) |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income/(Loss) | | <u>(9,444,694)</u> | <u>(2,749,743)</u> |
| Earnings per Equity share of Rs. 10 each | | | |
| Basic | | (1.98) | (0.58) |
| Diluted | | (1.98) | (0.58) |

Significant Accounting Policies

The accompanying Notes form an integral part of the financial statements 1 to 25.

**As per our report of even date
For S.K. Mittal & Co.**

Chartered Accountants
FRN : 001135N

For and on behalf of the Board

K.S. Mittal
Partner
M.No. 010633

Amit Seth
Director
DIN: 02768012

Rajeev Bali
Managing Director
DIN: 00772978

**Place: New Delhi
Dated: 30-05-2018**



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

(Rs.)

| Particulars | 2017-18 | 2016-17 |
|--|-----------------------|-------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before Tax as per statement of Profit and Loss | (769,825) | (4,456,461) |
| <u>Adjustment :</u> | | |
| Depreciation & Amortization Expenses | 16,546 | 2,758 |
| Add: Loss on Sale of Fixed Assets | | 3,059,338 |
| Operating Profit/(Loss) before Working Capital Changes | <u>(753,279)</u> | <u>(1,394,365)</u> |
| Adjustments For: | | |
| Increase/ (Decrease) in Current Liabilities | (78,821) | (158,584) |
| Increase/ (Decrease) in Current Assets | (52,432) | 842,939 |
| Cash Generated from operations | | (710,010) |
| Less: Taxes Paid | | - |
| NET CASH FROM OPERATING ACTIVITIES | <u>(884,532)</u> | <u>(710,010)</u> |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Sale of Fixed Assets | - | 1,916,875 |
| Purchase of Fixed Assets | - | (52,250) |
| NET CASH FROM INVESTING ACTIVITIES | <u>-</u> | <u>1,864,625</u> |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Loans | - | (200,000) |
| NET CASH FROM FINANCING ACTIVITIES | <u>-</u> | <u>(200,000)</u> |
| NET CASH INCREASE/(DECREASE) (A+B+C) | <u>(884,532)</u> | <u>954,615</u> |
| CASH AND CASH EQUIVALENTS OPENING BALANCE | 1,741,791 | 787,176 |
| CASH AND CASH EQUIVALENTS CLOSING BALANCE | <u>857,259</u> | <u>1,741,791</u> |

As per our report of even date
For S.K. Mittal & Co.

Chartered Accountants
FRN : 001135N

For and on behalf of the Board

K.S. Mittal
Partner
M.No. 010633

Amit Seth
Director
DIN: 02768012

Rajeev Bali
Managing Director
DIN: 00772978

Place: New Delhi
Dated: 30-05-2018



NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(Rs.)

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 01 April 2016 |
|--|---------------------------|---------------------------|---------------------------|
| 2. Inventories | | | |
| (As taken, valued and certified by the management) | | | |
| Scrap Materials | - | - | 799,820 |
| | <u>-</u> | <u>-</u> | <u>799,820</u> |
| 3. Trade Receivables | | | |
| (Unsecured, considered good) | | | |
| Exceeding six months from due date | - | - | 107,931 |
| Others | - | - | - |
| | <u>-</u> | <u>-</u> | <u>107,931</u> |
| 4. Cash and Cash Equivalents | | | |
| Current Account with SBI | 64,304 | 949,836 | 53 |
| Term Deposit with SBI* | 774,500 | 774,500 | 774,228 |
| Cash on hand | 18,455 | 17,455 | 12,895 |
| | <u>857,259</u> | <u>1,741,791</u> | <u>787,176</u> |
| * under lien with SBI for a Bank Guarantee for Rs. 4.5 lacs given to Excise Dept and is for a period exceeding 12months. | | | |
| 5. Other Current Assets | | | |
| (Unsecured, considered good) | | | |
| Advances recoverable in cash or kind or for value to be received | 536,843 | 537,350 | 524,852 |
| Interest accrued on Term Deposit | 105,253 | 52,314 | - |
| | <u>642,096</u> | <u>589,664</u> | <u>524,852</u> |
| 6. Equity Share Capital | | | |
| Authorised Capital | | | |
| 18,000,000 Equity Shares of Rs. 10 each | 180,000,000 | 180,000,000 | 180,000,000 |
| Issued Capital | | | |
| 11,110,000 Equity Shares of Rs. 10 each | 111,100,000 | 111,100,000 | 111,100,000 |
| Subscribed and Paid-up Capital | | | |
| 4,781,510 Equity Shares of Rs. 10 each fully paid up | 47,815,100 | 47,815,100 | 47,815,100 |
| Add: Shares Forfeited | 450,450 | 450,450 | 450,450 |
| | <u>48,265,550</u> | <u>48,265,550</u> | <u>48,265,550</u> |



Reconciliation of Shares Outstanding

| Particulars | As at 31.03.2018 | | As at 31.03.2017 | | As at 01.04.2016 | |
|------------------------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| | Nos | Amt (Rs) | Nos | Amt (Rs) | Nos | Amt (Rs) |
| Opening Share Capital | 4,781,510 | 47,815,100 | 4,781,510 | 47,815,100 | 4,781,510 | 47,815,100 |
| Add: Shares issued During the year | - | - | - | - | - | - |
| Add: Rights/Bonus Shares Issued | - | - | - | - | - | - |
| Total | 4,781,510 | 47,815,100 | 4,781,510 | 47,815,100 | 4,781,510 | 47,815,100 |
| Less: Buy back of Shares | - | - | - | - | - | - |
| Less Reduction in Capital | - | - | - | - | - | - |
| Closing Share Capital | 4,781,510 | 47,815,100 | 4,781,510 | 47,815,100 | 4,781,510 | 47,815,100 |

Details of Shareholders holding more than 5 percent shares

| Name Of Shareholder | No. of Shares held | Percentage of Shareholding | No. of Shares held | Percentage of Shareholding | No. of Shares held | Percentage of Shareholding |
|--------------------------------|--------------------|----------------------------|--------------------|----------------------------|--------------------|----------------------------|
| Bubble Soft Solutions Pvt Ltd. | 3,111,600 | 65.08 | 3,111,600 | 65.08 | 3,111,600 | 65.08 |
| Rajeev Bali | 272,950 | 5.71 | 272,950 | 5.71 | 272,950 | 5.71 |
| Total | 3,384,550 | 70.79 | 3,384,550 | 70.79 | 3,384,550 | 70.79 |

| Particulars | As at 31 March 2018 | As at 31 March 2017 | As at 01 April 2016 |
|---|---------------------------|---------------------------|---------------------------|
| 7. Other Equity | | | |
| Retained Earnings | | | |
| Opening balance | (41,133,587) | (38,383,844) | (37,121,674) |
| Add: Comprehensive income/(loss) for the year | (9,444,694) | (2,749,743) | (1,262,170) |
| Less: Appropriation | - | - | - |
| Dividend Paid | - | - | - |
| Dividend Distribution tax Paid | - | - | - |
| | (50,578,281) | (41,133,587) | (38,383,844) |
| 8. Loans & Advances from Related Parties | | | |
| (Non Current, unsecured) | | | |
| Mr. Rajeev Bali, Director | 46,839,945 | 46,839,945 | 47,039,945 |
| | 46,839,945 | 46,839,945 | 47,039,945 |
| 9. Other Current Liabilities | | | |
| Expenses Payable | 98,375 | 93,681 | 217,241 |
| Duties and Taxes Payable | 2,009,928 | 2,047,365 | 2,004,600 |
| | 2,108,303 | 2,141,046 | 2,221,841 |



| Particulars | 2017-18 | 2016-17 |
|---|----------------|------------------|
| 10. Other Income | | |
| Interest from SBI on Term Deposit | 58,822 | 57,856 |
| Credit balances written back | - | 226,325 |
| | <u>58,822</u> | <u>284,181</u> |
| 11. Employee Benefits Expense | | |
| Salary to Staff | 24,000 | 13,061 |
| PF Administration Charges | 1,200 | 1,200 |
| Other Welfare Expenses | - | 8,555 |
| | <u>25,200</u> | <u>22,816</u> |
| 12. Other Expenses | | |
| Audit Fee | 45,000 | 51,750 |
| Bad & Doubtful Debts | - | 107,931 |
| Fee & Subscription | 49,476 | 50,699 |
| Postage & Courier Expenses | 82,978 | 95,499 |
| Telephone Expenses | 6,239 | 5,520 |
| Legal & Professional Charges | 232,456 | 231,892 |
| Printing & Stationery | 33,764 | 17,360 |
| Advertisement | 44,603 | 29,408 |
| Listing Fee | 289,860 | 229,000 |
| Office Maintenance | - | 29,385 |
| Bank Charges | 884 | 7,466 |
| Interest etc on late deposit of TDS | 1,641 | - |
| Discarded Inventory (Scrap) written off | - | 799,820 |
| Loss on Sale of Fixed Assets (Scrap) | - | 3,059,338 |
| | <u>786,901</u> | <u>4,715,068</u> |

| 13. Contingent Liabilities | 31.03.2018 Rs. | 31.03.2017 Rs. |
|--|-------------------|-------------------|
| In respect of demand from various government authorities regarding following dues: | | |
| a) Disputed custom & central excise duty (refer other note no. 15) | 5,262,304 | 5,262,304 |
| b) Income Tax interest demand for AY 1995-96 to 1997-98 (refer other note no. 16) | 1,932,005 | 1,932,005 |
| c) Amount Payable to Haryana State Electronic Development Corp.(HARTRON) for buyback of equity shares in terms of Arbitral award. Simple Interest @ 9% p.a. to be paid in addition w.e.f. 01.11.2000. (Refer other note no.17) | 8,423,135 | 8,423,135 |
| d) Bank Guarantee given to Central Excise & Customs, Gurugram. | 774,500 | 774,500 |

14. Changes in Capital during the year 2008-09

As per rehabilitation scheme (SS-08) for revival of the company sanctioned by Board for Industrial Financial Reconstruction (BIFR), the company restructured its share capital in the year 2008-2009 as under:



- a) Reduction in paid up equity share capital by 90% as result of which paid up value of one equity share was reduced from Rs 10 to Re. 1.

Further to above, 10 equity shares of Re 1 each were consolidated to one equity share of Rs 10 each, resulting in reduction of 10,318,100 equity shares to 1,031,810 equity shares.

- b) Preferential issue to strategic investor and promoters of 3,111,600 equity shares and 638,100 equity shares respectively.

15. The Development Commissioner of Noida Special Economic Zone (NSEZ) vide the department letter no. F.No. 01/07/92-100% EOU/6325 dated 01.07.2016 has allowed the Company final de-bonding of the Unit and exit from the 100% EOU Scheme.

In the opinion of the management an advance deposit of Rs. 395,000 made with the department in earlier years would now be refunded back together with the a bank guarantee for Rs. 774,500 given by the Company in favour of The Assistant Commissioner, Central Excise and Customs, Gurgoan and that their demand of Rs. 5,262,304 to be paid along with interest vide an order no. 57/SA/CCE/2014 dated 21.05.2014 passed by the Commissioner of Central Excise, Gurgoan would be quashed by Hon'ble Custom, Excise and Service Tax Appellate Tribunal (CESTAT) which is presently disputed in the appeal by both the parties.

16. Income Tax dues for assessment year 1995-96 to 1997-98 are of Rs 3,932,005 as per the orders of ITAT/ Honorable Delhi High Court against which liability for Rs 2,000,000 has been accounted for as per BIFR rehabilitation Sanction Scheme dated 27th March, 2008 and for the remaining sum of Rs 1,932,005 which is on account of interest, waiver has been sought from CBDT.

17. Haryana State Electronic Development Corporation (HARTRON) has invested Rs 4,400,000 as per Assisted Sector Agreement dated 5th June, 1991 by way of equity of Integrated Technologies Limited with the condition that the company will buy back this equity after expiry of 5 years from the date of commercial production or at the expiry of 7 years; whichever is earlier.

The Arbitrator had passed the Arbitral Award dated 25th April, 2003 in favour of HARTRON and determined payable amount Rs 8,423,135 with interest @12% p.a. w.e.f 1.11.2000. Award was challenge by the company in District Court which was dismissed. In the company's further appeal (FAO 1197 of 2009) to Honorable High Court, Chandigarh, the payment to HARTRON was upheld but at a reduced interest rate of 9% p.a. w.e.f 1.11.2000.

The company's special leave petition to Honorable Supreme Court against the above judgment dated 18.05.2011 of Honorable High Court; Chandigarh has been dismissed on 25.11.2011.

The company is hopeful of a favorable settlement of the issue of which the amount presently is not ascertainable and accordingly, it has been shown a contingent liability.

18. There is no taxable profit for current year and therefore, no provision for income tax has been made.
19. No amount is payable to small scale industrial undertakings under MSMED Act, as per information available with the Company.
20. In the opinion of the management, current assets shall have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

21. Deferred Tax Assets (DTA)

DTA has been recognized as under:

| Particulars | 2017-18 (Rs.) | 2016-17 (Rs.) |
|--|------------------|------------------|
| Depreciation | (4,716) | (3,858) |
| Carried forward losses and unabsorbed depreciation | 47,011,986 | 55,685,997 |
| DTA | 47,007,270 | 55,682,139 |

22. Related Party Disclosure

In compliance of Ind AS -24, the related parties where control exists or where significant influence exists and with whom transactions have taken place are as under:



(a) Key Management Personnel:

Mr. Rajeev Bali: Managing Director

(b) Detail of Transactions:

| Nature of Transaction | Key Management Personnel | Relative of Key Management Personnel | Enterprise over which related person is able to exercise influence | Opening balance as at 01.04.2017 (Rs) | Volume Of transaction during the year (Cr) (Rs) | Volume transaction During the year (Dr) (Rs) | Closing balance as at 31.03.2018 (Rs) |
|-----------------------|--------------------------|--------------------------------------|--|---------------------------------------|---|--|---------------------------------------|
| Unsecured Loan taken | Mr. Rajeev Bali | - | - | 46,839,945 | - | - | 46,839,945 |
| | | | | (47,039,945) | - | (200,000) | (46,839,945) |

Note: Figures in bracket () are of previous year.

23. Earnings Per share (Basic and Diluted)

| | 2017-18 (Rs.) | 2016-17 (Rs.) |
|--|------------------|------------------|
| (a) Profit/(loss) for the year | (9,444,694) | (2,749,743) |
| (b) Total Number of Equity Shares Outstanding at the end of the year | 4,781,510 | 4,781,510 |
| (c) Basic & Diluted earnings per share | (1.98) | (0.58) |

24. Segment Reporting

Not applicable.

25. Figures for the previous year have been regrouped / rearranged wherever considered necessary.



Statement of changes in Equity for the Year ended 31st March 2018

A. Equity Share Capital

(Rs.)

| Balance as at 01 April 2016 | Changes in equity share capital during the Financial Year 2016-17 | Balance as at 31 March 2017 | Changes in equity share capital during the Financial Year 2017-18 | Balance as at 31 March 2018 |
|-----------------------------|---|-----------------------------|---|-----------------------------|
| 48,265,550 | - | 48,265,550 | - | 48,265,550 |

B. Other Equity

(Rs.)

| | Share application money pending allotment | Reserves and surplus | | Total |
|--|---|----------------------|----------------------------|--------------|
| | | Retained earnings | Other comprehensive income | |
| Balance as at 01 April 2016 | - | (38,383,844) | - | (38,383,844) |
| Profit for the year | | (2,749,743) | - | (2,749,743) |
| Share application money received during the year | - | - | - | - |
| Balance as at 31 March 2017 | - | (41,133,587) | - | (41,133,587) |
| Profit for the year | | (9,444,694) | - | (9,444,694) |
| Share issued during the year | - | - | - | - |
| Less: Dividend Paid | - | - | | - |
| Less: DDT thereon | - | - | | - |
| Balance as at 31 March 2018 | - | (50,578,281) | - | (50,578,281) |

As per our report of even date

For S.K. Mittal & Co.

Chartered Accountants

FRN : 001135N

For and on behalf of the Board

K.S. Mittal

Partner

M.No. 010633

Amit Seth

Director

DIN: 02768012

Rajeev Bali

Managing Director

DIN: 00772978

Place: New Delhi

Dated: 30-05-2018



NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS

1. Propert, Plant and Equipment

(Rs.)

| Tangible Assets | Plant & Machinery | Plant Air-conditioning | Computers | Furniture & Fixtures | Office Equipment | Total |
|------------------------------|-------------------|------------------------|-----------|----------------------|------------------|-------------|
| Gross carrying amount | | | | | | |
| Balance at 01 April 2016 | 157,292,599 | 8,718,505 | 1,931,245 | 942,163 | 1,485,793 | 170,370,305 |
| Additions | - | - | 52,250 | - | - | 52,250 |
| Disposals | 157,292,599 | 8,718,505 | 1,931,245 | 942,163 | 1,485,793 | 170,370,305 |
| At 31 March 2017 | - | - | 52,250 | - | - | 52,250 |
| Additions | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - |
| At 31 March 2018 | - | - | 52,250 | - | - | 52,250 |

| Depreciation and impairment | | | | | | |
|-----------------------------|-------------|-----------|-----------|---------|-----------|-------------|
| At 01 April 2016 | 152,857,534 | 8,282,580 | 1,929,700 | 900,046 | 1,424,232 | 165,394,092 |
| Depreciation for the year | - | - | 2,758 | - | - | 2,758 |
| Impairment | - | - | - | - | - | - |
| Disposal | 152,857,534 | 8,282,580 | 1,929,700 | 900,046 | 1,424,232 | 165,394,092 |
| At 31 March 2017 | - | - | 2,758 | - | - | 2,758 |
| Depreciation for the year | - | - | 16,546 | - | - | 16,546 |
| Impairment losses | - | - | - | - | - | - |
| Disposal | - | - | - | - | - | - |
| At 31 March 2018 | - | - | 19,304 | - | - | 19,304 |

| Net carrying amount | | | | | | |
|---------------------|-----------|---------|--------|--------|--------|-----------|
| At 01 April 2016 | 4,435,065 | 435,925 | 1,545 | 42,117 | 61,561 | 4,976,213 |
| At 31 March 2017 | - | - | 49,492 | - | - | 49,492 |
| At 31 March 2018 | - | - | 32,946 | - | - | 32,946 |



NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

A. CORPORATE INFORMATION

INTEGRATED TECHNOLOGIES LIMITED (“the Company”) is a listed entity incorporated in India with registered office in New Delhi.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first, the Company has prepared in accordance with Ind AS. The financial statements have been prepared on a historical cost basis except for certain assets and liabilities which have been measured at fair value or revalued amount. The fact is disclosed in the relevant accounting policy. The financial statements are presented in Indian Rupees (‘INR’) and the values are rounded to the nearest rupee.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost, directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on property, plant and equipment is provided using straight line method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

c. Inventories

Inventories are measured as under on the basis of first-in first-out principle and include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition:

| | | |
|--|---|------------------------------------|
| - Finished Goods | : | At lower of cost or selling price. |
| - Semi-finished Goods | : | At estimated cost. |
| - Raw Materials, Stores & Spares and Packing Materials | : | At Cost. |
| - Scrap | : | At realizable value. |



d. Impairment of assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

e. Provisions, Contingent liabilities, Contingent assets and Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed by way of notes to accounts. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

f. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or equity. In which case, the tax is also recognized in other comprehensive income or equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

g. Operating Cycle

Based on the nature and activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

h. Foreign Currency transactions and translation

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

At each balance sheet date, foreign currency monetary items (such as Cash, Receivables, Loans, Payables, etc.) are reported using the closing exchange rate.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as gain or loss in the period in which they arise.



Non-monetary items (such as Investments, Fixed Assets, etc.) which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

i. Revenue recognition

Sales are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers. Sales include excise duty but exclude value added tax.

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

Interest income from a financial asset is recognized using effective interest rate method.

Dividend income is recognized when the Company's right to receive the payment has been established.

j. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Classification: The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through statement of profit and loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement: All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Subsequent measurement: For purposes of subsequent measurement financial assets are classified in below categories:

Financial assets carried at amortized cost: A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income: A financial asset is subsequently measured at fair value through other comprehensive income if its held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through statement of profit and loss:** A financial asset which is not classified in any of the above categories are subsequently fair valued through statement of profit and loss.
- **De-recognition:** A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.
- **Investment in subsidiaries, joint ventures and associates:** The Company accounts for its investment in joint ventures at cost.
- **Impairment of financial assets:** The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

ii. Financial liabilities

Classification: The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through statement of profit and loss.



Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement: All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement: The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at amortized cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

- **De-recognition:** A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.
- iii. **Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

k. Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

C. FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 01 April 2017 with comparatives being restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.



ATTENDANCE SLIP

INTEGRATED TECHNOLOGIES LIMITED
[CIN: L31909DL1995PLC277176]

Regd. Office: C-24, Defence Colony, New Delhi-110024
Phone: 011-41552579.

32nd ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the 32nd Annual General Meeting of the Company at C-24, Defence Colony, New Delhi-110024 on Friday, September 28, 2018 at 09.00 a.m.

.....
Member's Folio/DP ID-Client ID No.

.....
Member's/Proxy's name in Block

.....
Member's/Proxy's name in Block

Note:

1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE.
2. Electronic copy of the Annual Report for 2017 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form are being sent to all the members whose email address is registered with the Company/Depository Participant.
3. Physical copy of the Annual Report for 2017 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email address is not registered or have requested for a hard copy.

.....**PROXY FORM**.....

INTEGRATED TECHNOLOGIES LIMITED
[CIN: L31909DL1995PLC277176]

Regd. Office: C-24, Defence Colony, New Delhi-110024
Phone: 011-41552579

| |
|---|
| <p>Name of the member (s):</p> <p>Registered address:</p> <p>E-mail Id:</p> <p>Folio No/ Client Id:</p> <p>DP ID:.....</p> |
|---|

I/We being the member(s) holding Shares of the above named Company 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:.....;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 9.00 a.m. at C-24, Defence Colony, New Delhi-110024 and at any adjournment thereof in respect of such resolutions as are indicated below:



| Resolution No. | Particular of the Resolution | | Optional | |
|--------------------------|------------------------------|--|----------------------------------|-----------------------------------|
| | | | I / we assent to the resolutions | I / we dissent to the resolutions |
| ORDINARY BUSINESS | | | | |
| 1 | Ordinary Resolution | To receive, consider and adopt the Audited Balance Sheet as at 31 st March, 2018 and Profit & Loss Account for the year ended on that date, together with the reports of the Board of Directors and Auditors thereon. | | |
| 2 | Ordinary Resolution | To appoint a Director in place of Rajeev Bali (holding DIN:00772978) who retires by rotation and being eligible, offers himself for re-appointment. | | |
| SPECIAL BUSINESS | | | | |
| 3 | Ordinary Resolution | To approve appointment of Dr. Amit Seth (holding DIN : 02768012) as Ordinary Director not liable to retire by rotation. | | |

Signed this day of 2018

Signature of shareholder

Signature of Proxy holder(s)

| |
|--|
| Affix a 1 Rupee Revenue Stamp |
|--|

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, please refer to the Notice of the 32nd Annual General Meeting.
3. Please complete all details including details of member(s) in above box before submission.



Ballot Form

1. Name of the Shareholder(s)/ Beneficial owner
Including joint holders, if any :
2. Registered address of holder/ First Named
Shareholder :
3. Registered Folio No. / Client ID No. :
4. Number of shares held :
5. I / we hereby exercise my/ our vote in respect of the resolutions to be passed through ballot for the business stated in the Notice of the Company by my /our assent / dissent to the said resolution by placing tick () mark at the appropriate box below:

| Resolution No. | Particular of the Resolution | Optional | | |
|--------------------------|------------------------------|--|-----------------------------------|--|
| | | I / we assent to the resolutions | I / we dissent to the resolutions | |
| ORDINARY BUSINESS | | | | |
| 1 | Ordinary Resolution | To receive, consider and adopt the Audited Balance Sheet as at 31 st March, 2018 and Profit & Loss Account for the year ended on that date, together with the reports of the Board of Directors and Auditors thereon. | | |
| 2 | Ordinary Resolution | To appoint a Director in place of Rajeev Bali (holding DIN:00772978) who retires by rotation and being eligible, offers himself for re-appointment. | | |
| SPECIAL BUSINESS | | | | |
| 3 | Ordinary Resolution | To approve appointment of Dr. Amit Seth (holding DIN : 02768012) as Ordinary Director not liable to retire by rotation. | | |

Date:

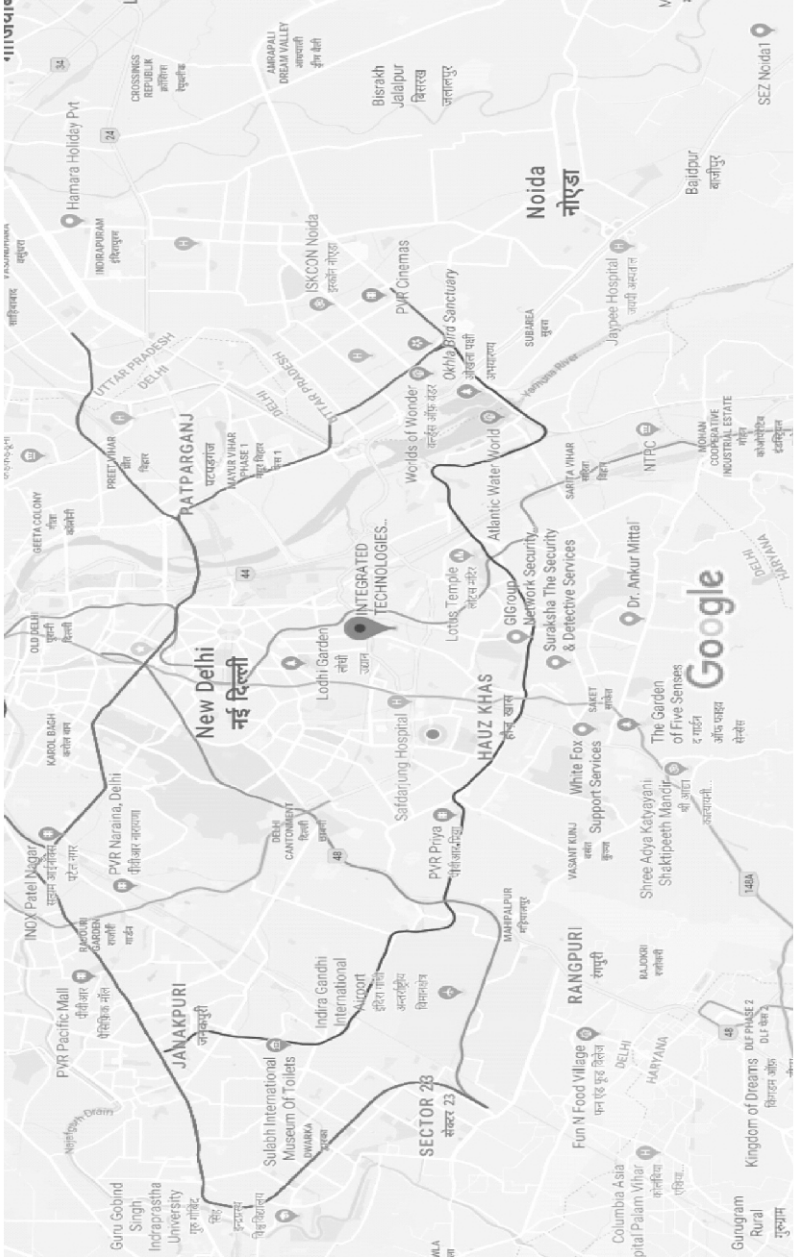
Place:

Holder/ Beneficial Owner

Signature of Share



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