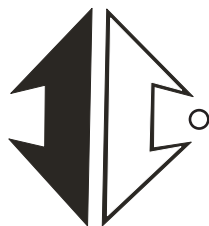


# **27th Annual Report 2012 - 2013**



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**INTEGRATED TECHNOLOGIES LIMITED**

## Board of Directors

Rajeev Bali

K.R.Shivakumar

Devendra Manchanda

Virendra Kashyap

Managing Director

Director

Director

Director

## Secretarial & Compliance Officer

Mr. Sanjeev Kumar

## Auditors Address

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

## Registered Office

Sec.-35, Narsingpur,  
Gurgaon- 122001, Haryana (India)

## Registrars Address

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

## Bankers

State Bank of India  
HDFC Bank

### Index

Notice	1
Directors' Report	3
Report on Corporate Governance	6
Management Discussion & Analysis Statement	11
Auditors Certificate on Report of Corporate Governance	14
Auditors' Report	15
Balance Sheet	19
Profit & Loss	20
Schedules	21
Notes to Accounts	27
Cash Flow Statement	32



## NOTICE FOR TWENTY SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of **INTEGRATED TECHNOLOGIES LIMITED** will be held on 30<sup>th</sup> day of September, 2013 at Sector -35, Narsingpur, Gurgaon-122001, Haryana 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, 2013 and Profit & Loss Account for the year ended on that date, together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Devendra Manchanda who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditor for the Financial year 2013-14 till the conclusion of next Annual General Meeting and to fix their remuneration, M/s S.K. Mittal & Co., the retiring Auditors, being eligible offer themselves for reappointment.

**By Order of the Board of Directors**

**Place : New Delhi**  
**Dated : 02.09.2013**

**Sanjeev Kumar**  
**(Secretarial & Compliance Officer)**

### 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. Statutory Registers under the Companies Act, 1956 is available for the inspection at the Registered Office of the Company during business hours.
4. Corporate members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to bring their admission slips along with copy of the report and accounts to the Annual General Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013(both days inclusive) for the purpose of Annual General Meeting.
7. Members are requested to notify change in address, if any immediately to the Company's Registrars M/s Skyline Financial Services Private Limited.
8. Members who hold shares in dematerialization form are requested to bring their Clint ID and DP ID numbers for easy identification of attendance at the meeting.



9. The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in the Corporate Governance by allowing paperless compliance by Companies vide its Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 stating that the services of the official documents by the companies to its members can be made through electronics mode. Considering the move taken by the MCA as a welcome step for the society at large, the company henceforth proposes to send various notices / documents like Notices of General Meeting, Audited Financial Statements, Auditors Report, Directors Report etc. In electronic form to the e-mail ids available with the company. If you still wish to receive the above documents in physical form, the same be made available upon receipt of a request from you.

All the official documents including Annual Report of the Company, circulated to the Members of the Company through electronic mode will be made available on the Company's website i.e. [www.integratedtech.in](http://www.integratedtech.in) the members holding shares in demat mode may update their email IDs with the respective depository participants to ensure that the Annual Reports and other documents reach them at their preferred –mail IDs and where the shares are held in physical form, please get your email IDs registered or updated in the records of the Company.

**Place : New Delhi**  
**Dated : 02.09.2013**

**Sanjeev Kumar**  
**(Secretarial & Compliance Officer)**



## DIRECTORS' REPORT

Your Directors have pleasure in presenting the **Twenty Seventh Annual Report** together with Audited Accounts of the Company for the year ended 31st March 2013.

### FINANCIAL

(Rs. In Lacs)

Particulars	2012-13	2011-12
Profit before tax	(76.25)	(35.90)
Less : Provision for taxation	26.17	126.93
Profit After tax	(102.42)	91.03
Extraordinary income	203.88	0.00
Profit After Extraordinary income	101.46	0.00
Balance profit from last year	(326.17)	(417.20)
Balance profit carried to balance sheet	(224.71)	(326.17)
Earnings per share (face value Rs. 10/-)		
- Basic and Diluted before extraordinary item (in Rs.)	(2.14)	2.66
- Basic and Diluted after extraordinary item (in Rs.)	2.12	1.90

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

### DIVIDEND

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

### DIRECTORS

It is proposed to re-appoint Mr. Devendra Manchanda, 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.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the Annual Accounts for the financial year ended 31st March, 2013, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors had prepared the accounts for the Financial Year ended 31st March, 2013 on a 'going concern' basis.

### CORPORATE GOVERNANCE-

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Agreement. The report on Corporate Governance along with the Auditor's Certificate as stipulated under Clause 49 of the Listing Agreement along with Management Discussion and Analysis Statement forms part of the Annual Report. The details of the Code of Conduct and CEO/CFO Certification are furnished in Corporate Governance Report.



## AUDIT COMMITTEES

As required under section 292A of the Companies Act, 1956 the Company has constituted an Audit Committee comprising of Mr. Devendra Manchanda, Mr. Rajeev Bali and Mr. Virendra Kashyap. Mr. Devendra Manchanda continues as the Chairman of the Committee. The primary functions of the Committee comprises of reporting on accounting policies and procedures, periodical review of financial results and pointing out major discrepancies, if any, in the results, examining the internal control systems and adequacy thereof. The Committee shall meet as and when required and at least twice in a year.

## AUDITORS & THEIR REPORT

M/s S. K. Mittal and Co., Chartered Accountants retires at the close of this Annual General Meeting and is eligible for re-appointment. The Company has received confirmation from them that their appointment will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board has recommended their re-appointment for FY 2013-14. The necessary resolution is being placed before the shareholders for approval.

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

## FIXED DEPOSITS

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

## FUTURE OUTLOOK

2013 again been a mixed bag, but has nevertheless seen the return to growth in some geographies compared with the preceding years. The US has begun its gradual pullout from Afghanistan and recession, for some time, and is gradually returning to better times and consistent growth, perhaps better than expected and better than most developed nations. Europe has also seen steady growth in the past year. While not substantial, but encouraging especially driven by Germany. Asia on the other hand is not quite on the same page. China is seeing the pressure of rising labour costs, an aging population, tapering of high tech investments which are now more centered around home markets in the developed world. Even "time to market", logistics, freight costs has impacted growth prospects. Industries where labour costs matter of course continue their migration to China and the rest of Asia, the latter also gaining investments due to this factor including Indonesia, Vietnam, and other South Asian countries, whose rising prosperity is also critical for the growth of world markets. As Japan continues to deal with disasters such as Fukushima, among others, and Thailand from the floods, supply chains are relocating and diversifying to avert the impact of the fallout of such events. What we see is a more even distribution of manufacturing worldwide with all aspects of the supply chain being evenly located.

The PCB industry has seen positive growth in 2012 at \$ 60.6 Billion (Source N.T. Information), 4% over US\$ 58.3 Billion in 2011. 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. BPA Technology Consulting projects growth at US\$ 68.5 Billion by 2016, with China still accounting for over 51% 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 accentuate in the past few years.

The Indian PCB market has been growing at a healthy pace, with large investments in the mobile communications, telecom, industrial, consumer electronics, EMS, and automotive industries already made. The growth which was expected to exceed 17% CAGR however, now seems unlikely with a discernable downturn spiral in the Indian economy, driven by a variety of domestic factors. The total market which was approx. US\$ 650 Million has shrunk considerably, as demand for electronics drops, and some companies implement down-sizing strategies or move overseas. Domestic production is close to US\$ 200 Million, with the rest being imported, thereby presenting an opportunity to existing domestic PCB producers. However, with very little or no substantial investments forthcoming, this trend of import of PCBs of all types and materials will continue, and volatility of the Indian Rupee will exacerbate imports and yet cut backs in domestic production.

The Company expected to receive permission to exit from the 100% EOU Scheme for which it had applied well over three years ago and in was forced to suspended production till receipt of the de-bonding permission from the Commerce Ministry (NSEZ). Keeping in view continuing and exceptional delays in the de-bonding process, the Company is contemplating recommencing exports out of lack of choice very soon as a 100% EOU. With the Rupee having depreciated by almost 20% at the time of writing, exports seem to be the logical direction of business, a lucrative option at this time for the short run.



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

### (a) Foreign Exchange Earnings and Outgo:

The information under this head is as follows:

(Rs. In Lacs)

Foreign Currency Earnings	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

### (b) Conservation of Energy and Technology Absorption:

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

### (c) Employees:

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 (as amended), the names and other particulars of the employees drawing remuneration more than Rs. 5,00,000/- per month or Rs. 60,00,000/- per annum are required to be given forming part of the Directors' Report. None of the employees of the company are in receipt of remuneration in excess of the prescribed limit.

### Acknowledgments

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

For and on behalf of the Board of Directors

Place : New Delhi  
Dated : 02.09.2013

Devendra Manchanda  
Director

Rajeev Bali  
Managing Director



## REPORT ON CORPORATE GOVERNANCE

### I. Company's philosophy on code of governance:

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

### II. Composition of Board Of Directors:

#### Composition and category of directors

Name of the Director	Category of Director	Attendance at Last AGM	No. of outside Directorships held	No. of Mtgs. attended	Other Board Committee	
					Member	Chairman
Mr. Rajeev Bali	MD/PG	Yes	-	5	2	-
Mr. K. R. Shivakumar	NED/PG	No	-	-	-	-
Mr. D. Manchanda	NED/ID	Yes	5	5	3	3
Mr. Virendra Kashyap	NED/ID	No	-	--	3	-

#### Meetings of the Board of Directors were held on:

##### Date of Board Meetings

29.06.2012	13.08.2012	26.11.2012	02.01.2013
30.01.2013			

The following Directors were present at the Twenty Sixth Annual General Meeting held on Friday, 28th September 2012:

1. Mr. Rajeev Bali
2. Mr. Devendra Manchanda

None of the Directors on the Board is a member in more than ten committees and / or acts as Chairman of more than five committees across all the companies in which he is a Director.

Brief information on Directors proposed for re-appointment

The brief resume, experience and other details pertaining to the Directors seeking appointment / re-appointment in the ensuing Annual General Meeting, to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, is furnished below:

#### **A Director liable to retire by rotation seeking re-appointment is placed for approval:**

Mr. Devendra Manchanda

Date of Birth: 03.03.1959

Qualification: Chartered Accountant

Professional Expertise: He has more than two decade of experience in the accounting, costing, finance, income tax and the relevant fields. He does not have any material precautionary relationship with the company or any of the Directors, promoters or relative of such Directors of the company and provide independent judgment to the Board of Directors.

**Committee Membership / Chairmanship:** He is member as well as Chairman in three Committees of the Board of Directors.

**Shareholding in the Company:** He does not hold any Equity Shares in the company.





### III. Committees of Board of Directors-

#### 1. Audit Committee:-

Terms of reference of the Audit Committee include the following-

1. To report on any oversight in company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
2. To recommend the appointment and removal of external Auditor, fixation of audit fee and also approval for payment for any other services.
3. To review with management the Annual Financial Statements before submission to the Board, focusing primarily on changes in accounting policies and practices, qualifications in draft audit report, compliance with accounting standards, stock exchange and legal requirements concerning financial statements, significant adjustments arising out of audit, reporting on related party transactions, etc.
4. To review the Company's financial and risk management policies.
5. To look into the reasons for substantial defaults in the payments to creditors.
6. To discuss with external auditors before the audit commences nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
7. To perform such other functions as contained in the Listing Agreement and as may be assigned to him from time to time.

The constitution of the Committee and the attendance of each member of the Committee are given below-

Name	Designation	Category	Meetings Attended	Profession
Mr. D. Manchanda	Chairman	Independent Director	4	Chartered Accountant
Mr. Virendra Kashyap	Member	Independent Director	---	Business
Mr. Rajeev Bali	Member	Executive Director	4	Business

### IV. Remuneration Committee

#### Terms of reference

The Remuneration Committee has been constituted to recommend / review the remuneration package of Managing / Whole Time Directors.

The constitution of the Committee and the attendance of each member of the Committee are given below-

Name	Designation	Category	Meetings Attended	Profession
Mr. D. Manchanda	Chairman	Independent Director	--	Chartered Accountant
Mr. Virendra Kashyap	Member	Independent Director	--	Business
Mr. Rajeev Bali	Member	Executive Director	--	Business

### V. Investors Grievance Committee

#### a. Terms of reference

The Committee has been formed to review the functioning relating to redressal of investors services / grievances and make suggestions for further improving systems, follow up on the implementation of suggestions for improvement, periodically report to the Board about serious concerns, if any, and deal / review other related matters.

#### b. Composition

The Committee comprises 2(Two) Directors and all are Non- Executive Directors. The Committee met 4 times during the year and the attendance of the members at the meeting was as follow:



Name	Designation	Category	Meetings Attended	Profession
Mr. D. Manchanda	Chairman	Independent Director	4	Chartered Accountant
Mr. Virendra Kashyap	Member	Independent Director	4	Business

The Company had 6012 shareholders. During the year under review very few requests/ complaints were received and they were attended/ resolved. Further, no securities were pending for transfer for more than 15 days as on 31-03-2013

#### VI. **General Body Meetings :**

##### **Location, Time & Agenda (Special Resolution if any) of last 3 Annual General Meetings held**

Year.	Date	Time	Venue	Agenda
Twenty Sixth	28 <sup>th</sup> Sept, 2012	9.00 A.M.	Narsingpur, Sector- 35, Gurgaon, Haryana.	No Special Resolution formed part of the business of the Meeting
Twenty Fifth	30 <sup>th</sup> Sept 2011	9.00 A.M.	Narsingpur, Sector- 35, Gurgaon, Haryana.	No Special Resolution formed part of the business of the Meeting
Twenty Fourth	30 <sup>th</sup> Sept 2010	9.00 A.M.	Narsingpur, Sector- 35, Gurgaon, Haryana.	No Special Resolution formed part of the business of the Meeting

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

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

**Postal Ballot- A Special Resolution** was passed on 22<sup>nd</sup> February, 2012 through Postal Ballot, pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, to conduct the following Business

**Special Resolution:** Change of place of the Registered Office from one State to another State.

**And Ordinary Resolution:** Increase in the borrowing powers of the Company as per section 293(1) (d) of the Companies Act.

#### **(a) Scrutinizer**

The Board appointed Mr. Anil Kumar Chaddha, Practicing Company Secretary, as the scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. Mr. Anil Kumar Chaddha conducted the process and submitted his report to the Chairman.

#### **(b) Procedure followed**

- The Postal Ballot notice and other related documents were dispatched to the Members through Book Post.
- A calendar of events along with Board Resolution was submitted with the Registrar of Companies, Delhi and Haryana.
- The result of the Postal Ballot was announced by the Chairman at the Registered Office of the Company.

#### **(c) Details of voting pattern**

After scrutinizing all the postal ballot forms received, the scrutinizer reported that the Members representing 83.18% of the total voting strength voted in favour of the resolution, based on which the result was declared by the Chairman of the Company on 22<sup>nd</sup> February, 2012 and the resolution was carried out with overwhelming majority.

#### **VII. Disclosures:**

- No materially significant related party transactions i.e., transactions of the company of material nature, with its Promoters, Directors or the Management, their Subsidiaries or Relatives, etc. that may have potential conflict with the interests of Company at large have been entered into.
- The Company has not been penalized for any non-compliance and no prosecution is pending against the Company in relation to any matter related to the Capital Markets.