



Regd. Office : Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Kapriwas, Dharuhera, Rewari (Haryana)

NOTICE

Notice is hereby given that the 34th Annual General Meeting of the Company will be held on Wednesday, the 8th day of September, 2010 at 11.00 a.m. at its Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway No.8, Kapriwas, Dharuhera, Rewari (Haryana), to transact the following:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2010 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 Mr. A.N. Mukherjee, who retires by rotation and being eligible, offers himself for re-appointment as a Director.
3. To appoint statutory auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors, M/s O.P. Dadu & Co., Chartered Accountants, New Delhi who retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 for the time being in force (including any modification (s) or re-enactment(s) thereof re-appointment of Shri Mayur Gupta as Managing Director of the Company for a period commencing from 1st October, 2010 and ending on 30th September, 2012 on the terms and conditions mentioned below, be and is hereby approved :-

Basic Pay	: Rs.40,000/- per month.
Dearness Allowance	: Rs.20,000/- per month
Other Allowances	: Rs.15,000/- per month

PERQUISITES

PART - A

- a) Medical Benefit for self and family Reimbursement of medical expenses actually incurred by the Managing Director and his family subject to the ceiling of Rs.15,000/- per annum.
- b) Leave Travel Allowance Expenses incurred by the Managing Director and his family subject to the ceiling of one month's basic pay in a year.
- c) Company's Chauffeur driven Car All the expenses incurred by the Managing Director in connection with the running and maintenance of a car for the purposes of business of the company will be borne by the company.
- d) Telephone Free use of one telephone.

PART - B

I. Earned Leave

One month's leave with full pay and allowance as per the rules of the Company for every 11 months of service. However, leave accumulated and not availed of during his tenure as Managing Director will be allowed to be encashed as per rules of the Company.

II. Reimbursement of Expenses

The Managing Director shall also be entitled to reimbursement of reasonable entertainment expenses actually and properly incurred for the purposes of business of the Company.

OTHER CONDITIONS

If during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate in any financial year, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of the Part - II of Schedule-XIII of the Companies Act, 1956.

Place: New Delhi
Dated: 31st May, 2010

By Order of the Board
R.K. Sapra
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. FORM OF PROXY IS SEPARATELY ANNEXED. THE PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members/ and Share Transfer Books of the Company will remain closed from 30th August, 2010 to 8th September, 2010 (both days inclusive).
3. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be transacted at the meeting is annexed hereto.



4. Members/ Proxies should bring the attendance slip duly filled in along with copy of Annual Report for attending the meeting.
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holders who is higher in the order of names will be entitled to vote.
8. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agent quoting their Folio Number to the following address:

MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area Phase-II, New Delhi-110020

9. Members who have multiple ledger folios in identical means or joint names in same order are requested to intimate/ send the concerned share certificates quoting their folios of such accounts to enable the Registrar & Transfer Agent to consolidate all such shareholdings into one folio.
10. Members intending to seek any information on the Annual Accounts at the meeting are requested to inform the company in writing at least one week prior to the date of the meeting.
11. Details of the Directors seeking reappointment at the forthcoming Annual General Meeting (Pursuant to clause 49 of the Listing Agreement):

Name	Shri A.N. Mukherjee
Date of Birth	25th November, 1919
Qualifications	M. Sc.
Expertise in specific functional area	He has held distinguished positions in the Govt. of India. He held the position of Whole Time Director of the Company upto June 1985 and after that he continues as a Non Executive Director of the Company.
Date of appointment as Director of the Company	27th November, 1981
Directorship of other companies	Director, GPC Technology Limited
Chairman/ Member of Committees of other Companies	Member, Audit Committee, GPC Technology Limited

By Order of the Board
R.K. Sapat
Company Secretary

Place: New Delhi
Dated: 31st May, 2010

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 4

Shri Mayur Gupta was initially appointed as Managing Director of the Company with effect from 3rd March, 2006. The period of his appointment has been extended from time to time by the Members. His present tenure of appointment is upto 30th September, 2010.

Shri Mayur Gupta holds a Masters Degree in Business Administration (Management Information System and E-Business) from Bentley College, Boston, USA.

The Board of Directors in its meeting held on 31st May, 2010 considered the reappointment of Shri Mayur Gupta and in view of his educational background and exposure, subject to approval of members, accorded its approval to reappoint him as Managing Director of the Company for a further period of two years w.e.f. 1st October, 2010 and ending on 30th September, 2012, on the same remuneration as approved by the Members at the Annual General Meeting held on 15th September, 2008.

The Board recommends this resolution to the members for their approval.

None of the Directors other than Shri Mayur Gupta, is interested or concerned in this resolution.

By Order of the Board
R.K. Sapat
Company Secretary

Place: New Delhi
Dated: 31st May, 2010

IST LIMITED



DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present their 34th Annual Report together with the Audited Accounts of the Company and the report of the auditors thereon for the year ended 31st March, 2010.

FINANCIAL RESULTS

The turnover of the Company during the year was Rs.1969.43 Lacs as against Rs. 2030.18 Lacs in the previous year. The profit before tax during the year was Rs.281.26 lacs as against Rs. 286.73 Lacs in the previous year. The profit after tax was Rs.176.71 Lacs as against Rs. 173.85 Lacs in the previous year.

The effort by your management towards cost control and diversifying activities of your company continue unabatedly.

DIVIDEND

In order to conserve the resources for the modernization and upgradation of Plant of the Company, your Directors expressed their inability to recommend payment of dividend for the year 2009-2010.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Shri A.N. Mukherjee retires by rotation and is eligible for re-appointment.

The tenure of Shri Mayur Gupta as Managing Director is proposed to be extended for a further period of two years w.e.f. 1st October, 2010.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act 1956, the Directors confirm that, to the best of their knowledge and belief;

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- iii) proper and sufficient care has been taken 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) the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

As per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, a Compliance report on Corporate Governance has been annexed as part of the Annual Report.

PARTICULARS OF EMPLOYEES

There is no employee in the Company drawing remuneration more than the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS

M/s O. P. Dadu & Co., Chartered Accountants, who are auditors of your company retire at the ensuing Annual General Meeting, and being eligible offer themselves for re-appointment.

FIXED DEPOSITS

During the year the Company has not accepted any deposit covered by Companies (Acceptance of Deposit) Rules 1975.

SUBSIDIARY COMPANY

The Accounts of Gurgaon Infospace Limited, Subsidiary of this Company are annexed along with a statement pursuant to Section 212 of the Companies Act, 1956.

LISTING OF SECURITIES

The Equity Shares of the Company continue to be listed on the Stock Exchange, Mumbai and Delhi Stock Exchange Limited and listing fee for the year 2010-11 has been paid to each of the above Stock Exchanges.

DEMATERIALISATION OF SHARES

The Details on Dematerialisation of Equity Shares of the Company are given in the annexed Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

A Report on the Corporate Governance is attached to this Report which inter alia contains details of Audit Committee of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. The information in accordance with the provisions of Section 217(1) (e) of the Companies Act 1956, read with the Companies (Disclosure of Particulars



in the Report of Board of Directors) Rules, 1988 is annexed hereto.

B. FOREIGN EXCHANGE EARNING AND OUTGO

Your Company utilized foreign exchange equivalent to Rs.76.30 lacs for import of raw material and components, stores and spares, capital goods and expense on overseas traveling. The foreign exchange earned by your company was Rs.79.86 lacs in respect of exports made by it.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks and appreciation for the valuable cooperation and continued

Place : New Delhi
Dated : 31st May, 2010

support received from the Government of Haryana and the Company's Bankers – State Bank of India.

Your Directors place on record their thanks to the company's business associates for their excellent effort and support especially under the prevalent stiff market conditions and their continued patronage of the Company's products.

Your Directors also wish to place on record their appreciation for the devoted services of the executive staff and workers of the company at all levels.

For and on behalf of the Board

Air Marshal (Retd.) D. K. K. K.
Chairman

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Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

1	Name of the Subsidiary	Gurgaon Infospace Ltd.
2	Financial year of the Subsidiary ended on	31st March, 2010
3	Shares of the Subsidiary held by the Company on the above date	
	(a) Number of shares	1,00,000
	Face value	Equity shares of Rs. 100/- each
	(b) Extent of holding	100%
4	Net aggregate amount of profits/ (losses) of the Subsidiary for the above financial year so far as they concern members of the company	
	(a) dealt with in the accounts of the Company for the year ended 31st March, 2010	Nil
	(b) not dealt with in the accounts of the company for the year ended 31st March, 2010	Rs. 12,86,45,252/-
5	Net aggregate amount of profits/ (losses) for previous years of the Subsidiary, since it became a subsidiary so far as they concern members of the company	
	(a) dealt with in the accounts of the Company for the year ended 31st March, 2010	Nil
	(b) not dealt with in the accounts of the company for the year ended 31st March, 2010	8,26,31,763/-
6.	Change in the interest of the Company in the subsidiary between the end of the financial year of the subsidiary and that of the company	Nil
7.	Material changes between the end of the financial year of the subsidiary and end of the financial year of the company in respect of the Subsidiary's fixed assets, Investments, lending and borrowing for the purpose other than meeting their current liabilities.	Nil
8.	Remarks	Nil

For and on behalf of the Board

Place : New Delhi
Dated : 31st May, 2010

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

D. Keeloor
Director

Mayur Gupta
Managing Director

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****1. INDUSTRY STRUCTURE AND DEVELOPMENT**

- (a) The Indian auto ancillary industry is one of India's sunrise industries with tremendous growth prospects. This industry is an important segment of the economy as it is the driving engine for many industries and services of any country. The Indian auto industry has tremendous potential and it may emerge as one of the largest in the world.

Presently, India is :

- The largest two-wheeler manufacturer in the world.
- The largest three-wheeler market in the world.
- The second-largest two-wheeler market in the world.
- The fourth - largest commercial vehicle market in the world.

The fortunes of the automotive components segment are linked to the performance of auto industry. The auto ancillary industry gives support to sectors such as metals that includes steel, aluminium, copper and also to many other machine tools, plastics, rubbers, polymers, glass and surface transport etc. As per Indian Suppliers' report, the automotive sector in India contributes to 5% of the nation's GDP and 17% of the indirect taxes. The Government of India charted a 10-year blueprint for the growth of this sector which envisages the automotive sector "output reaching a level of \$145 billion accounting for more than 10% of the GDP" by 2016. This would amount to a quantum jump in contribution to GDP by the auto component industry.

- (b) Information Technology which has emerged as sunrise industry and has been contributing to exports vis-a-vis Indian Economy. Recognizing the contribution of IT Industry to the overall Indian economy, Government of India is promoting infrastructure development for IT/ ITES related projects.

2. OPPORTUNITY AND THREATS

- (a) Your Company is engaged in High Precision Auto Component manufacturing. Its major customers include Maruti Suzuki and Tata-Fiat etc.

Tremendous opportunities for growth in the auto industry are available both in the domestic and overseas markets. The Company has been constantly striving to upgrade manufacturing technology to be able to increase its share with major automobile manufacturing companies.

Some of the Industry specific features witnessed during the last few years are -

- i) Globally the industry is becoming high-tech day-by-day.
- ii) The industry has witnessed an intense competition in the domestic market

- (b) Your Company's wholly owned Subsidiary, namely, Gurgaon Infospace Limited has set up Sector Specific Special Economic Zone for IT/ ITES over an area of 11.58 hectares at Village Dundahera, District Gurgaon, Haryana. First Phase of the SEZ is complete and Second Phase is under development.

Besides the impact caused by recessionary trend prevailing all over the globe, Indian IT Industry is facing threat from the changing US policies which continues to be the major market for the Indian IT Industry. The developed countries, in order to protect jobs back home, are extending veiled protectionism, which is yet another threat looming on the horizon.

3. OUTLOOK

Auto Component Manufacturing sector remain the main stream of your Company. To upgrade the quality of its products in line with the Industry trend, the Company has planned to import New Age CNC machinery to replace the existing machinery in a phased manner. The Company look forward to continuous growth in future.

The IT sector has shown signs of revival and the demand for information by this industry is gradually improving.

The Company look forward for continuous growth driven primarily by the emerging opportunities in these two areas.

4. STATEMENT OF CAUTION

Representations and statements made under 'Management Discussions and Analysis' is based on the projection and expectation on the basis of present market conditions. Actual results may materially differ due to several factors, which could influence the Company's business operations such as demand and supply conditions, prices of input, changes in Government levies and regulations, industrial relation and other economic developments in the country.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has strong internal control systems commensurate with its size, in all financial and functional areas.

6. MATERIAL DEVELOPMENT IN HUMAN RESOURCES INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF EMPLOYEES EMPLOYED.

The company believes that human resources and industrial relations are at the core of its business strategy. Participation at all levels is encouraged through suggestion schemes and other means. Industrial relations continue to be harmonious and positive. As a result, employee motivation is high and turnover low.

The total number of employees as on 31st March 2010 was 436.



CORPORATE GOVERNANCE REPORT

Your Company has been practicing the principle of good Corporate Governance, which comprises all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management.

The details of the Corporate Governance compliance by the Company as per the Clause 49 of the Listing Agreement with Stock Exchanges are as under:-

A. COMPLIANCE OF MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long term corporate goals and enhancing value to stakeholders. In pursuit, your Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and to continuously strive to attain high levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Your Company continues to lay great emphasis on broad principles of Corporate Governance. Your Company, with a view to achieve these objectives, has adopted corporate strategies, prudent business plans and continuous monitoring of performance.

2. BOARD OF DIRECTORS

Composition

The strength of the Board as on March 31, 2010 was 4 Directors including one Non-Executive Chairman and one Managing Director. The rest are Non-Executive Directors. The Board meets the requirement of not less than one-third being independent Directors.

None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 committees of Public Limited Companies.

During the year under review 4 Board meetings were held on 27th June, 2009, 30th July, 2009, 30th October, 2009 and 30th January, 2010.

The Composition of Board of Directors, their shareholding, attendance during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31st March, 2010 are given below:-

Directors	Category	Shares held	Attendance		No. of Directorships and Committee Memberships / Chairmanships in other public Companies		
			Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Shri Mayur Gupta	MD	—	3	Yes	2	2	—
Air Marshal Retd.) D Keelor	C	—	4	Yes	—	—	—
Brig. (Retd.) G S Sawhney	NE*	—	2	Yes	—	—	—
Shri A N Mukherjee	NE*	—	4	Yes	1	1	—

C= Chairman, MD= Managing Director, NE= Non-Executive Director

* Also independent in terms of Provisions of Clause 49(1)(A)(iii)

3. AUDIT COMMITTEE

BROAD TERMS OF REFERENCE

The terms of reference of this Committee covers the matters specified for Audit Committee under clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

The broad terms of reference of Audit Committee include inter-alia the following:-

- Review quarterly and annual financial statements before submission to the Board for approval;
- Discuss with Auditors about Internal Control System and to consider their observations and follow-up;



- Review of risk management policies and practices;
- Ensure compliance of Internal Control System;
- Investigate on any matter referred by the Board;
- Make recommendation to the Board on any matter relating to the financial management of the Company including the Audit Report.

COMPOSITION

The Audit Committee of the Company comprises 3 Directors of which all are independent Non-Executive Directors. All these Directors possess knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an independent Non-executive Director and was present at the last Annual General Meeting of the Company. The Audit Committee meetings are attended by Statutory Auditors, Accounts and Finance heads. The Company Secretary acts as the Secretary to the Audit Committee.

The minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board meeting. During the year under review 4 Audit Committee meetings were held 27th June, 2009, 30th July, 2009, 30th October 2009 and 30th January, 2010. The Composition of Audit Committee and attendance at its meeting is as follows:

Name	Category	No. of Meetings attended
Shri A N Mukherjee	Chairman, Independent, Non-Executive	4
Air Marshal (Retd.) D Keelor	Member, Independent, Non-Executive	4
Brig. (Retd.) G S Sawhney	Member, Independent, Non-Executive	2

4. REMUNERATION TO DIRECTORS

The Company does not have a Remuneration Committee. Detailed terms of appointment of the Managing Director are governed under Board and Members resolutions. None of the Non-Executive Directors draw any remuneration from the Company except sitting fees of Rs. 2,500/- for attending each meeting of the Board of Directors. The details of remuneration paid to the Directors during the Financial year ended 31st March, 2010 are as under:

- a) The details of remuneration paid to Managing Director are as under:-

Name	Salary (in Rs.)	Perquisites (Rs.)	Total (Rs.)
Mr. Mayur Gupta	9,34,615/-	55,000/-	9,89,615/-

The tenure of the appointment of Managing Director is for a period of two years.

- b) The non-Executive Directors are paid by way of sitting fees for each meeting of the Board of Directors. The details of remuneration paid to Non-Executive Directors are as under:

Director	Sitting Fees (Rs.)
Air Marshal (Retd.) D Keelor	10,000
Brig. (Retd.) G S Sawhney	5,000
Shri A N Mukherjee	10,000

Apart from the above remuneration, no Director is entitled for any other benefit, bonus, severance fee or performance linked incentives. The Company has not issued any stock options to its employees or Directors.

5. SHAREHOLDERS/ INVESTORS SHARE TRANSFER CUM GRIEVANCE COMMITTEE FUNCTIONS

The Board has constituted a Committee of three members under the Chairmanship of a Non-executive Director. The Committee generally meets twice in a month, to approve inter-alia, transfer/ transmission of shares, issue of duplicate share certificates and reviews the status of investor's grievances and redressal mechanism. The Committee recommends measures to improve the level of investor services. Details of shares transfers/ transmission approved by the Committee are placed at the Board Meetings from time to time.

COMPOSITION

The constitution of the Committee of Directors is as under:-

Name of the Members	Category
Air Marshal Retd.) D Keelor	Chairman, Non-executive
Brig. (Retd.) G S Sawhney	Member, Independent, Non-executive
Shri Mayur Gupta	Member, Executive

COMPLIANCE OFFICER

The Board designated Shri R.K. Sapra, Company Secretary as Compliance Officer.

DETAILS OF SHAREHOLDER'S COMPLAINTS RECEIVED AND REPLIED TO THE SATISFICATION OF SHAREHOLDERS.

Number of shareholders Complaints received during the period 01.04.2009 to 31.03.2010	10
Number of complaints not solved to the satisfaction of shareholders	NIL
Number of pending complaints as on 31.03.2010, which are solved later on.	NIL

6. GENERAL BODY MEETINGS

(I) Details of the Location of the last three Annual General Meetings:

Financial year	Date	Location of the Meeting	Time
2006-07	28.9.2007	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)	12.00 Noon
2007-08	15.09.2008	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)	11.00 AM
2008-09	04.09.2009	Registered Office at Dharuhera Industrial Complex, Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)	11.00 AM

(II) Special Resolution passed in the previous three AGMs.

- a) In the year 2006-07, following two Special Resolutions were passed through postal ballot:
- To sell, lease or otherwise dispose of the company's assets including land situated at Village Dundaheera, Delhi Gurgaon Road, District Gurgaon (Haryana) and building constructed thereon. The result of which was declared on 16th October, 2006.
 - For shifting of registered office from Village Dundaheera, Delhi Gurgaon Road, Gurgaon (Haryana) to Dharuhera Industrial Complex, Delhi Jaipur Highway No. 8, Village Kapriwas Dharuhera District Rewari (Haryana) - 123110. The result of which was declared on 27th March, 2007.
- In the AGM held on 28.9.2007, no special resolution was transacted.
- (b) The following Special Resolutions were transacted through Postal Ballot during the year 2008-09 -
Enhancement of Corporate Guarantee amount from Rs.1.75 Crore to Rs.8.75 Crore for working capital limit; For Fresh Working Capital Limit (Non fund based) Rs.0.75 Crore; and For term Loan and/or working Capital Limit or any other credit facility Rs.20.00 Crore, in favour of IST Steel & Power Limited.
In the AGM held on 15.09.2008, no special resolution was transacted.
- (c) No special resolution was passed in the year 2008-09 through postal ballot.
In the AGM held on 04.09.2009, no special resolution was transacted.

7. DISCLOSURES

i) **Related Party Transactions**

There have been related party transaction as reflected in notes to the accounts but they are not in conflict with the interest of the Company.

**ii) Accounting Standards**

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India and there has been no deviation during the year.

iii) Details on Non Compliance

There are no instances of non-compliance by the Company on any matter relating to the Capital Markets during the last 3 years.

iv) Declaration by CEO with regard to Code of Conduct

The Managing Director, Mr Mayur Gupta has furnished a declaration affirming compliance of Code of Conduct by the Board of Directors and Senior Management Personnel.

v) CEO certificates

The Managing Director, Mr Mayur Gupta has furnished the required certificate to the Board of Directors pursuant to clause 49 of the Listing Agreement.

8. MEANS OF COMMUNICATION

The Company's financial results are forthwith communicated to all the Stock Exchanges with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are normally published in The Pioneer and Regional Newspaper.

9. GENERAL SHAREHOLDERS INFORMATION**Annual General Meeting**

Day, Date & Time
Venue

Wednesday, the 8th September, 2010 at 11.00 A.M..

Registered Office : Dharuhera Industrial Complex,
Delhi Jaipur Highway no. 8, Kapriwas, Dharuhera, Rewari (Haryana)

Financial year
Book Closure

1st April to 31st March

30th August, 2010 to 8th September, 2010 (both days inclusive)

Financial Calendar (Tentative) :

1st April, 2010 to 31st March, 2011

**Approval and Adoption of
Financial Results for the quarter ended**

Financial reporting (On or before)

30th June, 2010
30th September, 2010
31st December, 2010
31st March, 2011

14th August, 2010
14th November, 2010
14th February, 2011
15th May, 2011 (in case of unaudited financial results)
or 30th May, 2011, in case of Audited Financial Results

Listing on Stock Exchanges:

The Equity shares of the Company are listed on Bombay Stock Exchange Ltd. (Stock Code 508807) and Delhi Stock Exchange Ltd.

Distribution of shareholding as on 31st March, 2010

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	7486	97.461	698305	11.97
501-1000	115	1.497	82105	1.40
1001-2000	46	0.599	64962	1.11
2001-3000	6	0.078	15049	0.25
3001-4000	3	0.039	10828	0.18
4001-5000	3	0.039	13405	0.23
5001-10000	10	0.130	68720	1.17
10001 and above	12	0.156	4877732	83.6
GRAND TOTAL	7681	100.00	5831108	100.00

IST LIMITED



Shareholding pattern as on 31st March, 2010:

CATEGORY	NO. OF SHARES HELD	% OF HOLDING
Promoters	4373752	74.995
Financial Institutions, Mutual funds, Banks	300	0.005
Foreign Institutional Investors	0	0
Private Body Corporates	491871	8.434
Indian Public	959418	16.451
NRIs/ OCBs	3910	0.067
Others	2805	0.048
Grand Total	5832056	100.000

Stock Market Data – Bombay Stock Exchange

The monthly high and low quotations and volume of shares traded on the Bombay Stock Exchange are as under:

Month	High Price	Low Price	No. of Shares Traded
April, 09	85.00	65.20	3,184
May, 09	104.30	66.00	9,280
June, 09	136.50	105.05	2,76,591
July, 09	131.25	102.10	5,140
August, 09	148.35	112.55	6,697
September, 09	137.80	114.10	8,648
October, 09	131.30	99.80	6,593
November, 09	111.45	95.55	4,251
December, 09	114.95	100.05	9,719
January, 10	177.00	110.00	17,122
February, 10	171.40	134.00	8,146
March, 10	173.10	150.00	12,816

Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form. As on 31st March, 2010, 2299845 (39.43) Equity shares of total paid up equity shares were held in Dematerialized form.

NSDL/ CDSL –ISIN : INE684B01011

Outstanding GDR/ Warrants and Convertible Bonds etc.

There is no outstanding GDR/ Warrants and Convertible Bonds etc.

Registrar and Share Transfer Agents

MAS Services Ltd.

T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi-110020.

Phone: 011- 26387281, 26387282, 26387283

Fax: 011-26387384 e-mail: info@masserv.com

Share Transfer System

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within the prescribed time from the date of receipt.

Investor correspondence address

Shareholders correspondence should be addressed to the Registrar and Transfer Agents at the address given below or to the Registered Office/ Corporate Office of the Company.

MAS Services Ltd.

T-34, 2nd Floor, Okhla Industrial Area,
Phase - II, New Delhi-110020.

IST Limited

Registered Office: Dharuhera Industrial Complex
Delhi-Jaipur Highway No. 8, Rewari (Haryana)
Corporate Office: A-23, New Office Complex,
Defence Colony, New Delhi-110024

**AUDITORS' REPORT**

We have examined the compliance of conditions of Corporate Governance by IST Limited for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchange

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders / Investors Grievance Committee.

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

For O.P. DADU & CO
Chartered Accountants
FRN. 0012011

Place : New Delhi
Dated : 31st May, 2010

(O.P. DADU
Partner
Membership No. 1087

AUDITORS' REPORT

TO THE MEMBERS OF M/S. IST LIMITED

We have audited the attached Balance Sheet of M/S. IST LIMITED, as at 31st March, 2010, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956,
- v) In our opinion, and based on information and explanations given to us, none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause(g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
- vi) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, together with Schedules 'A' to 'R' thereto, subject to and in terms of the above and also subject to Note No.1, regarding Accounting Policies, in schedule R of Notes, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010:
 - ii) in the case of the Profit & Loss Account, of the 'Profit' for the year ended on that date and
 - iii) in the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

FOR O.P.DADU & CO.
CHARTERED ACCOUNTANTS

Place : New Delhi
Dated : 31st May, 2010

(O.P.DADU)
Partner
M.No.10871
FRN. 001201N

**ANNEXURE TO THE AUDITORS' REPORT**

In our opinion, and in so far as we have been able to ascertain from the records produced, information furnished and the explanations given to us by the Company

1. a) The Company has maintained proper records showing full particulars including quantitative details of situation of fixed assets.
b) The management has certified that the fixed assets of the Company have been physically verified during the year and that no material discrepancy was noticed between the physical verification and the book records. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of the assets.
c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year, and the going concern status of the Company is not affected.
2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. a) The Company has granted Unsecured Loans/Advances of to one Company covered in the register maintained under section 301 of the Companies Act, 1956 during the year. The maximum balance during the year is Rs.15.00 Lacs and the year end balance is NIL.
b) In our opinion, the terms and conditions on which Unsecured Loans/ Advances have been granted to companies, listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company except the Loans/Advances are interest free.
c) The company has taken Unsecured Loan from two Companies covered in register maintained under section 301 of the Companies Act, 1956 during the year. The Maximum balance is Rs.220.00 Lacs and the year end balance is NIL.
d) In our opinion, the terms and conditions on which Unsecured Loans have been taken by Companies, listed in the register maintained under section 301 of Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company and the Unsecured Loans are interest free.
e) The year end balance of unsecured loan is NIL.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, the transactions made pursuant to contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The company has not accepted any deposit within the meaning of section 58A and 58AA or any other relevant provision of the Companies Act, 1956.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

8. We are informed that the Company is not required to maintain cost records U/s 209(1) (d) of the Companies Act, 1956 for any of its products.
9.
 - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, wherever applicable to it.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no dues of Sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except Rs.1,47,380/- due to Income Tax and Application is pending before Assessing Officer.
10. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank.
11. In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks are not prejudicial to the interest of the company.
12. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
13. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.
14. Matter specified in items x, xii, xiii, xiv, xvi, xviii, xix, xx of clause to para 4 of Companies (Auditor's Report) Order 2003 do not apply to the Company.

FOR O.P. DADU & CO.
Chartered Accountants

Place : New Delhi
Dated : 31st May, 2010

(O.P. DADU)
Partner
M.No.10871
FRN. 001201N

**BALANCE SHEET AS AT 31ST MARCH 2010**

	Schedule	As at 31.03.2010 Rs.	As at 31.03.10 Rs.
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
(a) Capital	A	5,84,67,548	5,84,67,548
(b) Reserves and Surplus	B	1,21,00,98,577	1,19,24,27,548
		<u>1,26,85,66,123</u>	<u>1,25,08,98,096</u>
LOAN FUNDS			
Secured Loans	C	—	1,53,00,000
Deferred Tax Liability		1,07,71,000	65,00,000
		<u>1,07,71,000</u>	<u>66,53,000</u>
		<u>1,27,93,37,123</u>	<u>1,25,75,48,096</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
(a) Gross Block	D	25,53,66,466	27,39,98,000
Less : Depreciation		10,93,36,964	10,26,88,000
(b) Net Block		14,60,29,502	17,13,10,000
Add. Capital Works in Progress		77,32,442	2,88,000
		<u>15,37,61,944</u>	<u>17,16,00,000</u>
INVESTMENTS	E	<u>7,30,75,852</u>	<u>7,29,28,000</u>
CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories	F	4,54,88,442	4,31,12,000
(b) Sundry Debtors	G	1,85,21,183	2,56,48,000
(c) Cash and Bank Balances	H	14,86,79,478	90,48,000
(d) Loans & Advances	I	88,16,99,419	1,02,11,10,000
		<u>1,09,43,88,522</u>	<u>1,09,89,10,000</u>
Less : Current Liabilities & Provisions	J	4,18,89,195	8,58,98,000
NET CURRENT ASSETS		<u>1,05,24,99,327</u>	<u>1,01,30,21,000</u>
		<u>1,27,93,37,123</u>	<u>1,25,75,48,096</u>
NOTES	R		

Schedules A to R form integral part of Balance Sheet and Profit & Loss Account.

As per our Report of even date

For and on behalf of the B

for O.P. DADU & CO.

Chartered Accountants

O.P. Dadu
PartnerD.N. Tulshyan
General Manager (Finance)R.K. Sapra
Company SecretaryD. Keelor
DirectorMayur Gup
Managing Dir

Place : New Delhi

Dated : 31st May, 2010

IST LIMITED



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	Schedule	For the year ended 31.03.2010 Rs.	For the year ended 31.03.2009 Rs.
INCOME			
Sale & Services	K	19,69,43,360	20,30,17,529
Other Income	L	58,20,944	26,62,669
Increase/ (Decrease) in Stock	M	(32,89,692)	(85,55,515)
		<u>19,94,74,612</u>	<u>19,71,24,683</u>
EXPENDITURE			
Raw-Material & Components Consumed		3,53,83,345	4,61,61,281
Purchases		2,39,58,413	—
Payments to and Provisions for Employees	N	5,10,00,404	4,64,93,188
Excise Duty		83,15,155	1,50,23,881
Manufacturing Expenses	O	1,99,47,513	1,88,40,744
Other Expenses	P	2,42,36,304	3,04,05,758
Finance Charges	Q	4,62,393	60,17,298
		<u>16,33,01,527</u>	<u>16,29,42,150</u>
Profit before Depreciation		3,61,73,085	3,41,82,533
Depreciation		(80,47,086)	(55,10,458)
Profit before tax		2,81,25,999	2,86,72,075
Less: Provision For Current Tax			
Income Tax & Wealth Tax		49,50,000	1,03,50,000
Fringe Benefit Tax		—	4,05,500
Less : Deferred Tax Credit		42,71,000	1,31,000
Profit after tax		1,89,04,999	1,77,85,575
Prior period Adjustment Income tax		(12,34,234)	(4,00,932)
Profit after Tax and adjustment		1,76,70,765	1,73,84,643
Credit Balance brought forward from previous year		7,83,64,997	6,09,80,354
Balance carried forward to Balance Sheet		<u>9,60,35,762</u>	<u>7,83,64,997</u>
Earning per Share			
Basic & Diluted		3.03	2.98
(Refer note no.12 of schedule R)			

NOTES

R

Schedules A to R form integral part of Balance Sheet and Profit & Loss Account.

As per our Report of even date

For and on behalf of the Board

for O.P. DADU & CO.

Chartered Accountants

O.P. Dadu
Partner

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

D. Keelor
Director

Mayur Gupta
Managing Director

Place : New Delhi

Dated : 31st May, 2010

**SCHEDULES FORMING PART OF THE ACCOUNTS**

	As at 31.03.2010 Rs.	As 31.03.2009 Rs.
SCHEDULE 'A' SHARE CAPITAL		
AUTHORISED		
1,00,00,000 Equity Shares of Rs.10/- each	<u>10,00,00,000</u>	<u>10,00,00,000</u>
ISSUED		
60,27,728 Equity Shares of Rs. 10/- each	<u>6,02,77,280</u>	<u>6,02,77,280</u>
SUBSCRIBED AND PAID UP		
58,32,056 Equity Shares of Rs. 10/- each fully paid up	<u>5,83,20,560</u>	<u>5,83,20,560</u>
Add : Shares Forfeited	<u>1,46,986</u>	<u>1,46,986</u>
	<u><u>5,84,67,546</u></u>	<u><u>5,84,67,546</u></u>
SCHEDULE 'B' RESERVES AND SURPLUS		
SHARE PREMIUM ACCOUNT		
Share Premium on 12,11,716 Shares @ Rs.5/- each	<u>60,58,580</u>	<u>60,58,580</u>
GENERAL RESERVE		
As per last year Balance Sheet	<u>1,10,80,04,235</u>	<u>1,10,80,04,235</u>
Profit & Loss		
Credit Balance Brought forward	<u>7,83,64,997</u>	<u>6,09,80,311</u>
Add: Profit for the year	<u>1,76,70,765</u>	<u>1,73,84,611</u>
	<u>9,60,35,762</u>	<u>7,83,64,922</u>
	<u><u>1,21,00,98,577</u></u>	<u><u>1,19,24,27,868</u></u>
SCHEDULE 'C' SECURED LOANS		
VEHICLES' LOAN		
From ICICI Bank Ltd (Secured by hypothecation of vehicles, by way of first charge)	<u>—</u>	<u>1,53,361</u>
	<u>—</u>	<u>1,53,361</u>

SCHEDULE 'D' FIXED ASSETS

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Cost as at 31.3.2009 Rs.	Additions during the Year Rs.	Deductions during the Year Rs.	As at 31.3.2010 Rs.	For the Year Rs.	Deductions during the year Rs.	Upto 31.3.2010 Rs.	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
Freehold Land	11,34,70,576	32,23,230	7,57,69,280	4,09,24,526	—	—	—	4,09,24,526	11,34,70,576
Plant & Machinery	14,70,96,513	5,04,55,779	21,54,248	19,53,96,044	66,96,227	13,28,972	10,15,41,382	9,38,56,662	5,09,22,386
Furniture & Office Equipment	57,60,788	7,08,296	—	64,69,084	2,99,842	—	38,45,533	26,23,551	22,14,897
Vehicles	76,68,589	61,06,223	12,00,000	1,25,74,812	10,51,217	66,500	39,50,049	86,24,763	47,03,257
Total	27,39,96,466	6,04,93,528	7,91,23,528	25,53,66,466	80,47,086	13,95,472	10,93,36,964	14,60,29,502	17,13,11,116
Previous year	19,09,25,594	8,34,63,814	3,92,942	9,75,40,137	55,10,458	3,65,245	10,26,85,350	17,13,11,116	
Capital Work in Progress:								77,32,442	2,89,703



As at
31.03.2010
Rs. 31.0

SCHEDULE 'E' INVESTMENTS (AT COST)**LONG TERM****(A) Unquoted (Fully paid up)****Subsidiary Company**

1,00,000 Equity Shares of Gurgaon Infospace Ltd of Rs.100/- each 1,00,00,000 1,00,0

Other Companies

10 Equity Shares of Galaxy Mercantiles Ltd.of Rs.100/-each 1,005

0/(4,500) Equity Shares of Galaxy International Hotels Ltd. of Rs.100/- each — 2,2

62,40,000 Equity Shares of IST Steel & Power Ltd of Rs.10/- each 6,24,00,000 6,24,0

7,24,01,005 7,26,2

(B) Quoted (Fully paid up)

4,800 Equity Shares of J.C.T.Ltd. of Rs.2.50 each 2,93,399 2,9

2,000 Equity Shares of C.T.Cotton Yam Ltd. of Rs.10/- each 50,838 5

10,000 Equity Shares of Ricoh India Ltd Rs.10/- each 6,09,706 6,0

3,000 Equity Shares of JMT Auto Ltd Rs.10/- each 4,25,795 4,2

1,000 Equity Shares of DCM Shriram Consolidated Ltd Rs.2/- each 1,07,767 1,0

1,500 Equity Shares of UFLEX Ltd Rs.10/- each 3,25,177 3,2

18,12,682 18,1

Less: Demerit in value of investment (11,37,835) (15,1

6,74,847 3,0

7,30,75,852 7,29,2

Aggregate Market value of Quoted Investment 6,74,847 3,0

SCHEDULE 'F' INVENTORIES

(As taken, valued and certified by the management as per Accounting Policies)

Finished Goods 95,783 89,8

Goods under process 2,54,93,035 1,61,7

Raw materials and components 1,63,13,284 1,12,1

Stores & Spare parts 29,22,580 23,8

Scrap (Other) 6,63,760 43,8

4,54,88,442 4,31,1

IST LIMITED



	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 'G' SUNDRY DEBTORS		
Debts Outstanding for a period exceeding six months	12,80,964	8,78,680
Other Debts	1,72,40,219	2,47,69,787
	<u>1,85,21,183</u>	<u>2,56,48,467</u>
Notes : Classification of Sundry Debtors		
Unsecured, Considered Good	1,85,21,183	2,56,48,467
	<u>1,85,21,183</u>	<u>2,56,48,467</u>
SCHEDULE 'H' CASH & BANK BALANCES		
Cash in hand	5,25,793	3,56,569
Cheques / Drafts in Hand	4,50,000	35,90,949
WITH SCHEDULED BANKS		
In Current Accounts including Margin Money		
Rs 31,38,859/- (Previous year Rs 8,42,443/-)	54,34,656	46,07,472
In Fixed Deposit Account		
With Other Bank	14,19,16,974	85,000
	3,52,055	4,06,550
	<u>14,86,79,478</u>	<u>90,46,540</u>
SCHEDULE 'I' LOANS & ADVANCES		
Advance recoverable in cash or in kind or for value to be received or pending adjustments	6,10,441	1,07,95,951
Amount Recoverable from 100% Subsidiary Company	85,82,00,000	83,02,00,000
Share Application Money (Pending allotment)	—	4,00,00,000
Advance against Capital goods	—	5,17,021
Sundry Deposits	49,81,975	50,11,830
Loan to Employees	2,32,000	1,10,500
National Saving Certificate Account (Pledged with Minning Engineers Nagore)	40,000	40,000
Income Tax & Fringe Benefit Tax	1,44,43,221	3,39,13,125
Other Receivables	31,75,588	4,67,463
Balance with Central Excise Deptt.	16,194	54,419
	<u>88,16,99,419</u>	<u>1,02,11,10,309</u>
NOTES :		
Classification of Loans and Advances :		
Unsecured, Considered Good	88,16,99,419	1,02,11,10,309
	<u>88,16,99,419</u>	<u>1,02,11,10,309</u>
SCHEDULE 'J' CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors :		
For Capital Goods	—	2,88,60,000
For Goods, Services, Expenses etc.	1,25,54,938	1,04,41,690
For Other Finance	8,22,713	2,79,538
Payable to Customers	26,47,267	30,01,517
Director's Remuneration etc Payable	20,049	75,747
PROVISIONS :		
Gratuity & Eamed Leave	1,01,38,728	85,32,406
Income Tax & Fringe Benefit Tax	1,57,05,500	3,47,05,500
	<u>4,18,89,195</u>	<u>8,58,96,398</u>



	For the year ended 31.03.2010 Rs.	For the year en 31.03.2
SCHEDULE 'K' SALES & SERVICES		
Export Sales		74,11,7
Domestic Sales	2,54,19,559	19,37,66,2
Job Charges (T.D.S. Rs.1,08,559/- Previous Year Rs.1,22,697/-)	16,83,28,773	42,77,9
	<u>50,13,125</u>	<u>20,54,55,9</u>
Less: Returns out of earlier year's sale	19,87,61,457	8,45,444
Less : Discount & Liquidated Damages	8,45,444	9,72,653
	<u>19,89,43,360</u>	<u>20,30,17,52</u>
SCHEDULE 'L' OTHER INCOME		
Consultancy Fee (T.D.S Rs.Nil, Previous year Rs.2,01,657/-)	—	16,47,70
Interest (T.D.S. Rs.5,16,622/- Previous year Rs. 29,537/-)	48,56,411	1,35,20
Unspent Liabilities written back	1,52,407	4,59
Profit on Sale of Fixed Assets	—	2,87,30
Profit on sale of Investments (net)	2,25,000	2,99,55
[including profit Rs.2,25,000/- on long term investments Previous year Rs,(Nil)]		
Dividend Received	7,500	14,40
Previous year income (Net)	1,42,226	—
Provision for investment written back	3,74,221	—
Miscellaneous Receipts	63,179	2,73,91
	<u>58,20,944</u>	<u>26,62,666</u>
SCHEDULE 'M' INCREASE / (DECREASE) IN STOCK		
STOCK AS ON 31ST MARCH-2010		
Finished Goods	95,783	89,81,126
Goods under process	2,54,93,035	1,81,70,949
Scrap	6,63,760	43,90,195
	<u>2,62,52,578</u>	<u>2,95,42,270</u>
STOCK AS ON 31ST MARCH-2009		
Finished Goods	89,81,126	80,89,955
Goods under process	1,81,70,949	2,64,54,120
Scrap	43,90,195	35,53,710
	<u>2,95,42,270</u>	<u>3,80,97,785</u>
	(32,89,692)	(85,55,515)
SCHEDULE 'N' PAYMENT TO & PROVISION FOR EMPLOYEES		
Salaries, Wages, Bonus etc.	4,22,79,811	3,85,31,320
Gratuity	10,88,281	3,48,185
Contribution to P.F, E.S.I and Other Funds	34,55,484	37,31,529
Staff Welfare Expenses	41,76,828	38,82,154
	<u>5,10,00,404</u>	<u>4,64,93,188</u>
SCHEDULE 'O' MANUFACTURING EXPENSES		
Stores, Spare Parts & Packing Materials Consumed	1,06,92,402	1,03,78,713
Power and Fuel	91,29,038	82,42,935
Testing / Job Charges	1,26,073	2,19,096
	<u>1,99,47,513</u>	<u>1,88,40,744</u>

IST LIMITED



	For the year ended 31.03.2010 Rs.	For the year ended 31.03.2009 Rs.
SCHEDULE 'P' OTHER EXPENSES		
Rent		
Rates & Taxes	40,27,200	35,84,280
Insurance	46,587	61,672
Advertisement Expenses	4,40,776	5,32,024
Repairs & Maintenance	57,000	1,83,625
Building		
Plant & Machinery	1,47,325	1,27,281
Others	14,91,268	16,71,344
Travelling & Conveyance [including directors' travelling Rs.3,77,244/- (Previous year Rs.4,64,853/-)]	14,03,015	10,59,014
Selling Expenses	21,79,085	23,48,525
Sales Tax		
Export Expenses	38,77,475	71,85,937
Other Selling Expenses	5,31,927	1,51,332
Auditors' Remuneration	9,95,498	7,46,856
Audit Fee		
In Other Capacity	65,000	65,000
For Company Law Matters		
For Tax Audit	10,000	10,000
For Certificates etc.	25,000	25,000
For Taxation & other matters	35,500	39,500
For Expenses	20,000	30,000
For Service Tax / Education Cess	31,400	31,350
Internal Audit Fees	16,018	18,294
Directors' Remuneration	88,240	67,107
[excluding Rs.55,000/- (previous year Rs.55,000/-) charged to other head of accounts]	9,34,615	9,34,615
Directors' Fee		
Postage, Telegram & Telephone Expenses	25,000	35,000
Legal, Professional and Service Charges	6,47,959	6,91,753
Previous Year's Expenses (Net)	19,61,445	20,91,277
Demunition in value of Investment	—	1,59,733
Shifting charges of plant	—	15,12,056
Miscellaneous Expenses	—	11,460
Sundry Debit / Credit balances adjusted	49,38,088	36,91,546
	2,40,883	33,40,177
	<u>2,42,36,304</u>	<u>3,04,05,758</u>
SCHEDULE 'Q' FINANCE CHARGES		
Interest to Bank & Others		
Bank Charges, Guarantee Commission and Other Finance Charges	1,39,931	51,80,469
	3,22,462	8,36,829
	<u>4,62,393</u>	<u>60,17,298</u>

**SCHEDULE 'R' NOTES****1. ACCOUNTING POLICIES**

The significant Accounting Policies adopted in the preparation of these accounts are as under :

(i) Basis of Accounting :

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

(ii) Fixed Assets :

a) Fixed Assets are stated at Cost less Depreciation.

b) Plant & Machinery manufactured within the plant is stated at Cost (less Depreciation wherever applicable). The over head expenses are, however, allocated on estimates given by Technical Personnel.

(iii) Depreciation :

Depreciation is calculated on Straight Line Method at the rates prescribed in schedule XIV of the Companies Act, 1956

(iv) Valuation of Inventories :

a) Raw Material, Stores, Spares and purchased components, Finished Goods, and Goods under process are valued at cost on weighted average basis or net realisable value whichever is lower.

b) Tools and Instruments are valued at cost less depletion in value.

c) Stock of Scrap is valued at estimated realisable value.

(v) Revenue Recognition

a) Sales are recognized when goods are supplied and are inclusive of excise duty and sales tax.

b) Processing Income : Processing income is recognized after services are rendered.

(vi) Foreign Exchange Transactions

Foreign Exchange transactions are recorded at the exchange rate prevailing on the date of transaction. The difference in realized gains and losses on foreign exchange transactions other than those relating to the fixed assets are recognized in the profit and loss account.

(vii) Investments:

Investments are stated at cost and diminution in value is provide for.

(viii) Employees Retirement Benefits :

Company's Contribution towards Provident Fund is charged to Profit & Loss Account. The amount of gratuity & leave encashment benefits on the basis of actuarial valuation is charged to Profit & Loss Account.

(ix) Excise Duty :

The Excise Duty is accounted for at the time of despatch of goods from the Factory.

(x) Claims :

Credits for certain claims such as interest on Telephone Deposits, Insurance, Customs Duty Drawback etc. are taken as and when determined or received.

(xi) The liability for reimbursement of Medical Expenses and Leave Travel Allowance is provided for at the time when the same is due and the claim is made irrespective of the time of expenditure incurred by the employees.

(xii) Liquidated damages on Defence Sales are accounted for as and when ascertained.

(xiii) In determinig earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the number of shares outstanding during the period.

(xiv) Income Tax

Provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions.

The differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax assets or deferred tax liability is recorded for timing differences,



namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate being considered.

(xv) Impairment of Assets

The management assesses the performance of its unit to arrive at the value in use to check for impairment, if any, in Fixed Assets, as required under AS 28 of the ICAI and provides for any impairment thereof in Profit & Loss Account.

(xvi) Provision,Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of a past event where the out flow of economic resources is probable and a reliable estimate of the amount of obligation can be made. The disclosure is made for possible or present obligation that may, but probably will not, require out flow of resources as contingent liabilities in the financial statements. Contingent assets are not recognized in the financial statements.

	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
2 Contingent Liabilities not provided for in respect of :		
(i) Gurantees given by the Bank	36,82,500	28,61,275
(ii) Gurantees given by the Company on behalf of other Company	69,50,00,000	69,50,00,000
(iii) Claims / Demands against the Company not acknowledged as debts:		
a) Demand of Income Tax being disputed by the Company	1,47,380	—
b) Demand raised by various Workmen being disputed by the Company.	Unascertainable	Unascertainable
3 Company has Cash Credit Limit from State Bank of India (Secured by first charge on current assets consisting raw material, work in process, finished goods, book-debts & other current assets of the company; first charge on fixed assets consisting movable tangible property both present and future; plant & machinery purchased ; and equitable mortgage on land of an associated company, GPC Technology Limited admeasuring 11.26696 acres situated at Village Malapura Dist.Riwari,(Haryana)		
4 In view of accounting standard on "Accounting for retirement benefits in the Financial statement of Employer's" issued by ICAI being mandatory, the company has made provision for gratuity & leave encashment on actuarial valuation.		
5 Defective stocks are accounted for in production as and when used after rectification.		
6 Fixed Deposits Rs.69,00,000/- (Nil) pledged with Punjab National Bank as security on behalf of other company and FDR of Rs.85,000/- (85,000/-) pledged with Sales Tax Authorities Delhi.		
7 NSC for Rs.40,000/-(Previous year Rs.40,000/-) pledged with M/s Minning Engineers, Nagore shown under Loans & Advances are in the name of Company's executive.		
8 Previous year's expenses / income aggregate Rs.49,360 / Rs.1,91,586 respectively (Previous year Rs.7,29,553/ Rs.5,69,820).		
9 The company's investment in its wholly owned subsidiary namely Gurgaon Infospace Limited are held in its own name except six equity shares which are held in the name of its nominees.		
10 Based on information available with the company there are no dues to Micro, Small & Medium Enterprises as defined in Micro, SME development Act, 2006 as at 31.03.2010		
11 The Company has filed SLP with the Hon'ble Supreme Court of India against the order of the Hon'ble Punjab and Haryana High Court setting aside allotment of a Free Hold Plot by HUDA. The Apex Court has been pleased to admit the SLP and has ordered stay against the order of the Hon'ble High Court.		
12 Earning per Share		
Profit after tax	1,76,70,765	1,73,84,643
Weighted average No of share	58,32,056	58,32,056
Nominal Value	10	10
Basic & Diluted	3.03	2.98



13. Consequent to the adoption of the Accounting Standard 22 on "Accounting For Taxes on Income", the Company has recognized a deferred tax liability of Rs.107.71 lacs accumulated till 31st March, 2010 (Previous year Rs. lacs) is in respect of

	Current Year	Previous
Difference between the WDV of assets as per books of accounts and WDV for Income Tax purpose as per Income Tax Act, 1961.	41,827,906	27,65
Expenses allowed for tax purpose on payment basis	-10,138,728	-8,55
	31,689,178	19,1
Net Deferred Tax Liability	10,771,000	6,5

14. Information on Leases as per Accounting Standard 19 on "Accounting for Leases"
Operating Lease Expenses :

The Company has various operating leases for office facilities, factory, guest house and residential premises employee that are renewable on a periodic basis cancellable at its option. Rental expenses for operating recognised in the profit & loss account for the year is Rs.40.27 Lacs.(Previous year Rs.35.84 Lacs)

15. Information on Related Parties transactions as required by Accounting Standard (AS18)

	Subsidiary Company Rs.	Associate Companies Rs.	Key Management Personnel Rs.
For the year ending 31st March,2010			
Paid for Services & other charges		4,65,000 (2,10,000)	
Purchase of Investment		— (1,25,00,000)	
Sale of Investment		— (—)	2 (
Remuneration			10,14,615 (10,24,615)
Rent		29,47,200 (29,84,280)	5 (4
Outstanding Balance as on 31st March,2010			
Amount Payable			20,049 (2,36,716)
Amount Receivable	85,82,00,000 (93,02,00,000)	— (65,60,000)	
Equity Contribution		7,24,01,005 (7,26,26,005)	
Share Application Money		— (4,00,00,000)	
Security Deposit		39,60,000 (39,60,000)	
Gurantees given by the Company on behalf of other Company		69,50,00,000 (69,50,00,000)	
FDR Pledged by the Company on behalf of other Company		69,00,000 (—)	

Subsidiary Company

Gurgaon Infospace Ltd

Associate Companies:

GPC Technology Ltd (Galaxy Power Cables Ltd), Delight Marketing Co. Pvt. Ltd, Delux Investments Lubetec India Pvt. Ltd, Antique Investment Co. Ltd, Galaxy International Hotels Pvt Ltd, Eastern India P

IST LIMITED



Mining Co. Pvt Ltd., Neil Builders (P) Ltd, IST Technology Infrastructure (P) Ltd, Gupta International Investment Co. Ltd, IST Steel and Power Ltd., IST Softeck Pvt. Ltd. (Formerly AS Plastics Pvt Ltd.), Rex Propbuild Private Ltd, Western Indus Power Pvt. Ltd, Delight Softech Private Ltd, Eastern Softech Private Ltd, AVG Autoparts Pvt Ltd, Vinayak Infradevelopers Pvt. Ltd

Key Management Personnel : Shri Mayur Gupta

16. Information pursuant to the provisions of Part-II of Schedule VI of the Companies Act, 1956.

I. LICENCED AND INSTALLED CAPACITY (AS CERTIFIED BY THE MANAGEMENT)

Licensed Capacity

The Government of India, Ministry of Commerce & Industry, have granted an Industrial Licence no.DIL 99(2005) dt.24.11.2005

II. QUANTITATIVE INFORMATION WITH REGARD TO FINISHED GOODS.

	Unit	Quantity	Value (Rs.)
Opening Stock			
Own Manufactured Defence Stores Components			85,59,275 (73,08,365)
Own Manufactured Other Components			4,21,851 (7,81,590)
Production			
Own Manufactured Defence Stores Components			4,52,94,553 (5,33,33,568)
Own Manufactured Other Components			6,69,32,593 (5,40,30,656)
Purchases of Rap Seed Meal	Kgs	2,024.360	2,39,56,413 (—)
Sales & Services			
Own Manufactured Defence Stores Components			3,20,89,684 (8,18,50,805)
Own Manufactured Other Components			12,39,89,269 (10,64,42,383)
Scrap and Other Sales			1,39,05,363 (1,04,46,366)
Job Charges			50,13,125 (42,77,975)
Sale of Rap Seed Meal	Kgs	1,975.160	2,19,45,919 (—)
Closing Stock			
Own Manufactured Defence Stores Components			— (85,59,275)
Own Manufactured Other Components			95,783 (4,21,851)

NOTE :

Components consist of a large number of items for which it is not practicable to furnish quantitative information. Hence, only the aggregate value of such items has been shown.

III. RAW MATERIAL AND COMPONENTS CONSUMED

Steel / Brass / Aluminium Etc.	Kgs.	1,34,680	3,16,21,844 (1,50,692)
Others			37,61,501 (41,76,281)

**IV. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, STORE AND SPARE PARTS CONSUMED PERCENTAGE THEREOF.**

	Total value of Consumption			Percentage of Total Consumption	
	Total	Imported	Indigenous	Imported	Indig
Raw Material & Components	3,53,83,345 (4,61,61,281)	30,05,521 (49,17,114)	3,23,77,824 (4,12,44,167)	8.49 (10.65)	()
Stores & Spares	1,06,92,402 (1,03,78,713)	12,63,672 (19,73,818)	94,28,730 (84,04,895)	11.82 (19.02)	()

V. C.I.F. VALUE OF IMPORTS

	Amou
a) Raw material & Components	31, (32,)
b) Stores & Spare parts including Tools	12, (14,)
c) Capital Goods	4,19, (27,)

VI. EXPENDITURE IN FOREIGN CURRENCY

Overseas Travelling	(1,)
Export Sales & Other Expenses	(1,)
Exchange Rate Difference (Net)	1,

VII. INCOME IN FOREIGN CURRENCY

Export Sales	2,54, (74,)
Exchange Rate Difference (Net)	(2,)
Other Miscellaneous	(3,)

Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable those of the current year.

Signature to schedule 'A' to 'R'

As per our Report of even date

For and on behalf of the

For O.P. DADU & CO.
Chartered Accountants

O.P. Dadu
Partner

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

D. Keelor
Director

Mayur G
Managing Director

Place : New Delhi
Dated : 31st May, 2010

IST LIMITED



**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

Registration No. State Code
 Balance Sheet Date
Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	<input type="text" value="00000000"/>	Rights Issue	<input type="text" value="00000000"/>
Bonus Issue	<input type="text" value="00000000"/>	Private Placement	<input type="text" value="00000000"/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

	Total Liabilities	<input type="text" value="1321226"/>	Total Assets	<input type="text" value="1321226"/>
Sources of Funds	Paid-up Capital	<input type="text" value="0058468"/>	Reserve & Surplus	<input type="text" value="1210099"/>
	Secured Loans	<input type="text" value="0000000"/>	Unsecured Loans	<input type="text" value="0000000"/>
	Deferred Tax Liability	<input type="text" value="0010771"/>	Investments	<input type="text" value="0073076"/>
Application of Funds	Net Fixed Assets	<input type="text" value="0153762"/>	Misc. Expenditure	<input type="text" value="0000000"/>
	Net Current Assets	<input type="text" value="1052499"/>		
	Accumulated Losses	<input type="text" value="0000000"/>		

IV. Performance of Company (Amount in Rs. Thousands)

	Turnover	<input type="text" value="0202764"/>	Total Expenditure	<input type="text" value="000174638"/>
	Profit Before Tax	<input type="text" value="0028126"/>	Profit After Tax	<input type="text" value="0017671"/>
	Earning Per Share in Rs.	<input type="text" value="3.03"/>	Dividend Rate%	<input type="text" value="00"/>



V. Generic Names of Three Principal Product/Services of Company (As per monetary term)

Item Code No.

NOT APPLICABLE

Product Description

AUTOMOBILE COMPONENTS

Item Code No.

NOT APPLICABLE

Product Description

DEFENCE COMPONENTS

Item Code No.

NOT APPLICABLE

Product Description

ELECTRONIC MEDICAL

DENTAL INSTRUMENT PARTS

For and on behalf of the Board

Place : New Delhi
Dated : 31st May, 2010

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

D. Keelor
Director

Mayur Gupta
Managing Director

IST LIMITED



CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2010

(Pursuant to clause 32 of the Listing Agreement)

Amount in Rs .

Particulars	2009-2010	2008-2009
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	2,81,25,999	2,86,72,075
Adjusted for:		
Depreciation	80,47,086	55,10,458
Interest (Net)	(47,16,480)	50,45,262
Amount written back (net)	2,40,883	33,40,177
Loss on Surrender of Land	10,91,255	—
Loss on sale of Fixed Assets	33,897	(2,87,302)
Loss / Profit on Investments & Derivatives	(2,25,000)	(2,99,552)
Demuntion in value of Investment	(3,74,221)	15,12,056
Dividend	(7,500)	(14,400)
Operating Profit before working capital changes	3,22,15,919	4,34,78,774
Change in :		
Trade receivables	68,85,289	4,96,29,820
Inventories	(23,76,084)	1,00,34,852
Provisions	16,06,322	3,12,346
Trade Payables	22,46,475	(2,20,98,262)
Loans & advances	79,40,986	96,92,260
Cash from operations	4,85,18,907	9,10,49,790
Interest paid	(1,39,931)	(51,80,469)
Direct Taxes paid	(57,13,218)	(1,39,36,522)
Net Cash from Operating Activities	4,26,65,758	7,19,32,799
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(6,79,36,267)	(8,37,53,517)
Sale of Fixed assets	4,77,42,904	3,15,000
Amount Recoverable (Fixed Assets)	7,20,00,000	11,95,50,000
Interest Received	48,56,411	1,35,207
Investment in Shares	2,25,000	(1,24,20,000)
Investment in Shares Application Money	4,00,00,000	(4,00,00,000)
Profit on Investments & Derivatives	2,25,000	2,99,552
Dividend	7,500	14,400
Net Cash used in Investing Activities	9,71,20,548	(1,58,59,358)



Particulars	2009-2010	2008-2009
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings / Repayment of borrowings (Net)	(1,53,368)	(90,90,296)
Unsecured Loan	—	(4,90,00,000)
Net Cash from Financing Activities	(1,53,368)	(5,80,30,296)
Net change in Cash & cash Equivalents (A+B+C)	13,96,32,938	(20,10,00,000)
Cash & Cash Equivalents		
- Opening Balance	90,46,540	1,10,00,000
- Closing Balance	14,86,79,478	90,00,000
	<u>13,96,32,938</u>	<u>(20,10,00,000)</u>

As per our Report of even date
for O.P. DADU & CO.
Chartered Accountants

For and on behalf of the

O.P. Dadu
Partner

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

D. Keelor
Director

Mayur G.
Managing Director

Place : New Delhi
Dated : 31st May, 2010



DIRECTORS' REPORT

To the Members,
Gurgaon Infospace Limited.

Your Directors are pleased to present their 3rd Annual Report together with the audited Statements of Accounts of the company and the report of the auditors thereon for the year ended 31st March, 2010.

OPERATIONS

During the year under review the profit before and after tax was Rs. 1286.45 Lacs as against Rs. 812.80 Lacs in previous year.

DIVIDEND

In order to conserve the resources, your Directors expressed their inability to recommend payment of dividend for the year 2009-10.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Shri Mayur Gupta, retires by rotation and is eligible for re-appointment.

Subject to approval of members of the company, Smt. Sarla Gupta, has been re-appointed as Whole Time Director w.e.f. 1st December, 2009 for a further period of two years.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act 1956, the Directors confirm that, to the best of their knowledge and belief;

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- iii) proper and sufficient care has been taken 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) the annual accounts have been prepared on a going concern basis.

PARTICULARS OF EMPLOYEES

There is no employee in the Company drawing remuneration more than the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS

M/s O. P. Dadu & Co., Chartered Accountants, who are auditors of your company retire at the ensuing Annual General Meeting, and being eligible offer themselves for re-appointment.

FIXED DEPOSITS

During the year the Company has not accepted any deposit covered by Companies (Acceptance of Deposit) Rules 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As your Company did not carry on any manufacturing activity, information as required under the provisions of Sec. 217 (1) (e) of Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 in respect of conservation of energy and technology absorption is not applicable.

FOREIGN EXCHANGE EARNING AND OUTGO

There has been no inflow and outgo of foreign exchange.

SECRETARIAL COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate, pursuant to proviso to sub section (1) of Section 383A of the Companies Act, 1956 is annexed.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their thanks and appreciation for the valuable cooperation and continued support received from the Government of Haryana and the Company's Bankers - State Bank of India.

Your Directors place on record their thanks to the company's business associates for their excellent effort and support.

Place : New Delhi
Dated : 29th May, 2010

For and on behalf of the Board

Chairman

**AUDITORS' REPORT TO THE MEMBERS**

We have audited the attached Balance Sheet of 'M/S.GURGAON INFOSPACE LTD.', as at 31st March, 2010, Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. The financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of accounts as required by law have been kept by the company and the same appear from our examination of those books;
- iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- v) In our opinion, and based on information and explanations given to us, none of the directors is disqualified as on 31st March, 2010 from being appointed as director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of Balance Sheet, of the State of affairs of the Company as at 31st March, 2010;
 - b) in the case of the Profit and Loss Account of the 'Profit' for the year ended on that date.
 - c) in the case of Cash Flow Statement, of the Cash Flows of the company for the year ending on that date.

FOR O.P.DAD
Chartered Accountant

PLACE : NEW DELHI
DATED : 29th May, 2010

(ABHE)
P/_____
MNo
FRN.C

ANNEXURE TO THE AUDITORS' REPORT

In our opinion, and in so far as we have been able to ascertain from the records produced, information furnished and the explanations given to us by the company.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed asset.
b) The asset has been physically verified by the management during the year, No discrepancies were noticed on such verification.
c) The Company has not disposed off Fixed Asset during the year.
2. a) The Company has not granted Unsecured Loan to Companies covered in register maintained under section 301 of the Companies Act, 1956 during the year.
b) The Company has taken Unsecured Loans/Advances of Rs.15 Lacs from one Company covered in the register maintained under section 301 of the Companies Act, 1956 during the year. The year end balance of Unsecured Loans/Advances taken is NIL.
c) In our opinion, the terms and conditions on which Unsecured Loans/ Advances has been taken from company, listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
4. The company has not accepted any deposit with in the meaning of section 58A and 58AA or any other relevant provision of the Companies Act, 1956.
5. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
6. We are informed that the company is not required to maintain cost record U/s 209(1)(d) of the Companies Act, 1956.
7. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, wherever applicable to it.
b) According to the information and explanations given to us, no undisputed amount payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.
c) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
8. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
9. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
10. Matter specified in items ii, v, x, xi, xii, xiii, xiv, xv, xvi, xviii, xix, xx of clause to para 4 of Companies (Auditor's Report) order 2003 do not apply to the Company.

FOR O.P.DADU & CO.
Chartered Accountants

PLACE: NEW DELHI
DATED : 29th May, 2010

(ABHEY DADU)
PARTNER
MNo.093313
FRN.001201N

**BALANCE SHEET AS AT 31ST MARCH 2010**

	SCHEDULE	AS AT 31ST MARCH, 2010 Rs.	31ST MARCH
SOURCES OF FUNDS			
Shareholders' Fund			
Capital	'1'	1,00,00,000	1,00,
Reserve & Surplus	'2'	21,12,77,015	8,26,
		<u>22,12,77,015</u>	<u>9,26,</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	'3'	1,11,00,15,550	1,11,00,
Depreciation		—	—
Net Block		1,11,00,15,550	1,11,00,
Add Capital Work in Progress		4,62,14,093	35,
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	'4'	25,20,119	
Cash & Bank Balance		17,23,282	4,
Loans & Advances		3,61,35,129	3,27,
		<u>4,03,78,530</u>	<u>3,31,</u>
Less : Current Liabilities and Provision	'5'	97,53,31,158	1,05,41,
NET CURRENT ASSETS		<u>(93,49,52,628)</u>	<u>(1,02,09,6</u>
		<u>22,12,77,015</u>	<u>9,26,</u>
NOTES ON ACCOUNTS			
Schedules '1' to '9' form an integral part of Balance Sheet and Profit & Loss Account.	'9'		

As per our Report of even date
For O.P. DADU & CO.
Chartered Accountants

For and on behalf of the Board

(ABHEYDADU)
Partner
M.No. 093313
Place : New Delhi
Dated : 29th May, 2010

(N.M. Kakrania) (Mayur Gup
Director Director

GURGAON INFOSPACE LTD.
PROFIT & LOSS ACCOUNT
For the year ended 31st March, 2010

SCHEDULE	FOR THE YEAR ENDED 31ST MARCH, 2010 (Rs.)	FOR THE YEAR ENDED 31ST MARCH, 2009 (Rs.)
I N C O M E		
Income from SEZ Operation [TDS Rs.1,44,00,722/- (Rs.1,88,67,778/-)]	14,06,45,775	9,11,64,180
	14,06,45,775	9,11,64,180
E X P E N D I T U R E		
Payment to Employees 6	1,80,000	—
Administrative Expenses 7	1,18,18,806	98,80,289
Finance Charges 8	1,717	3,575
	1,20,00,523	98,83,864
Profit/(Loss) before tax	12,86,45,252	8,12,80,316
Provision for Tax	—	—
Profit after tax	12,86,45,252	8,12,80,316
Credit Balance brought forward from last year	8,26,31,763	13,51,447
Balance Carried to Balance Sheet	21,12,77,015	8,26,31,763
Basic & Diluted Earning per share (refer Point no.7 of Schedule 8)	1286.45	812.80

NOTES ON ACCOUNTS

Schedules '1' to '9' form an integral part of
Balance Sheet and Profit & Loss Account.

As per our Report of even date
For O.P. DADU & CO.
Chartered Accountants

For and on behalf of the Board

(ABHEYDADU)
Partner
M.No. 093313
Place: New Delhi
Dated : 29th May, 2010

(N.M. Kakrania)
Director

(Mayur Gupta)
Director



SCHEDULES FORMING PART OF ACCOUNTS

AS AT 31ST MARCH, 2010
Rs.

AS AT 31ST MARCH, 2009
Rs.

SCHEDULE '1' : SHARE CAPITAL

Authorised

2,00,000 Equity Shares of Rs.100/- each 2,00,00,000 2,00,00,000

Issued, Subscribed and paid up

1,00,000 Equity Shares of Rs.100/-each fully paid up 1,00,00,000 1,00,00,000

SCHEDULE '2' : RESERVE & SURPLUS

PROFIT & LOSS ACCOUNT

As per last year 8,26,31,763 13,51,447

Add : Profit for the year 12,86,45,252 8,12,80,316

21,12,77,015 8,26,31,763

SCHEDULE '3' FIXED ASSETS

PARTICULAR	GROSS BLOCK			DEPRECIATION		NET BLOCK	
	W.D.V. AS ON 31.03.2009	ADDITION DURING THE YEAR	AS AT 31.03.2010	FOR THE YEAR	UPTO 31.03.2009	AS ON 31.03.2010	AS OF 31.03.2009
Free Hold Land	1,11,00,15,550	—	1,11,00,15,550	—	—	1,11,00,15,550	1,11,00,15,550
Previous Year	(1,11,00,15,550)	—	(1,11,00,15,550)	—	—	(1,11,00,15,550)	—
Capital Work in Progress						4,62,14,093	35,85,321

SCHEDULE '4' CURRENT ASSETS

AS AT 31ST MARCH, 2010
Rs.

AS AT 31ST MARCH, 2009
Rs.

SUNDRY DEBTORS

(Considered Good)

Debts outstanding for a period Exceeding six Months — —

Other Debts 25,20,119 —

25,20,119 —

CASH & BANK BALANCE

Cash in hand 8,830 1,770

Bank Balance in Current Account with
Schedule Bank 11,94,452 4,27,876

Cheques in hand 5,20,000 —

17,23,282 4,29,646

LOANS & ADVANCES

(Considered Good)

Amount Recoverable in Cash or in kind or for value to be
received or pending adjustments 5,08,375 5,08,375

Prepaid Tax 3,56,26,754 3,22,32,711

3,61,35,129 3,27,41,086

GURGAON INFOSPACE LTD.



SCHEDULE '5' CURRENT LIABILITIES & PROVISION

Current Liabilities

Sundry Creditors

For capital goods (Rs. 85,82,00,000

(Rs. 93,02,00,000/-) of Holding Company]

For Services

Security Deposit

Advance Rent Received

Due to Director

Other Liability

TDS Payable

Provisions

Income Tax

AS AT 31ST MARCH, 2010
AS AT 31ST MARCH, 2009
Rs. Rs.

86,93,13,372	93,02,00,000
10,28,501	4,75,800
10,12,24,596	7,14,46,106
—	4,85,76,040
—	26,000
27,46,725	25,83,514
3,17,964	1,32,385
97,46,31,158	1,05,34,39,845
7,00,000	7,00,000
97,53,31,158	1,05,41,39,845

FOR THE YEAR ENDED 31ST MARCH, 2010
FOR THE YEAR ENDED 31ST MARCH, 2009
Rs. Rs.

SCHEDULE '6' PAYMENTS TO EMPLOYEES

Salary

1,80,000	—
1,80,000	—

SCHEDULE '7' ADMINISTRATIVE EXPENSES

Director Remuneration

Brokerage & Commission

Director Travelling Expenses

Audit Fee

Audit Fee

Tax Audit

Service Tax

Legal Fee

Miscellaneous Expenses

8,70,000	5,40,000
1,06,65,234	92,38,137
1,78,500	37,642
20,000	20,000
5,000	5,000
2,575	2,678
32,900	32,024
44,597	4,808
1,18,18,806	98,80,289

SCHEDULE '8' FINANCE CHARGES

Bank Charges

1,717	3,575
1,717	3,575

**SCHEDULE '9' NOTES ON ACCOUNT****1. SIGNIFICANT ACCOUNTING POLICIES****a) Basis of Accounting**

The financial statements are prepared in accordance with the historical cost convention on the accounting principles of a going concern.

b) Revenue Recognition

Income & Expenditure are accounted for on accrual basis except otherwise stated.

c) Fixed Assets

Fixed Assets are stated at cost. Cost of acquisition of Fixed Asset is Inclusive of all direct and indirect expenditure.

d) Provision, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as result of a past where the out flow of economic resources is probable and a reliable estimate of the amount obligation can be made. The disclosure is made for possible or present obligations that may probably will not, require out flow of resources as contingent liabilities in the financial statements. Contingent assets are not recognized in the financial statements.

e) In determining earnings per share, the company considers the net profit after tax and in the post-tax effect of any extraordinary items. The number of shares used in computing earnings per share is the number of shares outstanding during the period.**f) Income Tax**

Provision is made for Income Tax annually based on the tax liability computed after considering tax allowances and exemptions.

The differences that result between the profit offered for income tax and the profit as per financial statement are identified and thereafter a deferred tax assets or deferred tax liability recorded for timing differences, namely the differences that originate in one accounting and reverse in another, based on the tax effect of the aggregate being considered.

2. Contingent Liabilities

	Current Year Rs.	Previous Rs.
a) Against the Loan taken by Co - Developer (Unitech Developer and Projects Limited) from Bank	—	1,41,10,8
b) Estimated amount of contracts remaining to be executed on capital Account and not provided for	1,24,74,693	2,33,2

3. The Company is wholly owned subsidiary company of M/s.IST Limited.

4. Quantity wise details of the Turnover is not required to be disclosed as Income comprises of Income from SEZ operation.

5. Information on leases as per Accounting Standard 19 on "Accounting for Lease".

Income

Receipts During the year is Rs.14,06,45,775/- (Rs.9,11,64,180/-) from SEZ Operation.

GURGAON INFOSPACE LTD.



6. Based on information available with the Company, there are no dues to micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as at March, 31, 2010.

7. Earning Per Share

	Current Year Rs.	Previous Year Rs.
a) Profit after tax	12,86,45,252	8,12,80,316
b) Weighted average number of shares	1,00,000	1,00,000
c) Nominal value of share (Rupees)	100	100
d) Basic and diluted earnings per Share (Rupees)	1,286.45	812.80

8. Deferred Tax

During the year there is no timing difference, namely the difference that originate in one accounting period and reverse in another. Consequently the company has not recognized a deferred tax assets/liability

9. Related Party Transactions :-

Detail of transactions with related parties during the year

Particular	Holding Company	Key Management Personnel
	Rs in Lacs	Rs in Lacs
Balance at the year end	8,582.00	—
Director Remuneration	(9,302.00)	(—)
	—	8.70
	(—)	(5.40)

Holding Company

IST Limited

Associate Companies :

GPC Technology Ltd.(Galaxy Power Cables Ltd.) Delight Marketing Co.Pvt. Ltd., Delux Investments Pvt. Ltd., Lubetec India Pvt. Ltd., Antique Investment Co. Ltd., Galaxy International Hotels Pvt. Ltd., Eastern India Power & Mining Co. Pvt. Ltd., IST Technology Infrastructure Pvt. Ltd., Gupta International Investment Co. Ltd., IST Steel & Power Limited, IST Softech Pvt. Ltd. (Formerly AS Plastics Pvt. Ltd.), Neil Builders Pvt. Ltd., Rex Propbuild Private Ltd., Western Indus Power Pvt. Ltd., Delight Softech Private Ltd., Eastern Softech Private Ltd., AVG Autoparts Pvt. Ltd.

Key Management Personnel : Mrs.Sarla Gupta

10. Segment Reporting

The Company operates in only one operational segment viz. SEZ Developer and one Geographical segment viz. India.

11. The Company has exercised its option to claim deduction U/s 80 IAB of the Income Tax 1961 w.e.f., Assessment Year 2009-2010 in respect of the profit derived by the Company from the business of Developing SEZ, notified under SEZ Act, 2005. Hence no provision for Income Tax has been made during the year.

12. The Company has received approval dated 19th June, 2007 from Department of Commerce (SEZ Section), Ministry of Commerce & Industry, Government of India for the development, operation and maintenance of the sector specific Special Economic Zone for IT/ITES on its Land. The company is developing Special Economic Zone alongwith the Unitech Developers and Projects Limited in terms



of Co-Development Agreement dated 17-09-2007 in terms of which receipts shall be shared between the parties in 28 (GIL): 72 (UDPL) ratio. The SEZ shall be developed and operated in terms of SEZ Act, 2005 and the rules framed there under.

13. Previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with those of the Current Year.

As per our Report of even date
For O.P. DADU & CO.
Chartered Accountants

(ABHEY DADU)
Partner
M.No. 093313
Place: New Delhi
Dated: 29th May, 2010

For and on behalf of the Board

(N.M. Kakrania) (Mayur G)
Director *Director*

GURGAON INFOSPACE LTD.



STATEMENT PURSUANT TO PARA IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. U72900DL2006PLC151879

State Code **55**

Balance Sheet Date **31** **03** **2010**
Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	221277	Total Assets	221277
Sources of Funds		Reserves & Surplus	211277
	10000	Unsecured Loans	NIL
	NIL	Investments	NIL
Application of Funds		Misc. Expenditure	NIL
	1156230		
	-934953		
	NIL		

IV. Performance of Company (Amount in Rs. Thousands)

Turnover (Including other Income)	140646	Total Expenditure	12001
Profit Before Tax	128645	Profit After Tax	128645
Earning Per Share in Rs.	1286.45	Dividend Rate %	00

V. Generic Names of the Three Principal Products/Services of the Company (As per monetary terms)

Item Code No. (ITC Code) **NOT KNOWN**

Product Description **NOT APPLICABLE**

For and on behalf of the Board

Place: New Delhi
Dated: 29th May, 2010

(N.M. Kakrania) (Mayur Gupta)
Director Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

Particulars	Amount	
	2009-2010	200
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	12,86,45,252	8,12,
Adjustments For:		
Misc. & Preliminary Expenses W/o	—	—
Depreciation	—	—
Operating Profit before working Capital Changes	12,86,45,252	8,12,
Adjustments for		
Loans & Advances	—	(5,0
Trade Receivable	(25,20,119)	
Trade & Other Payables	(68,08,687)	6,72,
Cash Generated from Operating Activities	11,93,16,446	14,79,
Less : Direct Tax Paid	(33,94,043)	(2,98,7
Net Cash from Operating Activities	11,59,22,403	11,81,
B. CASH FLOW FROM INVESTING ACTIVITIES		
Adjustments for Changes in:		
Purchase of Assets	(4,26,28,767)	(35,8
Amount payable for purchase of Fixed Assets	(7,20,00,000)	(11,95,5
Miscellaneous Expenditure	—	—
Interest	—	—
Net Cash used in Investing	(11,46,28,767)	(12,31,3
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share Capital		
Share Application Money		
Cash from financing Activities		
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	12,93,636	(50,16
Opening Balance of Cash and cash equivalent	4,29,646	54,4
Closing Balance of Cash and Cash equivalent	17,23,282	4,2

As per our Report of even date
For O.P. DADU & CO.
Chartered Accountants

For and on behalf of the Board

(ABHEY DADU)
Partner
M.No.093313
Place : New Delhi
Dated : 29th May, 2010

(N.M. Kakrania) (Mayur Gupta)
Director Director

CONSOLIDATED ACCOUNTS**AUDITORS' REPORT**

To
The Board of Directors,
IST Limited

To the Board of Directors of IST Limited on the consolidated financial statements of IST Limited and its subsidiary, Gurgaon Infospace Limited .

We have examined the attached Consolidated Balance Sheet of IST Limited and its subsidiary Gurgaon Infospace Limited, as at 31st March, 2010, Consolidated Profit & Loss Account and also the Consolidated Cash Flow Statement for the year then ended.

These consolidated financial statements are the responsibility of IST Limited management. Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting frame work and are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21- Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the IST Limited, Gurgaon Infospace Limited, included in the consolidated financial statements.

On the basis of the information and explanations given to us, and on the consideration of the separate audit reports on the individual audited financial statements of IST Limited and its subsidiary, we are of the opinion that:

- a) The Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of IST Limited and its subsidiary as at 31st March, 2010.
- b) The Consolidated Profit and Loss Account gives a true and fair view of the consolidated results of operations of IST Limited and its subsidiary for the year then ended and
- c) The Consolidated Cash Flow Statement gives a true and fair view of the consolidated cash flows of IST Limited and its subsidiary for the year then ended.

For O.P. DADU & CO.
Chartered Accountants

Place : New Delhi
Dated : 31st May, 2010

(O.P. DADU)
Partner
Membership No. 010871
FRN. 001201N



IST LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

	Schedule	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
(a) Capital	A	5,84,67,546	5,84,67,546
(b) Reserves and Surplus	B	1,42,13,75,592	1,27,50,59,575
		<u>1,47,88,43,138</u>	<u>1,33,35,27,121</u>
LOAN FUNDS			
Secured Loans			
Deferred Tax Liability	C	—	1,53,368
		1,07,71,000	65,00,000
		<u>1,07,71,000</u>	<u>66,53,368</u>
		<u>1,49,06,14,138</u>	<u>1,34,01,80,489</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
(a) Gross Block			
Less : Depreciation	D	1,36,53,82,016	1,38,40,12,016
		<u>10,93,36,964</u>	<u>10,26,85,350</u>
(b) Net Block			
Add. Capital Works in Progress		1,25,60,45,052	1,28,13,26,666
		5,39,46,535	38,75,029
		<u>1,30,99,91,587</u>	<u>1,28,52,01,695</u>
INVESTMENTS			
	E	6,30,75,852	6,29,26,631
CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories	F	4,54,88,442	4,31,12,358
(b) Sundry Debtors	G	2,10,41,302	2,56,48,467
(c) Cash and Bank Balances	H	15,04,02,760	94,76,186
(d) Loans & Advances	I	5,96,34,548	12,36,51,395
		<u>27,65,67,052</u>	<u>20,18,88,406</u>
Less : Current Liabilities & Provisions	J	15,90,20,353	20,98,36,243
		<u>11,75,46,699</u>	<u>(79,47,837)</u>
		<u>1,49,06,14,138</u>	<u>1,34,01,80,489</u>
NOTES			
	R		

Schedules A to R form integral part of Balance Sheet and Profit & Loss Account.

As per our Report of even date For and on behalf of the Board

As per our Report of even date
for O.P. DADU & CO.

Chartered Accountants
O.P. Dadu
Partner

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

For and on behalf of the Board

D. Keelor
Director

Mayur Gupta
Managing Director

Place : New Delhi
Dated : 31st May, 2010

IST LIMITED



CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	Schedule	For the year ended 31.03.2010 Rs.	For the year ended 31.03.2009 Rs.
INCOME			
Sale & Services	K	33,75,89,135	29,41,81,709
Other Income	L	58,20,944	26,62,669
Increase/ (Decrease) in Stock	M	(32,89,692)	(85,55,515)
		<u>34,01,20,387</u>	<u>28,82,88,863</u>
EXPENDITURE			
Raw-Material & Components Consumed		3,53,83,345	4,61,61,281
Purchases		2,39,56,413	—
Payments to and Provisions for Employees	N	5,11,80,404	4,64,93,188
Excise Duty		83,15,155	1,50,23,881
Manufacturing Expenses	O	1,99,47,513	1,88,40,744
Other Expenses	P	3,60,55,110	4,02,86,047
Finance Charges	Q	4,64,110	60,20,873
		<u>17,53,02,050</u>	<u>17,28,26,014</u>
Profit before Depreciation		16,48,18,337	11,54,62,849
Depreciation		(80,47,086)	(55,10,458)
Profit before tax		15,67,71,251	10,99,52,391
Less: Provision For Current Tax			
Income Tax		49,50,000	1,03,50,000
Fringe Benefit Tax		—	4,05,500
(Less) / Add: Deferred Tax Credit		42,71,000	1,31,000
Profit after tax		14,75,50,251	9,90,65,891
(Less) : Prior period Adjustment Income tax		12,34,234	4,00,932
Profit after Tax and adjustment		14,63,16,017	9,86,64,959
Credit Balance brought forward from previous year		16,09,96,760	6,23,31,801
Balance carried forward to Balance Sheet		30,73,12,777	16,09,96,760
Earning per Share			
Basic & Diluted		25.09	16.92

NOTES

R

Schedules A to R form integral part of Balance Sheet and Profit & Loss Account.

As per our Report of even date
for O.P. DADU & CO.

Chartered Accountants

O.P. Dadu

Partner

Place : New Delhi

Dated : 31st May, 2010

For and on behalf of the Board

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

D. Keelor
Director

Mayur Gupta
Managing Director

**SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS**

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 'A' SHARE CAPITAL		
AUTHORISED		
1,00,00,000 Equity Shares of Rs.10/- each	<u>10,00,00,000</u>	<u>10,00,00,000</u>
ISSUED		
60,27,728 Equity Shares of Rs. 10/- each	<u>6,02,77,280</u>	<u>6,02,77,280</u>
SUBSCRIBED AND PAID UP		
58,32,056 Equity Shares of Rs. 10/- each fully paid up	<u>5,83,20,560</u>	<u>5,83,20,560</u>
Add : Shares Forfeited	<u>1,46,986</u>	<u>1,46,986</u>
	<u><u>5,84,67,546</u></u>	<u><u>5,84,67,546</u></u>
 SCHEDULE 'B' RESERVES AND SURPLUS		
SHARE PREMIUM ACCOUNT		
Share Premium on 12,11,716 Shares @ Rs.5/- each	<u>60,58,580</u>	<u>60,58,580</u>
GENERAL RESERVE		
As per last year Balance Sheet	<u>1,10,80,04,235</u>	<u>1,10,80,04,235</u>
Profit & Loss		
Credit Balance Brought forward	<u>16,09,96,760</u>	<u>6,23,31,801</u>
Add: Profit for the year	<u>14,63,16,017</u>	<u>9,86,64,959</u>
	<u>30,73,12,777</u>	<u>16,09,96,760</u>
	<u><u>1,42,13,75,592</u></u>	<u><u>1,27,50,59,575</u></u>
 SCHEDULE 'C' SECURED LOANS		
VEHICLES' LOAN		
From ICICI Bank Ltd (Secured by hypothecation of vehicles, by way of first charge)	<u>—</u>	<u>153,368</u>
	<u>—</u>	<u>153,368</u>



SCHEDULE 'D' FIXED ASSETS

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31.3.2009	Additions/ revaluation during the Year	Deductions during the Year	As at 31.3.2010	As at 31.3.2009	For the year	Deduction during the year	Upto 31.3.2010	As at 31.3.2010	As at 31.3.2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Freehold Land	1,22,34,86,126	32,23,230	7,57,69,280	1,15,09,40,076	—	—	—	—	1,15,09,40,076	1,22,34,86,126
Plant & Machinery	14,70,96,513	5,04,55,779	21,54,248	19,53,98,044	9,61,74,127	66,96,227	13,28,972	10,15,41,382	9,38,56,662	5,09,22,386
Furniture & Office Equipment	57,60,788	7,08,296	—	64,69,084	35,45,891	2,99,642	—	38,45,533	26,23,551	22,14,897
Vehicles	76,68,589	61,06,223	12,00,000	1,25,74,812	29,65,332	10,51,217	66,500	39,50,049	86,24,763	47,03,257
Total	1,38,40,12,016	6,04,93,528	7,91,23,528	1,36,53,82,016	10,26,85,350	80,47,086	13,95,472	10,99,36,964	1,25,60,45,052	1,28,13,26,666
Previous year	1,30,08,41,144	8,34,63,814	3,92,942	1,38,40,12,016	9,75,40,137	55,10,458	3,65,245	10,26,85,350	1,28,13,26,666	
Capital Work in Progress									5,39,46,535	38,75,029



IST LIMITED

	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 'E' INVESTMENTS (AT COST)		
LONG TERM		
10 Equity Shares of Galaxy Mercantiles Ltd. of Rs.100/- each	1,005	1,005
0(4,500) Equity Shares of Galaxy International Hotels Ltd. of Rs.100/- each	—	2,25,000
62,40,000 Equity Shares of IST Steel & Power Ltd of Rs.10/- each	6,24,00,000	6,24,00,000
	<u>6,24,01,005</u>	<u>6,26,26,005</u>
Quoted (Fully paid up)		
4,800 Equity Shares of J.C.T.Ltd. of Rs.2.50 each	2,93,399	2,93,399
2,000 Equity Shares of C.T.Cotton Yarn Ltd. of Rs.10/- each	50,838	50,838
10,000 Equity Shares of Ricoh India Ltd Rs.10/- each	6,09,706	6,09,706
3,000 Equity Shares of JMT Auto Ltd Rs.10/- each	4,25,795	4,25,795
1,000 Equity Shares of DCM Shriram Consolidatated Ltd Rs.2/- each	1,07,767	1,07,767
1,500 Equity Shares of UFLEX Ltd Rs.10/- each	3,25,177	3,25,177
	<u>18,12,682</u>	<u>18,12,682</u>
Less: Demuntion in value of Investment	(11,37,835)	(15,12,056)
	<u>6,74,847</u>	<u>3,00,626</u>
	<u>6,30,75,852</u>	<u>6,29,26,631</u>
	<u>6,74,847</u>	<u>3,00,626</u>
Aggregate Market value of Quoted Investment		
SCHEDULE 'F' INVENTORIES		
(As taken, valued and certified by the management as per Accounting Policies)		
Finished Goods	95,783	89,81,126
Goods under process	2,54,93,035	1,61,70,949
Raw materials and components	1,63,13,284	1,12,13,861
Stores & Spare parts	29,22,580	23,56,227
Scrap (Other)	6,63,760	43,90,195
	<u>4,54,88,442</u>	<u>4,31,12,358</u>
SCHEDULE 'G' SUNDRY DEBTORS		
Debts Outstanding for a period exceeding six months	12,80,964	8,78,680
Other Debts	1,97,60,338	2,47,69,787
	<u>2,10,41,302</u>	<u>2,56,48,467</u>
Notes : Classification of Sundry Debtors	<u>2,10,41,302</u>	<u>2,56,48,467</u>
Unsecured, Considered Good	<u>2,10,41,302</u>	<u>2,56,48,467</u>



	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULE 'H' CASH & BANK BALANCES		
Cash in hand	5,34,623	3,58,339
Cheques / Drafts in Hand	9,70,000	35,90,949
WITH SCHEDULED BANKS		
In Current Accounts including Margin Money Rs.31,38,859/-(Previous year 8,42,443/-)	66,29,108	50,35,348
In Fixed Deposit Account	14,19,16,974	85,000
With Other Bank	3,52,055	4,06,550
	<u>15,04,02,760</u>	<u>94,76,186</u>
SCHEDULE 'I' LOANS & ADVANCES		
Advance recoverable in cash or in kind or for value to be received or pending adjustments	11,18,816	1,13,04,326
Share Application Money (Pending allotment)	—	4,00,00,000
Advance against Capital goods	—	5,17,021
Sundry Deposits	49,81,975	50,11,830
Loan to Employees	2,32,000	1,10,500
National Saving Certificate Account (Pledged with Mining Engineers Nagore)	40,000	40,000
Income Tax & Fringe Benefit Tax	5,00,69,975	6,61,45,836
Other Receivables	31,75,588	4,67,463
Balance with Central Excise Deptt.	16,194	54,419
	<u>5,96,34,548</u>	<u>12,36,51,395</u>
NOTES :		
Classification of Loans and Advances : Unsecured, Considered Good	<u>2,34,99,419</u>	<u>12,36,51,395</u>
SCHEDULE 'J' CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors :		
For Capital Goods	1,11,13,372	2,88,60,000
For Goods, Services, Expenses etc.	1,35,83,439	1,09,17,490
For Other Finance	11,40,677	4,11,923
Payable to Customers	26,47,267	30,01,517
Other Liability	27,46,725	25,83,514
Security Deposit	10,12,24,596	7,14,46,106
Advance Rent Received	—	4,85,76,040
Director's Remuneration etc Payable	20,049	1,01,747
PROVISIONS :		
Gratuity & Earned Leave	1,01,38,728	85,32,406
Income Tax & Fringe Benefit Tax	1,64,05,500	3,54,05,500
	<u>15,90,20,353</u>	<u>20,98,36,243</u>



	For the year ended 31.03.2010 Rs.	For the year ended 31.03.2009 Rs.
SCHEDULE 'K' SALES & SERVICES		
Export Sales	2,54,19,559	74,11,714
Domestic Sales	16,83,28,773	19,37,66,239
Job Charges (T.D.S. Rs.1,08,559/- Previous year Rs 1,22,697/-)	50,13,125	42,77,975
Income from SEZ Operations (TDS Rs.1,44,00,722/- Previous year Rs.1,88,67,778/-)	14,06,45,775	9,11,64,180
	<u>33,94,07,232</u>	<u>29,66,20,108</u>
Less: Returns out of earlier year's sale	8,45,444	
Less : Discount & Liquidated Damages	9,72,653	24,38,399
	<u>33,75,89,135</u>	<u>29,41,81,709</u>
SCHEDULE 'L' OTHER INCOME		
Consultancy Fee (TDS Rs.Nil / Previous year Rs.2,01,657/-)	—	16,47,700
Interest (TDS Rs.5,16,622/- Previous year Rs.29,537/-)	48,56,411	1,35,207
Unspent Liabilities written back	1,52,407	4,594
Profit on Sale of Fixed Assets	—	2,87,302
Profit on sale of Investments (net) [including profit Rs.Nil/- on long term investments Previous year loss Rs.Nil-]	2,25,000	2,99,552
Dividend Received	7,500	14,400
Previous year Income (Net)	1,42,226	—
Provision for investment written back	3,74,221	—
Miscellaneous Receipts	63,179	2,73,914
	<u>58,20,944</u>	<u>26,62,669</u>
SCHEDULE 'M' INCREASE / (DECREASE) IN STOCK		
STOCK AS ON 31ST MARCH.2010		
Finished Goods	95,783	89,81,126
Goods under process	2,54,93,035	1,61,70,949
Scrap	6,63,760	43,90,195
	<u>2,62,52,578</u>	<u>2,95,42,270</u>
STOCK AS ON 31ST MARCH.2009		
Finished Goods	89,81,126	80,89,955
Goods under process	1,61,70,949	2,64,54,120
Scrap	43,90,195	35,53,710
	<u>2,95,42,270</u>	<u>3,80,97,785</u>
	<u>(32,89,692)</u>	<u>(85,55,515)</u>
SCHEDULE 'N' PAYMENT TO & PROVISION FOR EMPLOYEES		
Salaries, Wages, Bonus etc.	4,24,59,811	3,85,31,320
Gratuity	10,88,281	3,48,185
Contribution to P.F, E.S.I and Other Funds	34,55,484	37,31,529
Staff Welfare Expenses (Net)	41,76,828	38,82,154
	<u>5,11,80,404</u>	<u>4,64,93,188</u>
SCHEDULE 'O' MANUFACTURING EXPENSES		
Stores, Spare Parts & Packing Materials Consumed	1,06,92,402	1,03,78,713
Power and Fuel	91,29,038	82,42,935
Testing / Job Charges	1,26,073	2,19,096
	<u>1,99,47,513</u>	<u>1,88,40,744</u>



	For the year ended 31.03.2010 Rs.	For the year ended 31.03.2009 Rs.
SCHEDULE 'P' OTHER EXPENSES		
Rent	40,27,200	35,84,280
Rates & Taxes	46,587	61,672
Insurance	4,40,776	5,32,024
Advertisement Expenses	57,000	1,83,625
Repairs & Maintenance		
Building	1,47,325	1,27,281
Plant & Machinery	14,91,268	16,71,344
Others	14,03,015	10,59,014
Travelling & Conveyance (including directors' travelling Rs.5,55,744/- Previous year Rs.5,02,495/-)	23,57,585	23,86,167
Selling Expenses		
Sales Tax	38,77,475	71,85,937
Export Expenses	5,31,927	1,51,332
Other Selling Expenses	9,95,498	7,46,856
Brokerage & Commission	1,06,65,234	92,38,137
Auditors' Remuneration		
Audit Fee	85,000	85,000
In Other Capacity		
For Company Law Matters	10,000	10,000
For Tax Audit	30,000	30,000
For Certificates etc.	35,500	39,500
For Taxation & other matters	20,000	30,000
For Expenses	31,400	31,350
For Service Tax / Education Cess	18,593	20,972
Internal Audit Fees	88,240	67,107
Directors' Remuneration (excluding Rs.55,000/- previous year Rs.55,000/- charged to other heads of accounts)	18,04,615	14,74,615
Directors' Fee	25,000	35,000
Postage, Telegram & Telephone Expenses	6,47,959	6,91,753
Legal, Professional and Service Charges	19,94,345	21,23,301
Previous Year's Expenses (Net)	—	1,59,733
Demuntion in value of Investment	—	15,12,056
Shifting charges of plant	—	11,460
Miscellaneous Expenses	49,82,685	36,96,354
Sundry Debit/Credit balances adjusted	2,40,883	33,40,177
	<u>3,60,55,110</u>	<u>4,02,86,047</u>
SCHEDULE 'Q' FINANCE CHARGES		
Interest to Bank & Others	1,39,931	51,80,469
Bank Charges, Guarantee Commission and Other Finance Charges	3,24,179	8,40,404
	<u>4,64,110</u>	<u>60,20,873</u>

**SCHEDULE 'R' NOTES****1 ACCOUNTING POLICIES**

The significant Accounting Policies adopted in the preparation of these accounts are as under :

- (i) **Principles of Consolidation**
The Consolidated financial statements relate to IST Limited ('the company') and to its wholly owned Subsidiary Company Gurgaon Infospace Limited.
The Consolidated financial statements have been prepared on the following basis.
- The financial statements of the Company and its wholly owned Subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and/or transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS)-21 "Consolidated Financial Statements" issued by Institute of Chartered Accountants of India.
 - As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- (ii) **Basis of Accounting :**
The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.
- (iii) **Fixed Assets :**
- Fixed Assets are stated at Cost less Depreciation.
 - Plant & Machinery manufactured within the plant is stated at Cost (less Depreciation wherever applicable). The over head expenses are, however, allocated on estimates given by Technical Personnel.
- (iv) **Depreciation :**
Depreciation is calculated on Straight Line Method at the rates prescribed in schedule XIV of the Companies Act, 1956
- (v) **Valuation of Inventories :**
- Raw Material, Stores, Spares and purchased components, Finished Goods, and Goods under process are valued at cost on weighted average basis or net realisable value whichever ever is lower.
 - Tools and Instruments are valued at cost less depletion in value.
 - Stock of Scrap is valued at estimated realisable value.
- (vi) **Revenue Recognition**
- Sales are recognized when goods are supplied and are inclusive of excise duty and sales tax.
 - Processing Income : Processing income is recognized after services are rendered.
 - Income from SEZ are recognized on accrual basis.
- (vii) **Foreign Exchange Transactions**
Foreign Exchange transactions are recorded at the exchange rate prevailing on the date of transaction. The difference in realized gains and losses on foreign exchange transactions other than those relating to the fixed assets are recognized in the profit and loss account.
- (viii) **Investments:**
Investments are stated at cost and diminution in value is provided for.
- (ix) **Employees Retirement Benefits :**
Company's Contribution towards Provident Fund is charged to Profit & Loss Account. The amount of gratuity & leave encashment benefits on the basis of actuarial valuation is charged to Profit & Loss Account.
- (x) **Excise Duty :**
The Excise Duty is accounted for at the time of despatch of goods from the Factory.
- (xi) **Claims :**
Credits for certain claims such as interest on Telephone Deposits, Insurance, Customs Duty Drawback etc. are taken as and when determined or received.
- (xii) The liability for reimbursement of Medical Expenses and Leave Travel Allowance is provided for at the time when the same is due and the claim is made irrespective of the time of expenditure incurred by the employees.



- (xiii) Liquidated damages on Defence Sales are accounted for as and when ascertained.
- (xiv) In determining earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic earnings per share is the number of shares outstanding during the period.
- (xv) **Income Tax**
Provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions.
The differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax assets or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate being considered.
- (xvi) **Impairment of Assets**
The management assesses the performance of its unit to arrive at the value in use to check for impairment, if any, in Fixed Assets, as required under AS 28 of the ICAI and provides for any impairment thereof in Profit & Loss Account.
- (xvii) **Provision,Contingent Liabilities and Contingent Assets**
Provisions are recognised in term of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets' issued by the ICAI, when there is a present legal or statutory obligation as a result of past event where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognized only when there is a possible obligation arising from past event due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation can not be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of sources are provided for. Contingent assets are not recognized in the financial statements.

	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
2	Contingent Liabilities not provided for in respect of :	
(I)	Guarantees given by the Bank 36,82,500	28,61,275
(II)	Guarantees given by the Company on behalf of other Company 69,50,00,000	69,50,00,000
(III)	Against the Loan taken by Co-Developer (Unitech Developer and Projects Ltd) from Bank —	1,41,10,95,431
(iv)	Estimated amount of contracts remaining to be executed on Capital Account not provided for 1,24,74,693	2,33,26,750
(v)	Claims / Demands against the Company not acknowledged as debts:	
a)	Demand of Income Tax being disputed by the Company 1,47,380	—
b)	Demand raised by various Workmen being disputed by the Company Unascertainable	Unascertainable
3	Company has Cash Credit Limit from State Bank of India (Secured by first charge on current assets consisting raw material, work in process finished goods, book-debts & other current assets of the company; first charge on fixed assets consisting movable tangible property both present and future; plant & machinery purchased ; and equitable mortgage on land of an associated company, GPC Technology Limited admeasuring 11.26696 acres situated at Village Malapura Dist. Rewari,(Haryana)	
4	In view of accounting standard on "Accounting for retirement benefits in the Financial statement of Employer's" issued by ICAI being mandatory, the company has made provision for gratuity & leave encashment on actuarial valuation & estimated basis respectively.	
5	Defective stocks are accounted for in production as and when used after rectification.	
6	Fixed Deposits Rs.69,00,000/- (Nil) pledged with Punjab National Bank as security on behalf of other company and FDR of Rs.85,000/- (85,000/-) Pledged with Sales Tax Authorities Delhi.	



- 7 NSC for Rs.40,000/- pledged with M/s Mining Engineers, Nagore shown under Loans & Advances are in the name of Company's executive.
- 8 Previous year's expenses / income aggregate Rs.49,360 / Rs.1,91,586 respectively (Previous year Rs.7,29,553/- / Rs.5,69,820/-)
- 9 The company's investment in its wholly owned subsidiary namely Gurgaon Infospace Limited are held in its own name except six equity shares which are held in the name of its nominees.
- 10 Based on information available with the company there are no dues to Micro, Small & Medium Enterprises as defined in Micro, SME development Act,2006 as at 31.03.2010.
- 11 The Company has filed SLP with the Hon'ble Supreme Court of India against the order of the Hon'ble Punjab and Haryana High Court setting aside allotment of a Free Hold Plot by HUDA. The Apex Court has been pleased to admit the SLP and has ordered stay against the Order of the Hon'ble High Court.
- 12 Earning per Share
- | | | |
|------------------------------|--------------|-------------|
| Profit after tax | 14,63,16,017 | 9,86,64,959 |
| Weighted average No of share | 58,32,056 | 58,32,056 |
| Nominal Value | 10 | 10 |
| Basic & Diluted | 25.09 | 16.92 |
- 13 Consequent to the adoption of the Accounting Standard 22 on "Accounting For Taxes on Income", the Company has recognized a deferred tax liability of Rs.65.00 lacs accumulated till 31st March, 2009 (Up to previous year Rs.63.69 lacs) is in respect of
- | | Current year | Previous year |
|---|---------------|---------------|
| Difference between the WDV of assets as per books of accounts and WDV for Income Tax purpose as per Income Tax Act, 1961. | 4,18,27,906 | 2,76,53,859 |
| Expenses allowed for tax purpose on payment basis | (1,01,38,728) | (85,32,406) |
| | 3,16,89,178 | 1,91,21,453 |
| Net Deferred Tax Liability | 1,07,71,000 | 65,00,000 |
- 14 The Company has received approval dated 19th June, 2007 from Department of Commerce (SEZ Section), Ministry of Commerce and Industry, Government of India for the development, operation and maintenance of the sector specific Special Economic Zone for IT/ITES on its land. The Company is developing Special Economic Zone alongwith the Unitech Developers and Projects Limited in terms of Co-Development Agreement dated 17-09-2007 in terms of which receipts shall be shared between the parties in 28(GIL): 72(UDPL) ratio. The SEZ shall be developed and operated in terms of the SEZ Act, 2005 and the rules framed thereunder.
- 15 Information on Leases as per Accounting Standard 19 on "Accounting for Leases"
- Operating Lease Expenses :
- The Company has various operating leases for office facilities, factory, guest house and residential premises for employee that are renewable on a periodic basis cancellable at its option. Rental expenses for operating leases recognised in the profit & loss account for the year is Rs.40.27 lacs (Previous year Rs. 35.84Lacs). Income from lease recognised in the profit & loss account for the year is Rs. 1406.46 lacs.(Previous year Rs.911.64 lacs)



16 Information on Related Parties transactions as required by Accounting Standard (AS18)

	Associate Companies Rs.	Key Management Personnel Rs.	Others Rs.
For the year ending 31st March,2010			
Paid for Services & other charges	4,65,000		
	(2,10,000)		
Purchase of Investment			
	(1,25,00,000)		
Sale of Investment			2,25,000
			(80,000)
Remuneration		18,84,615	
		(15,64,615)	
Rent	29,47,000		9,60,000
	(29,84,280)		(4,80,000)
Outstanding Balance as on 31st March,2010			
Unsecured Loans	—		
	(—)		
Amount Payable		20,049	
		(2,36,716)	
Amount Receivable	—		
	(65,60,000)		
Equity Contribution	7,24,01,005		
	(7,26,26,005)		
Share Application Money	—		
	(4,00,00,000)		
Security Deposit	39,60,000		
	(39,60,000)		
Guarantees given by the Company on behalf of other Company	(69,50,00,000)		
	(69,50,00,000)		
FDR Pledged by the Company on behalf of other Company	69,00,000		
	(—)		

Associate Companies:

GPC Technology Ltd (Galaxy Power Cables Ltd), Delight Marketing Co. Pvt. Ltd, Delux Investments Pvt. Ltd, Lubetec India Pvt. Ltd, Antique Investment Co. Ltd, Galaxy International Hotels Pvt Ltd, Eastern India Power and Mining Co.Pvt Ltd., Neil Builders (P) Ltd, IST Technology Infrastructure P.Ltd, Gupta International Investment Co. Ltd, IST Steel and Power Ltd., IST Softech Pvt. Ltd. (Formerly AS Plastics Pvt Ltd.), Rex Propbuild Private Ltd, Western Indus Power Pvt. Ltd, Delight Softech Private Ltd, Eastern Softech Private Ltd, AVG Autoparts Pvt Ltd., Vinayak Infradevelopers Pvt. Ltd

Key Management Personnel

Shri Mayur Gupta
Mrs.Saria Gupta

17 The Company has exercised its option to claim deduction U/s 80 IAB of the Income Tax Act 1961 w.e.f., Assessment Year 2009-2010 in respect of the profit derived by the Company from the business of Developing SEZ, notified under SEZ Act, 2005. Hence no provision for Income Tax has been made during the year in respect of income from the business of Developing SEZ.

18 The subsidiary Company have created an equitable Mortgage over the land parcel admeasuring 13.35 acres, to the extent of 72% of the said land out of total parcel admeasuring 27.6812 acres of land in favour of Bank of India in respect of loan taken by Co Developer (Unitech Developer and Projects Limited) by depositing the title deed.

19 Information pursuant to the provisions of Part-II of Schedule VI of the Companies Act, 1956.



IST LIMITED

I. LICENCED AND INSTALLED CAPACITY (AS CERTIFIED BY THE MANAGEMENT)

Licensed Capacity

The Government of India, Ministry of Commerce & Industry, have granted an Industrial Licence no.DIL 99(2005) dt.24.11.2005

II. QUANTITATIVE INFORMATION WITH REGARD TO FINISHED GOODS.

	Unit	Quantity	Value(Rs.)
Opening Stock			
Own Manufactured Defence Stores Components			85,59,275
Own Manufactured Other Components			(73,08,365)
			4,21,851
			(7,81,590)
Production			
Own Manufactured Defence Stores Components			4,52,94,553
Own Manufactured Other Components			(5,33,33,568)
			6,69,32,593
			(5,40,30,656)
Purchases of Rap Seed Meal	Kgs	2,024.360	2,39,56,413
		(—)	(—)
Sales & Services			
Own Manufactured Defence Stores Components			3,20,89,684
Own Manufactured Other Components			(8,18,50,805)
			12,39,89,269
			(10,64,42,383)
Scrap and Other Sales			1,39,05,363
			(1,04,46,366)
Job Charges			50,13,125
			(42,77,975)
Income from SEZ Operations			14,06,45,775
			(9,11,64,180)
Sale of Rap Seed Meal	Kgs	1,975.160	2,19,45,919
		(—)	(—)
Closing Stock			
Own Manufactured Defence Stores Components	Pcs.	—	(85,59,275)
Own Manufactured Other Components			95,783
			(4,21,851)

NOTE :

Components consist of a large number of items for which it is not practicable to furnish quantitative information. Hence, only the aggregate value of such items has been shown.

III. RAW MATERIAL AND COMPONENTS CONSUMED

	Unit	Quantity	Value(Rs.)
Steel / Brass / Aluminium Etc.	Kgs.	134,680	3,16,21,844
		(150,692)	(4,19,85,000)
Others			37,61,501
			(41,76,281)



IV. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, STORE AND SPARE PARTS CONSUMED AND PERCENTAGE THEREOF

	Total	Total value of consumption		Percentage of Total consumption	
		Imported	Indigenous	Imported	Indigenous
Raw material & Components	3,53,83,345 (4,61,61,281)	30,05,521 (49,17,114)	3,23,77,824 (4,12,44,167)	8.49 (10.85)	91.51 (89.35)
Stores & Spares	1,06,92,402 (1,03,78,713)	12,63,672 (19,73,818)	94,28,730 (84,04,895)	11.82 (19.02)	88.18 (80.98)

V. C.I.F. VALUE OF IMPORTS

	Amount (Rs.)
a) Raw material & Components	31,22,155 (32,82,474)
b) Stores & Spare parts including Tools	12,00,228 (14,23,060)
c) Capital Goods	4,19,37,797 (27,02,769)

VI. EXPENDITURE IN FOREIGN CURRENCY

Overseas Travelling	63,725 (1,03,360)
Export Sales & Other Expenses	1,273 (1,18,068)
Exchange Rate Difference (Net)	1,30,281 (—)

VII. INCOME IN FOREIGN CURRENCY

Export Sales	2,54,19,559 (74,11,714)
Exchange Rate Difference (Net)	— (2,07,864)
Other Miscellaneous	— (3,66,698)

Previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with those of the current year.

Signature to Schedule 'A' to 'R'

As per our Report of even date
For O.P. DADU & CO.
Chartered Accountants

For and on behalf of the Board

O.P. Dadu
Partner

D.N. Tulshyan
General Manager (Finance)

R.K. Sapra
Company Secretary

D. Keelor
Director

Mayur Gupta
Managing Director

Place : New Delhi
Dated : 31st May, 2010

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2010**

(Pursuant to clause 32 of the listing Agreement)

Amount in Rs.

Particulars	2009-2010	2008-2009
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	15,67,71,251	10,99,52,391
Adjusted for:		
Depreciation	80,47,086	55,10,458
Interest (Net)	(47,16,480)	50,45,262
Amount written back (net)	2,40,883	33,40,177
Deferred Revenue & Preliminary Expenses Written off		—
Loss on Surrender of Land	10,91,255	—
Profit/ Loss on sale of Fixed Assets	33,897	(2,87,302)
Loss / Profit on Investments & Derivatives	(2,25,000)	(2,99,552)
Demunition in value of Investment	(3,74,221)	—
Dividend	(7,500)	—
	40,89,920	(14,400)
Operating Profit before working capital changes	16,08,61,171	12,32,47,034
Change in :		
Trade receivables	1,65,170	4,91,21,445
Inventories	(2,76,084)	1,00,34,852
Provisions	16,06,322	18,24,402
Trade Payables	(45,62,212)	4,51,24,118
Loans & advances	79,40,986	96,92,260
	69,74,182	11,57,97,077
Cash from operations	16,78,35,353	23,90,44,111
Interest paid	(1,39,931)	(51,80,469)
Direct Taxes paid	(91,07,261)	(4,38,11,632)
	15,85,88,161	19,00,52,010
Net Cash from Operating Activities	15,85,88,161	19,00,52,010
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(11,05,65,034)	(8,73,38,843)
Sale of Fixed assets	4,77,42,904	3,15,000
Interest Received	48,56,411	1,35,207
Investment in Shares	2,25,000	(1,24,20,000)
Investment in Shares Application Money	4,00,00,000	(4,00,00,000)
Profit on Investments & Derivatives	2,25,000	2,99,552
Dividend	7,500	14,400
	(1,75,08,219)	(13,89,94,684)
Net Cash used in Investing Activities	(1,75,08,219)	(13,89,94,684)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings / Repayment of borrowings (Net)	(1,53,368)	(90,90,296)
Unsecured Loan	—	(4,90,00,000)
Net Cash from Financing Activities	(1,53,368)	(5,80,90,296)
Net change in Cash & cash Equivalents (A+B+C)	14,09,26,574	(70,32,970)
Cash & Cash Equivalents		
- Opening Balance	94,76,186	1,65,09,156
- Closing Balance	15,04,02,760	94,76,186
	14,09,26,574	(70,32,970)

As per our Report of even date

For O.P. DADU & CO.

O.P. Dadu
Partner

Place : New Delhi
Dated : 31st May, 2010

For and on behalf of the Board

R.K. Sapra
Company Secretary

D. Keelor
Director

Mayur Gupta
Managing Director