

45th Annual Report

2009-2010

Aplab Limited

45th Annual General Meeting

Day & Date : Friday, 24th September, 2010

Time : 12.30 p.m.

Venue : Hotel Tip Top Plaza,
L.B.S.Marg, Near Check Naka,
Thane (W) - 400 602.

Please bring this copy to the Annual General Meeting

Contents	Page No.
Notice	3
Directors' Report	5
Corporate Governance	9
Auditors' Report	17
Balance Sheet	20
Profit & Loss Account	21
Schedules to Balance Sheet	22
Schedules to Profit & Loss Account	27
Cash Flow Statement	39
Balance Sheet Abstract	40
Statement on Subsidiaries	41
Intel Instruments & Systems Ltd. - Annual Report	42
Sprylogic Technologies Ltd. - Annual Report	56
Consolidated Balance Sheet	71
Consolidated Profit & Loss Account	71
Schedules to Consolidated Balance Sheet & Profit & Loss Account	72

Aplab Limited

45th Annual Report 2009-2010

Board of Directors

P. S. Deodhar
Nishith Deodhar
S. A. Joshi
Neelam K. Kumar
Amit Goenka
A. G. Joshi
Jayant Deo
S. K. Hajela

Chairman
Managing Director
Executive Director
Executive Director
Director
Director
Director
Director

Registered Office & Works

Aplab House,
A-5, Wagle Industrial Estate,
Thane-400 604.

Tel. : 67395555 Fax : 25823137
email : response@aplab.com
web : www.aplab.com

Works

A-1, A-3, A-5, A-6 & B-92, Wagle Industrial Estate,
Thane 400 604.

Plot No. 12, Kalwa Indl. Area,
Village Digha, Post Ghansoli,
Thane Belapur Road, Navi Mumbai - 400 708.

Sales & Service Centres

Agra	Chennai	Jaipur	Mumbai	New Delhi	Surat
Ahmedabad	Coimbatore	Kochi	Mysore	Patna	Trivandrum
Bangalore	Gauhati	Kolkatta	Madurai	Pune	Trichy
Bhopal	Goa	Kannur	Mangalore	Raipur	
Bhuvaneshwar	Hubli	Lucknow	Nagpur	Ranchi	
Chandigarh	Indore	Ludhiana	Nashik	Secunderabad	

Auditors

M. P. Chitale & Co.
Chartered Accountants
Mumbai

Bankers

Corporation Bank,
Thane

Bank of Maharashtra,
Thane

Registrar & Transfer Agents

M/s. Adroit Corporate Services Pvt. Ltd.
19, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Mumbai - 400 059.
Tel. 2859 40 60 / 2859 60 60

NOTICE

NOTICE IS HEREBY GIVEN THAT the Forty-fifth Annual General Meeting of Aplab Limited will be held at Hotel Tip Top Plaza, LBS Marg, Near Check Naka, Thane - 400602. on Friday 24th September, 2010 at 12.30 p.m. to transact the following business:

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on 31st March, 2010 and the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. P. S. Deodhar who retires by rotation and being eligible offers himself for re-appointment;
3. To appoint a Director in place of Mr. Jayant Deo who retires by rotation and being eligible offers himself for re-appointment;
4. To appoint M/s M.P. Chitale & Co. Chartered Accountants, (ICAI Registration No.101851W) as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of
the Board of Directors

Thane
11th August, 2010
Registered Office :
Aplab House
A-5, Wagle Estate,
Thane – 400 604

S. S. Karandikar
Sr. Vice President - Finance &
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a proxy must be lodged at the registered office of the company at least 48 hours prior to the time fixed for the meeting.
3. The Register of Members and the Share Transfer Register of the company will remain closed from Saturday, the 18th September, 2010 to Friday, the 24th September, 2010 (both days inclusive).
4. Members are requested to contact the Registrar and Share Transfer Agents for all matters connected with the Company's shares at: M/s Adroit Corporate Services Pvt. Ltd., 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai – 400 059. Tel : 28594060 / 28594442 / 28596060 Fax : 28503748
5. Members are requested to notify about change, if any, in their address/mandate/bank details to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agents in respect of their physical share folios.
6. The Company has already transferred, all unclaimed dividend declared upto the financial year ended 31st March, 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed their dividend upto the year ended 31st March, 1994 may submit their claim to the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, CBD, Belapur in the prescribed form.
7. Pursuant to the provision of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 1995 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. It may also be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof. Accordingly Dividend for the year ended 31st March, 1995, 31st March, 1996 and 31st March, 1997 have already been transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have so far not encashed the dividend warrant(s) of the Dividend for the year ended 31st March, 2003 and onwards are requested to make their claim to the Registered Office of the Company.
8. Members who would like to ask any questions on the Accounts, Annual Report are requested to send their questions to Registered Office of the Company at least 10 days before the Annual General Meeting to enable the Company to answer the questions satisfactorily.
9. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies at the Annual General Meeting. Members/Proxies should bring the attendance slip duly filled in and signed for attending the meeting.
10. The Members are requested to provide their e-mail IDs to the Registrar or Registered Office for facilitating speedy communication.
11. As required under Clause 49 VI (A) of the Listing Agreement, the relevant information in respect of the Directors seeking re-appointment at the Annual General Meeting is given hereunder.

INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING RE-APPOINTED**Mr. P.S. Deodhar – Chairman**

Mr. P.S. Deodhar, Date of Birth 25/09/1934, age 75 years is BE (Telecommunication), Distinguished Fellow I.E.T.E, India, Fellow I.E.E.E (USA), Fellow Indian Academy of Engineers and Hon. Fellow Broadcast Engineering Society. He is a founder member of the Company, and past Chairman of Electronics Commission & Advisor to Prime Minister on Electronics. He is presently the Chairman of the Company. Earlier from 1st February, 1995 till 30th September, 2009 he was Executive Chairman/Chairman & Managing Director. He Holds 546527 equity shares in the Company as at 31st March, 2010.

Mr. P.S. Deodhar is recipient of International Award for "Engineering Manager of the year 1990" from Engineering Management Society, IEEE, USA. He was Advisor to Prime Minister of India from the year 1985 to 1990, during this period output of IT & Electronics sectors in Indian Economy grew from 12 billion (83-84) to 94 billion (89-90). Initiated delicensing of the Electronics & IT Industry in India. He was contributory towards turning around from loss making to profitable public sector companies like ET & T Limited and Meltron Limited. Mr. P. S. Deodhar & Mr. Nishith Deodhar Managing Director are related to each other.

He is also Director in Kale Consultants Limited, Origin Instrumentation Pvt. Ltd., Deodhar Electro Design Pvt. Ltd., Devize (India) Pvt. Ltd., Printquick Pvt. Ltd., Contech Soft-tech Solutions Pvt. Ltd., Sebalab Electronics Pvt. Ltd.,

Concepts & Solutions GmbH, Steckbeck Jewellery Pvt. Ltd. He is Chairman of Investor Grievance Committee and member of Audit Committee and Remuneration & Compensation Committee of Kale Consultants Ltd.

Mr. Jayant Deo – Independent Director

Mr. Jayant Deo, Date of Birth 20/07/1944, age 66 years is a Mechanical Engineer having Post Graduation in Industrial Engineering and Financial Management. He is having 40 years of working experience. He is a Member of World Energy Council and Fellow Member of Institution of Engineers (India). He was appointed as Director wef 30/01/2006

He is also Managing Director of Indian Energy Exchange Ltd. He is member of Audit Committee and Remuneration Committee of the Company and Chairman of the Investor Grievance Committee of the Company. He does not hold any shares in the Company as at 31st March, 2010.

Thane
11th August, 2010

Registered Office :
Aplab House
A-5, Wagle Estate,
Thane – 400 604

By Order of the Board of Directors

S. S. Karandikar
Sr. Vice President - Finance &
Company Secretary

DIRECTORS' REPORT

To the Members

Gentlemen,

Your Directors present their 45th Annual Report and the Audited Accounts for the year ended 31.03.2010

	(Rs. in Lacs)	
	<u>Year ended</u> <u>31.03.2010</u>	<u>Year ended</u> <u>31.03.2009</u>
Profit before finance cost, depreciation and tax	92.64	849.23
Finance Cost	507.68	489.64
Depreciation	200.93	188.88
Profit/(Loss) before tax	(615.97)	170.70
Provision for Income tax & FBT	-	105.65
Deferred Tax Liability/(Asset)	-	(4.76)
Net Profit/(Loss)	(615.97)	69.82
Amount available for appropriations	-	69.82
Appropriations :		
1. General Reserve	-	11.32
2. Proposed Dividend	-	50.00
3. Tax on Dividend	-	8.50

REVIEW OF OPERATIONS

The service income has grown to Rs.1219 lacs as compared to Rs.971 lacs in the previous year. The sale of Test and Measurement equipments also has grown well which is Rs. 1405.26 lacs as compared to Rs. 1168.91 lacs in the previous year. However the sale of banking automation products and fuel dispensing units has been much less as compared to previous year. The sale of other products has generally remained same. This has resulted in reduction in annual turnover which is Rs.9795.54 lacs as compared to Rs. 10473.08 lacs in the previous year. The reduction in turnover coupled with increased costs has affected the working results for the year severally. The turnover for the year would have been better but for the sit down strike by workers of an union in the last few days of March,2010. The company as per Memorandums of Settlement with the unions has also accounted amount of Rs. 50.01 lacs and Rs.97.32 lacs relating to the period of 6 months of the financial year 2008-09 and 12 months of the financial year 2009-10 respectively towards employee cost.

FINANCE

The liquidity position of the company has been satisfactory during the year. The repayments of the borrowings and the loss for the year would affect the liquidity during the current year. There has not been much change in the cost of finance during the year, however the same is expected to rise in the coming months. Speedy recovery of all receivables and alternate source of finance is expected to bridge the gap.

DIVIDENDS

In view of loss incurred for the year the Board of Directors does not recommend any dividend for the year as against a dividend of Re. 1/- per share (10%) recommended in the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Report also includes Management Discussion & Analysis and the Report is thus a composite and comprehensive document

A. Industry Structure and Developments:

Business prospects of APLAB are largely dependent on the business prospects in the Electronic Hardware sector. The economy is now slowly recovering and we are hopeful of increased business in the coming quarters. The markets your company operates in are extremely competitive, and benefits of local manufacturing have long evaporated. This has directly impacted your company's sales margins. The increase in material costs without much scope for increasing the selling prices has been a setback to the Company. The Indian electronic hardware manufacturing industry in general is hurt by cheaper imports primarily from China. The problems faced by Indian manufacturers range from poor infrastructure like non availability of power, complex State, Centre and local taxes, rules & regulations, corruption, bureaucratic hurdles and lack of promotional policies. The Indian manufacturing sector struggles to survive in spite of lower cost of labour even as compared to China. The cost of talent is on rise due to a talent crunch since the IT sector has now started booming again. The sale of banking automation products and fuel dispensing units has been much less as compared to earlier year. With general improvement in the Indian economy the company expects to achieve overall improvement in the Turnover during the current financial year 2010-11. Your company is also hopeful for a pickup in the demand for fuel dispensers with petrol being finally deregulated.

B. Opportunities:

The stability in economic conditions in India, the possibility of containing inflation would have scope to increase sale of various products of the Company. There is good opportunity in the Test and Measuring equipments, Power Control and Conversion products and also the Solar energy and Energy Saver products. The Power electronics products have been major contributor to the top line. The same is expected to grow further until the power shortage problem finds solution. There is also an opportunity in home invertors though the margins would be less due to stiff competition. After the gap of several months the orders for fuel dispensing units are also expected to grow to take care of increase in petrol pumps and also replacements.

As far as Power Electronics products your company is now actively scoping international markets where margins are better than in India.

C. Threats

General economic conditions of inflation, severe competition within India and from outside, increasing material prices, labour costs have been major threats. Increases in prices of lead, copper, steel and aluminum and volatility therein is also a cause of concern. The cost of borrowed funds is expected to increase in coming months.

COMPANY PERFORMANCE

D. Performance Balance Sheet:

During the year under review your company achieved sales of Rs.9795 lacs and earned profit of Rs.92.64 lacs before Interest, Depreciation and Tax as compared to sales of Rs. 10473 lacs and Profit of Rs.849.23 lacs before Interest, Depreciation and Tax in the previous year. The decrease in turnover and increase in costs have affected the results of the company for the year. There has also been increase in the employee costs as per memorandums of settlements with the employee unions.

The Return on the capital invested has consequently gone down. An efficient Management of available technical, financial, human resources would only bring in improvement in coming quarters.

E. Internal control systems and their adequacy:

The Company has a proper and adequate system of controls in order to ensure that all assets are guarded against loss from unauthorized use or disposal and the transactions pertaining to the assets are properly documented and recorded. The internal control systems are designed to ensure that all the records in the organization are reliable and adequate in order to prepare the financial statements and maintaining accountability. The internal control systems are supplemented by Internal Audit by a firm of Chartered Accountants and also monitoring by the executive directors. The Audit Committee also reviews this and the observations of Internal Auditors in the periodical meetings.

F. Financial Performance:

There has not been a significant change in the cost of borrowings during the year. The repayments of term loans have been made as per schedule. However, considering the delay in earning revenue from the project at Bhosari, Pune the Company has arranged for a sanction of rephasing for the repayment of the balance amount of the term loan taken, with a one year moratorium. The same has been approved by the Bank and accordingly the repayment shall start after 12 months i.e. from February

2011. Efforts shall be made to speed up recovery of receivables to ease the liquidity position.

G Human Resources/Industrial Relations

Your company treats human resources as an important valuable asset for the growth of the organization and keeping this in view every effort is being made to retain and attract best talent in the industry to cater current and future business needs. Various in-house training programs are conducted to enhance the capability of existing employees. This year was marred by a sit down strike by a section of employees from 23rd, March, 2010 till 2nd, April 2010. This affected year end dispatches and impacted the financial results for the year. As at year end the company had 859 employees on its payroll.

SUBSIDIARY COMPANIES

Intel Instruments & Systems Limited

Intel Instruments & Systems Limited, the export subsidiary at SEZ recorded turnover of Rs. 570.44 lacs during the year as against Rs.510.30 lacs during the previous year. The operations for the year have earned a small profit before tax of Rs.1.51 lacs as against loss of Rs. 32.84 lacs in the previous year.

Sprylogic Technologies Limited

Sprylogic Technologies Limited, the IT subsidiary recorded turnover of Rs. 156.93 lacs during the year as against Rs.183.28 lacs in the previous year. The operations during the year have resulted into a profit of Rs. 7.45 lacs as against Rs.15.01 lacs during the previous year.

AUDITORS REPORT

Your Directors would like to invite your attention to paragraph 2 and 6 of the Auditors Report and clarify as under:-

- Intel earned a profit before tax of Rs. 1.51 lacs for the year under review as against loss of Rs. 32.84 lacs in the previous year and the Directors hope to improve the performance in coming years. Exposing Intel's products to foreign countries where specifications and quality standards are stringent brings some indirect benefits to Aplab. This enables Aplab to use latest technology for domestic market and keep Aplab ahead of the competitors.
- There is no default in paying gratuity and leave encashment to employees leaving the Company on superannuation or otherwise. As on Balance Sheet date the gratuity fund amount available with LIC is Rs.297.20 lacs.

FIXED DEPOSITS

During the year, fixed deposits of Rs. 354.18 lacs were accepted or renewed pursuant to provisions of section 58A of the Companies Act, 1956. As at year end the Fixed Deposits amounting to Rs.9.48 lacs remained unclaimed.

DIRECTORS

During the year Mr Deepak Chandanani resigned as Director from the Board. The Board appreciates his valuable guidance and co-operation received during his tenure.

In accordance with the clause 132 of the Articles of Association of the Company, Mr.P.S.Deodhar and Mr. Jayant Deo are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

The Auditors, M/s M.P.Chitale & Co., Chartered Accountants, (ICAI Registration No.101851W) retire at the forthcoming Annual General Meeting. They have furnished a certificate confirming their eligibility for reappointment under Section 224 of the Companies Act, 1956 and have expressed their willingness to be re-appointed. You are requested to appoint the Auditors for the current year and fix the remuneration.

CORPORATE GOVERNANCE

Your Company is committed towards the Corporate Governance pursuant to the provisions of Clause 49 of the Listing Agreement. A separate report on Corporate Governance is annexed herewith for your ready reference. The Auditors have examined the Company's compliance and their certificate is reproduced in the report.

DIRECTORS' RESPONSIBILITY STATEMENT

As per Companies amendment Act, 2000, under Section 217(2AA) of the Companies Act, 1956, your Directors' subscribe to the "Directors' Responsibility Statement" and confirm as under:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates 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/loss of the company for that period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- iv) that the Directors had prepared the annual accounts on a going concern basis.

The Company's Internal Auditors have conducted periodic audits to ensure that established policies and procedures have been followed. The Audit Committee met Internal Auditors periodically to review Internal Controls and Financial Reporting System.

LISTING OF SECURITIES

The Securities are listed on the stock exchanges at Mumbai, Delhi, Chennai & Pune.

PERSONNEL

During the month of March ,2010 workmen of an union resorted to sit down strike for few days .The Company entered into memorandums of settlements dated 12.07.2010 with both the unions covering the period of 01.10.2008 to 30.09.2011.The effect thereof on rise in employee costs has been given in the annual accounts .

The Board appreciates the co-operation and team spirit in the Management Cadre and other employees of the company.

PARTICULARS OF EMPLOYEES

Information as required under the provisions of Section 217 (2A) of the Companies Act, 1956(the Act) and the rules framed there under forms part of this report. However as per the provisions of section 219 (1)(b)(iv) of the Act ,the report and accounts are being sent to the shareholders ,excluding the statement of particulars of employees under section 217(2A) of the Act. Any shareholder desirous of obtaining a copy of the said statement may write to the Company Secretary at the registered office of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

A statement furnishing the information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the valuable co-operation and support extended during the year by the Company's Bankers, various Government Bodies and also from the Business Partners like Customers, Suppliers, Shareholders and other well-wishers.

For and on behalf of
the Board of Directors

Thane
11th August, 2010

Nishith Deodhar
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [Information pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988]

A) CONSERVATION OF ENERGY:

The Company's production process does not involve any continuous process machinery. As the production involves electronic assembly, power requirements are very minimal.

- Energy conservation measures taken:

The company has switched over all its lighting need to energy efficient CFL and LED lights. Measures are also taken to watch and correct the load PF as necessary. The company is also working developing phantom loads to reduce power requirements during equipment load testing.

- Additional investments and proposal if any:

Investments are proposed to be made in setting up Solar Panels for power generation to reduce the consumption and cost of purchased power.

- The measures would result in increased productivity and reduction in energy consumption

B) TECHNOLOGY DEVELOPMENT – R & D

1. Research & Development in Power Electronics

Most of your company's R&D focus for the next few years will be on green technologies. Your company considers R&D and innovation as key in negating the effects of squeezed margins in the competitive markets it operates in. Some of our R&D efforts this year are on:

- Solar based inverters and industry unique parallel solar architectures.
- Energy conservation devices for Industrial Lighting.
- Solar PV panel performance monitoring.
- An industry first high efficiency "green" fuel dispenser . This would result in overall benefit of energy saving to the users.

- Expenditure R & D

	<i>(Rs.in Lacs)</i>	
	<u>2009-10</u>	<u>2008-09</u>
Capital Expenditure	Nil	0.02
Revenue Expenses	42.08	32.99
TOTAL	42.08	33.01

Total R & D Expenses as a percentage to turnover: 0.43% 0.33%

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The earnings and outgo in foreign exchange are as follows:

Earnings (FOB Value & other charges) **Rs. 694.08 Lacs**

Outgo (CIF Value of imports plus expenses) **Rs.2372.32 Lacs**

For and on behalf of
the Board of Directors

Thane
11th August, 2010

Nishith Deodhar
Managing Director

REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause 49 of the Listing Agreement)

1. Company's philosophy on Code of Governance

The Company's philosophy of Corporate Governance is aimed at adhering to good Corporate Governance practices promulgated by the Securities and Exchange Board of India (SEBI).

As a listed Company, Aplab Limited strives to adhere to the requirements of the Listing Agreement. It has complied in all material requirements of Corporate Governance specified in the Listing Agreement with the Stock Exchanges, where Company's shares are listed.

2. Board of Directors – Composition

As on the date of this report, the Board of Directors of your Company consists of eight members, comprising of three Executive Directors and five Non-executive Directors. No director is a member of more than ten committees or Chairman of more than five committees across all companies in which they are directors. The details are as under:

Name	Executive/Non Executive Independent	Number of outside Directorships	Total no. of membership In Committees	Number of Chairmanship in Committees
Mr. P.S. Deodhar	Non Executive	1	2	1
Mr. Nishith Deodhar	Executive	1	-	-
Mr. S.A. Joshi	Executive	2	-	-
Mrs. Neelam K. Kumar	Executive	-	-	-
Mr. Amit Goenka	Independent & Non-Executive	8	2	-
Mr. A.G. Joshi	Independent & Non-Executive	5	6	4
Mr. Jayant Deo	Independent & Non-Executive	1	1	1
Mr. Deepak Chandnani*	Independent & Non-Executive	-	-	-
Dr. S.K. Hajela	Independent & Non-Executive	-	1	-

* Resigned during the year.

Board Meetings held during the year:

During the year under review five Board Meetings were held on 28th April, 2009, 29th July, 2009, 27th October, 2009, 23rd December, 2009 and 29th January, 2010.

The attendance at Board Meetings during the Financial Year 2009-10, and at the last Annual General Meeting (AGM):

Name	Number of Board Meetings attended	Attendance at the last Annual General Meeting
Mr. P.S. Deodhar	5	No
Mr. Nishith Deodhar	5	Yes
Mr. S.A. Joshi	5	Yes
Mrs. Neelam K. Kumar	5	Yes
Mr. Amit Goenka	-	No
Mr. A.G. Joshi	5	Yes
Mr. Jayant Deo	4	Yes
Mr. Deepak Chandnani*	-	No
Dr. S.K. Hajela	1	No

* Resigned during the year.

3. Audit Committee

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the listing agreements with the Stock Exchanges. The Audit Committee was constituted in the year 2001. The terms of reference of the Audit Committee are per the requirement of the Companies Act, 1956 and the listing agreements with the stock exchanges and mainly include review of the following in coordination with Management, Internal Auditors and Statutory Auditors :

- (a) Changes in accounting policies and practices & disclosure thereof
- (b) Major accounting entries based on exercise of judgement by management
- (c) Qualifications in draft audit report
- (d) Significant adjustments arising out of audit
- (e) The going concern assumption
- (f) Compliance with stock exchanges and legal requirements concerning financial statements
- (g) The adequacy of internal control systems
- (h) Company's financial and risk management policies
- (i) Accounting standards of ICAI - accounting aspects

The present Audit Committee consists of three Independent Directors. Mr. A.G. Joshi is the Chairman of the Committee. Mr. Jayant Deo and Dr. S.K. Hajela are the other members of the Committee. All the members have financial and accounting knowledge. Mr. Deepak Chandnani resigned during the year and in his place Dr S.K Hajela was appointed on the Committee.

During the year under review four meetings of the Audit Committee were held i.e. on 28th April 2009, 29th July, 2009, 27th October, 2009 and 29th January, 2010 respectively. The attendance of each member of the Committee is given below:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. A.G. Joshi	4	4
Mr. Jayant Deo	4	4
Dr.S.K.Hajela	3	1
Mr. Deepak Chandnani*	1	-

* Resigned during the year

4. Remuneration Committee

The Remuneration Committee was constituted on 7th May 2002 to consider and fix, from time to time, the remuneration payable to the Managing / Whole-time Directors.

The present Remuneration Committee consists of three Independent Directors. Mr. A.G. Joshi is the Chairman of the Committee. Mr. Jayant Deo and Dr. S.K. Hajela are the other members of the Committee. Mr. Deepak Chandnani resigned during the year and in his place Dr.S.K.Hajela was appointed .

One meeting of the Remuneration Committee was held during the year on 27th October, 2009. The attendance of each member of the Committee is given below:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. A.G. Joshi	1	1
Mr. Jayant Deo	1	1
Dr.S.K.Hajela	1	-

Remuneration Policy

The Remuneration Committee seeks to ensure that the Company's Remuneration policies and practices permit fairness and balances appropriate caliber, skills and responsibilities visa-vis the comparative remuneration package with reference to the industry and the size of the company.

(a) Whole-time Directors / Executive Directors

The Remuneration Committee is authorized to recommend the remuneration of the Executive Directors, subject to the approval of Shareholders and Central Government if required. The Remuneration structure of the Executive Directors comprises of Salary, Performance Incentives, Allowances, Commission and Perquisites. The Executive Directors are paid remuneration as per the agreements entered into between them and the company.

Details of Remuneration paid/payable to Executive Directors for the financial year ended 31st March, 2010 **(In Rupees)**

Name	Salary & Allowances	P F and Gratuity	Perquisites	Total
Mr. P.S. Deodhar*	28,00,000	5,60,000	52,100	34,12,100
Mr. Nishith Deodhar**	13,80,000	1,44,000	13,47,364	28,71,364
Mr. S.A. Joshi	15,72,000	1,44,000	1,89,363	19,05,363
Mrs. N.K. Kumar	15,72,000	1,44,000	2,89,131	20,05,131

*ceased to be Managing Director w.e.f. 01.10.2009

**appointed as Managing Director w.e.f 01/11/2009

The Company does not have a scheme for Stock options either for the directors or the other employees .

(b) Non-Executive Directors

Non-Executive Directors received Sitting Fees as follows

Name	Sitting Fees paid (Rupees)		Total Rupees
	Board Meeting	Committee Meeting	
Mr.P.S.Deodhar	30000	-	30000
Mr. A.G. Joshi	50000	45000	95000
Mr. Jayant Deo	40000	45000	85000
Dr. S.K. Hajela	10000	5000	15000

5. Shareholders/Investors' Grievance Committee

The Investors' Grievance Committee of the Company was formed on 7th May 2002 comprising of Non-executive Directors. The Investors' Grievance Committee facilitates prompt and effective redressal of shareholders' complaints and reporting of the same to the Board periodically.

The present Investors' Grievance Committee consists of three Independent Directors. Mr. Jayant Deo is the Chairman of the Committee. Mr. Amit Goenka and Mr. A.G. Joshi are the other members of the Committee.

During the year under review four meetings of the Committee were held i.e. on 28th April 2009, 29th July, 2009, 27th October, 2009 and 29th January, 2010 respectively. The Committee also reviews the functioning of Share Transfer Committee for approving share transfers, transmission, transposition, issue of duplicate share certificates and matters pertaining to investors' grievances. The attendance of each member of the Committee is given below:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. A.G.Joshi	4	4
Mr. Amit Goenka	4	-
Mr. Jayant Deo	4	4

During the year the company received 2 letters/complaints from the shareholders which were promptly replied. As on date no complaints are pending except one case of earlier years about stay on transfer of shares awaiting Court order.

6. General Body Meetings

The last 3 years Annual General Meetings of the Company were held on the following dates, time and venue:

Meeting	Date	Time	Venue
44 th AGM	25 th , June, 2009	12.30 p.m.	Hotel Satkar Residency, Thane
43 rd AGM	10 th June, 2008	11.30 a.m.	Hotel Tip Top Plaza, L B S Marg, Thane
42 nd AGM	27 th June, 2007	11.30 a.m.	Hotel Tip Top Plaza, L B S Marg, Thane

During the year postal ballot was conducted twice in December 2009 and March 2010 the details of which are as under:

Postal Ballot December 2009— Resolutions proposed / approved:

- Ordinary resolution under section 293 (1)(d) of the Companies Act ,1956 for authority to the Board of Directors to borrow as per limits specified .
- Ordinary resolution under section 293 (1)(a) of the Companies Act ,1956 for authority to the Board of Directors to create charge etc. on Company's assets .
- Special Resolution for approval of appointment of Mr Nishith Deodhar as Managing Director w.e.f. 01.11.2009 and his remuneration for the period 01.11.2009 to 31.10.2012

The Result was announced on 8th January, 2010. All the resolutions were approved by the Shareholders with requisite majority.

Postal Ballot March 2010 — Resolutions proposed / approved:

- Special resolution for revision/amendment in the remuneration payable to Mr. P. S. Deodhar for the period 01.07.2007 to 30.09.2009
- Special resolution for revision/amendment in the remuneration payable to Mr S A Joshi for the period 01.11.2007 to 31.07.2008.
- Special resolution for revision/amendment in the remuneration payable to Mrs. Neelam K. Kumar for the period 01.11.2007 to 31.07.2008.
- Special resolution for revision/amendment in the remuneration payable to Mr. Nishith P. Deodhar for the period 01.11.2007 to 31.10.2009.
- Special resolution for revision/amendment in the remuneration payable to Mr. S.A.Joshi for the period 01.08.2008 to 31.07.2011.
- Special resolution for revision/amendment in the remuneration payable to Mrs. Neelam K. Kumar for the period 01.08.2008 to 31.07.2011.

The Result was announced on 30th April, 2010. All the resolutions were approved by the Shareholders with requisite majority.

In the Annual General Meeting held on 25th June, 2009 the following two special resolutions were approved by the shareholders with requisite majority.

- Special resolution for approval of re-appointment of Mr. S A Joshi as Executive Director for the period 01.08.2008 to 31.07.2011
- Special resolution for approval of re-appointment of Mrs. Neelam K. Kumar as Executive Director for the period 01.08.2008 to 31.07.2011

Disclosure

Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large – The details are provided in note 10 of schedule 18 Notes on Accounts in accordance with the provisions of Accounting Standard 18. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

No strictures have been imposed on the Company by any regulatory authority for non-compliance of any laws during last three years.

7. Means of Communication

The quarterly financial results of the company were published during the year under review in leading national newspapers and also on the web site of Stock Exchange.

Management Discussion and Analysis Report forms part of this Annual Report.

8. General Shareholder Information

Annual General Meeting

The 45th Annual General Meeting of the Company will be held on Friday the 24th September, 2010 at 12.30 p.m. at Hotel Tip Top Plaza, LBS Marg, Near Check Naka, Thane - 400602.

Financial Calendar for the year 2010- 2011 (Provisional)

1	Results for the 1 st quarter ending 30 th June, 2010	On or before 14 th Aug., 2010
2	Results for the 2 nd quarter ending 30 th Sept., 2010	On or before 14 th Nov., 2010
3	Results for the 3 rd quarter ending 31 st Dec., 2010	On or before 14 th Feb., 2011
4	Results for the financial year ending 31 st March, 2011	By the end of May, 2011
5	A. G. M. for the year ending March, 2011	By the end of September, 2011

Date of Book Closure

The Register of Members and the Share Transfer Register of the company will remain closed from Saturday, the 18th September, 2010 to Friday, the 24th September, 2010 (both days inclusive).

Stock Exchange Listing

The Company's shares are presently listed in Mumbai, Pune, Delhi and Madras Stock Exchanges. The Company has paid Annual Listing fee to each of these Stock Exchanges. The company has complied with the mandatory requirements of SEBI relating to capital market.

Stock Code

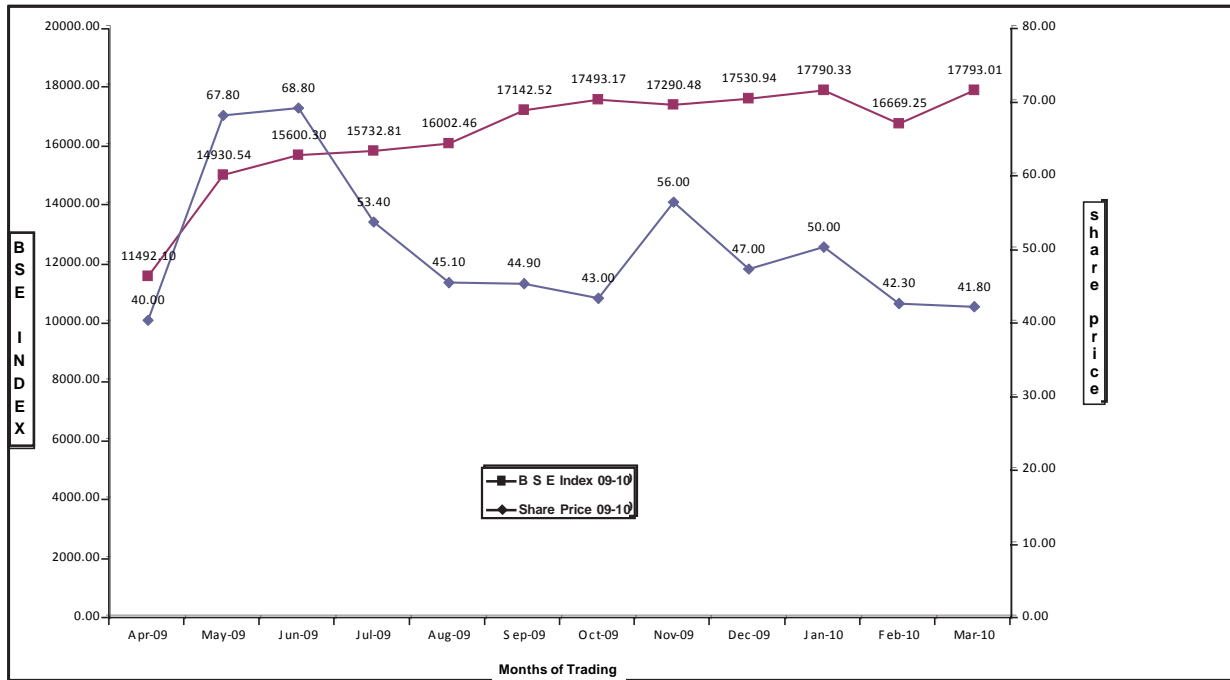
Mumbai Stock Exchange Demat ISIN Number	517096 INE273A01015
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Market Price Data

The monthly high & low quotations of shares traded at Mumbai Stock Exchange during the financial year 2009-2010 are

Period	Low	High	Monthly Turnover of shares traded	Monthly Low BSE sensex	Monthly High BSE sensex
April, 2009	31.25	40.00	23703	9546.29	11492.10
May, 2009	32.10	67.80	87003	11621.30	14930.54
June, 2009	46.55	68.80	91524	14016.95	15600.30
July, 2009	40.45	53.40	28849	13219.99	15732.81
August, 2009	39.20	45.10	60109	14684.45	16002.46
September, 2009	40.60	44.90	206586	15356.72	17142.52
October, 2009	36.00	43.00	62808	15805.20	17493.17
November, 2009	33.70	56.00	602155	15330.56	17290.48
December, 2009	40.00	47.00	59535	16577.78	17530.94
January, 2010	38.00	50.00	104305	15982.08	17790.33
February, 2010	37.05	42.30	51408	15651.99	16669.25
March, 2010	36.25	41.80	221985	16438.45	17793.01

Performance of Share Price in comparison to the BSE broad-based



Registrar and Transfer Agents

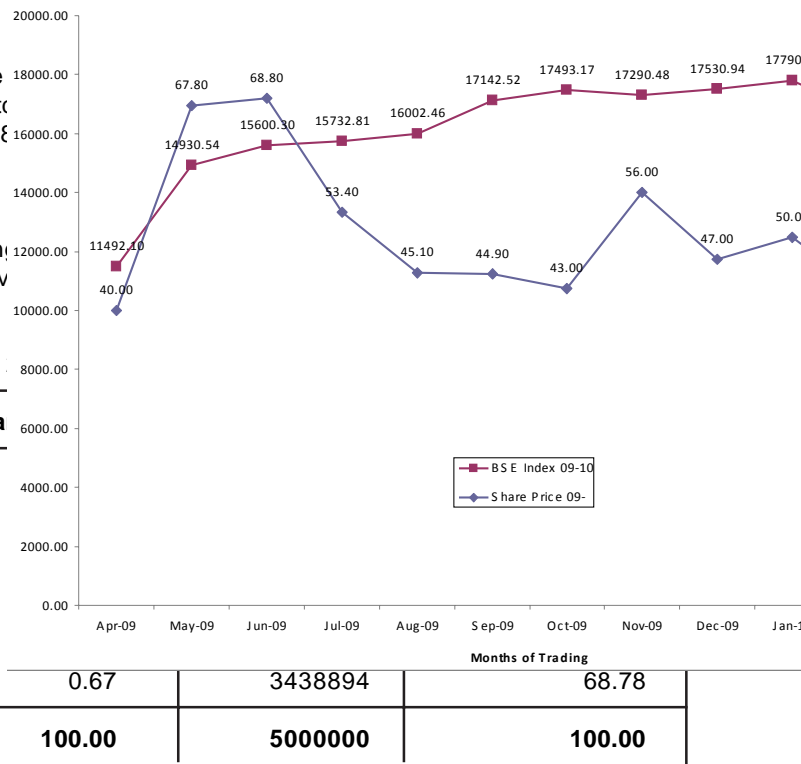
Members are requested to contact the Registrar and Share shares services at : M/s Adroit Corporate Services Pvt. Lt Marol Naka, Mumbai – 400 059, Telephone: 28594060 / 28594061

Share Transfer System

The Company's shares are traded on the Stock Exchange, which are lodged for transfer with M/s Adroit Corporate Services Pvt. Ltd within the stipulated time.

Distribution Schedule of Shareholding as on 31st March,

No. of Shares	No. of Holders	% of Sha
Up to - 500	4509	
501 – 1000	303	
1001 – 2000	133	
2001 – 3000	35	
3001 – 4000	17	
4001 – 5000	20	
5001 – 10000	28	
10001 & above	34	
T O T A L	5079	100.00



Pattern of Shareholding as on 31st March, 2010

CATEGORY	NO.OF SHARES	% TO TOTAL CAPITAL
Promoters	2845881	56.92
NRI'S	73285	1.46
NRI Corporate Bodies	1500	0.03
Corporate Bodies	116746	2.34
Mutual Funds	2300	0.05
Clearing Member	689	0.01
Corporate Body – Brokers	10807	0.22
Resident Individuals	1948792	38.97
T O T A L	5000000	100.00

Dematerialization of Shares

The Company's equity shares are included in the list of companies whose scrips have been mandated by SEBI for settlement only in dematerialized form by all investors. The Company has signed agreements with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and Adroit Corporate Services Pvt. Limited to offer Depository services to its shareholders and has paid their respective charges for the benefit of its members. As on 31st March 2010, 93.23% of the equity share capital of the Company has been dematerialized.

Outstanding GDRs / ADRs / Warrants

The company has not issued any GDRs / ADRs / Warrants.

Plant Locations:

Thane –	A-1, A-3, A-5, A-6 & B-92, Wagle Industrial Estate, Thane – 400 604.
Digha –	Plot No. 12, Kalwa Indl. Area, Vill. Digha, Pin - 400708
Pune –	6 & 18, Electronics Sadan II, Bhosari, Pune – 411 026

Address for Correspondence:

Registered Office	A-5, Aplab House, Wagle Industrial Estate, Thane – 400 604
Tel. Nos.	022 – 6739 55 88
Fax No.	022 – 25823137
E-mail	shares@aplab.com OR response@aplab.com
Web	www.aplab.com

Shareholders are requested to address their correspondence to the Company's Registrar and Share Transfer Agents as mentioned above and for any queries contact persons are Mrs. Veena Shetty or Mr. Pratap Pujare. Shareholders may also contact Mr. A. Ramesh Babu, Secretarial Executive at the registered office of the company for any assistance. Mr. S. S. Karandikar, Sr. V. P. - Finance & Company Secretary acts as Compliance Officer as per listing agreement.

Nomination Facility

Individual Shareholders can now avail of the facility of nomination. A Nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of the shareholder(s). A minor also can be a nominee provided the name of the guardian is given in the nomination form. The facility of nomination is not available to non-individual shareholders such as Bodies Corporate, Financial Institutions, Kartas of HUF and holders of Power of Attorney.

Code of Conduct.

The Code of Conduct was published in the Balance Sheet for the financial year ended 31st March, 2007 and is also hosted on the website of the Company .The same shall be followed by the Directors and senior management employees of the Company .

All the Directors and Senior management personnel of the Company have confirmed compliance with the Code of Conduct of the Company .

CEO / CFO Certification:

As required under clause 49 (V) of the listing agreement with the stock exchange, the Managing Director & the Chief Financial Officer of the company have certified to the Board regarding Financial Statements for the year ended 31st March, 2010.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**To the Member of Aplab Limited**

We have examined the compliance of the conditions of Corporate Governance by Aplab Limited (the Company) for the year ended 31st March, 2010 as stipulated in Clause 49 of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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 the opinion on the financial statements of the Company.

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

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 M.P. Chitale & Co
Chartered Accountants
ICAI Firm Regn. No. 101851W

Mumbai, August 11, 2010

Ashutosh Pednekar
Partner
ICAI M.No. 41037

AUDITORS' REPORT

We have audited the attached Balance Sheet of Aplab Limited as on March 31, 2010, the relative Profit and Loss Account and the Cash Flow Statement for the year ended on that date all of which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. 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 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:-

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by Companies (Auditor's Report) (Amednment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. *We invite reference to the annual report of the wholly owned subsidiary, Intel Instruments & Systems Ltd. (Intel) which is appended to the Company's annual report. It may be noted that Intel has accumulated losses impacting the realisability of the Company's Investment Rs.225 lacs (P.Y. Rs.225 lacs), Debtors Rs.225.18 lacs (P.Y. Rs. 283.61 lacs) and Loans & Advances Rs. 21.58 lacs (P.Y. Rs. 55.05 lacs). This is also a matter referred to in our audit report for the previous year 2008-09.*
3. 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.
4. 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 these books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
5. The Balance Sheet and Profit and Loss Account and the Cash Flow Statements dealt with by this report are in agreement with the books of accounts.
6. In our opinion and to the best of our knowledge and according to the explanations given to us, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 to the extent applicable *subject to non-compliance with AS-15 which requires accounting for accrued liability towards retirement benefits including gratuity. As per the Company's accounting policy in this regard, gratuity is provided when contribution is made to the Group Gratuity Scheme. The year-end amount payable to LIC under this scheme not recognized in the financial statements is Rs 354.37 lacs.*
7. On the basis of the written representations received from the Directors as on March 31, 2010 which have been taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2010 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.
8. *We further report that, without considering our observations at Para 2 above, the effect of which could not be determined, had the observations made by us in Para 6 above been considered while compiling accounts for the year, the loss of Rs. 615.97 lacs for the year would have increased to loss of Rs 970.34lacs and balance of Reserves and Surplus would have been Rs1614.33lacs as against the reported figure of Rs 1968.70lacs.*
9. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required; however, in view of our observations in Paragraph 8 above, they do not give a true and fair view:
 - in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010,
 - in the case of the Profit and Loss Account, of the loss for the year ended on that date
 - in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For M.P. Chitale & Co
Chartered Accountants
ICAI Firm Regn. No. 101851W

Ashutosh Pednekar
Partner
ICAI M.No. 41037

Mumbai,
August 11, 2010

ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in Paragraph 1 of our report of even date on the accounts for the year ended 31st March 2010 of Aplab Limited)

- i. (a) The Company has maintained reasonable records showing full particulars including quantitative details and situation of fixed assets.

- (b) Physical verification of some items of fixed assets was conducted by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) During the year, Company has not disposed of any substantial/major part of fixed assets.
- ii. (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- iii. (a) According to the information and explanations given to us, the Company has not taken loans from the parties listed in the register maintained under section 301 of the Companies Act, 1956; however, the Company has granted loan amounting to Rs. 21.58 lacs to its subsidiary, Intel Instruments & Systems Ltd. (P.Y. Rs. 21.58 lacs) . The maximum balance outstanding during the year was Rs.21.58 lacs
- (b) This interest free loan granted is prima facie not prejudicial to the interest of the Company.
- (c) The Company has not stipulated any terms and conditions of repayment of this interest free loan given to its subsidiary.
- (d) Subject to our observations in para (iii) (a) above there is no overdue amount of loan granted to the company listed in the register maintained under Section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of inventory and fixed assets, and with regard to the sale of goods. *The internal control procedures in case of services rendered need to be strengthened.* Subject to this observation, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control procedures.
- v. In respect of transactions entered in the register maintained in pursuance of Sections 301 of the Companies Act, 1956,
- (a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 have been so entered.
- (b) According to the information and explanations given to us there are transactions of purchase and sale of goods in excess of Rs.5 lakhs with some parties / companies listed in the register maintained under section 301. We are informed that these goods are specialized items for which alternative sources of supply are not readily available; as such comparison of prices could not be made. However, as certified by the management, these transactions are at competitive prices considering the quality and non standard nature of products and terms of payment and other commercial considerations.
- vi. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder with regard to the deposits accepted from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company relating to the manufacture of electronic products and components thereof pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- ix. (a) According to the records of the Company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Customs Duty, Excise Duty, cess and other statutory dues with the appropriate authorities during the year. There are no undisputed statutory dues outstanding as of March 31, 2010 for a period of more than six months since they

became payable except the unclaimed debentures amounting to Rs. 7.80 lacs (Previous year Rs. 7.77 lacs) which should have been paid to the Investor Education & Protection Fund. However, this amount has been deposited by the company with Maharashtra Executor and Trustee Company Limited, the trustees of the debenture holders.

- (b) As at the year-end according to the records of the Company and information and explanations given to us, the following are particulars of disputed dues on account of following matters:-

Statute	Amount (Rs.in Lacs)	Financial Year	Forum where dispute is pending
Custom Duty	5.30	2003-04	Appellate Authority
Excise Duty	1.80	2007-08	CESTAT, Mumbai Commissioner of Central Excise (Appeals), Navi Mumbai
Excise Duty	5.37	1999-2000	CESTAT, Mumbai

- x. *Subject to our observation in para 8 of the main report*, the Company's accumulated losses as at the end of the year are less than fifty percent of its net worth. The Company has incurred cash losses during the current financial year.
- xi. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.
- xiv. In our opinion and according to information and explanations given to us the Company is not a dealer or trader of shares, debentures and other securities.

- xv. According to the information and explanations given to us, the Company has given a guarantee for loans taken by its subsidiary from a bank on terms and conditions, which in our opinion, are prima facie, not prejudicial to the interest of the Company.
- xvi. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purposes for which the loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short term basis have, prima facie, not been used for long term investment and vice versa.
- xviii. The Company has not made any preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised money by any public issues during the year.
- xxi. Based on information and the explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the company noticed or reported during the year.

For M.P. Chitale & Co
Chartered Accountants
ICAI Firm Regn. No. 101851W

Mumbai,
August 11, 2010

Ashutosh Pednekar
Partner
ICAI M.No. 41037

Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	Schedule	As At 31-03-2010	As At 31-3-2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	5,00.00	5,00.00
Reserves & Surplus	2	19,68.70	25,85.17
		<u>24,68.70</u>	<u>30,85.17</u>
LOANS			
Secured	3	36,74.14	36,18.77
Unsecured	4	8,70.32	6,42.44
		<u>45,44.46</u>	<u>42,61.21</u>
DEFERRED TAX LIABILITY (NET)			
		22.80	22.80
TOTAL		<u><u>70,35.96</u></u>	<u><u>73,69.18</u></u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	38,07.19	37,54.06
Less : Depreciation		23,02.50	20,74.26
Net Block		<u>15,04.69</u>	<u>16,79.80</u>
Capital Work In Progress		12,04.18	9,33.37
		<u>27,08.87</u>	<u>26,13.17</u>
INVESTMENTS			
	6	2,32.38	2,32.68
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	7	38,50.22	31,00.31
Sundry Debtors		26,05.65	32,40.83
Cash & Bank Balances		2,48.38	2,55.98
Loans & Advances		18,43.12	18,54.40
		<u>85,47.37</u>	<u>84,51.52</u>
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	8	32,62.02	27,40.10
Provisions		11,90.64	11,88.09
		<u>44,52.66</u>	<u>39,28.19</u>
NET CURRENT ASSETS			
TOTAL		<u><u>40,94.71</u></u>	<u><u>45,23.33</u></u>
CONTINGENT LIABILITIES			
NOTES ON ACCOUNTS			
SIGNIFICANT ACCOUNTING POLICIES			

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

Ashutosh Pednekar
Partner

Mumbai : 11th August, 2010

S. S. Karandikar
Sr. Vice President Finance &
Company Secretary

For and on behalf of the Board
Nishith Deodhar Managing Director
Neelam K. Kumar Executive Director
A. G. Joshi Director

Thane : 11th August, 2010

Profit & Loss Account for the year ended 31st March, 2010

(Rs. in lacs)

	Schedule	2009-10	2008-09
INCOME:			
Sales and Operating Earnings	10	97,95.54	104,73.65
Other Income	11	1,61.77	92.78
Variation in Stocks	12	6,59.52	(13.87)
		<u>106,16.83</u>	<u>105,52.56</u>
EXPENSES:			
Materials Consumed	13	66,11.39	60,59.04
Payments to and provisions for Employees	14	22,48.57	20,28.48
Manufacturing Expenses	15	5,07.11	4,44.28
Other Expenses	16	11,57.12	11,71.53
Interest and Finance Charges	17	5,07.68	4,89.64
Depreciation	5	2,01.42	1,89.43
Less: Transferred to Revaluation Reserve		0.49	0.55
		<u>2,00.93</u>	<u>1,88.88</u>
		<u>112,32.80</u>	<u>103,81.85</u>
PROFIT/(LOSS) BEFORE TAX		(6,15.97)	1,70.71
PROVISION FOR TAXATION			
Current Tax		-	80.28
Fringe Benefit Tax		-	25.37
Deferred Tax Liability / (Asset)		-	(4.76)
PROFIT/(LOSS) AFTER TAX		(6,15.97)	69.82
Balance brought forward from previous year		-	-
Balance available for appropriation		<u>(6,15.97)</u>	<u>69.82</u>
APPROPRIATIONS :			
General Reserve		-	11.32
Deficit Carried to Balance Sheet		(6,15.97)	-
Proposed Dividend		-	50.00
Tax on proposed dividend		-	8.50
		<u>(6,15.97)</u>	<u>69.82</u>
Basic & Diluted Earning per Share (Rupees)		(12.32)	1.40
NOTES ON ACCOUNTS	18		
SIGNIFICANT ACCOUNTING POLICIES	19		

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

Ashutosh Pednekar
Partner

Mumbai : 11th August, 2010

S. S. Karandikar
Sr. Vice President Finance &
Company Secretary

For and on behalf of the Board
Nishith Deodhar Managing Director
Neelam K. Kumar Executive Director
A. G. Joshi Director

Thane : 11th August, 2010

Schedules forming part of the Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	As At 31-03-2010	As At 31-03-2009
SCHEDULE 1:		
Share Capital		
Authorised		
70,00,000 (Previous year 70,00,000) Equity Shares of Rs. 10 each.	<u>7,00.00</u>	<u>7,00.00</u>
Issued And Subscribed		
50,00,000 (Previous year 50,00,000) Equity Shares of Rs. 10 each	<u>5,00.00</u>	<u>5,00.00</u>
Paid Up		
50,00,000 (Previous year 50,00,000) Equity Shares of Rs. 10 each fully paid up.	<u>5,00.00</u>	<u>5,00.00</u>
	<u>5,00.00</u>	<u>5,00.00</u>

Note: Share Capital includes 8,30,300 Equity Shares of Rs. 10 each allotted as fully paid bonus Shares by Capitalisation of General Reserve, in earlier years.

SCHEDULE 2:

Reserves & Surplus

1. General Reserve		
Balance last year	12,76.31	12,64.99
Add : Transfer from Profit & Loss A/c	-	11.32
	<u>12,76.31</u>	<u>12,76.31</u>
Less : Debit Balance of Profit & Loss A/c	<u>(6,15.97)</u>	<u>-</u>
	6,60.34	12,76.31
2. Share Premium Account	12,91.81	12,91.81
3. Capital Reserve	4.01	4.01
4. Revaluation Reserve		
Balance last year	13.03	13.58
Less: Amount transferred from Profit and Loss Account	0.49	0.55
	<u>12.54</u>	<u>13.03</u>
5. Surplus as per Profit & Loss Account	-	0.01
	<u>19,68.70</u>	<u>25,85.17</u>

SCHEDULE 3:

Secured Loans

1. Term Loans from Banks :		
a) Corporation Bank	42.67	1,23.50
Secured by mortgage of Land and Buildings and other Fixed Assets subject to specific prior charges, at Thane and Digha, Navi Mumbai.		
(Repayable within one year Rs. 42.67 lacs previous year Rs. 80 lacs)		

Schedules forming part of the Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	As At 31-03-2010	As At 31-03-2009
b) Bank of Maharashtra Secured by mortgage of Land and Buildings and other Fixed Assets subject to specific prior charges, at Bhosari Pune and Bangalore (Repayable within 1 year Rs. 20.64 lacs previous year Rs. 2,40.00 lacs)	7,49.37	8,81.24
c) Vehicle loans from Banks. : Secured by hypothecation of vehicles financed by respective bank (Repayable within one year Rs.6.67 lacs previous year Rs. 12.56 lacs)	9.69	22.48
2. Deferred Payment/Hire Purchase Credits : From other corporate Secured by charge / lien over assets acquired under hire-purchase agreements (Repayable within one year Rs.0.99 lacs previous year Rs.1.61 lacs)	0.99	2.61
3. Cash Credit : From Corporation Bank Secured by hypothecation of all stocks and book debts and further secured / to be secured by charge on Land & Buildings at Thane and other fixed assets Subject to specific prior charge (s).	20,75.86	17,22.78
4. Bill Discounting Secured by Bills discounted with Corporation Bank.	7,95.56	8,66.16
SCHEDULE 4 :	<u>36,74.14</u>	<u>36,18.77</u>
Unsecured Loans		
Fixed Deposits (Repayable within one year Rs. 4,17.42 lacs previous year Rs. 1,32.90 lacs)	8,70.32	6,42.44
	<u>8,70.32</u>	<u>6,42.44</u>

Schedules forming part of the Balance Sheet as at 31st March, 2010

SCHEDULE - 5

FIXED ASSETS

(Rs. in lacs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2009	Additions	Dele- tions	As on 31.03.2010	Up to 01.04.2009	For the Year	Written back	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
PRODUCTION										
Goodwill	1,34.10	-	-	1,34.10	1,07.28	26.82	-	1,34.10	-	26.82
Leasehold Land	3,26.26	-	-	3,26.26	23.20	3.64	-	26.84	2,99.42	3,03.06
Factory Buildings	8,31.08	3.22	-	8,34.30	2,91.31	54.28	-	3,45.59	4,88.71	5,39.77
Residential Premises	7.54	-	-	7.54	4.54	0.15	-	4.69	2.85	3.00
Office Premises	83.32	-	-	83.32	8.68	3.73	-	12.41	70.91	74.64
Plant and Machinery	10,09.05	13.42	-	10,22.47	7,85.50	36.37	-	8,21.87	2,00.60	2,23.54
Electrical Installations	91.98	0.09	-	92.07	42.28	6.93	-	49.21	42.86	49.70
Furniture and Fixtures	6,37.09	14.39	-	6,51.48	2,80.92	64.36	-	3,45.28	3,06.20	3,56.17
E.D.P. Systems/Computers	3,59.31	22.01	-	3,81.32	3,28.70	13.46	-	3,42.16	39.16	30.61
Vehicles	1,96.17	-	-	1,96.17	1,29.22	17.33	-	1,46.55	49.62	66.95
RESEARCH AND DEVELOPMENT										
Plant and Machinery	48.69	-	-	48.69	45.89	0.44	-	46.33	2.36	2.79
Electrical Installations	0.91	-	-	0.91	0.91	-	-	0.91	-	-
Furniture and Fixtures	8.53	-	-	8.53	6.96	0.26	-	7.22	1.31	1.58
E.D.P. Systems/Computers	20.03	-	-	20.03	18.87	0.47	-	19.34	0.69	1.17
TOTAL FOR THE YEAR	37,54.06	53.13	-	38,07.19	20,74.26	2,28.24	-	23,02.50	15,04.69	16,79.80
TOTAL PREVIOUS YEAR	31,99.49	5,74.45	19.88	37,54.06	18,69.57	2,16.25	11.56	20,74.26	16,79.80	-
Capital Work In Progress	9,33.37	2,70.81	-	12,04.18	-	-	-	-	12,04.18	-

Schedules forming part of the Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	As At 31-03-2010	As At 31-03-2009
SCHEDULE 6 :		
Investments (Non-trade, Unquoted unless otherwise stated)		
Long Term Investments (At Cost)		
1. In shares of Subsidiary Companies:		
a) Intel Instruments & Systems Limited 2,25,000 Equity Shares of Rs. 100 each fully paid up. (Previous year 2,25,000 Equity Shares of Rs. 100 each fully paid up)	2,25.00	2,25.00
b) Sprylogic Technologies Ltd. 50,000 Equity Shares of Rs. 10 each fully paid up	5.00	5.00
2 Other Investments (Unquoted)		
a) 2000 Ordinary Shares of Rs. 10 each fully paid up of Saraswat Co. Op. Bank Ltd.	0.20	0.20
b) 1001 Ordinary Shares of Rs. 50 each fully paid up of The Thane Janata Sahakari Bank Ltd.	0.50	0.50
3 Other Investments (quoted)		
4700 Ordinary Shares of Rs. 10 each fully paid up of Bank of Maharashtra at premium of Rs. 13 per share (Market Value as on 31.03.2010 @ 49.65 per share Rs. 2.33 lacs P.Y. Rs. 0.97 lacs)	1.08	1.08
4 Government Securities		
National Saving Certificates (Deposited with various Government Authorities)	0.60	0.90
	<u>2,32.38</u>	<u>2,32.68</u>
SCHEDULE 7:		
Current Assets, Loans & Advances		
(A) Current Assets		
1. Inventories		
(As certified by the Management)		
Stores & Spares at cost	79.01	79.01
Materials & Components at cost	19,35.76	19,98.75
Goods in process at cost	12,46.80	7,02.87
Finished Goods at lower of cost or selling price	4,13.93	2,98.34
Materials in Transit and in Bonded Warehouse at cost	1,52.01	12.11
	<u>38,27.51</u>	<u>30,91.08</u>
Excise Duty paid/payable on Finished Goods	22.71	9.23
	<u>38,50.22</u>	<u>31,00.31</u>
2. Sundry Debtors (Unsecured)		
a) Due from Subsidiary Companies (Considered good) within 6 months		
Intel Instruments & Systems Limited	12.39	10.99
others		
Intel Instruments & Systems Limited	2,12.79	2,72.62
Sprylogic Technologies Ltd.	5.56	-
	<u>2,18.35</u>	<u>2,72.62</u>
	<u>2,30.74</u>	<u>2,83.61</u>
b) Due from others(considered good)		
Within 6 months	19,84.06	24,92.04
others	3,90.85	4,65.18
	<u>26,05.65</u>	<u>32,40.83</u>

Schedules forming part of the Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	As At 31-03-2010	As At 31-03-2009
SCHEDULE 7 Contd..		
3. Cash & Bank Balances		
Cash and Cheques on hand	10.95	9.68
In Deposit Accounts with Scheduled Banks	1,12.10	1,11.29
In Current Accounts with Scheduled Banks	1,25.33	1,35.01
	<u>2,48.38</u>	<u>2,55.98</u>
Deposit Receipts of Rs. 1,01.87 lacs (Previous year Rs.1,01.06 lacs) are pledged against Letters of Credit and Guarantees issued by Bank.		
(B) Loans & Advances (Unsecured) (considered good unless otherwise specified)		
1. Loans & advances to Employees	18.30	15.89
2. Advances recoverable in cash or in kind or for value to be received		
a) From Subsidiary Companies		
i) Intel Instruments & Systems Limited	21.58	55.05
ii) Sprylogic Technologies Ltd.	85.69	52.48
b) From others	2,82.11	3,92.18
c) Amount due as refund of additional duty of customs	38.15	25.71
3. Balance with Excise Authorities	71.80	86.60
4. Advance Income Tax/ T.D.S.	10,77.95	10,00.84
5. Deposits	2,47.54	2,25.65
	<u>18,43.12</u>	<u>18,54.40</u>
SCHEDULE 8 :		
Current Liabilities & Provisions		
1. Current Liabilities		
Sundry Creditors		
a) Micro, Small & Mededum Enterprises	14.12	5.54
b) Others	12,60.63	10,51.14
Acceptances	7,77.93	6,33.97
Dues to Directors	0.87	3.29
Advance from customers	1,82.13	1,80.93
Interest accrued but not due	61.92	34.70
Other Liabilities	9,45.41	8,10.38
Unclaimed Debenture*	7.80	7.77
Unclaimed Fixed Deposits*	9.48	10.62
Unclaimed Interest on above Fixed Deposits*	1.55	1.58
Cummulative Time Deposit from Employees*	0.18	0.18
*(Amount Transferable to Investor Education and Protection Fund, when due.)	<u>32,62.02</u>	<u>27,40.10</u>
2. Provisions		
Provision for Warranties	1,52.50	1,04.01
Provision for Taxation	9,36.77	9,36.77
Proposed Dividend	-	50.00
Tax on Dividend	-	8.50
Provision for Leave Encashment	1,01.37	88.81
	<u>11,90.64</u>	<u>11,88.09</u>
SCHEDULE 9:		
Contingent Liabilities		
1. Disputed Tax/duty demands not provided for	2,11.72	1,74.03
2. Corporate guarantees given to Banks on account of Subsidiary/ Other Companies	1,36.57	1,07.27
3. Bank guarantees given on behalf of company to third parties.	16,56.01	15,93.59
4. Estimated Liability on Capital Work in Process	-	1,09.00

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2010

(Rs. in lacs)

	2009-10	2008-09
SCHEDULE 10:		
Sales and Operating Earnings		
Product Sales	89,15.43	100,00.51
Less : Excise duty	3,39.34	4,98.09
Net Sales	85,76.09	95,02.42
Service Income	12,19.45	9,71.23
	<u>97,95.54</u>	<u>104,73.65</u>
SCHEDULE 11:		
Other Income		
Interest - on Bank Deposits (Gross, T.D.S. Rs.1.04 lacs) (Previous year Rs. 2.00 lacs)	10.54	9.99
- on Other Accounts (Gross, T.D.S. Rs. Nil) (Previous year Nil)	1.58	0.31
	<u>12.12</u>	<u>10.30</u>
Dividend	0.16	0.21
Insurance Claims	1.50	0.27
Miscellaneous Receipts	21.39	40.76
Exchange Variation Profit	62.00	-
Refund of Additional Duty of Customs	50.32	25.71
Rent Received	14.28	14.28
Profit on sale of assets	-	1.25
	<u>1,61.77</u>	<u>92.78</u>
SCHEDULE 12:		
Variation in Stocks		
Stock at Close		
: Finished Goods	4,13.93	2,98.34
: Goods in process	12,46.80	7,02.87
	<u>16,60.73</u>	<u>10,01.21</u>
Stock at Commencement		
: Finished Goods	2,98.34	4,37.00
: Goods in Process	7,02.87	5,78.08
	<u>10,01.21</u>	<u>10,15.08</u>
	<u>6,59.52</u>	<u>(13.87)</u>
SCHEDULE 13:		
Materials Consumed		
Stock at Commencement	19,98.75	19,32.21
Add : Purchases	64,44.26	60,15.61
	<u>84,43.01</u>	<u>79,47.82</u>
Less : Stock at Close	19,35.76	19,98.75
	<u>65,07.25</u>	<u>59,49.07</u>
Add : Consumption of Stores & Spares	1,04.14	1,09.97
	<u>66,11.39</u>	<u>60,59.04</u>

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2010

(Rs. in lacs)

	2009-10	2008-09
SCHEDULE 14:		
Payments to and provisions for Employees		
Salaries, Wages & Bonus	19,16.14	17,02.56
Contribution to Provident & Other Funds	1,62.56	1,55.59
Gratuity & Leave Encashment	39.40	42.74
Staff Welfare Expenses	1,30.47	1,27.59
	<u>22,48.57</u>	<u>20,28.48</u>
SCHEDULE 15:		
Manufacturing Expenses		
Labour Charges	37.13	34.48
Rent	3.00	7.71
Rates & Taxes	1,10.92	98.22
Power & Electricity	65.86	60.23
Insurance Charges	8.02	7.60
Repairs to Plant & Machinery	0.56	1.60
Repairs to Factory Building	11.75	11.32
Miscellaneous Works Expenses	2,69.87	2,23.12
	<u>5,07.11</u>	<u>4,44.28</u>
SCHEDULE 16:		
Other Expenses		
Rent for Office/Residential Premises	56.29	50.22
Equipment Lease Rentals	1.53	1.36
Printing & Stationery	30.38	35.11
Postage & Telephone	1,25.31	1,13.02
Royalty	-	3.84
Travelling & Conveyance	2,51.07	2,64.42
Vehicle Expenses	34.50	35.75
Legal & Professional Charges	1,28.40	1,56.02
Advertisement & Publicity	37.02	44.72
Commission & Discount	39.96	50.43
Transport Outward & Other Charges	2,40.26	2,14.79
Sales Tax, Purchase Tax	5.63	0.97
Office Maintenance Charges	66.54	71.76
Repairs and Maintenance	16.63	15.29
Miscellaneous Expenses	28.25	21.80
Loss on Sale of Assets	-	0.61
Bad debts & other amounts written off	20.03	-
Exchange Variation loss (Net)	-	41.10
Amortisation of Goodwill	26.82	26.82
Provision for Warranties	48.50	23.50
	<u>11,57.12</u>	<u>11,71.53</u>
SCHEDULE 17:		
Interest and Finance Charges		
On Fixed Period Loans	1,23.83	1,16.76
On other Loans/Deposits	2,99.53	3,10.48
Bank Charges	84.32	62.40
	<u>5,07.68</u>	<u>4,89.64</u>

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

SCHEDULE 18

NOTES ON ACCOUNTS

1. i) The Company recognises its Gratuity liability on the basis of contribution to the LIC Group Gratuity Scheme. During the year, LIC informed the Company that based on its actuarial valuation as of March 31, 2010 a contribution of Rs.3,54.37 lacs is required to make the Scheme fully funded. Gratuity expenditure recognized includes Rs.22.51 lacs being the contribution for financial year 2009-10.

ii) Employee benefit:-

The Company provides benefits to its employees under the Leave Encashment pay plan which is a non-contributory defined benefit plan. The employees of the Company during the tenure of their employment are entitled to receive leave encashment in excess of 60 days leave to the credit of their account as on 1st January every year.

The benefit of Gratuity is funded defined benefit plan. For this purpose the Company has obtained a qualifying insurance policy from LIC of India.

(Rs. in lacs)

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	Rs.	Rs.	Rs.	Rs.
The major categories of plan assets as a percentage of total plan assets	*	*	N/A	N/A
Qualifying Insurance Policy	611868	611868	-	-
Changes in the present value of the obligation				
1 Opening present value of Obligation	6,17.63.	5,90.26	88.81	81.07
2 Interest Cost	*	*	6.74	6.17
3 Current Service Cost	22.51	23.98	15.69	10.02
4 Past Service Cost	-	11.02	-	-
5 Benefits Paid	73.80	66.57	(5.21)	(5.94)
6 Actuarial (gain) / loss on Obligation	26.84	27.74	4.66	2.51
7 Closing Present Value of Obligation	6,51.57	6,17.63	1,01.37	88.81
Changes in the Fair Value of Assets				
1 Opening Fair value of Plan Assets	2,99.99	3,32.42		
2 Expected Return on Plan Assets	*	*		
3 Contributions	44.17	6.40		
4 Benefits Paid	73.80	66.57		
5 Actuarial gain (loss) on Plan Assets	26.84	27.74	Not applicable as unfunded	Not applicable as unfunded
6. Closing Present Value of Plan Assets	2,97.20	2,99.99		
Profit & Loss - Expenses				
1 Current Service Cost	22.51	23.98	15.69	10.02
2 Interest Cost	*	*	6.74	6.17
3 Expected Return on Plan assets	*	*	-	-
4 Net Actuarial gain (loss) recognised in the year	*	*	4.66	2.51
5 Past Service Cost	-	11.02	-	-
6 Expenses Recognised in the Profit & Loss Account	22.51	35.00	12.56	7.74
Actuarial Assumptions				
1 Discount Rate	8%	8 %	7.5%	7.5%
2 Expected Rate of Return on Plan Assets	*	*	N/A	N/A
3 Expected Rate of Salary Increase	4%	4 %	6%	6%
4 Attrition Rate	1 to 3 %	1 to 3 %	-	-
5 Mortality Post-retirement	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate

* Information to the extent made available by LIC

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

2. Expenditure on Research & Development (as certified by the Management)	(Rs. in lacs)	
	<u>2009-10</u>	<u>2008-09</u>
	Rupees	Rupees
Capital Expenditure for acquisition of fixed assets	-	0.02
Other Expenses		
(i) Salaries, Allowances, etc	26.68	12.48
(ii) Materials Consumed	1.26	15.91
(iii) Other Expenses	14.14	4.60
Total	<u>42.08</u>	<u>33.01</u>
3. Payments to Directors		
(Exclusive of future liabilities in respect of retirement benefits like contribution to gratuity fund, Provision for leave encashment on retirement and other retirement benefits)		
(a) Remuneration		
Salary	73.24	87.24
Provident Fund Contribution & Gratuity	9.92	9.36
Other Perquisites	18.78	19.29
Commission on Profit	-	14.66
Total	<u>1,01.94</u>	<u>1,30.55</u>
(b) Sitting Fees to non-executive directors	2.25	2.00
Computation of net profit in accordance with Section 349 of the Companies Act, 1956, and calculation of commission payable to Directors		
Profit/(Loss) before Taxation as per Profit and Loss Account	(6,15.97)	1,70.71
Add :		
1 Remuneration	1,01.94	1,06.53
2 Sitting fees	2.25	2.00
3 Commission on profit	-	14.66
4 Loss on sale of fixed asset	-	0.61
5 Depreciation as per books of accounts	2,00.93	1,88.88
	<u>3,10.85</u>	<u>4,83.39</u>
Less :		
1 Depreciation under Section 350 of the Companies Act, 1956	2,00.93	1,88.88
2 Profit on sale of fixed asset	-	1.25
Profit as per Section 349 of the Companies Act, 1956	<u>(5,11.78)</u>	<u>2,93.26</u>
Commission payable to directors	-	14.66
Maximum commission as per service agreement	-	14.66
Commission allowed as per Companies Act, 1956	-	14.66

Approval of Central Government has been received in respect of Mr.P.S.Deodhar upto 30.09.2009. ii) Mr.Nishith P.Deodhar as Executive Director up to 31.10.2009. Mr.S.A.Joshi and Mrs N.K.Kumar as Executive Direct for the period up to 31.07.2008. The approval of Central Government is pending in respect of i) Mr.Nishith P.Doedhar as Managing Director for the period of 3 years from 1.11.2009 and ii) Mr.S.A.Joshi and Mrs. N.K.Kumar for the period of 3 years from 1.8.2008. The appointment / reappointment and remuneration including revision/ amendment therein where applicable has been approved in the Annual General Meeting held on 25.06.2009 and by Shareholders by special resolution approved vide Postal ballot result of which were announced on

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

08.01.2010 and 30.04.2010. The remuneration paid / provided for this period is within the limits of schedule XIII to the Companies Act, 1956

4. Payment to Auditors:

Audit Fees Rs.7.50 Lacs(Rs.7.50 Lacs) ,Tax Audit Fees Rs.1.10 Lacs (Rs.1.10 Lacs) Management Services Rs.1.35 Lacs(Rs.1.35 Lacs) Limited Review and Corporate Governance and other Certification Fees Rs. 4.75 Lacs (Rs. 2.10 Lacs), Expenses reimbursed and Services tax Rs. 2.72 Lacs (Rs 2.59 Lacs)

5. Investment in shares of Intel Instruments & Systems Limited, a subsidiary company Rs.2,25.00 Lacs (Rs.2,25.00 Lacs) and Rs. 2,46.76 Lacs (Rs. 3,38.66 Lacs) other dues from that Company are considered good in view of the strategic nature of this investment and the subsidiary's ongoing and potential business operations.

6. Loans and Advances in Schedule 7 include:

Rs. 10.71 Lacs (Rs.6.16 Lacs) as Sales Tax , in respect of which matters are pending with the appellate authorities and, Rs.14.70 Lacs (Rs.14.70 Lacs) towards compensation paid to MTNL, in respect of which the Company has filed a suit for recovery.

7. The Company is entitled to benefit available u/s35(2AB) of the Income Tax Act , 1961 as per renewal dated 31/05/07 received from Ministry of Science and Technology, Govt. of India, DSIR, New Delhi, valid for 01.04.2007 to 31.03.10 .

8 Suppliers/Service providers covered under Micro, Small Medium Enterprises. Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is given to the extent available:-

	(Rs. in lacs)	
	2009-10	2008-09
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	14.12	5.54
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

9. Segment Reporting (Accounting Standard – AS 17)

The Company is engaged in business / operations of manufacture, sale and servicing of professional electronic equipment. Though the Company has a range of products, they all fall within the single segment of electronic equipment. It is a considered view of the management that the Company has no reportable segments envisaged in the Accounting Standard (AS17) "Segment Reporting" issued by the Institute of Chartered Accountants of India.

10. Related Party Disclosures (Accounting Standard AS 18)

List of Related Parties and Relationship

Subsidiary Companies :

Intel Instruments and Systems Limited
Sprylogic Technologies Ltd

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

Associates (enterprises where Aplab Limited and its subsidiaries have 20% holding or, investing parties who have over 20% holding in Aplab Limited)

Zee Entertainment Enterprises Ltd. (Formerly Zee Telefilms Limited)

Key Management Personnel:

Mr. P.S. Deodhar	Chairman
Mr. Nishith Deodhar	Managing Director
Mr. S.A.Joshi	Executive Director
Mrs. Neelam K Kumar	Executive Director

Relatives of Key Management Personnel:

Mrs. A. P. Deodhar
Mrs. Aruna Narayanan
Mr Arun Deodhar

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Sr.No. Name of the Party

- 1 Deodhar Electro Design Pvt Ltd
- 2 TTL Technologies Private Limited
- 3 Intel Exports Corporation
- 4 Telemetrics Incorporated
- 5 Print Quick Private Limited
- 6 Origin Instrumentation Private Limited
- 7 Contech Soft-Tech Solution Pvt. Ltd
- 8 Telemetra Systems Pvt. Ltd
- 9 A.N. Associates
- 10 Dakshin Media Gaming Solutions Pvt. Ltd.
- 11 Aalay Interiors
- 12 Digital Media Convergence Ltd

The following transactions were carried out with the related parties in the ordinary course of business

(Rs. in lacs)

Nature of Transaction & Names	Subsidiaries Rs.	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Sale of Material / Finished Goods				
Intel Instruments & Systems Ltd.	23.93.			
	(29.54)			
Spylogic Technologies Ltd.	5.56			
	(-)			
Deodhar Electro Design Pvt. Ltd.				22.85
				(0.53)
Intel Exports Corporation				0.75
				(2.83)
Telemetrics Incorporated				0.72
				(0.04)
TTL Technologies Pvt. Ltd.				4.04
				(-)
Total	29.49			28.36
	(29.54)			(3.40)

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

(Rs. in lacs)

Nature of Transaction & Names	Subsidiaries Rs.	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Purchase of Material / Finished Goods				
Intel Instruments & Systems Ltd.	3,61.53 (1,51.16)			
Sprylogic Technologies Ltd	1,46.94 (1,84.61)			
Deodhar Electro Design Pvt. Ltd				90.65 (1,77.93)
Telemetrys Incorporated				2,24.67 (2,48.62)
Telemetrys Systems Pvt. Ltd.				40.55 (29.28)
Aalay Interiors			19.49 (4,65.26)	
Total	5,08.47 (3,35.77)		19.49 (4,65.26)	3,55.87 (4,55.83)
Rent Paid / Payable				
Nishith Deodhar		10.20 (10.20)		
Origin Instrumentation Pvt. Ltd.				7.53 (7.53)
Print Quick Pvt. Ltd.				7.53 (7.53)
Contech Soft - Tech Solution Pvt. Ltd.				3.00 (3.00)
Total		10.20 (10.20)		18.06 (18.06)
Income received (Rent)				
Sprylogic Technologies Ltd.	14.28 (14.28)			
Total	14.28 (14.28)			
Service/Labour charges Paid/Payable				
Deodhar Electro Design Pvt. Ltd.				10.93 (11.72)
Digital Media Convergence Ltd.				0.60 (-)
Telemetrys Incorporated				- (6.37)
TTLTechnologies Pvt. Ltd.				- (1.45)
A. N. Associates			9.55 (27.78)	
Intel Instruments & Systems Ltd.	- (0.88)			
Total	- (0.88)		9.55 (27.78)	11.53 (19.54)

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

(Rs. in lacs)

Nature of Transaction & Names	Subsidiaries Rs.	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Expences Reimbursed				
Intel Instruments & Systems Ltd.	0.79			
	(-)			
SprylogicTechnologies Ltd.	0.69			
	(-)			
TTLTechnologies Pvt. Ltd				-
				(2.71)
Telemetrys Incorporated				1.22
				(1.32)
Total	1.48			1.22
	(-)			(4.03)
Investment as on 31.03.2010				
Intel Instruments & Systems Ltd.	2,25.00			
	(2,25.00)			
Sprylogic Technologies Ltd	5.00			
	(5.00)			
Total	2,30.00			
	(2,30.00)			
Debit Balances as on 31.03.2010				
Intel Instruments & Systems Ltd.	2,46.76			
	(3,38.66)			
Sprylogic Technologies Ltd.	91.25			
	(52.48)			
Digital Media Convergence Ltd.				0.60
				(-)
Intel Export Corporation				2.03
				(-)
TTLTechnologies Pvt. Ltd				-
				-
Alay Interiors			-	
			(5.12)	
A.N. Associates			-	
			(0.15)	
Total	3,38.01		-	2.63
	(3,91.14)		(5.27)	(-)
Credit Balances as on 31.03.2010				
Deodhar Electro Design Pvt. Ltd.				3.37
				(16.43)
Telemetrys Incorporated				78.40
				(1,13.46)
Telemetrys Systems Pvt. Ltd.				15.19
				(1.15)
Origin Instrumentation Pvt. LTD.				0.56
				(0.50)
Print Quick Pvt. Ltd.				0.56
				(0.50)
Contech Soft - Tech Solution Pvt. Ltd.				0.23
				(0.20)
Nishith Deodhar		0.77		
		(0.70)		
Total		0.77		98.31
		(0.70)		(1,32.24)

Previous year figures are shown in bracket.

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

11. Earning per Share (Accounting Standard – AS 20)	(Rs. in lacs)	
	<u>2009-10</u>	<u>2008-09</u>
Profit computation for both Basic and Diluted Earnings per Equity Share of Rs. 10 each		
Net profit/ (Loss) after tax as per Profit and Loss Account available for Equity Shareholders	(6,15.97)	69.82
Number of shares for Basic & Diluted EPS as above	50.00	50.00
Earning per Share		
Basic and Diluted (Rs.)	(12.32)	1.40
12. Deferred Tax Assets and Liabilities (Accounting Standard – AS 22)		
Deferred Tax Liability / (Asset) at the year end comprises timing difference on account of:		
- Depreciation	29.07	29.07
- Expenditure / Provisions	(6.27)	(6.27)

For the year the company has not recognized the deferred tax asset in respect of Loss as per Income tax Act, 1961 and other items (net) as abundant caution though it is expected that company would generate taxable income in coming years.

13. Additional information pursuant to paragraphs 3, 4C and, 4D of part II of Schedule VI to the Companies Act, 1956.

Information regarding capacity, stocks, production and sale (as certified by Management)

- i) Licensed Capacity: Not applicable
- ii) Installed Capacity:

Production of the items manufactured by the Company does not require special machinery. Production depends largely upon designing skills adequate space and competent staff. The term "installed capacity" does not have relevance in relation to the items manufactured by the Company

- iii) Stocks, Production and Sales including outsourced items.

	(Rs. in lacs)				
	Opening Stock Nos.	Closing Stock Nos.	Production during the year Nos.	Quantity sold Nos.	Sales Value Net of Excise Rs.
I) Electronic Test & Measuring Instruments including Digital / Microprocessor based Instruments	3469 (2374)	3845 (3469)	34190 (32548)	33814 (31453)	21,68.06 (20,04.65)
II) Microprocessor based systems (including Electronic Transaction Control Systems)	14142 (13593)	12254 (14142)	93262 (91680)	95150 (91131)	8,19.57 (11,81.21)
III) D.C .Regulated Power Supplies/Inverters/ Converters/A.C. Line Voltage Regulators/ Controllers/Transducers	10665 (9649)	11751 (10665)	32701 (30879)	31615 (29863)	53,93.11 (58,14.41)
IV) Accessories, Spares and Other Miscellaneous	20 (19)	3 (20)	9122 (12913)	9139 (12912)	11.06 (12.43)
V) Pumps for dispensing fuel & accessories	1 (395)	2 (1)	1911 (1026)	1910 (1420)	1,84.28 (4,89.72)
Grand Total	28297 (26030)	27855 (28297)	171186 (169046)	171628 (166779)	85,76.08 (95,02.42)

(Figures for previous year are shown in bracket.)

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

Raw Materials and Components consumed: (Rs. in lacs)				
Particulars	2009-10		2008-09	
	Nos.	Rupees	Nos.	Rupees
Resistors, Pots, etc.	2182106	52.72	3828150	30.06
Capacitors	1120841	74.66	1422942	95.06
Transformers, Laminations, Printed Circuit Boards	*	2,53.72	*	2,03.82
Diodes, ICs, Transistors, CRTs	311248	2,18.27	126957	56.67
Relays, Fuses, Meters, Switches	1176123	2,40.90	1733949	2,00.50
Sub-assemblies & others	*	9,46.27	*	8,58.10
Sub Total		22,15.01	*	14,52.77
		40,01.55		28,96.98
Less : VAT set off		1,00.79		87.05
Sub Total		39,00.76		28,09.93
Add: Consumption of Outsourced Items		26,06.49		31,39.14
Add: Consumption of Stores & Spares		1,04.14		1,09.97
Grand Total		66,11.39		60,59.04

Notes: 1. * Quantity in various units of measurements

2. None of the items included in the groups individually account for 10% or more of the total value of materials consumed. In the absence of verifiable records the Auditors have relied upon the management's representation to this behalf

			(Rs. in lacs)	
			2009-10	2008-09
			Rupees	Rupees
13.2	Value of Imports calculated on CIF basis			
	Components and Spares & outsourced items		23,38.30	17,25.42
	Capital Goods		4.79	Nil
	Others		Nil	Nil
13.3	Earnings in Foreign Exchange:			
	FOB Value of Exports		6,56.71	6,30.60
	Other charges		37.37	11.14
13.4	Expenditure in Foreign Currency:			
	Travelling		8.25	19.01
	Subscription to Foreign Journals & Membership Fees		0.11	0.36
	Commission on Sales		20.87	30.15

13.5 Value of Raw Materials and Components Consumed: (Rs. in lacs)

	2009-10		2008-09	
	Rupees	Percent	Rupees	Percent
Imported	13,75.38	35.26	5,71.96	20.35
Indigenous	25,25.38	64.74	22,37.97	79.65
	39,00.76	100.00	28,09.93	100.00

13.6 Value of Stores and Spares consumed: (Rs. in lacs)

	2009-10		2008-09	
	Rupees	Percent	Rupees	Percent
Imported	-	-	-	-
Indigenous	1,04.14	100	1,09.97	100
	1,04.14	100	1,09.97	100

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

14. Details of movement in provision in accordance with Accounting Standard-29

Particulars	Opening balance as on 01.04.2009	Provision made during the year	Provision reversed /adjusted	Closing balance as on 31.03.2010
Taxation - Income Tax	8,23.52	-	-	8,23.52
- FBT	1,13.25	-	-	1,13.25
Dividend	50.00	-	50.00	-
Tax on Dividend	8.50	-	8.50	-
Provision for Warranties	1,04.01	60.00	11.51	1,52.50
Provision for Leave Encashment	88.81	12.56	-	1,01.37

15. Figures for the previous year have been regrouped wherever necessary.

SCHEDULE 19

SIGNIFICANT ACCOUNTING POLICIES

1. System of Accounting:

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in purchasing power of money. These statements have been prepared to comply in material aspects with applicable accounting principles in India, mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions to the Companies Act, 1956.

2. Revenue Recognition:

Sale of goods is recognised on shipment or dispatch to customer. Service Income is considered on accrual basis.

3. Fixed Assets and Depreciation:

Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs, including interest and finance costs incurred till the asset is commissioned.

Capital Work-in-progress:

Capital work-in-progress includes the cost of fixed assets that are not ready for their intended use, advances paid to acquire fixed assets and the cost of assets not put to use before the balance sheet date.

Depreciation:

Depreciation is provided on the written down value method.

Depreciation pertaining to the incremental values of assets revalued is adjusted against Revaluation Reserve.

Depreciation is provided at the rates and in manner laid down in Schedule XIV to the Companies Act, 1956. Leasehold Lands are amortised.

Items costing Rs. 5,000 or less are fully depreciated in the year of acquisition.

From Financial year 2006-07 Cenvat credit is availed on fixed asset purchases of Rs.50,000 and above.

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

4. Goodwill

Goodwill is written off over a period of five financial years in line with AS-14 and AS-26

5. Inventories:

Stocks of raw materials, components, dies and moulds are stated at cost and are valued on weighted average cost basis. Goods in bonded warehouse and in transit are valued at costs.

Finished goods are stated at cost or selling prices whichever is lower.

Goods in process are stated at cost based on technical estimates / evaluation of the state of completion of individual work order. Cost of goods in process and finished goods include, Material Costs, Labour, Factory Overheads and related administrative expenses.

6. Sundry Debtors and Advances:

Specific debts and advances in respect of which certain amounts are identified as irrecoverable are written off.

7. Taxation:

Income tax comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using current tax rates. Deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed as at each Balance Sheet date to reassess realisation.

8. Foreign Exchange Transactions:

Realised gains and losses on foreign exchange transaction are recognised in the Profit and Loss Account. Assets and liabilities are translated at the year end exchange rates.

9. Research and Development costs:

Research and Development cost of revenue nature is written off in the year in which it is incurred and expenditure resulting in development of enduring know-how is capitalised.

10. Retirement Benefits:

Provident Fund benefit to employees is provided for on accrual basis and charged to Profit and Loss Account of the year. Gratuity is considered accrued and accounted for as per actuarial valuation done by LIC under its Group Gratuity Scheme (subject to Note No1. Schedule 18). Leave Encashment is considered accrued and accounted for based on actuarial valuation report.

Signature to Schedules '1' to '19'

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

Ashutosh Pednekar
Partner

Mumbai : 11th August, 2010

S. S. Karandikar
Sr. Vice President Finance &
Company Secretary

For and on behalf of the Board
Nishith Deodhar Managing Director
Neelam K. Kumar Executive Director
A. G. Joshi Director

Thane : 11th August, 2010

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

(Rs. in lacs)

Particulars	2009-10	2008-09
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax and extra ordinary items	(6,15.97)	1,70.71
Adjustments For :		
Depreciation	2,00.93	1,88.88
Net Loss on sale of Fixed Assets	-	0.61
Profit on Sale of Fixed Assets	-	(1.25)
Amortisation of Goodwill	26.82	26.82
Interest received	(10.54)	(9.99)
Dividend received	(0.16)	(0.21)
Operating Profit before working capital changes	(3,98.92)	3,75.57
Adjustments For :		
(Decrease) / Increase in Working Capital	7,62.00	5,27.07
	3,63.08	9,02.64
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(53.14)	(5,74.45)
Capital Work in Progress	(2,70.81)	(3,86.81)
Sale of Fixed Assets	-	8.96
Investments .	-	(50.40)
Dividend Paid	(58.50)	(1,46.24)
Proceeds of Investments	0.30	-
Net Cash used in Investing Activities	(3,82.15)	(11,48.94)
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase / (Decrease) in Borrowings	0.77	2,97.62
Interest received	10.54	9.99
Dividend received	0.16	0.21
Net Cash from financial activities	11.47	3,07.82
Net Increase / (Decrease) Increase in Cash and Cash Equivalent (A+B+C)	7.60	(61.52)
Opening Balance of Cash and Cash Equivalent	2,55.98	1,94.46
Closing Balance of Cash and Cash Equivalent	2,48.38	2,55.98
Net Increase / (Decrease)	(7.60)	(61.52)

Notes : 1) The above Cash Flow statement has been prepared under the "Indirect Method" as setout in Accounting Standard 3 "Cash Flow Statement."

2) Figures in brackets indicate outflow.

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

Ashutosh Pednekar
Partner

Mumbai : 11th August, 2010

For and on behalf of the Board

Nishith Deodhar
Managing Director

Thane : 11th August, 2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.
 Balance Sheet State Code
 Date : Date Month Year

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

Public Issue	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Rights Issue	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Bonus Issue	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Private Placement	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

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

Total Liabilities	<input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="6"/>	Total Assets	<input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="6"/>
Sources of Funds			
Paid-up Capital	<input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>	Reserve & Surplus	<input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="0"/>
Secured Loans	<input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="7"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="4"/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="2"/>
Deferred Tax Liability	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="0"/>		
Application of Funds			
Net Fixed Assets	<input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="8"/> <input type="text" value="7"/>	Investments	<input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="8"/>
Net Current Assets	<input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="1"/>	Misc. Expenditure	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Accumulated Losses	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>		

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

Turnover	<input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="3"/>	Total Expenditure	<input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="0"/>
+ - Profit/Loss Before Tax	<input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="7"/>	+ - Profit/Loss After Tax	<input type="text" value=""/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="7"/>
(Please tick Appropriate box + for Profit - for Loss)			
Earning per Share in Rs.	<input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="2"/>	Dividend %	<input type="text" value=""/> <input type="text" value="."/> <input type="text" value=""/>

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

Item Code No. (ITC Code)	<input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="4"/>
Product Description	<input type="text" value="U"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="N"/> <input type="text" value="T"/> <input type="text" value="E"/> <input type="text" value="R"/> <input type="text" value="U"/> <input type="text" value="P"/> <input type="text" value="T"/> <input type="text" value="E"/> <input type="text" value="D"/> <input type="text" value=""/> <input type="text" value="P"/> <input type="text" value="O"/> <input type="text" value="W"/> <input type="text" value="E"/> <input type="text" value="R"/> <input type="text" value="S"/> <input type="text" value="U"/> <input type="text" value="P"/> <input type="text" value="P"/> <input type="text" value="L"/> <input type="text" value="Y"/> <input type="text" value=""/> <input type="text" value="S"/> <input type="text" value="Y"/> <input type="text" value="S"/> <input type="text" value="T"/> <input type="text" value="E"/> <input type="text" value="M"/> <input type="text" value="S"/>
Item Code No. (ITC Code)	<input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="0"/>
Product Description	<input type="text" value="E"/> <input type="text" value="L"/> <input type="text" value="E"/> <input type="text" value="C"/> <input type="text" value="T"/> <input type="text" value="R"/> <input type="text" value="O"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="C"/> <input type="text" value=""/> <input type="text" value="T"/> <input type="text" value="R"/> <input type="text" value="A"/> <input type="text" value="N"/> <input type="text" value="S"/> <input type="text" value="A"/> <input type="text" value="C"/> <input type="text" value="T"/> <input type="text" value="I"/> <input type="text" value="O"/> <input type="text" value="N"/> <input type="text" value="C"/> <input type="text" value="O"/> <input type="text" value="N"/> <input type="text" value="T"/> <input type="text" value="R"/> <input type="text" value="O"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value="S"/> <input type="text" value="Y"/> <input type="text" value="S"/> <input type="text" value="T"/> <input type="text" value="E"/> <input type="text" value="M"/> <input type="text" value="S"/>
Item Code No. (ITC Code)	<input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="."/> <input type="text" value="0"/> <input type="text" value="0"/>
Product Description	<input type="text" value="T"/> <input type="text" value="E"/> <input type="text" value="S"/> <input type="text" value="T"/> <input type="text" value=""/> <input type="text" value="M"/> <input type="text" value="E"/> <input type="text" value="A"/> <input type="text" value="S"/> <input type="text" value="U"/> <input type="text" value="R"/> <input type="text" value="I"/> <input type="text" value="N"/> <input type="text" value="G"/> <input type="text" value=""/> <input type="text" value="A"/> <input type="text" value="N"/> <input type="text" value="D"/> <input type="text" value="I"/> <input type="text" value="N"/> <input type="text" value="D"/> <input type="text" value="U"/> <input type="text" value="S"/> <input type="text" value="T"/> <input type="text" value="R"/> <input type="text" value="I"/> <input type="text" value="A"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value="C"/> <input type="text" value="O"/> <input type="text" value="N"/> <input type="text" value="T"/> <input type="text" value="R"/> <input type="text" value="O"/> <input type="text" value="L"/> <input type="text" value="E"/> <input type="text" value="Q"/> <input type="text" value="U"/> <input type="text" value="I"/> <input type="text" value="P"/> <input type="text" value="M"/> <input type="text" value="E"/> <input type="text" value="N"/> <input type="text" value="T"/> <input type="text" value="S"/>
Item Code No. (ITC Code)	<input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="1"/> <input type="text" value="1"/>
Product Description	<input type="text" value="F"/> <input type="text" value="U"/> <input type="text" value="E"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value="D"/> <input type="text" value="I"/> <input type="text" value="S"/> <input type="text" value="P"/> <input type="text" value="E"/> <input type="text" value="N"/> <input type="text" value="S"/> <input type="text" value="E"/> <input type="text" value="R"/> <input type="text" value="S"/>

STATEMENT RELATING TO SUBSIDIARIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1. Name of the Subsidiary Company	INTEL INSTRUMENTS & SYSTEMS LIMITED	SPRYLOGIC TECHNOLOGIES LIMITED
2. Financial year of the subsidiary ended on	31st March, 2010	31st March, 2010
3. Date from which it became subsidiary	5th April, 1985	16th August, 2005
4. Extent of the Holding Company's interest in the subsidiary company at the end of the financial year of the subsidiary company	2,25,000 Equity Shares of Rs.100/- each fully paid-up, i.e., 100% of the paid up capital of the subsidiary company.	50,000 Equity Shares of Rs.10/- each fully paid up.
5. Net aggregate amount of the profit (losses) of the subsidiary company not dealt within the Holding Company's accounts (concerning the members of the Holding Company)		
a. For the current year	Loss Rs. 7.86 lacs	Profit Rs. 7.45 lacs
b. For the previous years since it became subsidiary	Loss Rs. 152.56 lacs	Profit Rs. 6.05 lacs
6. Net aggregate amount of the profit (losses) of the subsidiary company dealt within the Holding Company's account		
a. For the current year	Nil	NIL
b. For the previous years since it became subsidiary	Nil	Nil
7. Change of interest of Aplab Ltd. in the subsidiary between end of the financial year of subsidiary and that of Aplab Ltd.	N.A.	N.A.
8. Material changes between the end of the financial year in the subsidiary and the end of financial year of Aplab Ltd in respect of subsidiary's fixed assets, investments, lending and borrowing for purposes other than meeting their current liabilities	N. A.	N. A.

For and on behalf of the Board of Directors

Thane
11th August, 2010

Nishith Deodhar
Managing Director

Intel Instruments & Systems Limited

Annual Report 2009-2010

Board of Directors

S.A. Joshi
K. B. Valia

Director
Director

Registered Office & Works

37, SDF-2, SEEPZ
Andheri (East)
Mumbai 400 096

Auditors

Karmarkar & Co.
Chartered Accountants
Mumbai

Bankers

Bank of Maharashtra
Mumbai

Contents	Page No.
Directors' Report	43
Auditors' Report	44
Balance Sheet	47
Profit & Loss Account	47
Schedules to Balance Sheet	48
Schedules to Profit & Loss Account	50
Cash Flow	54
Balance Sheet Abstract	55

DIRECTORS' REPORT TO THE MEMBERS:

Gentlemen,

Your Directors present herewith their Annual Report and Audited Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS:

The operating results for the year are summarized below:

	(Rs. in Lacs)	
	<u>2009-10</u>	<u>2008-09</u>
Profit/(Loss) before depreciation and Interest	12.90	(21.55)
Less : 1) Depreciation	1.47	1.78
2) Interest	9.92	9.51
	<u>11.39</u>	<u>11.29</u>
	1.51	(32.84)
Add/(Less) :		
1) Adjustment on a/c of Deferred Tax (Net)	(4.40)	8.39
2) Current tax provision for earlier year	0.01	-
3) Provision for FBT	-	(0.52)
4) FBT provision for earlier year	0.03	-
5) Provision for current tax	-	-
6) Deferred tax provision for earlier year	(5.01)	-
	<u>(7.86)</u>	<u>(24.97)</u>
Balance from previous year	(152.56)	(127.59)
	<u>(160.42)</u>	<u>(152.56)</u>

BUSINESS OPERATIONS & PROSPECT FOR THE CURRENT YEAR:

During the current year your company turnaround into marginal profit of Rs. 1.51 lakhs. Due to ongoing effect of recession in the US, the sale to the US market has gone down tremendously, but sale in European market has increased. The real growth will come since business out sourcing opportunities from the Western European countries are looking into our face. It is endeavor that our products are made as good as the best in the world.

DIRECTORS:

During the year, Mr. Vinay Nagaonkar, Director has resigned from the Board of Directors of the Company. Board of Directors has placed on record their sincere appreciation of his valuable contribution during his long tenure. Subsequently, Mr. S.A.Joshi has been appointed as an Additional Director.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

The Directors confirm that –

- (i) in the preparation of the Annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures,

- (ii) appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the Profit of the Company for the year ended 31st March, 2010,
- (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.

PERSONNEL:

The Directors wish to put on record their appreciation towards employees for their support and co-operation. During the year under review, the Company had no employee covered by Section 217(2A) of the Companies Act, 1956.

ENERGY CONSERVATION:

Your company's manufacturing process is not a power intensive process. However, all efforts are made to conserve the energy by avoiding wastage of energy by motivating employees.

FOREIGN EXCHANGE EARNING AND OUTGO:

Your company is a 100% export oriented unit situated in Special Economic Zone. The net earning in foreign exchange during the year under review after allowing for the outgo on imports and other expenses was Rs. 273.00 Lacs.

AUDITORS:

Karmarkar & Co. Chartered Accountants retire and being eligible, offer themselves for reappointment. With regard to Para 3(v) of the Auditors' Report, the Company has been accounting liability towards gratuity and leave encashment on payment basis. With reference to remarks in Auditors' Report in respect of delays in depositing Provident Fund dues with appropriate authority, the outstanding provident fund dues as at the last day of the financial year concerned are not outstanding for a period of more than six months from the date they become payable

ACKNOWLEDGEMENT:

The Directors wish to place on record their grateful thanks to the Company's Bankers and Government bodies. The directors also take this opportunity to acknowledge the contribution made by the managers and employees at all level.

For and on behalf of
the Board of Directors

Place: Mumbai
Date: 20th, May, 2010

S. A. JOSHI
Director

AUDITOR'S REPORT

To,
The Members of Intel Instruments & Systems Ltd.,

We have audited the attached Balance Sheet of Intel Instruments & Systems Ltd, as at 31st March, 2010 and Profit and Loss Account 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.

1. We conducted our audit in accordance with the 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.
2. 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 the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in Paragraph '2' 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, except confirmation of balances of debtors and other parties under loans and advances.
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of the books.
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - (iv) According to the information and explanations given to us, in relation to the affairs of the company, no director is disqualified from being appointed as a director under section 274 (1) (g) of the Companies Act, 1956.

(v) *No Provision has been made during the year for accrued liability in respect of gratuity and leave encashment payable to employees. The aforesaid accounting practice is not in compliance with Accounting Standard - 15 of the Institute of Chartered Accountants of India referred to in Section 211 (3C) of the Companies Act, 1956 which requires accounting for accrued liability towards gratuity and leave encashment. Had provision for gratuity, valued actuarially at Rs. 7.32 lakhs been made, the profit shown in the Profit & Loss account would have been converted into loss of Rs. 5.81 lakhs Further, taking into account gratuity not provided in earlier years valued actuarially at Rs. 108.77 lakhs, the accumulated loss shown in the Balance Sheet would have been higher at Rs. 276.51 lakhs against the reported figure of Rs. 160.42 lakhs. Further the company's accrued liability towards leave encashment is not determined.*

(vi) Subject to our observations in paragraph (v) above,

a) In our opinion, the Balance Sheet and the Profit and Loss Account comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.

b) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read together with the accounting policies and the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:

Ø In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010.

AND

Ø In the case of the Profit and Loss Account, of the Profit of the company for the year ended on that date.

For and On behalf of
KARMAKAR & CO.
Chartered Accountants

(S. D.BAL)
Proprietor

Place: Mumbai
Date: 20th May, 2010

M.No. 100/17574

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDIT REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010 OF INTEL INSTRUMENTS & SYSTEMS LTD.,

Referred to in paragraph 2 of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) A major portion of the assets were physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) During the year, the company has not disposed off a major part of the plant and machinery, therefore the question of reporting on clause 4 (i)(c) of the Companies (Auditor's Report) Order, 2003 does not arise.
- (ii) (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.
- (iii) (a) During the year, the company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The company has also not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4(ii) (b) and 4(iii) (c) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
 - (b) There is no overdue amount of loans from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the 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 controls.
 - (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions 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 in pursuance of 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 competitive having regard to nature of items and non availability of suitable alternative sources of supply.
 - (vi) In our opinion and according to the information and explanations given to us, the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the company, as the company has not accepted any deposits from the public.
 - (vii) The company did not have an internal audit system during the year under review. However, we are informed that, keeping in view the aforesaid requirements, the company has instituted internal controls in the key operating areas.
 - (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, for any of the products of the company.
 - (ix) (a) During the year, the company has generally deposited its E. S. I. C. dues with the appropriate authorities before due date. The company was not regular in depositing its Provident Fund dues with the appropriate authorities. The outstanding provident fund dues as at the last day of the financial year concerned are not outstanding for a period of more than six months from the date they become payable.
 - (b) According to the information and explanation given to us, there are no undisputed dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess as at 31st March, 2010, for a more than six months from the date they become payable.
 - (c) According to the information and explanation 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.
- (x) The accumulated losses of the company are more than fifty percent of its net worth. The company has earned profit during the financial year covered by our audit and has incurred cash losses in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks.
- (xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company has not dealt or traded in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) During the year, the company has not raised any term loan. Accordingly, the provisions of clauses 4(xvi) and 4(xvii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xvii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the question of reporting on whether the price at which such shares have been issued is prejudicial to the interest of the company does not arise.
- (xviii) The company has not issued any debentures.
- (xix) The company has not raised any money by public issue during the year.
- (xx) 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.

For and On behalf of
KARMAKAR & CO.
Chartered Accountants

(S. D. BAL)
Proprietor
M.No. 100/17574

Place: Mumbai
Date: 20th May, 2010

Balance Sheet
As At 31st March, 2010 (Rs. in lacs)

		AS AT	AS AT
SCHEDULE		31.03.2010	31.03.2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	A	2,25.00	2,25.00
Reserves and Surplus	B	0.03	0.03
		2,25.03	2,25.03
LOANS			
Secured	C	96.57	99.67
Unsecured	D	21.75	21.75
		1,18.32	1,21.42
		3,43.35	3,46.45
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	E	57.94	57.81
Depreciation		52.55	51.08
		5.39	6.73
CURRENT ASSETS, LOANS AND ADVANCES			
Stocks & Stores	F	5,90.54	4,25.35
Sundry Debtors		1,64.71	1,30.21
Cash & Bank Balances		6.35	2.44
Loans & Advances		73.03	82.79
		8,34.63	6,40.79
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current liabilities	G	6,27.86	4,32.87
Provisions		45.00	45.93
		6,72.86	4,78.80
NET CURRENT ASSETS		1,61.77	1,61.99
DEFERRED TAX (Refer Schedule 9 (B) (2b))			
Deferred tax asset		16.17	25.70
Deferred tax liability		(0.40)	(0.53)
		15.77	25.17
PROFIT & LOSS ACCOUNT		1,60.42	1,52.56
		3,43.35	3,46.45
CONTINGENT LIABILITIES			
ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	9		

As per our Report of even date FOR AND ON BEHALF OF
 For KARMARKAR & CO., THE BOARD OF DIRECTORS
 Chartered Accountants

S. D. BAL S.A. Joshi K. B. Valia
 Proprietor Director Director
 Membership No. 100/17574

Mumbai. Mumbai.
 Date : 20th May, 2010 Date : 20th May, 2010

Profit & Loss Account for the year ended
31st March, 2010 (Rs. in lacs)

		2009-2010	2008-2009
SCHEDULE			
INCOME			
Sales	1	5,70.44	5,10.30
Other Income	2	0.67	0.18
Variation in closing stock of finished goods & goods in process	3	76.50	29.30
		6,47.61	5,39.78
EXPENSES			
Materials Consumed	4	3,50.94	3,17.11
Payments to & Provision for employees	5	2,22.62	1,89.89
Service Charges and Works Expenses	6	25.43	28.42
Other Expenses	7	35.72	25.91
Interest	8	9.92	9.51
Depreciation		1.47	1.78
		6,46.10	5,72.62
Profit/(Loss) before Tax		1.51	(32.84)
Provision for Taxation			
Add/Less : Deferred tax		(4.40)	8.39
Less : Fringe Benefit Tax		-	0.52
Profit/(Loss) after Tax		(2.89)	(24.97)
Add : Current tax provision for earlier year		0.01	-
Add : Fringe Benefit Tax Provision for earlier year		0.03	-
Less : Deferred tax provision for earlier year		(5.01)	-
		(7.86)	(24.97)
Balance brought forward from Previous Year		(1,52.56)	(1,27.59)
Loss transferred to Balance Sheet		(1,60.42)	(1,52.56)
ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	9		

As per our Report of even date FOR AND ON BEHALF OF
 For KARMARKAR & CO., THE BOARD OF DIRECTORS
 Chartered Accountants

S. D. BAL S.A. Joshi K. B. Valia
 Proprietor Director Director
 Membership No. 100/17574

Mumbai. Mumbai.
 Date : 20th May, 2010 Date : 20th May, 2010

Schedules forming part of the Balance Sheet as at 31st March, 2010
(Rs. in lacs)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED CAPITAL	3,00.00	3,00.00
300000 Equity Shares of Rs.100 each	3,00.00	3,00.00
ISSUED AND SUBSCRIBED		
2,25,000 Equity Shares of Rs.100 each fully paid up. (Previous year - 2,25,000 Equity Shares of Rs.100 each fully paid up). (All the above shares are held by the holding company, Aplab Limited.)	2,25.00	2,25.00
	2,25.00	2,25.00
SCHEDULE 'B'		
RESERVES AND SURPLUS		
RESERVES		
Investment Allowance Reserve (Utilised) Account.	0.03	0.03
	0.03	0.03
SCHEDULE 'C'		
SECURED LOANS FROM BANKS		
a) Packing Credit Loan (Secured by Hypothecation of Raw Material, Finished & Semi-finished goods)	60.35	51.14
b) Foreign Bills Purchase Account (Against Export Documents)	36.22	48.53
	96.57	99.67
SCHEDULE 'D'		
UNSECURED LOANS		
Advance from Aplab Limited	21.58	21.58
Loan from Directors	0.17	0.17
	21.75	21.75

SCHEDULE - E
FIXED ASSETS
(Rs. in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As At 01.04.2009 Rs.	Additions for the Year Rs.	Ded. for the Year Rs.	Cost As At 31.03.2010 Rs.	As At 01.04.2009 Rs.	For the Year Rs.	Ded. For the Year Rs.	Upto 31.03.2010 Rs.	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
Plant and Machinery	7.30	-	-	7.30	6.55	0.12	-	6.67	0.63	0.75
Test Equipment	19.30	-	-	19.30	17.80	0.23	-	18.03	1.27	1.50
Electrical Installations	2.46	-	-	2.46	2.12	0.05	-	2.17	0.29	0.34
Computers	13.95	0.06	-	14.01	12.21	0.70	-	12.90	1.11	1.74
Office Equipments	3.62	-	-	3.62	3.18	0.06	-	3.24	0.38	0.44
Furniture & Fixtures	9.02	0.07	-	9.09	8.21	0.15	-	8.36	0.73	0.82
Air Conditioners	2.16	-	-	2.16	1.02	0.16	-	1.18	0.98	1.14
Total	57.81	0.13	-	57.94	51.08	1.47	-	52.55	5.39	6.73
Total for Previous Year	56.78	1.03	-	57.81	49.30	1.78	-	51.08	6.73	7.48

Schedules forming part of the Balance Sheet as at 31st March, 2010
(Rs. in lacs)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE 'F'		
CURRENT ASSETS, LOANS AND ADVANCES		
1) CURRENT ASSETS		
a) Stocks & Stores: (as per inventories valued and certified by the Management)		
- Stores spares, Materials & Components at cost	3,03.47	2,14.78
- Goods in Process at Estimated cost	1,93.31	1,39.76
- Finished Goods at lower of cost or selling price	93.76	70.81
	<u>5,90.54</u>	<u>4,25.35</u>
b) Sundry Debtors (Unsecured considered good)		
Within 6 months	1,41.01	95.74
over 6 months	23.70	34.47
	<u>1,64.71</u>	<u>1,30.21</u>
c) Cash & Bank Balances		
Cash on hand	0.42	0.12
Bank Balance with scheduled Banks :		
In Current Accounts	0.62	0.24
In E.E.F.C. Account	0.88	0.45
In Margin and Deposit Accounts	4.43	1.63
	<u>6.35</u>	<u>2.44</u>
2) LOANS & ADVANCES		
(Unsecured considered good)		
Advances recoverable in cash or in kind	51.31	54.86
Loans & Advances to staff	14.02	18.82
Interest accrued and not due	0.03	0.01
Prepaid expenses	1.42	1.32
Deposits	2.38	2.42
Advance income tax and tax deducted at source	1.92	2.89
Fringe Benefit Tax	1.95	2.48
	<u>73.03</u>	<u>82.79</u>
SCHEDULE 'G'		
CURRENT LIABILITIES & PROVISIONS		
1) CURRENT LIABILITIES		
Temporary Bank Overdraft	16.87	17.25
Sundry Creditors for Supplies	5,75.19	3,47.98
Sundry Creditors for Expenses	28.96	27.75
Advances against orders	-	33.47
Other Liabilities	6.84	6.42
	<u>6,27.86</u>	<u>4,32.87</u>
2) PROVISIONS		
Provision for Gratuity	43.27	43.27
Provision for Fringe Benefit Tax	1.73	2.44
Provision for Current Tax	-	0.22
	<u>45.00</u>	<u>45.93</u>
SCHEDULE 'H'		
CONTINGENT LIABILITIES		
I Counter Guarantees given to Development Commissioner SEEPZ :		
for Letter of Authority	0.02	0.02
for Excisable Goods	20.00	20.00
II For Labour Law Matter in appeal	-	2.36
III For Import Letter of credit	40.00	7.60

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2010
(Rs. in lacs)

	2009-2010	2008-2009
SCHEDULE 1		
SALES		
Products	5,65.19	5,09.66
Service Charges Received TDS Rs. 0.01 lac (T.D.S. - Previous Year Rs. 1.18 lac)	5.25	0.64
	<u>5,70.44</u>	<u>5,10.30</u>
SCHEDULE 2		
OTHER INCOME		
Interest received on Bank Deposit. T.D.S. Rs. 0.04 lac (Previous Year Rs. 0.04 lac)	0.16	0.18
Sales Tax Refund	0.07	-
Sundry Balances Written Back	0.44	-
	<u>0.67</u>	<u>0.18</u>
SCHEDULE 3		
VARIATION IN STOCKS		
STOCKS AT CLOSE		
Finished Goods	93.76	70.81
Goods in Process	1,93.31	1,39.76
	<u>2,87.07</u>	<u>2,10.57</u>
Less : Stock at Commencement		
Finished Goods	70.81	81.43
Goods in Process	1,39.76	99.84
	<u>2,10.57</u>	<u>1,81.27</u>
	<u>76.50</u>	<u>29.30</u>
SCHEDULE 4		
MATERIALS CONSUMED		
Raw Materials & Components		
Stocks at commencement	2,14.78	1,75.15
Add:Purchases	4,39.63	3,56.74
	<u>6,54.41</u>	<u>5,31.89</u>
Less : Stocks at close	3,03.47	2,14.78
	<u>3,50.94</u>	<u>3,17.11</u>
SCHEDULE 5		
PAYMENTS TO & PROVISIONS FOR EMPLOYEES		
Salaries, Wages , Allowances & Bonus	1,79.12	1,61.13
Gratuity	11.33	3.76
Contribution to P. Fund, F. P. Fund & E.S.I.C, etc.	15.95	15.08
Staff Welfare expenses	16.22	9.92
	<u>2,22.62</u>	<u>1,89.89</u>
SCHEDULE 6		
SERVICE CHARGES & WORKS EXPENSES		
Service Charges	8.87	10.73
Works Expenses		
Rent	3.75	4.14
Rates & Taxes	1.96	2.48
Light & Power	9.44	9.50
Insurance	0.17	0.33
Repairs to Factory Building	0.08	0.23
Repairs to Plant & Machinery	1.16	1.01
	<u>25.43</u>	<u>28.42</u>

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2010
(Rs. in lacs)

	2009-2010	2008-2009
SCHEDULE 7		
OTHER EXPENSES		
Printing & stationery	2.81	3.07
Postage Telegram, Telephones, etc.	1.71	1.57
Bank Charges & ECGC Commission	3.71	4.15
Travelling & conveyance	4.32	3.25
Vehicle expenses	1.04	0.80
Legal Professional & Consultation fee	6.25	2.83
Freight, transport, octroi etc.	8.93	8.62
Other repairs & maintenance	0.38	0.25
Other expenses	1.49	1.30
Advertisement & Publicity	-	0.02
Sales Tax	5.08	0.05
	<u>35.72</u>	<u>25.91</u>
SCHEDULE 8		
INTEREST		
On other loans	<u>9.92</u>	<u>9.51</u>
	<u>9.92</u>	<u>9.51</u>

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010.
SCHEDULE 9
A. SIGNIFICANT ACCOUNTING POLICIES
1) ACCOUNTING CONCEPTS

The accounts are prepared on historical cost basis and as a going concern. The company follows the mercantile system of accounting and recognises income and expenditure on accrual basis except where otherwise stated.

2) SALES

Sales are recognised at the time of despatch or shipment of material after completion of SEEPZ customs clearance formalities.

3) FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation.

4) DEPRECIATION

Depreciation on fixed assets is provided on the basis of written down value method and at the rates prescribed for this purpose in schedule XIV of the Companies Act, 1956. Depreciation is provided on pro-rata basis on assets added / disposed off / discarded during the year with reference to date of addition / disposal / discarding.

5) FOREIGN CURRENCY TRANSACTIONS

- i) Exchange differences relating to acquisition of fixed assets are adjusted in the cost of such assets.
- ii) Exchange gains or losses on settlement of revenue transactions are recognised in the Profit & Loss account.
- iii) Export receivables discounted with the banks (FOBN Credit) and outstanding on the balance sheet date are stated at the exchange rates prevailing at the time of discounting, since these receivables upon realisation would be appropriated by the bank at the aforesaid rates.
- iv) The balance standing to the company's credit in the Exchange Earner's Foreign Currency Account is at the rate prevailing on the day of credit by bank.
- v) Other current assets and current liabilities on the balance sheet date are translated at year-end exchange rates, any exchange differences on translation being recognised in the Profit & Loss account.

6) INVENTORIES

Items of inventories are valued on the following basis:

- i) Raw Materials, components, spares and stores - at cost.
- ii) Goods in process - at estimated cost comprising of materials, labour and manufacturing overheads.
- iii) Finished goods - at lower of cost or selling prices in the export market.

Schedules forming part of Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2010

7) STAFF BENEFITS

- i) Provident fund and family pension benefits are accounted on the basis of contributions made to government provident fund and family pension funds.
- ii) Gratuity and leave encashment is being accounted on payment basis.

8) TAXES ON INCOME

The company recognises current tax and deferred tax as a charge or credit, as the case may be, in the Profit and Loss account of a period. Current tax is the amount of income tax determined to be payable (recoverable) in respect of the taxable income (tax loss) for a period. Deferred tax is the tax effect of timing differences, these being the difference between taxable income and accounting income for a period that originate in one period and are capable of reversal in one or more subsequent periods.

B) NOTES ON ACCOUNTS

1) Payment to Auditors:

	(Rs. in Lacs)	
	2009-2010	2008-2009
Audit Fees	0.65	0.65
For Tax advice and representation	0.15	0.15
Tax Audit	0.15	0.15
Other Services	0.10	0.20
Reimbursement of Expenses	0.15	0.15
	1.20	1.30

- 2) a) Provision for current taxation has not been considered necessary in view of brought forward losses and unabsorbed depreciation brought forward from the earlier years.

- b) Deferred tax assets and liabilities shown in the Balance Sheet are attributable to the following items:

	(Rs.in Lacs)	
	As at 31-03-2010	As at 31-03-2009
Assets		
a) Brought forward loss/ unabsorbed depreciation as per Income Tax Return	16.04	17.36
b) Income Tax disallowance	0.13	0.37
c) Unabsorbed loss/ Unabsorbed depreciation to be carried forward	-	7.97
	16.17	25.70

Liabilities

- a) Differences between income tax depreciation and book depreciation
 - b) Income Tax allowances
- | | | |
|--|-------------|-------------|
| | 0.40 | 0.57 |
| | - | - |
| | 0.40 | 0.57 |

- 3) Exchange differences arising on foreign currency transactions during the year:

- i) Debited to Profit & Loss Account is Rs. 2.01 Lacs (2008-2009 Rs.5.78 Lacs - Credit).
- ii) Included in the carrying amount of fixed assets Rs.Nil (2008-2009 Rs. Nil)

- 4) As per the information available with the company, there are no outstanding dues to Small Scale Industrial Undertakings as defined under clause (j) of section 3 of the Industries (Development & Regulation) Act, 1951.

5) Related Party Disclosures:

- i) Accounting Standard - 18 on 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India is not applicable to the company vide General Clarification (GC) - 1/2002 issued by the Institute. However, as the aforesaid standard is applicable to the holding company, Aplab Ltd. and Intel Instruments & Systems Ltd's accounts are being consolidated with Aplab Ltd., related party disclosures are being given for the sake of uniformity in the presentation of accounts.

- ii) Related parties with whom there were transactions during the year are listed below:

- a) Holding Company:
The Company is a wholly owned subsidiary of Aplab Ltd.
- b) Other related companies / enterprises:
Deodhar Electro Design Pvt. Ltd.
Intel Exports Corporation.
Print Quick Pvt. Ltd.

- iii) The following transactions were carried out with the above related parties at normal commercial terms:

(Rs. in Lacs)			
Sr.No.	Particulars	Holding Company	Other companies/ enterprises
1	Purchase of Materials	23.66	4.01
2	Sale of Finished goods	391.49	34.41
3	Outstandings payable / (receivable) by the company (net)*	225.09	(17.81)
4	Service charges received	-	5.25
5	Reimbursement of Expenses received	0.78	0.46
6	Processing Charges paid	0.28	-

- * Excluding balances in Share Capital and Unsecured Loan Accounts.

- 6) As per Accounting Standard - 20 on 'Earnings per share' issued by the Institute of Chartered Accountants of India, the Earnings per share of the company is Rs. (-) 3.50 (Previous Year - Rs. (-) 13.94).

- 7) Additional information pursuant to paragraph 3, 4C, 4D of Part II of Schedule VI of the Companies Act, 1956. Information regarding capacity, stocks, production and sales (as certified by the Management)

Schedules forming part of Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2010

7.1) Licensed Capacity: Not applicable as the company being a small-scale unit, is not subject to industrial licensing policy.

7.2) Installed Capacity: Production of the items manufactured by the Company does not require special machinery. Production depends largely upon designing skill, adequate space and competent staff. The term installed capacity does not have any significant meaning in relation to the items manufactured by the Company.

7.3) Stocks, Production and Sales:

	Opening Stock No. of Pcs.	Closing Stock No. of Pcs.	Production No. of Pcs.	Sales Quantity No. of Pcs.	Sales Value Rs. in lacs
Test and Measuring Instruments (Oscilloscopes, Cable Fault Locators, Decade Boxes, Output Meters etc.)	746 (1853)	1050 (746)	2839 (2127)	2535 (3234)	135.78 (207.04)
AC to DC Inverters	0 (0)	0 (0)	0 (15)	0 (15)	0.00 (2.46)
AC to DC Power Supplies (Power Supplies, OFLs, AC Sources, Isolated Line Supplies, Spares Etc.)	382 (760)	645 (382)	2342 (2548)	2079 (2926)	132.50 (220.35)
AC to DC Power Systems (Frequency Converters Voltage Regulators and Stabilizers Etc.)	54 (76)	82 (54)	1279 (353)	1251 (375)	106.95 (50.42)
Telephone Exchange	3 (3)	3 (3)	0 (0)	0 (0)	0 (0)
Custom Built Electronic Devices (Lab Discharge Lamps and Printer DPN)	-	-	1403 (1902)	1403 (1902)	184.24 (21.34)
OEM Products	-	-	745 (598)	745 (598)	7.73 (2.27)
TOTAL				* 567.20 (503.88)	

* Sales excluding exchange rate differences.

NOTE: - Figures for previous year have been regrouped and shown in brackets.

7.4) Raw Material and Component Consumed:

(Rs. in Lacs)

	2009 - 2010		2008 - 2009	
	Quantity	Rs	Quantity	Rs.
Resistors	2044618	5.16	1821582	4.59
Capacitors	4781422	25.28	4416132	22.98
Potentiometers	199381	26.78	197288	24.86
Valves, Crystals	7560	59.11	7416	54.14
Transistors	249919	38.02	248107	35.47
Diodes, SCRS	632718	41.13	571089	36.39
Switches	214122	41.91	184569	38.01
IC's	596312	53.16	271555	52.38
Knobs, Terminals, Cover, Fuses Moldings etc.				
Copper Wire Aluminum Sheets *				
Sections, Bobbins etc.		60.39		48.29
	**	350.94	**	317.11

* 1. Quantity in various units of measurements. None of the items included in the groups individually account for 10% or more of the total value of Raw Material consumed.

** 2. The amount is inclusive of consumption of stores and spares.

7.5) Value of imports calculated on CIF Basis: -

(Rs. in Lacs)

	2009-2010	2008-2009
Components & Spares	133.75	142.91
Capital Goods	-	-
	133.75	142.91

(Rs. in Lacs)

	2009-2010	2008-2009
--	-----------	-----------

7.6) Earnings in Foreign Exchange: -

	2009-2010	2008-2009
F.O.B Value of Exports	406.75	396.98
	406.75	396.98

Note: The above figure is inclusive of Sales through SEEPZ & other Export Units.

7.7) Value of Raw Materials and Components Consumed

(Rs. in Lacs)

	2009-2010	%	2008-2009	%
Imported	138.57	39.49	124.74	39.34
Indigenous	212.37	60.51	192.37	60.66
	350.94	100.00	181.28	100.00

8. Previous year's figures have been regrouped / recast to confirm to this year's classification.

Signatures to Schedules A to H & 1 to 9

As per our Report of even date For KARMARKAR & CO., FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Chartered Accountants

S. D. BAL Proprietor S.A. Joshi Director K. B. Valia Director

Membership No. 100/17574

Mumbai.
Date : 20th May, 2010

Mumbai.
Date : 20th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010
(Rs. in lacs)

Particulars	2009-2010	2008-2009
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax and extra ordinary items	1.51	(32.84)
Adjustments For :		
Depreciation	1.47	1.78
Net Loss on Sale of Fixed Assets	-	-
Profit on Sale of Fixed Assets	-	-
Fixed Assets scrapped / Amount w/off	-	-
Diminution in value of investments	-	-
Interest received	(0.23)	(0.18)
Dividend Received	-	-
Provision for Gratuity	-	-
Operating Profit before working capital changes	<u>2.75</u>	<u>(31.24)</u>
Adjustments For :		
(Decrease) / Increase in Working Capital	4.50	(41.08)
	<u>7.25</u>	<u>(72.32)</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(0.13)	(1.03)
Sale of Fixed Assets	-	-
Dividend Paid	-	-
Investments made	-	-
Net Cash used in Investing Activities	<u>(0.13)</u>	<u>(1.03)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Borrowings	(3.10)	11.28
Interest received	0.23	0.18
Dividend received	-	-
Issue of Shares	0.04	50.00
Net Cash from Financing Activities	<u>(2.83)</u>	<u>(61.46)</u>
Net Increase in Cash and Cash Equivalent (A+B+C)	<u>4.29</u>	<u>(11.89)</u>
Opening Balance of Cash and Cash Equivalent	(14.81)	2.92
Closing Balance of Cash and Cash Equivalent	<u>(10.52)</u>	<u>(14.81)</u>
Increases / (Decrease)	<u>4.29</u>	<u>(11.89)</u>

 For KARMARKAR & CO.,
Chartered Accountants

 S. D. BAL
Proprietor
Membership No. 100/17574

 Mumbai.
Date : 20th May, 2010

For and on behalf of the Board of Directors

 S. A. Joshi
Director

 Mumbai.
Date : 20th May, 2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

Balance Sheet State Code

Date : Date Month Year

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

Public Issue

Bonus Issue

Rights Issue

Private Placement

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

Total Liabilities

Sources of Funds

Paid-up Capital

Secured Loans

Total Assets

Reserve & Surplus

Unsecured Loans

Application of Funds

Net Fixed Assets

Net Current Assets

Accumulated Losses

Investments

Misc. Expenditure

Accumulated Losses

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

Turnover Including Other Income

Total Expenditure

Profit/Loss Before Tax

+ -

Profit/Loss After Tax

- -

(Please tick Appropriate box + for Profit - for Loss)

Earning per Share in Rs.

Dividend %

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

Item Code No. (ITC Code)

Product Description

Item Code No. (ITC Code)

Product Description

Item Code No. (ITC Code)

Product Description

Sprylogic Technologies Ltd.

5th Annual Report 2009-2010

Board of Directors

U. V. Save
Nishith Deodhar
S. A. Joshi

Executive Director
Director
Director

Registered Office & Works

A - 1, Wagle Industrial Estate,
Thane - 400604.

Corporate Office

A/1, Wagle Industrial Estate,
Thane - 400 604.

Auditors

Puranik Kane & Co.
Chartered Accountants
Thane

Bankers

Corporation Bank,
Thane

Contents	Page No.
Directors' Report	57
Auditors' Report	59
Balance Sheet	61
Profit & Loss Account	62
Schedules to Balance Sheet	63
Schedules to Profit & Loss Account	65
Cash Flow	70
Balance Sheet Abstract	71

DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in submitting their 5th Annual Report together with the audited annual accounts of the Company for the year ended 31st March 2010.

(Rs. in Lacs)

	Year ended 31.03.2010	Year ended 31.03.2009
Total Revenue	156.96	183.56
Total Expenditure	109.51	137.95
PBDIT	47.45	45.61
Finance Cost	0.62	0.77
Depreciation	6.86	6.75
Amortisation of Product Cost	28.67	17.14
Profit Before Tax	11.30	20.95
Provision for Tax	4.43	3.51
Provision for Fringe Benefit Tax	-	0.57
Deferred Tax Liability/(Asset)	(0.58)	1.86
Net Profit/(Loss)	7.45	15.01
Amount available for appropriations	-	-
Appropriations :	13.50	6.05
1. General Reserve	-	-
2. Proposed Dividend	-	-
3. Tax on Dividend	-	-

Working Results & Operations:

For the year ended March 31, 2010, our revenue of Sprylogic is Rs. 156.96 Lacs, which represents a decrease of 14.49% over the previous year's Rs 183.56 Lacs. Due to limited market opportunities, the revenue from embedded system design & banking automation solutions decreased. The Profit After Tax for the year is Rs 7.45 Lacs as compared to Rs 15.01 lacs in the previous year.

Over the last operational year, we have strengthened our capability in the Embedded systems such as Fuel Dispensers & Power Electronics Applications for Industrial & consumer domain. We anticipate remarkable growth opportunities in these domains for us & group companies.

Management Discussion and Analysis Report:
a) Industry Structure and Developments

The global recovery from the sub prime credit crisis has been rather sluggish and in fact very volatile. In this scenario, the Company has adopted the strategy of having strong focus on domains like Solar energy based product development, consumer centric power backup market, Fuel Dispensers conforming to the latest stringent regulations etc. These sectors are expected to register strong and consistent growth in the coming times and the company shall be well poised at such times to be a part of this growth story. Our strong ties with semiconductor companies continues to serve us well, where we are exploring opportunities for symbiotic growth through various development models.

The sub prime credit crisis has meant an overall slowdown in the ITES sector; Indian IT demand continues to be robust and this has more than made up for our business plans for the previous year of operation. With the experience achieved in the past years over Agile Web based Application development, and the efforts put on the Power Electronics & Embedded applications domain and DSP based developments, the company aims to have good business in the coming year. With recession making the conditions tight to survive for service providing companies, we are trying to make our future secure by undergoing changes to be a Product and Service providing company this year. This shall in turn enhance the IP assets with the company and also increase the ROI.

b) Opportunities and Threats

The expected deregulation of petrol and diesel prices would open up new avenues for revenue generation from the Fuel Dispenser business as this sector shall then see oil marketing companies acting aggressively for capacity expansion. Also, the government's announcement of the Jawaharlal Nehru National Solar Mission promises to bring in fresh assignments from the solar energy sector. The outlook for business in banking and automation products also looks promising thanks to the growing demand of such products and the financial sector riding the current boom in markets.

However, due to the universal nature of such opportunities, every major industry peer is looking to cash in on these. For example, a lot of well established names in consumer electronics market are now planning to enter the power back up industry which has been the traditional stronghold of our group companies. Also, the weak and volatile European markets have created an unstable atmosphere, and hence clients look to be a bit hesitant to invest in new projects that have a global appeal. In such a situation, our Agile Development Model ensures constant client interaction and helps us gain greater insight into their business strategies, thereby helping us plan our resources and manpower better.

c) Company Achievements

Over the last year, the Company has successfully executed some Power Electronics based projects that have demonstrated our capabilities in this sector. One such project related to the development of a product for the consumer electronics market was executed for a reputed Fortune 500 semiconductor company. Moreover, this project being DSP based, has also generated enough confidence in us to take on more such similar assignments in future that lead to the best in class product design at very reasonable costs. Also the successful development of new Fuel Dispenser system conforming to the latest specifications from various oil marketing companies has given fresh opportunities for growth in this sector. In addition, an innovative solar energy based product was developed for a group company which is expected to bring in a steady stream of revenues in the coming times.

Internal control systems

The Company continues to enforce strict systems and controls to ensure adequate IP protection. Also, the persistence to deliver the products of highest quality and excellent reliability makes us follow activities like code reviews, design reviews, white box testing, black box testing, documentation of test reports and test cases etc more stringently than ever. Moreover, open source resources like Bugzilla are used wherever applicable for bug tracking and bug fixing. These practices ensure customer satisfaction and less time spent in maintenance related non-productive activities

The Company is ensuring that proper and adequate controls are in place and all our software assets and intellectual property is adequately protected. Deployment of version control systems for all our software and IP assets is in progress. The use of modern tool like project management software, performance management, CRM etc. results in proper monitoring and control for better results.

Fixed Deposits:

The Company has not accepted any deposit during the year.

Directors:

In accordance with the Articles of Association of the Company Mr. U. V. Save is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible has communicated his willingness to be reappointed as Director of the company. Mr. P. S. Deodhar, Mrs. Neelam K. Kumar and Mr. U.S. Potnis, Directors resigned during the year. Mr. Nishith P. Deodhar was appointed as additional director during the year.

People:

Your company is continuing to focus on being an Employer of Choice to attract and retain the best industry talent. Several initiatives were undertaken during the course of the year to create tighter and deeper bonds with the people. For your company to continue to enhance its market presence, it is important that new people entering the organization are better skilled, differentiated and more emotionally attached to the organization than their industry peers.

Your company is looking and planning ahead for the future. In the current year, your company will focus on the theme of Empowering and Enabling Line Managers. This will allow decision making at the operating level and creation of environment that facilitates nurturing, development and satisfaction of people. It will allow us to build the second level leadership capability which will be essential for your company to sustain its growth in the years ahead.

Auditors:

M/s. Puranik Kane & Co., Chartered Accountants, Thane, the Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. You are requested to appoint the Auditors and fix their remuneration.

Conservation of Energy and Technology Absorption and Research and Development:

The range of activities of your Company requires minimal energy consumption and every endeavour has been made to ensure optimal utilization of energy and avoid wastage through automation and deployment of energy efficient equipment.

Your Company takes adequate measures to reduce energy consumption by using efficient computer terminals and by using latest technology.

Foreign Exchange Earnings and Outgo:

The foreign exchange outgo of the Company were to the tune of Rs.2,03,000/- during the year. Also, during this period, the Company has billed export orders worth around Rs.11,56,000.

Employees Particulars:

The information pursuant to Sec. 217 (2A) of the Companies Act of 1956 as amended read with the Companies (Particulars of employees) Rules 1975 are not applicable to the Company for the year under review.

Directors Responsibility Statement:

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, the Directors hereby state:

- a) that while preparing the annual accounts for the year ended 31st March 2010, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of financial year;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts on a going concern basis.

Acknowledgements:

The directors thank the shareholders and government authorities for their support to the company.

For Sprylogic Technologies Limited

Place: Thane
Date: May 20, 2010

U. V. Save
Executive Director

AUDITORS' REPORT

To the Members of Sprylogic Technologies Limited,

We have audited the attached Balance Sheet of Sprylogic Technologies Limited as at 31st March 2010, relevant Profit & Loss Account and the Cash Flow Statement for the year ended on that date all of which we have signed under reference to this report. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1) As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.
- 2) Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purpose of audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by the report is in agreement with the books of account of the Company.
 - d) On the basis of written representations received from the directors as on 31st March 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 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.
 - e) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.

- f) In our opinion and to the best of our information and according to the explanations given to us, the Accounts, read together with the Notes thereon, give the information required by The Companies Act, 1956 in the manner so required and present a true and fair view:
 - i) in case of the Balance Sheet of state of the affairs of the Company as at 31st March, 2010
 - ii) in case of Profit & Loss Account of the Profit for the year ended on 31st March 2010; and
 - iii) in case of the Cash Flow Statement of the cash flows for the year ended on that date.

For and on behalf of
Puranik Kane & Co.
 Chartered Accountants

Ashish Ashok Kane

Place: Thane
 Date: 20th May, 2010

Partner
 Membership No. 104076
 Firm Regn. No. 120215W

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in Paragraph 1 of our report of even date on the accounts for the year ended 31st March 2010 of Sprylogic Technologies Limited

- 1) The Company is in the process of maintaining the Fixed Assets Register showing full particulars, including quantitative details and situation of fixed assets.
- 2) As informed to us, the fixed assets have been physically verified by the management and no material discrepancies were noticed on such verification. Further we are of the opinion that considering the size of the Company, the frequency of the verification of fixed assets is reasonable.
- 3) During the year, Company has not disposed off any substantial part of fixed assets.
- 4) In our opinion and according to the information and explanations given to us, the Company does not own any stock of inventory. Hence sub clause (a), (b) and (c) of clause 4 (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- 5) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 6) The Company has not taken any loans, secured or unsecured from Companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

- 7) In our opinion and according to the information and explanations given to us, the Company has adequate internal control system considering the size of the Company and nature of its business, for purchase of inventory, fixed assets and for sale of services during the year.
- 8) In our opinion and according to the information and explanations given to us, the particulars of the contract or arrangement referred to in section 301 of the Companies Act, 1956 have been entered in the Register required to be maintained under that section.
- 9) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contracts of arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 10) In our opinion and according to the information and explanations given to us, the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 are not applicable to the Company, as the Company has not accepted any deposits from the public.
- 11) Since the Company is not listed, does not have a paid up capital and reserves exceeding Rs.50 lakhs as at the commencement of the financial year and also does not have an average annual turnover exceeding five crore rupees for the period of three consecutive financial years immediately preceding the financial year under audit, clause 4 (vii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- 12) The Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, for any of the products of the Company.
- 13) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income tax, Service tax, Sales tax with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- 14) The Company does not have any accumulated losses at the end of the financial year. The company has not incurred any cash losses in the financial year under audit and the preceding financial year.
- 15) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or bank.
- 16) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 17) The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the Company.
- 18) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader of shares, debentures and other securities.
- 19) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 20) In our opinion and according to the information and explanations given to us, the Company has obtained term loan and applied the same for the purpose for which the loans were obtained.
- 21) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis.
- 22) The Company has not made any preferential allotment to parties covered in the Register maintained under section 301 of the Act.
- 23) The Company has not issued any debentures during the year.
- 24) The Company has not raised money by any public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
- 25) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For and on behalf of
Puranik Kane & Co.
Chartered Accountants

Ashish Ashok Kane
Partner
Membership No. 104076
Firm Regn. No. 120215W

Place: Thane
Date: 20th May, 2010

Balance Sheet as at 31st March 2010

(Rs. in lacs)

	Schedule	As at 31.03.2010	As At 31.03.2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	8.50	8.50
Reserves & Surplus	2	13.50	6.05
		22.00	14.55
LOANS			
Secured	3	4.12	5.57
		4.12	5.57
DEFERRED TAX LIABILITY (NET)			
		2.69	3.27
		28.81	23.39
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	1,48.87	95.17
Less Depreciation		74.64	40.12
Net Block		74.23	55.05
Capital work in progress		24.29	11.99
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	5	12.72	4.15
Cash & Bank Balances		0.70	0.42
Loans & Advances		46.64	32.12
		60.06	36.69
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	6	1,21.08	76.15
Provision		8.85	4.43
		1,29.93	80.58
NET CURRENT ASSETS			
		(69.87)	(43.89)
MISCELLANEOUS EXPENDITURE			
(To the extent not W/off or Adjusted)	7		
Preliminary & Pre - operative Expenses		0.16	0.24
TOTAL		28.81	23.39
NOTES ON ACCOUNTS			
	13		
SIGNIFICANT ACCOUNTING POLICIES			
	14		

As per our report attached For and on behalf of the Board
For Puranik Kane & Co. Chartered Accountants U.V. Save Executive Director
S.A. Joshi Director
Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

 Thane :
20th May 2010

 Thane :
20th May 2010

Profit & Loss Account for the year ended 31 March 2010

(Rs. in lacs)

	Schedule	2009-10	2008-09
INCOME:			
Sales and Operating Earnings	8	1,56.93	1,83.28
Other Income	9	0.03	0.28
		1,56.96	1,83.56
EXPENSES:			
Payments to and provisions for Employees	10	1,35.17	1,25.47
Excise Duty			
Other Expenses	11	33.93	41.91
TOTAL		1,69.10	1,67.38
Less: Product Development Cost		59.59	29.43
		1,09.51	1,37.95
Interest and Finance Charges	12	0.61	0.77
Depreciation	4	6.86	6.75
Amortization of Product Cost	4	28.68	17.14
		1,45.66	1,62.61
PROFIT BEFORE TAX			
		11.30	20.95
PROVISION FOR TAXATION			
Current Tax		4.43	3.51
Fringe Benefit Tax		-	0.57
Deferred Tax Liability / (Asset)		(0.58)	1.86
PROFIT AFTER TAX			
		7.45	15.01
Balance brought forward from previous year		6.05	(8.96)
Balance available for appropriation		13.50	6.05
APPROPRIATIONS :			
General Reserve		-	-
Surplus/Loss Carried to Balance Sheet		13.50	6.05
		13.50	6.05
Basic & Diluted Earning per Share (Rupees)			
		8.76	17.66
NOTES ON ACCOUNTS			
	13		
SIGNIFICANT ACCOUNTING POLICIES			
	14		

As per our report attached For and on behalf of the Board
For Puranik Kane & Co. Chartered Accountants U.V. Save Executive Director
S.A. Joshi Director
Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

 Thane :
20th May 2010

 Thane :
20th May 2010

Schedules forming part of the Balance Sheet as at 31st March, 2010
(Rs. in lacs)

Schedule	As At 31-3-2010	As At 31-3-2009
SCHEDULE 1 :		
Share Capital		
Authorised		
10,00,000 Equity Shares of Rs. 10 each.	100.00	100.00
Issued And Subscribed		
85,000 Equity Shares of Rs. 10 each	8.50	8.50
Paid up		
85,000 Equity Shares of Rs. 10 each (50,000 Equity shares of Rs. 10 each held by holding company M/s. Aplab Ltd.)	8.50	8.50
	8.50	8.50
SCHEDULE 2 :		
Reserves & Surplus		
1. Profit & Loss Account		
Balance last year	6.05	(8.96)
Add. Current year profit	7.45	15.01
Closing Balance	13.50	6.05
SCHEDULE 3 :		
Secured Loans		
1. Term Loans from Banks :		
a) Vehicle Loans from Banks	4.12	5.57
Secured by hypothecation of Vehicles financed by respective bank.	4.12	5.57

SCHEDULE - 4
FIXED ASSETS
(Rs. in lacs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2009	Additions	Dele- tions	As on 31.03.2010	Up to 01.04.2009	For the Period	Written back	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
Plant and Machinery	0.62	6.20	-	6.83	0.08	0.68	-	0.76	6.07	0.55
E.D.P. Systems/Computers	17.62	1.52	1.53	17.60	6.98	4.65	1.02	10.61	6.99	10.63
Vehicles	9.51	-	-	9.51	3.71	1.50	-	5.21	4.30	5380
Furniture and Fixture	-	0.22	-	0.22	-	0.03	-	0.03	0.19	-
TOTAL FOR THE YEAR	27.75	7.94	1.53	34.16	10.77	6.86	1.02	16.61	17.55	16.98
Owned Products	67.42	47.29	-	1,14.71	29.35	28.68	-	58.03	56.68	38.07
	95.17	55.23	1.53	1,48.87	40.12	35.54	1.02	74.64	74.23	55.05
Total for the previous year	69.03	26.14	-	95.17	16.23	23.89	-	40.12	55.05	52.80

Schedules forming part of the Balance Sheet & Profit & Loss Account for the year ended 31st March, 2010

(Rs. in lacs)			(Rs. in lacs)		
Schedule	As at 31.03.2010	As At 31.03.2009	Schedule	2009-10	2008-09
SCHEDULE : 5			SCHEDULE 8		
Current Assets, Loans & Advances			Sales and Operating Earnings		
(A) Current Assets					
1. Sundry Debtors (Unsecured)					
Due from others (Considered good)			Service Income	1,56.93	1,83.28
Within 6 months	12.72	4.15		1,56.93	1,83.28
	<u>12.72</u>	<u>4.15</u>			
2. Cash & Bank Balances			SCHEDULE 9		
Cash and Cheques on hand	-	0.12	Other Income		
In Deposit Accounts with Scheduled Banks			Sales Commission	-	0.27
In Current Accounts with Scheduled Banks	0.70	0.30	Misc. Income	0.03	0.01
	<u>0.70</u>	<u>0.42</u>		<u>0.03</u>	<u>0.28</u>
(B) Loans & Advances (Unsecured)			SCHEDULE 10		
(considered good unless otherwise specified)			Payments to and provisions for Employees		
1. Advance Income Tax/T.D.S.	46.64	30.32	Salaries, Wages & Bonus	1,21.47	112.44
2. Deposits :	-	1.80	Contribution to Provident & Other Funds	9.51	9.55
	<u>46.64</u>	<u>32.12</u>	Gratuity	4.03	3.25
			Staff Welfare Expenses	0.16	8.23
SCHEDULE 6 :				<u>1,35.17</u>	<u>1,25.47</u>
Current Liabilities & Provisions			SCHEDULE 11		
1. Current Liabilities			Other Expenses		
Sundry Creditors	11.89	3.14	Rent for Office/Residential Premises	14.81	15.23
Other liabilities	20.73	20.42	Printing & Stationery	0.31	0.66
Advance from customers	88.46	52.59	Postage & Telephone	1.14	1.07
	<u>1,21.08</u>	<u>76.15</u>	Traveling	7.00	9.99
Provision for Taxation	8.85	4.43	Vehicle Expenses	0.61	1.69
	<u>8.85</u>	<u>4.43</u>	Legal & Professional Charges	3.66	4.26
SCHEDULE 7 :			Advertisement & Publicity	0.11	2.01
Miscellaneous Expenditure			Commission & Discount	-	0.21
(To the extent not written off or adjusted)			Office Maintenance Charges	1.37	1.04
Preliminary and Pre Operative Expenses			Repairs and Maintenance	0.28	0.53
Company Formation Expenses	0.16	0.24	Misc. Expenses	0.45	0.59
	<u>0.16</u>	<u>0.24</u>	Exchange Variation Loss (Net)	0.13	-
			Consumables	1.39	-
			Stamp Duty	-	1.58
			Food Expenses	0.50	0.30
			Insurance	0.18	0.33
			Internet Exp	1.91	2.34
			Miscellaneous Expenditure written off	0.08	0.08
				<u>33.93</u>	<u>41.91</u>
			SCHEDULE 12		
			Interest and Finance Charges		
			On Fixed Period Loans	0.58	0.74
			Bank Charges	0.03	0.03
				<u>0.61</u>	<u>0.77</u>

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010
SCHEDULE 13
NOTES ON ACCOUNTS

1. Payments to Directors
(Exclusive of future liabilities in respect of retirement benefits like contribution to gratuity fund, provision for leave encashment on retirement and other retirement benefits)

(Rs. in lacs)

	2009-2010	2008-2009
	Rupees	Rupees
(a) Remuneration		
Salary	14.09	11.34
Provident Fund Contribution	0.96	1.00
Other Perquisites	3.59	0.70
Total	<u>18.64</u>	<u>13.04</u>

2. Payment to Auditors:

Audit Fees Rs. 0.61 Lacs (Rs. 0.55 Lacs),
Tax Audit Fees Rs. 0.11 Lacs (Rs. 0.11 Lacs)

3. The Company has no dues to Small Scale Industrial Undertaking for more than 30 days and of an amount exceeding Rs.1,00,000/-. The company does not have the information whether the creditors are Small Scale and Ancillary Industrial Undertaking, as defined by "The Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertaking Act, 1992.". Hence, amounts, which were overdue and outstanding at the close of the year payable to the said Industrial Undertakings, are not ascertainable. Similarly, Suppliers / service providers covered under Micro, Small Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is not given. Accordingly, the following information is furnished:

		2009-10	2008-09
I	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	11.89	3.14
ii	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
iii	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but with out adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006	Nil	Nil
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
V	The amount of further interest remaining due and payable even in succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprises Development Act, 2006	Nil	Nil

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

4. Segment Reporting (Accounting Standard – AS 17)

The Company is engaged in business / operations of sale and servicing of Embedded Software & Application Software. It is a considered view of the management that the Company has no reportable segments envisaged in the Accounting Standard (AS 17) "Segment Reporting" issued by the Institute of Chartered Accountants of India.

5. Related Party Disclosures (Accounting Standard AS 18)

List of Related Parties and Relationship

§ Holding Company:
Aplab Limited

§ Key Management Personnel:
Mr. Nishith P. Deodhar Chairman
Mr. Uttam Save Executive Director
Mr. S.A. Joshi Director

§ Relatives of Key Management Personnel
Mr. P.S.Deodhar

§ Enterprises over which key management personnel and their relatives are able to exercise significant influence
Deodhar Electro Design Pvt. Ltd.
TTL Technologies Pvt. Ltd.

The following transactions were carried out with the related parties in the ordinary course of business.

(Rs.in lacs)

Nature of Transaction	Holding company Rs.	Deodhar Electro Design Pvt. Ltd.	TTL Technologies Pvt. Ltd
Sale & services of Software	146.41 (164.40)	2.40 (-)	2.85 (-)
Sale of Laptop	0.54 (-)	- -	- -
Purchase of UPS	5.56 (-)	- -	- -
Rent paid	15.75 (14.28)	- -	- -
Advance from Customer	80.92 (52.48)	- -	- -

6. Earning Per share (Accounting Standard –AS 20)

(Rs. In lacs)

Profit computation for both Basic and Diluted Earning per share of Rs. 10 each.

Net Profit / (Loss) after tax as per Profit and Loss Account available for Equity Shareholder

2009-10 **2008-09**

7.45 15.01

Number of shares for Basic EPS

85000 85000

Earning per share Basic and Diluted

Rs 8.76 Rs 17.66

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010
7. Deferred Tax Assets and Liabilities (Accounting Standard – AS 22)

Deferred Tax Liability / (Asset) at the year end comprise timing difference on account of:

	(Rs. In lacs)	
	2009-10	2008-09
	Rupees	Rupees
- Depreciation	(0.45)	0.57
- Expenditure / Provisions not allowable	3.14	2.70

8. Additional Information pursuant to paragraphs 3, 4C and 4D of part II of Schedule VI to Companies Act, 1956

	(Rs. In lacs)	
	2009-10	2008-09
	Rs.	Rs.
8.1 Value of Imports Calculated on CIF basic		
Components and spares & outsourced items	NIL	NIL
Capital Goods	NIL	NIL
Other	NIL	NIL
8.2 Earning in Foreign Exchange:		
FOB Value of Exports	11.56	NIL
Other Charges	NIL	NIL
8.3 Expenditure in Foreign Currency		
Traveling	2.03	2.89

9. Details of movement in provision in accordance with Accounting Standard-29

(Rs. In lacs)

Particulars	Opening as on 01.04.2009	Provision made during the year	Provision reversed / adjusted	Closing as on 31.03.2010
Taxation				
- Income Tax	3.51	4.43	Nil	7.94
- FBT	0.92	Nil	Nil	0.92

10. Figures for the previous year have been regrouped wherever necessary.

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010

SCHEDULE 14**SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statement:**

The financial statements have been prepared to comply in all material respect with mandatory Accounting Standards issued by Institute of Chartered Accounts of India and relevant provisions of Companies Act, 1956.

Financial Statements are based on historical cost convention, on the basis of going concern and on accrual method of accounting, in accordance with provision of Companies Act, 1956 as adopted consistently by the company. All income and expenditure having a material bearing on financial statements are recognized on accrual basis.

2. Fixed Assets and Depreciation:

Tangible and Intangible Fixed Assets are stated at acquisition cost less accumulated depreciation. The cost comprises of purchase price and any attributable cost bringing the asset to its working conditions for its intended use.

3. Depreciation and Amortisation

Depreciation is provided on written Down Value Method in accordance with the Companies Act, 1956, except for the items mentioned below. All the individual items costing Rs. 5,000 or less have been fully written off.

The rates of depreciation are in accordance with Schedule XIV to the Company Act, 1956 on a Pro-rate basis except as given below

Acquired / Own Software Products To be amortized over estimated life of asset on Straight Line Value Method. The estimated life is taken as Four Year.

4. Taxation:

Income tax comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognized using current tax rates. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

5. Retirement Benefits:

Provident Fund benefit to employees is provided for on accrual basis and charged to Profit and Loss Account of the year.

6. Revenue Reorganization:

Revenue from software development / software products / services is recognized on the basis of invoices raised.

Signature to Schedules '1' to '14'

As per our report attached
For Puranik Kane & Co.
Chartered Accountants

Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

Thane :
20th May, 2010

For and on behalf of the Board

U. V. Save Executive Director
S. A. Joshi Director

Thane :
20th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010
(Rs. in lacs)

Particulars	2009-2010	2008-2009
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extra ordinary items	11.30	20.95
Adjustments For :		
Depreciation	6.86	6.75
Amortization of Product Cost	28.68	17.14
	<u>46.84</u>	<u>44.84</u>
Operating Profit before working capital changes		
Adjustments For :		
(Decrease) / Increase in Working Capital	21.90	(6.08)
	<u>68.75</u>	<u>38.76</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase / Development of Fixed Assets	(67.53)	(38.13)
Sale of Fixed Assets	0.51	-
	<u>(67.02)</u>	<u>(38.13)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase / (Decrease) in Borrowings	(1.45)	(1.29)
Net Cash from Financial Activities	<u>(1.45)</u>	<u>(1.29)</u>
Net Increase / (Decrease) Increase in Cash and Cash Equivalent(A+B+C)	<u>0.28</u>	<u>(0.66)</u>
Opening Balance of Cash and Cash Equivalent	0.42	1.08
Closing Balance of Cash and Cash Equivalent	0.70	0.42
Net Increase / (Decrease)	<u>0.28</u>	<u>(0.66)</u>

As per our report attached
For Puranik Kane & Co.
Chartered Accountants

Ashish Ashok Kane
Partner

Thane :
20th May, 2010

For and on behalf of the Board

U.V. Save
S.A. Joshi

Executive Director
Director

Thane:
20th May, 2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

Balance Sheet State Code

Date : Date Month Year

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

Public Issue	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Rights Issue	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Bonus Issue	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>	Private Placement	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

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

Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="8"/> <input type="text" value="1"/>	Total Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="8"/> <input type="text" value="1"/>
Sources of Funds			
Paid-up Capital	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="0"/>	Reserve & Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="5"/> <input type="text" value="0"/>
Secured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="2"/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

Application of Funds

Net Fixed Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="2"/>	Investments	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="-"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="7"/>	Misc. Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="6"/>
Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>		

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

Turnover	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="6"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="6"/>
+ - Profit/Loss Before Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="0"/>	+ - Profit/Loss After Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="4"/> <input type="text" value="5"/>

(Please tick Appropriate box + for Profit - for Loss)

Earning per Share in Rs.	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="."/> <input type="text" value="7"/> <input type="text" value="6"/>	Dividend %	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
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V. Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	<input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="8"/> <input type="text" value="0"/>
Product Description	<input type="text" value="S"/> <input type="text" value="O"/> <input type="text" value="F"/> <input type="text" value="T"/> <input type="text" value="W"/> <input type="text" value="A"/> <input type="text" value="R"/> <input type="text" value="E"/> <input type="text" value=" "/> <input type="text" value="D"/> <input type="text" value="E"/> <input type="text" value="S"/> <input type="text" value="I"/> <input type="text" value="G"/> <input type="text" value="N"/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value="D"/> <input type="text" value="E"/> <input type="text" value="V"/> <input type="text" value="E"/> <input type="text" value="L"/> <input type="text" value="O"/> <input type="text" value="P"/> <input type="text" value="M"/> <input type="text" value="E"/> <input type="text" value="N"/> <input type="text" value="T"/> <input type="text" value=" "/> <input type="text" value="S"/> <input type="text" value="E"/> <input type="text" value="R"/> <input type="text" value="V"/> <input type="text" value="I"/> <input type="text" value="C"/> <input type="text" value="E"/> <input type="text" value="S"/>
Item Code No. (ITC Code)	<input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="8"/> <input type="text" value="0"/>
Product Description	<input type="text" value="S"/> <input type="text" value="O"/> <input type="text" value="F"/> <input type="text" value="T"/> <input type="text" value="W"/> <input type="text" value="A"/> <input type="text" value="R"/> <input type="text" value="E"/> <input type="text" value=" "/> <input type="text" value="T"/> <input type="text" value="E"/> <input type="text" value="S"/> <input type="text" value="T"/> <input type="text" value="I"/> <input type="text" value="G"/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value="M"/> <input type="text" value="A"/> <input type="text" value="I"/> <input type="text" value="N"/> <input type="text" value="T"/> <input type="text" value="E"/> <input type="text" value="N"/> <input type="text" value="A"/> <input type="text" value="N"/> <input type="text" value="C"/> <input type="text" value="E"/> <input type="text" value=" "/> <input type="text" value="S"/> <input type="text" value="E"/> <input type="text" value="R"/> <input type="text" value="V"/> <input type="text" value="I"/> <input type="text" value="C"/> <input type="text" value="E"/> <input type="text" value="S"/>
Item Code No. (ITC Code)	<input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="8"/> <input type="text" value="0"/>
Product Description	<input type="text" value="K"/> <input type="text" value="I"/> <input type="text" value="O"/> <input type="text" value="S"/> <input type="text" value="K"/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value="A"/> <input type="text" value="N"/> <input type="text" value="D"/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value="K"/> <input type="text" value="I"/> <input type="text" value="O"/> <input type="text" value="S"/> <input type="text" value="K"/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value=" "/> <input type="text" value="M"/> <input type="text" value="A"/> <input type="text" value="N"/> <input type="text" value="A"/> <input type="text" value="G"/> <input type="text" value="E"/> <input type="text" value="M"/> <input type="text" value="E"/> <input type="text" value="N"/> <input type="text" value="T"/> <input type="text" value=" "/> <input type="text" value="S"/> <input type="text" value="O"/> <input type="text" value="F"/> <input type="text" value="T"/> <input type="text" value="W"/> <input type="text" value="A"/> <input type="text" value="R"/> <input type="text" value="E"/>

**AUDITORS' REPORT ON CONSOLIDATED
FINANCIAL STATEMENTS**

- 1 We have examined the attached financial statements of Aplab Limited and its subsidiaries ("the Aplab Group") as at 31st March, 2010 comprising the consolidated balance sheet, the consolidated profit and loss account and consolidated cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on them based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all respects, in accordance with the prescribed financial reporting framework and are free of material misstatements. An audit also 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.
- 3 We did not audit the financial statements of two subsidiaries, Intel Instruments & Systems Ltd., ("Intel") whose financial statements reflect total assets of Rs.343.35 lacs (PY Rs. 346.45 Lacs) as at March 31, 2010 and total revenues of Rs.647.61 lacs (PY Rs. 539.78 lacs), and Sprylogic Technologies Ltd whose financial statements reflect total assets of Rs.89.06 lacs (PY Rs. 23.39 lacs) as at March 31, 2010 and total revenue of Rs.156.97 lacs (PY Rs.183.56 lacs). These financial statements have been audited by other firms of auditors, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts included in respect of subsidiaries, is based solely on the reports of the auditors of those companies.
- 4 We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 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 Aplab Group companies included in the consolidated financial statements.
- 5 *We invite attention to the modification in the audit report on the standalone financial statements of Aplab Ltd regarding non-recognition of accrued liability towards gratuity as per AS-15 Employee Benefits. As per the Company's accounting policy in this regard, gratuity is provided when contribution is made to the Group Gratuity Scheme. The year-end amount payable to LIC under this scheme not recognized in the financial statements is Rs 354.37 lacs. Similarly a subsidiary also does not recognise gratuity liability on accrued basis resulting in non recognition of year end liability of Rs. 1,16.10 Lacs.*
- 6 *We further report that, had the observations made by us in Para 5 above been considered, while compiling the consolidated financial statements for the year, the loss of Rs 6,16.38 lacs for the year would have increased to loss of Rs.10,86.85 lacs and balance of Reserves and Surplus would have been Rs. 13,45.78 lacs as against the reported figure of Rs. 18,16.25 lacs.*
- 7 *Subject to our observations at para 6 above, we are of the opinion that the said consolidated financial statements of Aplab Group companies do not give a true and fair view:*
- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st Mach, 2010;
- b) in the case of the Consolidated Profit and Loss Account of the consolidated loss of the Group for the year then ended and
- c) in the case of the Consolidated Cash Flow Statement of the consolidated cash flow of the Group for the year then ended.

For M.P. Chitale & Co
Chartered Accountants
ICAI Firm Regn. No. 101851W

Ashutosh Pednekar
Partner
ICAI M.No. 41037

Mumbai,
August 11, 2010

Consolidated Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	Schedule	As At	
		31.03.2010	31.03.2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	5,00.00	5,00.00
Reserves & Surplus	2	18,16.25	24,36.20
		<u>23,16.25</u>	<u>29,36.20</u>
LOANS			
Secured	3	37,74.83	37,24.01
Unsecured	4	8,70.48	6,42.60
		<u>46,45.31</u>	<u>43,66.61</u>
DEFERRED TAX LIABILITY (NET)		9.73	0.90
		<u>69,71.29</u>	<u>73,03.71</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	40,14.01	39,07.05
Less: Depreciation		24,29.69	21,65.46
Net Block		15,84.32	17,41.59
Capital Work In Progress		12,28.47	9,45.35
		<u>28,12.79</u>	<u>26,86.94</u>
INVESTMENTS	6	2.38	2.68
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	7	44,40.76	35,25.67
Sundry Debtors		24,70.01	30,91.58
Cash & Bank Balances		2,55.43	2,58.84
Loans & Advances		18,55.50	18,61.80
		<u>90,21.70</u>	<u>87,37.89</u>
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	8	36,12.18	28,79.60
Provisions		12,44.50	12,38.44
		<u>48,56.68</u>	<u>41,18.04</u>
NET CURRENT ASSETS		41,65.02	46,19.85
MINORITY INTEREST		(9.06)	(5.99)
MISCELLANEOUS EXPENDITURE			
9 (To the extent not W/off or adjusted)			
Preliminary & Pre-Operative expenses		0.16	0.23
		<u>69,71.29</u>	<u>73,03.71</u>
CONTINGENT LIABILITIES	10		
NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES			
19			

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

Ashutosh Pednekar
Partner

S. S. Karandikar
Sr. Vice President Finance &
Company Secretary

Mumbai : 11th August, 2010

For and on behalf of the Board
Nishith Deodhar Managing Director
Neelam K. Kumar Executive Director
A. G. Joshi Director

Thane : 11th August, 2010

Consolidated Profit & Loss Account for the year ended 31st March, 2010

(Rs. in lacs)

	Schedule	2009-10		2008-09	
INCOME:					
Sales and Operating Earnings	11	100,04.58	108,01.04		
Other Income	12	1,48.20	78.95		
Variation in Stocks	13	7,36.02	15.44		
		<u>108,88.80</u>	<u>108,95.43</u>		
EXPENSES					
Materials Consumed	14	64,44.00	60,10.84		
Payments to and provisions for Employees	15	26,06.36	23,43.84		
Manufacturing Expenses	16	5,32.54	4,71.82		
Other Expenses	17	12,08.79	12,20.93		
		<u>107,91.69</u>	<u>100,47.43</u>		
Less : Product Development Cost		59.59	29.44		
		<u>107,32.10</u>	<u>100,17.99</u>		
Interest and Finance Charges	18	5,21.92	5,04.07		
Depreciation	5	2,09.76	1,97.96		
Less : Transferred to Revaluation Reserve		0.49	0.55		
		<u>2,09.27</u>	<u>1,97.41</u>		
Amortisation of Product Cost		28.68	17.14		
		<u>2,37.95</u>	<u>2,14.55</u>		
		<u>114,91.97</u>	<u>107,36.61</u>		
PROFIT/(LOSS) BEFORE TAX		(6,03.17)	1,58.82		
Provision for Taxation					
Current tax		4.43	83.79		
Fringe Benefit Tax		-	26.47		
Deferred tax Liability/(Assets)		3.82	(11.29)		
		<u>(6,11.42)</u>	<u>59.85</u>		
PROFIT/(LOSS) AFTER TAX		(6,11.42)	59.85		
Less : Current Tax Provision for earlier year		0.04	-		
Less : Deferred Tax Provision for earlier year		(5.00)	-		
Profit / (Loss) after prior taxes		<u>(6,16.38)</u>	<u>59.85</u>		
Less : Balance b/f from previous year		(1,46.51)	(1,36.54)		
Balance available for appropriation		<u>(7,62.89)</u>	<u>76.69</u>		
APPROPRIATIONS:					
General Reserve		-	11.32		
Deficit Carried to Balance Sheet		(7,62.89)	(1,46.51)		
Proposed Dividend		-	50.00		
Tax on Proposed Dividend		-	8.50		
		<u>7,62.89</u>	<u>(76.69)</u>		
Basic and diluted earning per share (Rupees)		(12.39)	1.07		
NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES					
19					

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

Ashutosh Pednekar
Partner

S. S. Karandikar
Sr. Vice President Finance &
Company Secretary

Mumbai : 11th August, 2010

For and on behalf of the Board
Nishith Deodhar Managing Director
Neelam K. Kumar Executive Director
A. G. Joshi Director

Thane : 11th August, 2010

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	As at 31.03.2010	As at 31.03.2009		As at 31.03.2010	As at 31.03.2009
SCHEDULE 1: Share Capital			(b) Bank of Maharashtra :	7,49.37	8,81.23
Authorised			Secured by mortgage of Land, & Building and other fixed assets subject to specific prior charges at Bhosri, Pune and Bangalore (Repayable within one year Rs. 20.64 lacs Previous year Rs. 2,40.lacs)		
70,00,000 (Previous year Rs. 70,00,000) Equity Shares of Rs. 10 each.	<u>7,00.00</u>	<u>7,00.00</u>			
Issued And Subscribed			(c) Vehicle loans from Banks. :	13.81	28.04
50,00,000 (Previous year Rs. 50,00,000) Equity Shares of Rs. 10 each	<u>5,00.00</u>	<u>5,00.00</u>	Secured by hypothecation of vehicles financed by respective banks (Repayable within one year Rs.8.30 lacs Previous year Rs. 14.01 lacs)		
Paid Up			2. Deferred Payment/Hire Purchase Credits:	0.99	2.61
50,00,000 (Previous year Rs. 50,00,000) Equity Shares of Rs.10 each fully paid up.	<u>5,00.00</u>	<u>5,00.00</u>	From other corporate Secured by charge /lien over assets acquired under hire-purchase agreements (Repayable within one year Rs.0.99 lacs Previous year Rs. 1.61 lacs)		
Note: Share Capital includes 8,30,300 Equity Shares of Rs.10 each allotted as fully paid bonus shares by Capitalisation of General Reserve, in earlier years.			3. Cash Credit :	20,75.86	17,22.80
SCHEDULE 2 Reserves & Surplus			From Corporation Bank, Secured by hypothecation of all stocks and book debts and further secured / to be secured by charge on land & buildings at Thane and other fixed assets Subject to specific prior charge (s)		
1. General Reserve			4. Bill Discounting		
Balance last year	11,27.31	12,64.99	Secured by bills discounted With Corporaton Bank	7,95.56	8,66.16
Less: Debit Balance of Profit and Loss Accounts	<u>6,16.38</u>	<u>1,46.51</u>	5. Packing Credit Loan	60.35	51.14
	5,10.93	11,18.48	Secured by hypothecation of Raw material, Finished Goods, & Semi finished goods		
Add : Amount set aside this year	<u>-</u>	<u>11.32</u>	6. Foreign Bills Purchase Account	36.22	48.53
	5,10.93	11,29.80	Against Export Documents		
Less :Mionority interest	<u>3.07</u>	<u>2.49</u>		<u>37,74.83</u>	<u>37,24.01</u>
	5,07.86	11,27.31	SCHEDULE 4: Unsecured Loans		
2. Share Premium Account	12,91.81	12,91.81	Fixed Deposits	8,70.32	6,42.44
3. Capital Reserve	4.01	4.01	(Repayable within one year Rs. 4,17.42 lacs Previous year Rs.1,32.90 lacs)		
4. Revaluation Reserve			Loan from Directors	0.16	0.16
Balance last year	13.03	13.58		<u>8,70.48</u>	<u>6,42.60</u>
Less: Amount transferred from Profit and Loss Account	<u>0.49</u>	<u>0.55</u>			
	12.54	13.03			
5. Investment allowance Reserve (Utilised)	0.03	0.03			
6. Surplus as per Profit & Loss Account	<u>-</u>	<u>0.01</u>			
	18,16.25	24,36.20			
SCHEDULE 3: Secured Loans					
1. Term Loans from Banks :					
(a) Corporation Bank :	42.67	1,23.50			
Secured by mortgage of Land, & Building & other Fixed Assets Subject to specific prior charges at Thane & Digha, Navi Mumbai. (Repayable within one year Rs.42.67 lacs (previous year Rs.80.00 lacs)					

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2010

SCHEDULE - 5

FIXED ASSETS

(Rs. in lacs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2009	Additions	Dele- tions	As on 31.03.2010	Up to 01.04.2009	For the Year	Written back	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
PRODUCTION										
Goodwill	1,34.10	-	-	1,34.10	1,07.28	26.82	-	1,34.10	-	26.82
Leasehold Land	3,26.26	-	-	3,26.26	23.21	3.64	-	26.85	2,99.41	3,03.06
Factory Buildings	8,31.08	3.22	-	8,34.30	2,91.31	54.28	-	3,45.59	4,88.71	5,39.77
Residential Premises	7.54	-	-	7.54	4.54	0.15	-	4.69	2.85	3.00
Office Premises	83.32	-	-	83.32	8.68	3.73	-	12.41	70.91	74.64
Plant and Machinery	10,36.27	19.62	-	10,55.89	8,09.93	37.40	-	8,47.33	2,08.56	2,26.34
Electrical Installations	94.44	0.09	-	94.53	44.40	6.97	-	51.37	43.16	50.04
Furniture and Fixtures	6,51.89	14.68	-	6,66.57	2,93.32	64.77	-	3,58.09	3,08.48	3,58.57
E.D.P. Systems/Computers	3,90.88	23.60	1.54	4,12.94	3,47.88	18.81	1.03	3,65.66	47.28	42.99
Vehicles	2,05.69	-	-	2,05.69	1,32.93	18.84	-	1,51.77	53.92	72.75
RESEARCH AND DEVELOPMENT										
Owned Products	67.42	47.29	-	1,14.71	29.35	28.68	-	58.03	56.68	38.07
Plant and Machinery	48.69	-	-	48.69	45.89	0.44	-	46.33	2.36	2.79
Electrical Installations	0.91	-	-	0.91	0.91	-	-	0.91	-	-
Furniture and Fixtures	8.53	-	-	8.53	6.96	0.26	-	7.22	1.31	1.58
E.D.P. Systems/Computers	20.03	-	-	20.03	18.87	0.47	-	19.34	0.69	1.17
TOTAL FOR THE YEAR	39,07.05	1,08.50	1.54	40,14.01	21,65.46	2,65.26	1.03	24,29.69	15,84.32	17,41.59
TOTAL PREVIOUS YEAR	33,25.30	6,01.62	19.88	39,07.05	19,35.10	2,41.92	11.56	21,65.46	17,41.59	-
Capital Work In Progress	9,45.35	2,83.12	-	12,28.47	-	-	-	-	-	-

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2010

(Rs. in lacs)

	As at 31.03.2010	As at 31-03-2009		As at 31.03.2010	As at 31-03-2009
SCHEDULE 6:			(B) Loans & Advances (Unsecured)		
Investments (Non-trade, Unquoted unless otherwise stated)			(Considered good unless otherwise specified)		
A. Long Term Investments (At Cost)			1. Loans and advances to Employees		
1. Other Investments : (Unquoted)			32.32		
a) 2000 ordinary Shares of Rs. 10 each fully paid up of Saraswat Co-op Bank Ltd.			34.71		
0.20			2. Advances recoverable in cash or in kind or for value to be received		
b) 1001 ordinary Shares of Rs. 50 each fully paid up of The Thane Janata Sahakari Bank Ltd.			a) From Others		
0.50			3,36.81		
2) Other investments (Quoted)			b) Amount due as refund of additional duty of customs		
4700 ordinary Shares of Rs. 10 each fully paid of Bank of Maharashtra at premium of Rs. 13 per share Market value as on 31st March 2010 Rs. 49.65 per share (Rs. 2.33 Lacs) (PY Rs. 0. 97) Lacs			38.15		
1.08			25.71		
3. Government Securities			71.80		
National Savings Certificates (Deposited with various Govt. authorities)			86.60		
0.60			11,26.50		
2.68			10,36.55		
SCHEDULE 7:			5. Deposits		
Current Assets, Loans & Advances			2,49.92		
(A) Current Assets			<u>18,55.50</u>		
1. Inventories			<u>18,61.80</u>		
(As certified by the Management)			SCHEDULE 8:		
Stores & Spares, Dies & Moulds at cost			Current Liabilities & Provisions		
3,82.48			1. Current Liabilities		
Materials & Components at cost			Sundry Creditors		
19,35.76			a) Micro small & Medium Enterprises		
Goods in process at cost			14.12		
14,40.11			b) Others		
Finished Goods at lower of cost or selling price			15,63.59		
5,07.69			Acceptances		
Materials in Transit and in Bonded Warehouse at cost			7,77.93		
1,52.01			Dues to Directors		
44,18.05			0.87		
Excise Duty Paid / Payable on Finished Goods			Advance from customers		
22.71			1,84.89		
<u>44,40.76</u>			Interest accrued but not due		
35,25.67			61.92		
2. Sundry Debtors (Unsecured)			Other Liabilities		
Due from others Considered Good			9,72.98		
Within 6 months			Temporary Bank Overdraft		
20,49.90			16.87		
Others			Unclaimed Debenture*		
4,20.11			7.80		
24,70.01			Unclaimed Fixed Deposits*		
30,91.58			9.48		
3. Cash & Bank Balances			Unclaimed Interest on above Fixed Deposit*		
Cash and Cheques on hand			1.55		
11.38			Cumulative Time Deposit from Employees*		
In Deposit Accounts with Scheduled Banks			0.18		
1,16.53			*(Amount Transferable to Investors Education & Protection fund when due)		
In Current Accounts with Scheduled Banks			36,12.18		
1,27.52			28,79.60		
2,55.43			Provisions		
2,58.84			Provision for Warranties		
* Deposit Receipts of Rs. 1,01.87 lacs (Previous year Rs.1,01.06 lacs) are pledged against letters of Credit and Guarantees issued by Bank.			1,52.50		
			Provision for Taxation		
			9,47.36		
			Provision for Gratuity		
			43.27		
			Proposed Dividend		
			-		
			Tax on Dividend		
			-		
			Provision for Leave Encashment		
			1,01.37		
			<u>12,44.50</u>		
			12,38.44		
			SCHEDULE 9		
			Miscellaneous Expenditure		
			(To the extent not written off / adjusted)		
			Preliminary & Pre-operative Expenses		
			Company Formation Expenses		
			0.13		
			Audit Fees		
			0.03		
			<u>0.16</u>		
			0.23		
			SCHEDULE 10		
			Contingent Liabilities		
			1. Disputed Tax/duty demands not provided for		
			2,31.74		
			1,96.41		
			2. Corporate guarantees given to Banks on account of Subsidiary / Other Companies		
			1,36.57		
			1,07.27		
			3. Bank Guarantees given on behalf of Company to third parties		
			16,56.01		
			15,93.59		
			4. Counter Guarantees		
			40.00		
			7.60		
			5. Estimated Liability on Capital Work in Progress		
			-		
			1,09.00		
			<u>20,64.32</u>		
			20,13.87		

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2010

SCHEDULE 19

A. NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

1. Loans and Advances in Schedule 7 include
 - i) Rs.10.71 lacs (Rs 6.16) lacs as Sales Tax, in respect of which matters are pending with the respective appellate authorities and,
 - ii) Rs.14.70 lacs (Rs.14.70) lacs towards compensation paid to MTNL, in respect of which the Company has filed a suit for recovery.
- 2 i) The Company recognises its Gratuity liability on the basis of contribution to the LIC Group Gratuity Scheme. During the year, LIC informed the Company that based on its actuarial valuation as of March 31, 2010 a contribution of Rs.3,54.37 lacs is required to make the Scheme fully funded. Gratuity expenditure recognized includes Rs.26.54 lacs being the contribution for financial year 2009-10, of the companies except Intel Instruments & Systems Ltd. (Intel). As regards Intel the unprovided gratuity liability at year end is Rs. 1,16.10 Lacs (Including Rs. 7.32 Lacs for the current year)
- ii) Employee benefit:-

The Company provides benefits to its employees under the Leave Encashment pay plan which is a non-contributory defined benefit plan. The employees of the Company during the tenure of their employment are entitled to receive leave encashment in excess of 60 days leave to the credit of their account as on 1st January every year.

The benefit of Gratuity is funded defined benefit plan. For this purpose the Companies except Intel Instruments & Systems Limited has obtained a qualifying insurance policy from LIC of India.

(Rs. in lacs)

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	Rs.	Rs.	Rs.	Rs.
The major categories of plan assets as a percentage of total plan assets	*	*	Nil	Nil
Qualifying Insurance Policy	611868	611868		
Changes in the present value of the obligation				
1 Opening present value of obligation	6,17.63	5,90.26	88.81	81.07
2 Interest Cost	*	*	6.74	6.17
3 Current Service Cost	22.51	23.98	15.69	10.02
4 Past Service Cost	-	11.02	-	-
5 Benefits Paid Actuarial (gain) / loss on	73.80	66.57	(5.21)	(5.94)
6 Obligation	26.84	27.74	4.66	2.51
7 obligation Closing Present Value of	6,51.57	6,17.63	1,01.37	88.81
Changes in the Fair Value of Assets				
1 Opening Fair value of Plan Assets	2,99.99	3,32.42		
2 Expected Return on Plan assets	*	*		
3 Contributions	44.17	6.40		
4 Benefits Paid Actuarial gain (loss) on	73.80	66.57		
5 Actuarial gain (loss) on Plan Assets	26.83	27.74	Not applicable as unfunded	Not applicable as unfunded
6. Closing Present Value of plan Assts	2,97.20	2,99.99		

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2010

(Rs. in lacs)

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	Rs.	Rs.	Rs.	Rs.
Profit & Loss - Expenses				
1 Current Service Cost	22.51	23.98	15.69	10.02
2 Interest Cost	*	*	6.74	6.17
3 Expected Return on Plan assets	*	*	-	-
4 Net Actuarial gain (loss) recognised in the year	*	*	4.66	2.51
5 Past Service Cost	-	11.02	-	-
6 Expenses Recognised in the statement of Profit & Loss	22.51	35.00	12.56	7.74
Actuarial Assumptions				
1 Discount Rate	8%	8 %	7.5%	7.5%
2 Expected Rate of Return on Plan Assets	*	*	N/A	N/A
3 Expected Rate of Salary Increase	4%	4 %	6%	6%
4 Attrition Rate	1 to 3 %	1 to 3 %	-	-
5 Mortality Post-retirement	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate

* Information to the extent available by LIC. Information relating to subsidiaries not included above as complete details are not available.

3. Related Party Disclosures (Accounting Standard AS 18)

List of Related Parties and Relationship

Subsidiary Companies :

Intel Instruments and Systems Limited

Spylogic Technologies Ltd

Associates (enterprises where Aplab Limited and its subsidiaries have 20% holding or, investing parties who have over 20% holding in Aplab Limited)

Zee Entertainment Enterprises Ltd. (formerly Zee Telefilms Ltd.)

Key Management Personnel:

Mr. P.S. Deodhar	Chairman
Mr. Nishith Deodhar	Managing Director
Mr. S.A.Joshi	Executive Director
Mrs. Neelam K Kumar	Executive Director

Relatives of Key Management Personnel:

Mrs. A. P. Deodhar
Mrs. Aruna Narayanan
Mr. Arun Deodhar

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Sr.No. Name of the Party

- Deodhar Electro Design Pvt Ltd
- TTL Technologies Private Limited
- Intel Exports Corporation
- Telemetrics Incorporated
- Print Quick Private Limited
- Origin Instrumentation Private Limited
- Contech Soft-Tech Solution Pvt. Ltd
- Telemetra Systems Pvt. Ltd
- A.N. Associates
- Dakshin Media Gaming Solutions Pvt. Ltd.
- Aalay Interiors
- Digital Media Convergence Ltd

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2010

The following transactions were carried out with the related parties in the ordinary course of business

(Rs. in lacs)

Nature of Transaction & Names	Key Management Personnel	Relative of Management Personnel Rs.	Related Enterprises Rs.
Sale of Material / Finished Goods			
Deodhar Electro Design Pvt. Ltd.			30.50 (1.66)
Intel Exports Pvt. Ltd.			29.91 (1,79.77)
Telemetrys Incorporated			0.72 (0.04)
TTL Technologies Pvt. Ltd.			6.89 (2.85)
Total			68.02 (1,84.32)
Purchase of Material / Finished Goods			
Deodhar Electro Design Pvt. Ltd.			94.65 (1,78.28)
Telemetrys Incorporated			2,24.67 (2,48.62)
Telemetrys Systems Pvt. Ltd.			40.55 (29.28)
Aalay Interiors		19.49 (4,65.26)	
Total		19.49 (4,65.26)	3,59.87 (4,56.18)
Rent Paid / Payable			
Nishith Deodhar	10.20 (10.20)		
Origin Instrumentation Pvt. Ltd.			7.53 (7.53)
Print Quick Pvt. Ltd.			7.53 (7.53)
Contech Soft - Tech Solution Pvt. Ltd.			3.00 (3.00)
Total	10.20 (10.20)		18.06 (18.06)
Service/Labour charges Paid/Payable			
Deodhar Electro Design Pvt. Ltd.			16.30 (11.72)
Digital Media Convergence Ltd.			0.60 (-)
Telemetrys Incorporated			- (6.38)
TTL Technologies Pvt. Ltd.			(-) (1.45)
A. N. Associates		9.55 (27.78)	
Total		9.55 (27.78)	16.90 (19.55)

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2010

(Rs. in lacs)

Nature of Transaction	Key Management Personnel	Relative of Management Personnel Rs.	Related Enterprises Rs.
Expences Reimbursed			
Deodhar Electro Design Pvt. Ltd.			-
			(0.27)
TTLTechnologies Pvt. Ltd			-
			(2.71)
Telemetrys Incorporated			1.22
			(1.32)
Intel Export Corporation			0.58
			(-3.86)
Total			1.80
			0.44
Debit Balances as on 31.03.2010			
Aalay Interiors		-	
		(5.12)	
A. N. Associates		-	
		(0.15)	
Deodhar Electro Design Pvt. Ltd.			29.38
			(27.96)
Digital Media Convergence Ltd.	0.59		
	(-)		
Intel Export Corporation			3.30
			(1.97)
TTL Technologies Pvt. Ltd.			-
			(1.47)
Total	0.59	-	32.68
	(-)	(5.27)	(31.40)
Credit Balances as on 31.03.2010			
Contech Soft-Tech Solution Pvt. Ltd.		-0.23	
		(-0.20)	
Deodhar Nishith	-0.77		
	(-0.70)		
Origin Instrumentation Pvt. Ltd.			-0.56
			(-0.50)
Print Quick Pvt. Ltd.			-0.16
			(-0.90)
Telemetrys Systems Pvt. Ltd.			-15.19
			(-1.16)
Telemetrys Incorporated			- 78.40
			(-1,13.46)
Total	- 0.77	- 0.23	- 94.31
	(- 0.70)	(- 0.20)	(-1,16.02)

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2010

4. Earning per Share (Accounting Standard – AS 20)	(Rs. in lacs)	
	<u>2009-10</u>	<u>2008-09</u>
Profit computation for both Basic and Diluted Earnings per Share of Rs. 10 each		
Net profit/ (Loss) after tax as per Profit and Loss Account available for Equity Shareholders	6,19.45	53.67
Number of shares for Basic & diluted EPS as above	50,00,000	50,00,000
Earning per Share (Rs.)		
Basic and Diluted (Rs.)	(12.39)	1.07
5. Deferred Tax Assets and Liabilities (Accounting Standard – AS 22)		
Deferred Tax Liability / (Asset) at the year end comprises timing difference on account of:		
- Depreciation	29.03	30.17
Others	3.14	2.70
	32.17	32.87
- Expenditure / Provisions	6.27	6.27
Business Loss	16.17	25.70
	22.44	31.97
	9.73	0.90

For the year the company has not recognized the deferred tax asset in respect of Loss as per Income tax Act, 1961 and other items (net) as abundant caution though it is expected that company would generate taxable income in coming years.

6. Details of movement in provision in accordance with Accounting Standard - 29.

Particulars	Opening as on 01.04.2009	Provision made during the year	Provision reversed /adjusted	Closing as on 31.03.2010
Taxation - Income Tax	8,27.25	4.43	0.22	8,31.46
Taxation - FBT	1,16.61	-	0.71	1,15.90
Dividend	50.00	-	50.00	-
Tax on Dividend	8.50	-	8.50	-
Provosion for Warranties	1,04.01	60.00	11.51	1,52.50
Provosion for Leave Encashment	88.81	12.56	-	1,01.37
Provision for Gratuity	43.27	-	-	43.27

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2010**B. SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention, with the exception of land and building which have been revalued, on the accrual basis of accounting and in accordance with the Companies Act, 1956, and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable.

2. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to "Aplab Limited", (Parent Company) and "Sprylogic Technologies Limited (partly owned subsidiary Company) and "Intel Instruments and Systems Limited" (the wholly owned subsidiary Company)

- a. The financial statements of the Parent Company and its Subsidiary Companies have been 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 intra-group transactions resulting in unrealised profits or losses, if any.
- b. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.
- c. As on 31st March,2008, 35000 equity shares at face value of Rs.10 each amounting to Rs.3.50 lacs of Sprylogic Technologies Ltd. were issued to Mr.Nishith Deodhar, Executive Director due to which Sprylogic did not remain 100% subsidiary Company of Aplab Ltd.as on 31st March,2008. Disclosure of minority interest is made in the Consolidated Balance Sheet for above transaction.

3. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out in the notes to accounts under "Significant Accounting Policies" of the financial statements of Aplab Limited and its group companies.

Signature to Schedules '1' to '19'

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

Ashutosh Pednekar
Partner

Mumbai : 11th August, 2010

S. S. Karandikar
Sr. Vice President Finance &
Company Secretary

For and on behalf of the Board
Nishith Deodhar Managing Director
Neelam K. Kumar Executive Director
A. G. Joshi Director

Thane : 11th August, 2010

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

(Rs. in lacs)

Particulars	2009-10	2008-09
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax and extra ordinary items	(6,03.17)	1,58.82
Adjustments for :		
Depreciation	2,37.95	2,14.55
Net loss on sale of Fixed Assets	-	0.61
Profit on Sale of Fixed Assets	-	(1.25)
Amortisation of Goodwill	26.82	26.82
Interest Received	(12.35)	(10.48)
Dividend Received	(0.16)	(0.21)
 Operating Profit before working capital changes	 (3,50.91)	 3,88.86
 Adjustment For :		
(Decrease) / Increase in Working Capital	7,84.92	4,84.60
Prior year Tax Adjustment	4,34.01	8,73.46
 B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,08.50)	(6,01.62)
Capital Work in Progress	(2,83.11)	(3,98.79)
Sale of Fixed Assets	0.51	8.95
Dividend Paid	(58.50)	(1,46.24)
Sales / (Purchase) of Other Investments made	0.30	(0.40)
 Net Cash used in Investing Activities	 (4,49.30)	 (11,38.10)
 C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Borrowings	(0.67)	3,14.97
Interest Received	12.35	10.48
Dividend Received	0.16	0.21
Provision Written Back	0.04	-
 Net Cash from Financial Activities	 11.88	 3,25.66
 Net Increase / Decrease in (A+B+C)	 (3.41)	 61.02
 Opening Balance of Cash and Cash Equivalent	 2,58.84	 1,97.82
Closing Balance of Cash and Cash Equivalent	2,55.43	2,58.84
 Increase / (Decrease)	 (3.41)	 61.02

Notes : 1) The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 "Cash Flow Statement."

2) Figures in brackets indicate outflow.

As per our report attached
For M. P. Chitale & Co.
Chartered Accountants

For and on behalf of the Board

Ashutosh Pednekar
Partner

Nishith Deodhar
Managing Director

Mumbai : 11th August, 2010

Thane : 11th August, 2010



Aplab Limited

Registered Office : Aplab House, A-5, Wagle Industrial Estate, Thane 400 604.

PROXY FORM

Folio No. : _____ No. of Shares : _____

Client ID No. : _____ DP ID : _____

I / We _____

of _____ in the district of _____

being a member(s) of the above named Company, hereby appoint _____

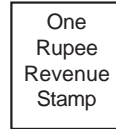
in the district of _____

or failing him _____ in the district of _____

as my / our proxy to

attend and vote for me / us on my / our behalf at the 45th Annual General Meeting of the Company to be held on Friday, 24th September, 2010 at 12.30 p.m. at Hotel Tip Top Plaza, LBS Marg, Near Check Naka, Thane (W) - 400 602.

Signed this _____ day of _____ 2010.



Signature

N.B.: Any member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself / herself on a poll and the proxy need not be a member. The form duly completed should be deposited at the Registered Office of the Company at Thane not later than 48 hours before the time from holding the meeting.

—TEAR HERE—

Aplab Limited

Registered Office : Aplab House, A-5, Wagle Industrial Estate, Thane 400 604.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Venue)

Folio No. : _____ No. of Shares : _____

Client ID No. : _____ DP ID : _____

Name of the attending member (in block letters)

Name of the proxy (in block letters)

(To be filled by the proxy attending instead of member)

I hereby record my presence at the 45th Annual General Meeting of the Company to be held on Friday, 24th September, 2010 at 12.30 p.m. at Hotel Tip Top Plaza, LBS Marg, Near Check Naka, Thane (W) - 400 602.

Member's / Proxy Signature

- Note :
- 1) Interested joint members may obtain attendance slips from the Registered Office of the Company.
 - 2) Members / Joint Members / Proxies are requested to bring the attendance slip with them.
 - 3) Duplicate slip will not be issued at the entrance of the Auditorium.

TEAR HERE