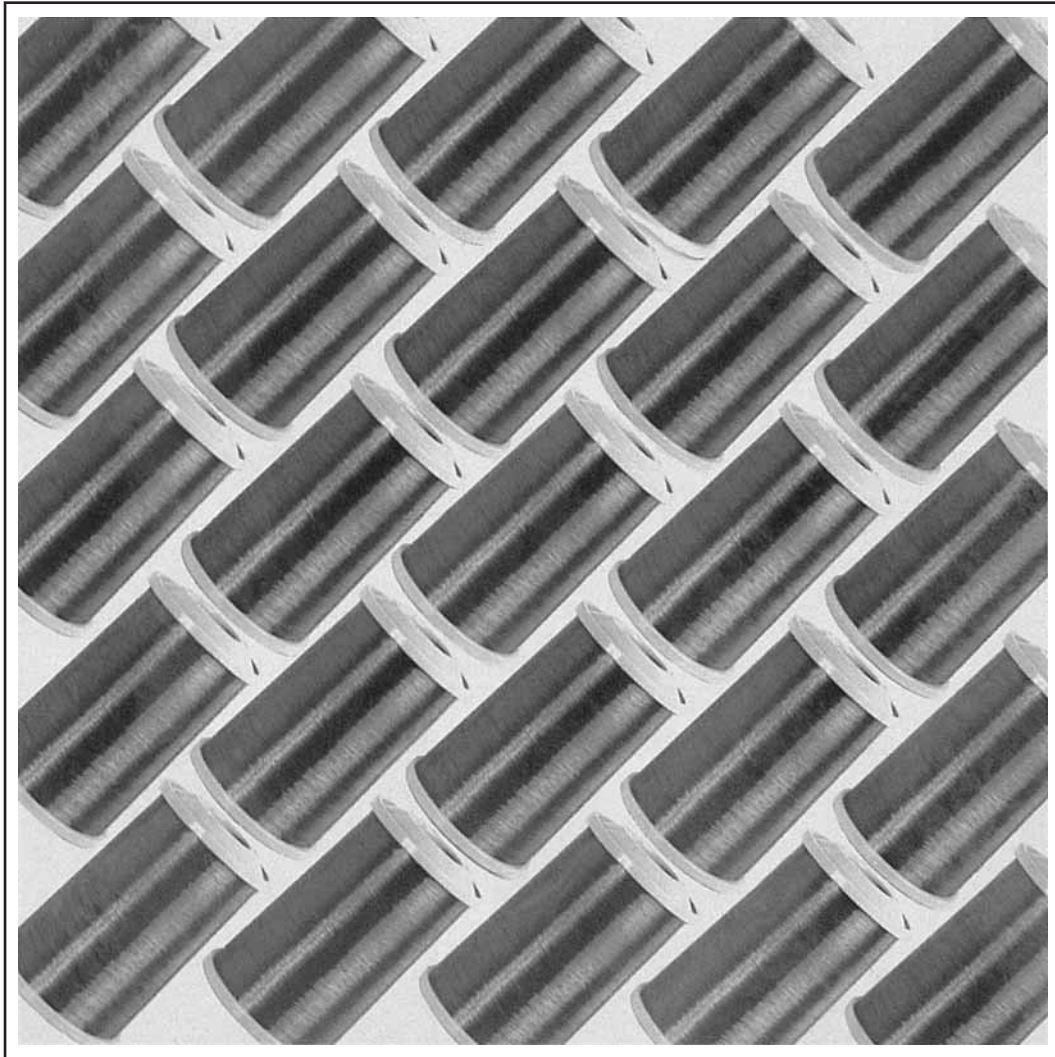


22nd

Annual Report
2010-2011



PRECISION WIRES INDIA LIMITED

Financial Highlights

Rupees in Lacs

	2010/11	2009/10	2008/09	2007/08	2006/07
Equity Share Capital (Paid up)	1156.36	1156.36	1156.36	1156.36	1046.36
Reserves & Surplus	16982.86	14690.29	13023.26	13015.32	9938.94
Provision for Deferred Tax for the year - Expense/(Income)	44.75	149.02	74.63	200.97	324.38
Current Assets	32631.37	21849.16	16263.92	22037.92	19180.25
Current Liabilities	20543.93	11806.35	7704.37	11868.96	11108.52
Inventories	4876.66	2871.95	4247.26	5430.45	3598.28
Sundry Debtors	19187.81	13742.37	7865.63	11546.42	11121.88
Creditors	14878.18	10194.97	6938.09	11352.26	10606.99
Secured Loans	5448.51	5408.71	6024.97	7338.04	6086.19
Financial Charges	477.04	463.22	398.42	463.19	525.56
Depreciation	1224.74	1087.82	1032.22	900.25	751.30
Income Tax	1556.53	929.60	15.60	722.23	543.14
Dividend paid Rs. Per Equity Share	@ 6.00	4.40	0.80	3.6	3.5
Book Value of Shares Rs.	156.86	137.04	122.62	122.55	104.99
E.P.S. Rs.	26.81	19.56	1.00	15.16	16.04
No. of Shareholders	9191	8378	7952	7884	7258

© Proposed



PRECISION WIRES INDIA LIMITED

BOARD OF DIRECTORS :

Mr. Mahendra R. Mehta	–	Chairman and Managing Director & CEO
Mr. Milan M. Mehta	–	Vice Chairman and Managing Director
Mr. Deepak M. Mehta	–	Whole-time Director
Mr. P. N. Vencatesan*		
Mr. Vijay M. Crishna*		
Mr. A. P. Kothari*		
Mr. P. R. Merchant*		

* Independent & Non-Executive Directors.

COMPANY SECRETARY	:	Mr. S. G. Sathe
BANKERS	:	Bank of Baroda, Palej 392 220, Dist. Bharuch, Gujarat
AUDITORS	:	S. R. Divatia & Co., Chartered Accountants, Mumbai
REGISTERED OFFICE	:	Saiman House, J. A. Raul Street, Off Sayani Road, Prabhadevi, Mumbai - 400 025. Telephone No. : (022) 2437 6281 Email Id : mumbai@pwil.net Website : www.precisionwires.com

WORKS :

UNIT I & UNIT II : ATLAS WIRES
Plot Survey No. 125/2, Amlī Hanuman (66KVA) Road,
Silvassa - 396 230.
(Union Territory of Dadra & Nagar Haveli)

PALEJ UNIT : ATLAS WIRES
Plot No. 3, GIDC, N.H. No. 8,
Palej - 392 220,
Dist. Bharuch (Gujarat)

REGISTRARS AND TRANSFER AGENTS :

Sharepro Services (India) Private Limited
Samhita Warehousing Complex, Warehouse No. 52 & 53, Plot No. 13AB,
2nd Floor, Sakinaka, Mumbai - 400 072.
Tel. No. : (022) 67720400 • Fax No. : (022) 67720416
Email Id : sharepro@shareproservices.com

The Company's Equity Shares are listed on the following Stock Exchanges :

Bombay Stock Exchange Ltd. (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 023.

National Stock Exchange of India Ltd. (NSE).
Exchange Plaza, Plot No. C/1,
G-Block, Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.

 NOTICE TO MEMBERS

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of Precision Wires India Limited will be held on Wednesday, 3rd August, 2011, at 2.30 PM at the Hall of The Mysore Association, 1st Floor, 393, Bhau Daji Road, Maheshwari Udyan (King Circle), Matunga (Central Railway) Mumbai - 400 019, to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri. P. N. Vencatesan who retires by rotation under Article 128 of Articles of Association of the Company and is eligible for reappointment.
4. To appoint a Director in place of Shri. P. R. Merchant who retires by rotation under Article 128 of Articles of Association of the Company and is eligible for reappointment.
5. To appoint S. R. Divatia & Co., Chartered Accountants, as the Auditors of the Company and fix their remuneration.

To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

RESOLVED THAT M/s. S. R. Divatia & Company, Chartered Accountants-having Firm Registration No. 102646W, be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration, and Service Tax thereon, as may be fixed by the Board of Directors of the Company in addition to reimbursement of travel and other out of pocket expenses incurred by them.

Special Business:

6. To consider and if thought fit, to pass with or without modification the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to and in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act 1956 or any statutory amendment or modifications thereto and subject to such sanctions and approvals as may be necessary in law, the Company hereby approves the re-appointment of Shri Mahendra R. Mehta as Chairman & Managing Director of the Company for a period of Three years with effect from 1st October, 2011 to 30th September, 2014, on remuneration and the terms and conditions as set out in the Letter of Appointment dated 16th May, 2011, a copy whereof initialed by the Vice-Chairman for the purpose of identification has been placed before the Meeting, which Letter of Appointment dated 16th May, 2011

is hereby specifically approved and sanctioned with the liberty to the Board of Directors (which term shall be deemed to include the Remuneration-Cum-Selection Committee constituted by the Board) to alter, vary and modify the terms and conditions of the said appointment and/or remuneration including commission, perquisites and other allowances and/or the letter of appointment in such manner as may be agreed to between the Board of Directors and Shri Mahendra R. Mehta within and in accordance with and subject to the limits and conditions prescribed in Schedule XIII to the Companies Act, 1956, or any statutory amendments and modifications thereto, and if necessary as may be stipulated by the Central Government and as may be agreed to accordingly between Board of Directors and Shri Mahendra R. Mehta.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Shri Mahendra R. Mehta as Chairman & Managing Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the company computed under Section 198 of the Companies Act, 1956 and if the company has more than one managerial personnel, ten percent of such net profits for all such managerial personnel of the Company together in that financial year.

RESOLVED FURTHER THAT notwithstanding anything stated hereinabove if in any financial year of the company during the currency of tenure of Shri Mahendra R. Mehta as Chairman & Managing Director of the company, the Company has no profits or its profits are inadequate, the remuneration, perquisites and other allowances shall be governed by and paid in accordance with the limits and conditions prescribed in Section II of Part II of the Schedule XIII to the Companies Act, 1956, as amended from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and may take such steps considered necessary, expedient or desirable in the best interest of the Company.

By Order of the Board

S. G. Sathe
Company Secretary

Registered Office:
Saiman House, J. A. Raul Street,
Off Sayani Road, Prabhadevi,
Mumbai - 400 025.

Mumbai
16th May, 2011



NOTICE TO MEMBERS

Notes :-

1) Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 ('the Act') in respect of Item No. 6 is annexed hereto.

2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.

3) The Register of Members and the Share Transfer Books of the Company will remain closed from 30th July, 2011 to 3rd August, 2011 (both days inclusive) for payment of Dividend.

4) Members are requested to advise, indicating their folio number, the change of their addresses, if any, to Sharepro Services (India) Private Ltd., Samhita Warehousing Complex, Warehouse No. 52 & 53, Plot No.13AB, 2nd Floor, Sakinaka, Mumbai - 400072, the Registrar and Share Transfer Agents of the Company.

5) The Dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid to those share holders whose names stand on the Register of Members as on 3rd August, 2011.

6) Implementation of Important Circulars issued by Ministry of Corporate Affairs:

Your Company supports the Green Initiative taken by Ministry of Corporate Affairs [MCA] vide its circulars Nos. 17/2011 dated 21-4-2011 and 18/2011 dated 29-4-2011. The Ministry has permitted electronic delivery of all Documents include the notice and explanatory statement of AGMs and EGMs, audited financial statements, Directors' Report, Auditors' Report etc and any other communication to shareholders in electronic form.

In terms of the enabling provisions of these circulars, Precision Wires India Ltd has made electronic delivery of this Annual Report to those Shareholders whose e-mail addresses are available with the R & T Agents and who have not informed to the R & T Agents of their requirement

of Annual Report and other communications from the Company in physical form only.

If you are holding shares in dematerialised form, then you may opt to receive the Company's communications in electronic mode by updating your email address with your Depository Participant where you have the Demat Account. Such addresses will be periodically downloaded from NSDL/CDSL and will be deemed to be your registered e-mail address for serving notices / documents and other correspondence, including those covered under Section 219 of the Companies Act, 1956.

If you are holding shares in physical form, then in the interest of our environment, we request you to opt for having above documents in electronic mode by sending us an email in this behalf at

[1] precisionwires@shareproservices.com & / or

[2] bhandarkar@pwil.net

7) Members are requested to note that Dividends not encashed or remaining unclaimed within a period of seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred under Section 205 A of the Companies Act, 1956 to the Investors Education and Protection Fund (IEPF) established under Section 205 C of the said Act. Accordingly, Dividend for the Financial Year ended up to 31.03.2003 have been transferred to IEPF of the Central Government. Final Dividend for financial year ended 31.3.2004 declared on 19.8.2004 is due for such transfer to IEPF on or about 18.8.2011. It may be noted that once unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.

8) Members are requested to carry their Printed Annual Report at the time of attending the Meeting.

NOTICE TO MEMBERS

Notes : (Continued)

- 9) Brief note on the background and functional experience of Independent Directors proposed to be re-appointed at the ensuing Annual General Meeting as per Item Nos. 3 and 4 of this Notice, pursuant to Clause 49 of the Listing Agreement are as under:

NAME OF THE DIRECTOR	Shri. P. N. Vencatesan	Shri Pratap R Merchant
DATE OF BIRTH & AGE	18 th August, 1926 AGE : 85 Years	2 nd March, 1935 AGE : 76 Years
DATE OF APPOINTMENT	Appointed as Additional Director on 11.09.1991 and as Director on 25.09.1992 at the Annual General Meeting and thereafter re-appointed on retirement by rotation from time to time, the last such re-appointment being at the AGM held on 19.09.2009.	Appointed as Additional Director on 28.10.1998 and as Director on 23.07.1999 at the Annual General Meeting and thereafter re-appointed on retirement by rotation from time to time, the last such re-appointment being at the AGM held on 19.09.2009.
EXPERTISE IN SPECIFIC FUNCTION	Renowned Management Consultant	Ex-Banker and has rich experience in Banking & Finance Sectors
QUALIFICATIONS	Chartered Accountant	B.Com., CAIIB- I
LIST OF OTHER COMPANIES IN WHICH DIRECTORSHIP HELD AS ON 31ST MARCH, 2011	None	a) Setco Automotive Ltd. b) KJMC Asset Management Co. Ltd. c) GeeCee Ventures Ltd. (Formerly known as Gwalior Chemical Industries Limited) d) Relcon Infraprojects Ltd.
CHAIRMAN AND MEMBER OF THE COMMITTEES OF THE BOARD OF THE COMPANIES ON WHICH HE IS A DIRECTOR AS ON 31ST MARCH, 2011	Not Applicable	a) Chairman of Audit Committee and Member of Remuneration Committee of Setco Automotive Ltd. b) Chairman of Audit Committee and Member of Remuneration Committee of KJMC Asset Management Co. Ltd. c) Member of Audit Committee and Member of Remuneration Committee of GeeCee Ventures Ltd. d) Chairman of Audit Committee and Member of Remuneration & Shareholders Grievances Committee of Relcon Infraprojects Ltd.
Shareholding in the Company	NIL	1000 [One Thousand only]

Shri P. N. Vencatesan and Shri Pratap R. Merchant are interested in their own re-appointments and none of other Directors are in any way concerned or interested in the said re-appointments.

Your Directors commend your approval to the re-appointments of Shri P. N. Vencatesan and Shri Pratap R. Merchant.



NOTICE TO MEMBERS

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 (The Act).**Item No. 6.****Re-Appointment of Shri Mahendra R. Mehta, Chairman & Managing Director.**

The resolution at Item no. 6 of the Notice seeks approval of the Members in respect of the re-appointment and payment of remuneration to Shri Mahendra R. Mehta as Chairman & Managing Director of the Company. The present Term of Office of Shri. Mahendra R. Mehta as Chairman & Managing Director expires on 30th September, 2011. The Board of Directors of the Company at its Meeting held on 16th May, 2011, has subject to the approval of the Members of the Company in General Meeting and any other approvals as may be necessary, re-appointed Shri Mahendra R. Mehta, as Chairman & Managing Director vide letter of appointment dated 16th May, 2011, for a further period of Three Years with effect from 01-10-2011 to 30-09-2014.

The Principal Terms and Conditions as contained in the said Letter of Appointment dated 16th May, 2011 are as under:

Period :

For 3 Years with effect from 01-10-2011 up to 30-09-2014.

Salary per month (p.m.) :

Rs. 2,60,000/- (Rs. Two Lac Sixty Thousand only) for the first year and Rs. 2,75,000/- (Rs. Two Lac Seventy Five Thousand only) for the remainder of his term.

Commission :

In addition to salary, perquisites and other allowances, Commission at 1% based on the Net Profits of the Company, computed in the manner laid down in Section 349 of the Companies Act, 1956, subject to provisions of Section 198 and Section 309 and other applicable provisions, if any of the Companies Act, 1956.

In addition to salary and commission, the following perquisites shall be allowed to Shri Mahendra R. Mehta :

Perquisites

1. **Housing:**
Rent free furnished residential accommodation. In case no residential accommodation is provided by the Company the Chairman & Managing Director shall be entitled to house rent allowance as may be approved by the Board of Directors.
2. **Medical Re-imburement:**
Reimbursement of medical expenses incurred for Shri Mahendra R. Mehta and his wife.
3. **Reimbursement of gas, electricity, water charges and furnishings.**
4. **Leave travel concession for Shri Mahendra R. Mehta and his wife once in a year not exceeding one month's salary for each year. In case leave travel concession is not availed of in any year, the same shall be allowed to be accumulated subject to a maximum of three years.**

5. Fees of clubs subject to a maximum of two clubs.
6. Personal accident insurance subject to a maximum premium of Rs. 15,000/- p.a.
7. Provision of car for business as well as for personal purposes with driver.
8. Telephone & Internet connection at the residence for business as well as personal use.
9. Provision of services of two domestic servants at his residence or reimbursement of expenses incurred on such two servants at his residence.
10. **Earned / Privilege Leave on full pay and allowances : As per Rules of the Company but not more than one month's leave for every eleven months of service shall be allowed.**

Shri Mahendra R. Mehta shall also be paid the following perquisites, which shall not be included in the computation of the ceiling on the remuneration in the event the company has no profit or its profits are inadequate in any financial year during the aforesaid period:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service; and
- c) Encashment of leave at the end of the tenure.

In the event of loss or inadequacy of profits in any financial year of the Company during the currency of tenure of the Chairman & Managing Director, the payment of above Salary and perquisites and other allowances shall be governed by and paid in accordance with the limits and conditions prescribed under Section II of Part II of the Schedule XIII to the Companies Act, 1956 or any amendment thereof.

Other terms

- a) As long as Shri Mahendra R. Mehta is functioning as Chairman & Managing Director of the Company no sitting fees will be paid to him for the meetings of the Board of Directors or any Committee thereof attended by him.
- b) The Chairman & Managing Director shall be entitled to re-imburement of all actual expenses, including entertainment, traveling, hotel and other expenses incurred by him in India and abroad exclusively on the company's business.
- c) Either party shall be entitled to terminate this appointment by giving to the other party ninety (90) days' notice in writing without showing any cause.

Further particulars as per Part II, Section II of Schedule XIII to the Companies Act, 1956:

- (i) Remuneration-Cum-Selection Committee of the Board has approved the terms of remuneration payable to Shri Mahendra R. Mehta, as mentioned hereinabove at its

NOTICE TO MEMBERS

Explanatory Statement to Item No. 6 of the Notice, (Continued)

meeting held on 16th May, 2011, which are in accordance with the provisions of Schedule XIII to the Companies Act, 1956.

(ii) The company has not made any default in repayment of any of its debts or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of Shri Mahendra R. Mehta.

(iii) The appointment of Shri Mahendra R. Mehta as Chairman & Managing Director of the Company with effect from 1st October, 2011 is being proposed to be made by a Special Resolution of the Company at its ensuing Annual General Meeting to be held on 3rd August, 2011, for payment of remuneration for a period not exceeding three years.

(iv) Other particulars as per Section II of Part II of Schedule XIII to the Companies Act, 1956 are as under:

(iv) I: GENERAL INFORMATION:

[1] Nature of Industry : The Company is engaged in manufacture of winding wires of copper.

[2] Date of commencement of commercial production : 31.12.1992.

[3] In case of new companies, expected date of commencement of activities - *not applicable*.

[4] Financial Performance based on given indicators

	2010-11 (Rs./Lacs)	2009-10 (Rs./Lacs)
Effective Capital	20316.74	17097.44
Net Profit after Tax	3100.03	2262.30

[5] Export Performance & foreign exchange outgo:

Exports (FOB)	3860.90	2327.49
Foreign Exchange Outgo [net]	15401.00	6202.04

[6] Foreign Investments & Collaborations if any:

The Company has not made any Foreign Investments.

The Technology Transfer Agreement for Continuously Transposed Copper Conductors with M/s Essex spa, Italy, has expired during the year. The Company has absorbed the Technology.

(iv) II: INFORMATION ABOUT THE APPOINTEE:

Shri Mahendra R. Mehta :

[1] Background Details: Shri Mahendra R. Mehta is a Promoter of the Company and he was Chairman & Director of Atlas Wires Ltd., prior to its amalgamation with Precision Wires India Ltd. He has contributed immensely to the performance of the company over the years and

played pivotal part in the growth of the Company.

[2] Past Remuneration : Shri Mahendra R. Mehta was paid the following remuneration:

	2010-11 (Rs/ Lacs)	2009-10 (Rs/ Lacs)
Salary	27.00	27.00
Perquisites	3.25	4.98
Commission	49.83	34.19
Contribution to Provident Fund	3.24	3.24
Total	83.32	69.41

[3] Recognition or awards: The company has no information about it.

[4] Job Profile and his suitability: Having regard to the vast experience as Chairman & Director of Atlas Wires Ltd., prior to its amalgamation with Precision Wires India Ltd., the Board of Directors is of the opinion that Shri Mahendra R. Mehta is eminently suitable to hold the position and the proposed remuneration is reasonable.

[5] Remuneration Proposed: as per the above explanatory statement, for a period of three years from 1-10-2011 to 30-09-2014

[6] Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The company has no information to offer, but having regard to the versatile experience and responsibility of the position held by him, the Board of Directors is of the opinion that the proposed remuneration is reasonable.

[7] Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel:

Shri Mahendra R. Mehta is a promoter of the Company holding fully paid Equity Shares of Rs. 10/- each, amounting to 13.42% of the paid up capital of the Company. He is related to Shri Milan M. Mehta, Managing Director and Shri Deepak M. Mehta, Whole-time Director.

(iv) III: OTHER INFORMATION:

[1] Reasons for Loss or Inadequacy of Profits: Not applicable as Company is a profit making company at present.



NOTICE TO MEMBERS

- [2] Steps taken or proposed to be taken for improvement: Not applicable as the Company is a profit making company at present. However, company continues to strengthen internal procedures to control inventories and operating costs.
- [3] Expected increase in productivity and profits in measurable terms: Not applicable as the Company is a profit making company at present. However, considering the volatility in the price of the principal input of the company, copper rods, it is difficult to make any estimates of increase in productivity and profits in measurable terms.

(iv) IV: DISCLOSURES:

- [1] The Remuneration package of the Managerial Personnel for the year 1.4.2010 to 31.3.2011, is given in the explanatory statement above.
- [2] The following information has been disclosed in the Board of Directors' Report under the heading "Corporate Governance" attached to the annual report for the year 2010-11:
- [i] All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of all the directors;
 - [ii] Details of fixed component and performance linked incentives along with the performance criteria;
 - [iii] Service contracts, notice period, severance fees;
 - [iv] Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

MEMORANDUM OF CONCERN OR INTEREST IN ITEM NUMBER 6 OF THE NOTICE OF THE MEETING:

Shri Mahendra R. Mehta, is concerned with and interested in the Special Resolutions at item No. 6 as also in his Letter of Appointment dated 16th May, 2011 referred in the said item aforesaid as they relate to the terms of his own Re-appointment and Remuneration.

Shri Milan M. Mehta, Vice Chairman & Managing Director and Shri Deepak M. Mehta, Whole-time Director may be deemed to be concerned with and interested in the above Re-appointment of Shri Mahendra R. Mehta as Chairman & Managing Director as they are his relatives.

Save as aforesaid, no Directors are in any way concerned or interested in the Resolution at item no. 6 of the accompanying Notice of Meeting of shareholders to be held on 3rd August, 2011.

DOCUMENTS OPEN FOR INSPECTION:

The Copy of the Letter of appointment dated 16th May, 2011, issued to Shri Mahendra R. Mehta, referred in the item No. 6 of Agenda of the accompanying Notice, is open for inspection by the Members at the Registered Office of the Company between 11.00 AM and 1.00 PM on any working day of the Company, except Saturday.

Your Directors commend the proposed Resolutions at item Nos. 6 of the Agenda as Special Resolutions for your approval.

By Order of the Board

S. G. Sathe
Company Secretary

Registered Office:
Saiman House, J. A. Raul Street,
Off Sayani Road, Prabhadevi,
Mumbai - 400 025.

Mumbai
16th May, 2011.

TO THE MEMBERS

The Directors hereby present the Twenty Second Annual Report of your Company, together with the Audited Accounts for the year ended 31st March, 2011.

1. Financial Results :

	(Rupees in Lacs)	
	2010-11	2009-10
Sales (including Excise Duty)	97618.24	69706.33
Less : Excise Duty	(10254.49)	(6687.00)
Sales (Net of Excise Duty)	<u>87363.75</u>	<u>63019.33</u>
Operating Profit	6275.59	4451.71
Add : Other Income	<u>127.50</u>	<u>299.67</u>
Profit before Financial Charges, Depreciation & Taxes	6403.09	4751.38
Financial Charges	(477.04)	(463.22)
Depreciation	<u>(1224.74)</u>	<u>(1087.82)</u>
Profit before Taxes & Extra-ordinary Items	4701.31	3200.34
Extra-ordinary Items	-	140.58
Profit before Taxes	4701.31	3340.92
Less:		
Provision for Income Tax	(1508.00)	(917.00)
Provision for Wealth Tax	(0.38)	(0.13)
Provision for Deferred Tax	(44.75)	(149.02)
Prior Years' Tax Adjustments	<u>(48.15)</u>	<u>(12.47)</u>
Profit after Tax	3100.03	2262.30
Add : Balance brought forward from last Account	<u>359.66</u>	<u>392.63</u>
Balance available : (A)	3459.69	2654.93
Which the Board of Directors have appropriated as under :		
(i) Transfer to General Reserve	2300.00	1700.00
(ii) Proposed Total Dividend @ Rs. 6.00 for the year (Previous year @ Rs. 4.40), which includes Interim Dividend @ Rs. 2.40 (Rs. 2.40), per equity share.	693.82	508.80
(iii) Corporate Tax on Dividend	<u>113.65</u>	<u>86.47</u>
(B)	3107.47	2295.27
Balance carried forwarded in Profit & Loss Account (A) – (B)	<u><u>352.22</u></u>	<u><u>359.66</u></u>

2. Dividend

At the Meeting held on 31st August, 2010, the Directors had recommended an interim dividend @ Rs. 2.40 (24%) per equity share of Rs. 10/- each, fully paid, for the financial year 2010-11, since paid. The Directors are pleased to recommend final Dividend @ Rs 3.60 (36%) per equity share for the year ended 31st March 2011, making total

dividend recommended of Rs. 6.00 (Sixty percent) per equity share of Rs. 10/- each, fully paid, subject to the approval of Shareholders at the ensuing Annual General Meeting.

3. Operations

During the fiscal the overall economic climate was satisfactory and your Company has performed very well. PBT has increased to 4701 (3341) and PAT is 3100 (2262) for the year. Reserves and Surplus (without revaluation) has increased to 16983 (14690), all figures are in Rs./Lacs.

The Company has discharged all financial obligations in time on due dates without any delay or default.

During the year under review:

- [a] The total Production of Finished Goods was about 25832 [23500] MT, an increase of approx. 10%.
- [b] Sales Income Gross was Rs. 97618 [Rs. 69706] lacs and Income net of Taxes Rs. 87364 [Rs. 63019] lacs respectively. Sales Income is higher during the year due to increase in production on own account, lower job work business and higher cost of Copper.
- [c] Increase in the Gross Block stands at Rs. 3430 (Rs. 696) lacs due to addition in Plant and Machinery and Civil Works during the year.
- [d] Prices of Copper, our principal input, remained volatile. However, your Company preferred to, generally, have back-to-back procurement of input and sales of finished goods so as to avoid pricing mismatch related issues.
- [e] Your Company has successfully executed and completed an Order for substantial quantity of Paper Insulated Copper Conductors received from Bharat Heavy Electricals Ltd, the largest Electrical Equipment Manufacturer in Asia.

Due to the melt-down of economy, in the world and also in our country, during fiscal 2008-09, your Company had deferred plans for expansion. However, equipments ordered during fiscal 2009-10 have been received during the second half of fiscal under review and put to use during QIV FY10-11. Your Company has purchased, for future expansion, about 14 Acres of Industrial Land in Andhra Pradesh at a cost of about Rs. 368 lacs. The Company has deferred decision to invest in wind-power-energy generation.

Your Company is the market leader in the field of winding wires made of copper in India and continues to explore export markets. Since India is power-deficit-country, long term prospects of the Electrical Equipment Manufacturing Industry is bright, subject to adequate allocation of funds and reforms in the Power-Sector- Policy. You are aware that your products are used in the manufacture of electrical equipments.

On the whole, your Company has performed extremely well despite challenging conditions. Barring unforeseen circumstances such as inflation, high rates of interest and



DIRECTORS' REPORT

other developments, your Company may continue to grow in coming years.

4. Listing / Dematerialisation of the Company's Equity Shares:

The Equity Shares of your Company continue to be listed at the Bombay Stock Exchange Ltd, (BSE) and National Stock Exchange of India Ltd (NSE) and required Annual Listing Fees have been paid.

The Equity Shares of the Company are compulsorily traded in dematerialized form as prescribed by SEBI. The same are registered with both National Securities Depository Ltd., Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, and Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400 023, Under ISIN No.INE372C01011 common for both.

5. Particulars of Employees:

As required under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, particulars of the employees are given in Annexure I hereto and form part of this report.

6. Disclosure of particulars in the Directors' Report:

As required under the provisions of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988, the necessary particulars are given in Annexure II hereto and form part of this report.

7. Auditors:

The Auditors, M/s. S. R. Divatia & Company, Chartered Accountants, Mumbai, who have been Statutory Auditors of the Company, hold office until the ensuing Annual General Meeting. Subject to the approval of the Members, it is proposed to re-appoint them for the Financial Year 2011-12. The Auditors have furnished, u/s 224 (1B) of the Companies Act, 1956, Certificate of Eligibility for reappointment.

8. Corporate Governance:

As required by Clause 49 of the Listing Agreements with Stock Exchanges, a Corporate Governance Report, a Management Discussion and Analysis, and the Certificate of the Auditors of the Company regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. Please refer Annexure III to the Directors' Report.

The Company has framed a Code of Conduct for all its Board Members and Senior Management Personnel of the Company, who have affirmed compliance thereto. The said Code of Conduct have been posted on the Company's website. The Declaration to this effect signed by the CEO are made a part of the Annual Report.

9. Directors' Responsibility Statement:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company based on

the representations received from the operating management confirms:

- 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 as at the end of financial year ended 31st March, 2011 and of the profit 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 Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the directors had prepared the annual accounts for the year ended 31st March, 2011, on a going concern basis.

10. Directors

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Shri. P. R. Merchant and Shri. P. N. Vencatesan retire by rotation and are eligible for re-appointment.

The term of appointment of Shri Mahendra R. Mehta, Chairman & Managing Director, expires on 30th September, 2011. On the recommendation of its Remuneration-Cum-Selection Committee, the Board of Directors have, at their meeting held on 16th May, 2011, re-appointed Shri Mahendra R. Mehta as Chairman & Managing Director for a further period of three years from 1st October, 2011 subject to the approval of the Company at the ensuing Annual General Meeting.

11. Acknowledgements

The Directors wish to place on record their deep appreciation of the continued assistance and co-operation from Bank of Baroda, the Administration of Union Territory of Dadra and Nagar Haveli, Palej Gram Panchayat, Shareholders and all the Staff and employees of the Company.

For and on behalf of the Board

Mahendra R. Mehta
Chairman and Managing Director

Mumbai,
Dated 16th May, 2011

DIRECTORS' REPORT

ANNEXURE I TO DIRECTORS' REPORT

Particulars of Employees as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2011.

Name	Age (Years)	Qualifications	Designation	Date of Commencement of Employment	Experience (Years)	Remuneration (Gross) Rs.	Last Employment and position held
Shri Mahendra R. Mehta	82	–	Chairman & Managing Director	June 1975	59	83,31,578	Chairman & M.D of Erstwhile Atlas Wires Ltd.
Shri Milan M. Mehta	48	B.S.(E.E.)	Vice Chairman & Managing Director	April 1996	26	1,12,01,301	Technical Director of Erstwhile Atlas Wires Ltd.
Shri Deepak M. Mehta	54	B.Com	Whole-time Director	January 1989	31	86,21,500	Whole time Director of Erstwhile Atlas Wires Ltd.

Notes :

- (1) All the above persons are relatives of each other.
 - (2) The above employments are contractual in nature.
 - (3) Remuneration (Gross) includes Salary, Commission, taxable value of perquisites and Company's contribution to Provident Fund.
- # However as Shri Mahendra R. Mehta and Shri Milan M. Mehta, Managing Directors each hold more than 5% of the Paid-up Share Capital of the Company, are ineligible on this ground for entitlement to gratuity payment through the Trust created. Provision in the current year, therefore, has been made for the gratuity payable to them at 15 days' salary for the each year completed, being Rs. 1,29,808/- for Shri Mahendra R. Mehta and Rs. 2,30,769/- for Shri Milan M. Mehta, which is not included above.

ANNEXURE II TO DIRECTORS' REPORT**1. Conservation of energy :**

Energy consumption details in form "A" have not been prescribed for the class of industry to which your Company belongs.

2. Technology Absorption

Efforts made in technology absorption - as per Form B are given below :

FORM "B"**Research and Development (R&D) :**

- | | |
|--|---|
| 1) Special areas in which R & D Carried out by the Company | Energy conservation. |
| 2) Benefits derived as a result of the above R & D | Less outflow. |
| 3) Future plan of action | Reduction in Copper Scrap generated in process. |
| 4) Expenditure on R & D | NIL. |

Technology Absorption, Adaptation and Innovation :

- | | |
|---|--|
| 1. Efforts in brief made towards technology absorption and innovation | Continued Manpower Training |
| 2. Benefits derived as a result of the above efforts. | Recognition as approved vendor by many consumers |
| 3. Information about Imported Technology | Not Applicable. |

3. Foreign Exchange Earnings and Outgo :

Earnings	Rs. 3860.90 (Rs. 2327.49) Lacs
Outgoings	Rs. 15401.00 (Rs. 6202.04) Lacs

Declaration on Compliance of the Company's Code of Conduct

This is to certify that the Company has adopted a Code of Conduct for the Members of the Board of Directors and Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them.

Mumbai,
Dated 16th May, 2011

Mahendra R. Mehta
Chairman & CEO



**CORPORATE GOVERNANCE REPORT FOR THE YEAR 1ST April, 2010 TO 31ST MARCH, 2011
(ANNEXURE III TO THE DIRECTORS' REPORT)**

(as required under clause 49 of the Listing Agreements with the Stock Exchanges)

1. A brief statement on Company's Philosophy on code of Corporate Governance:

The Company continues to remain committed to satisfy the need for transparency in providing the necessary information to Shareholders about the functioning of the Board, the Management and upholding the Corporate Governance practices, within the limits set by the Company's competitive position.

2. Board of Directors:

The names and categories of the Directors on the Board, their attendances at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorship and Committee Membership held by them in other Companies are as under:

Composition and category of Directors			Member of other Boards or Other Board Committees		Attendance		
Name of Director	Designation	Category	Number of Directorship in other companies*	Number of Board Committee membership held in other companies	Meeting of Board of Directors		AGM Attended
					Held	Attended	
Shri Mahendra R. Mehta	Chairman and Managing Director	Promoter, Executive	-	-	5	5	Yes
Shri Milan M. Mehta	Vice-Chairman and Managing Director	Promoter, Executive	1	-	5	4	Yes
Shri Deepak M. Mehta	Whole-time Director	Promoter, Executive	-	-	5	4	Yes
Shri Vijay M. Crishna	Director	Non-Executive, Independent	3	-	5	-	No
Shri P. N. Vencatesan	Director	Non-Executive, Independent	-	-	5	5	Yes
Shri P. R. Merchant	Director	Non-Executive, Independent	4	C = 3 M = 6	5	4	Yes
Shri A. P. Kothari	Director	Non-Executive, Independent	8	-	5	3	No

C = Chairman of Board Committee in other companies

M = Member of Board Committee in other companies

* Excluding Private, Foreign and Companies registered under Section 25 of the Companies Act, 1956.

Number of Board Meetings held and dates on which held:

Five Meetings of the Board of Directors were held, on 13.05.2010, 22.07.2010, 31.08.2010, 12.11.2010, and 27.01.2011 and the gap between two meetings did not exceed four months.

Annual General Meeting (AGM) of the company was held on 23.07.2010.

3. Audit Committee:

The Board of Directors had constituted an Audit Committee in the Year 2001.

Brief Description of Terms of Reference are as under:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To fix audit fees of the internal auditors and to approve payment for any other services.
- To meet Statutory Auditors and Internal Auditors, discuss their findings and related matters and to review with the Management the Quarterly Financial Results and also Annual Accounts before same are submitted to the Board for its consideration.
- To look into the various aspects envisaged by relevant SEBI guidelines in this regard.

The Composition of the Audit Committee and the details of meetings held and attended by the Members are given below:

During the year, 5 Meetings of the Audit Committee of the Board of Directors were held, on 13.05.2010, 22.07.2010, 31.08.2010, 12.11.2010 and 27.01.2011.

Name of the Members	Category	Audit Committee Meeting	
		Held	Attended
Shri P. N. Vencatesan, Chairman (Chartered Accountant)	Independent, Non-Executive	5	5
Shri P. R. Merchant (Retired Senior Banker)	Independent, Non-Executive	5	4
Shri A. P. Kothari (Technocrat-Entrepreneur)	Independent, Non-Executive	5	3

4. Remuneration-Cum-Selection Committee:

Brief description of Terms of Reference:

The terms of reference of the Remuneration-Cum-Selection Committee include to determine Company's policy on specific remuneration packages for Executive Directors and relatives of Directors employed in the Company, if any, including pension rights and compensation payment, after taking into account the financial position of the Company, trends in the industry, appointee's qualifications, experience, past performance, past remuneration etc., and considering interest of the company and shareholders.

Composition, name of members, Chairperson and attendance :

The Remuneration-Cum-Selection Committee comprises of three Independent & Non-Executive Directors – Shri P. N. Vencatesan (Chairman), Shri P. R. Merchant and Shri A. P. Kothari. During the year 1 (One) meeting of the Remuneration-cum-Selection Committee was held on 13.05.2010.

Shri P. N. Vencatesan, Shri P. R. Merchant, & Shri A. P. Kothari attended the Meeting of Remuneration-cum-Selection Committee held on 13.05.2010.

Remuneration Policy:

The remuneration of Executive Directors and their relatives employed in the Company is approved by the shareholders at their Meetings on the basis of recommendations of the Remuneration-cum-Selection Committee and the Board of Directors. The recommendations by these bodies are based on trends in the industry, appointee's qualifications, experience and past performance. Non-Executive Directors do not receive any remuneration except the sitting fees for attending Meetings of the Board of Directors and / or the Committees of Directors.

Details of remuneration to all the Directors are as under:

[i] Gross Remuneration paid / payable to Executive Directors for financial year 2010-11.

Name of Director and Service Contract	Salary Rs.	Commission Rs.	Perquisites # Rs.	Contribution to PF & Provision for Gratuity Rs.	Total Rs.
Shri Mahendra R. Mehta (Re-appointed w. e. f. 01.10.2008 for 3 years)	27,00,000	49,82,961	3,24,630	*4,53,808	84,61,399
Shri Milan M. Mehta (Re-appointed w. e. f. 01.04.2009 for 3 years)	48,00,000	49,82,961	8,42,353	**8,06,769	1,14,32,083
Shri Deepak M. Mehta (Re-appointed w. e. f. 01.08.2010 for 3 years)	26,00,000	49,82,961	7,26,552	3,12,000	86,21,513

Perquisites include Reimbursement of medical expenses for self and family, Reimbursement of gas, electricity, water charges and furnishings, Leave travel concession for self and family once in a year not exceeding one month's salary for each year, accumulated subject to a maximum of three years, Fees of clubs subject to a maximum of two clubs, Leave Encashment at end of contract, wages of servants and personal drivers. The above Directors are not entitled to Bonuses, but are entitled to Provident Fund and Retirement Gratuity in accordance with Law.

* Includes Provision for Gratuity of Rs. 1,29,808/-

** Includes Provision for Gratuity of Rs. 2,30,769/-

The variable component of above remuneration is the payment of Commission based on profits of the Company computed as per provisions of Section 198 of the Companies Act, 1956. There is no other performance linked component of the remuneration. The employments are contractual, for a period of three years, terminable by notice in writing of 90 days by either side. No severance fees are payable to any of the managerial personnel. The Company does not have Stock Option plan for its employees or other Managerial Personnel.

No sitting fees are paid to Executive Directors for attending Meetings of Board or Committees of Board.

[ii] Remuneration paid to Non-Executive Directors for financial year 2010-11.

	Shri P. N. Vencatesan	Shri P. R. Merchant	Shri A. P. Kothari
Sitting Fees for attending Board and Committee Meetings	Rs. 90000	Rs. 73000	Rs. 56000

Non-Executive Directors are not paid any other remuneration.

5. Share Transfer & Shareholders'/Investors' Grievance Committee :

Name of non-executive director heading the committee	: Shri P. N. Vencatesan
Name and designation of compliance officer	: Shri S. G. Sathe, Company Secretary
Number of complaints received up to 31.3.2011	: 06 (Six)
Number not solved to the satisfaction of shareholders as on 31.03.2011	: NIL
No of pending complaints	: NIL

The Company has also conducted Secretarial Audit relating to the issue of shares, request for dematerialization of shares, Register of Members and changes in share capital, for every quarter.

**6. General Body Meetings :**

- i. Location and time where the last three Annual General Meetings were held & special resolutions passed thereat :

Financial Year	Date	Time	Location	No. of Special Resolutions passed at the AGMs
2009-2010	23.07.2010	02.30 p.m.	Hall of Mysore Association, 1 st Floor, 393 Bhau Daji Road, Maheswari Udyan (KingCircle), Matunga (Central Railway), Mumbai-400019.	TWO
2008-2009	19.09.2009	02.30 p.m.		FOUR
2007-2008	27.09.2008	02.30 p.m.		ONE

- ii. Resolutions by Postal Ballots, etc. :

Two Special Resolutions as under, were passed by Postal Ballot during the year.

1. Special Resolution under Section 17 of the Companies Act, 1956 by way of Postal Ballot for alteration of Memorandum of Association of the Company by insertion of Sub-clause 55 after existing Sub-clause 54 of the OTHER OBJECTS Clause III C, and
2. Special Resolution under Section 149(2A) of the Companies act, 1956 by way of Postal Ballot for commencing and carrying on all or any of the business specified in newly introduced Sub-clause 55 of Clause III C: OTHER OBJECTS of the Memorandum of Association of the Company.

For this purpose, Friday, the 27th August, 2010 was fixed as the cut-off date for determining names of the Members who were entitled to vote on this matter. Dispatch of the Postal Ballot Notice dated 22nd July, 2010 to the shareholders of the Company was completed on 1st September 2010.

Shri. Shalin S. Divatia, Partner, S. R. Divatia & Co., Chartered Accountants and Statutory Auditors of the Company, was appointed as the Scrutinizer. According to the Scrutinizer's Report dated 20th November, 2010, the following was the result of Voting by Postal Ballots:

	For Special Resolution No. 1		For Special Resolution No. 2	
	No. of Ballots	No. of Shares	No. of Ballots	No. of Shares
Total Postal Ballot Forms received	338	7038172	338	7038172
Total valid Postal Ballot Forms received	315	7013398	239	6969834
Total votes in favour	309	7012696	235	6969332
Percent of valid votes cast in favour		99.64		99.02

In view of the above results of the Postal Ballots, the proposed special resolutions embodied in the Notice dated 22nd July, 2010 in this regard were deemed passed by requisite majority and accordingly, the Memorandum of Association of the Company stands amended from 20th November, 2010.

No other Resolutions proposed through Postal Ballot are awaiting completion of the process.

7. Disclosures :

- i. Materially significant related party transactions:

Transactions of the company of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc. are disclosed in Notes to Accounts as per requirements of Accounting Standard-18. None of these transactions have potential conflict with interest of the Company at large.

- ii. No penalties have been imposed and no strictures have been passed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years and there are no instances of non-compliance of relevant regulatory requirements by the Company.
- iii. As a matter of policy, all employees of the company have free access to all executive and non-executive directors of the company, including the Audit Committee, and are encouraged to report any ultra virus acts or omissions.
- iv. The Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreements. Regarding the status of the compliance with the Non-mandatory requirements of the said Clause, the Company has constituted a Remuneration-Cum-Selection Committee comprising of Non-Executive & Independent Directors.

8. Means of communication :

Quarterly / Annual Results are filed with NSE/BSE and are published in English and Vernacular news papers within the prescribed time limits.

The quarterly and annual financial results are normally published in the "Free Press Journal" and vernacular "Navshakti" news papers.

The Quarterly Financial Statements, Corporate Governance Reports & Quarterly Shareholding Pattern statements and Annual Report are available on websites of NSE and BSE. The same are also available on the Company's website <http://precisionwires.com>

9. General Shareholder Information :

i. Annual General Meeting

Day, Date, month & Time : Wednesday, 3rd August, 2011 at 02.30 P.M.

Venue : Hall of Mysore Association, 1st Floor, 393 Bhau Daji Road, Maheswari Udyan (KingCircle), Matunga (Central Railway), Mumbai - 400019.

ii. Financial Calender (Tentative)

Financial Year 1st April, 2011 to 31st March, 2012.

Quarterly Results:

Unaudited quarterly results for the first three Quarters will be declared within Forty Five days from the close of each quarter. Company generally declares audited results within Sixty days from the end of the financial year and hence it generally does not declare unaudited results for the fourth quarter within Forty five days from end of fourth quarter, as permitted by Clause 41 of the Listing Agreement.

iii. **Date of Book closure** : From 30th July, 2011 to 3rd August, 2011 (both days inclusive).

iv. Dividend payment date :

Final Dividend on Equity shares, subject to the approval of Members at the ensuing Annual General Meeting, @ Rs. 3.60 per fully paid equity share of Rs. 10/- each shall be paid on or before 02.09.2011.

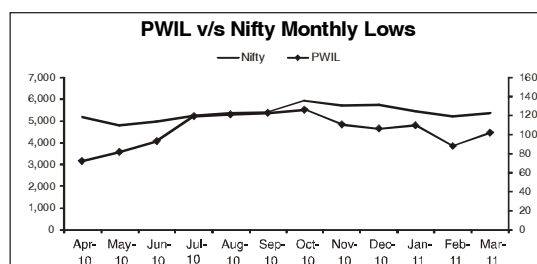
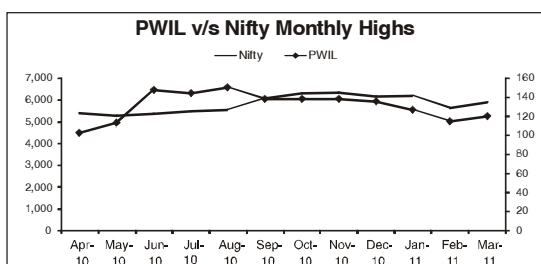
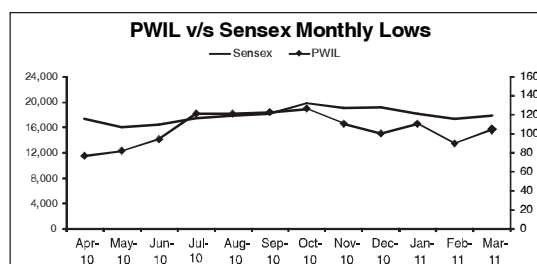
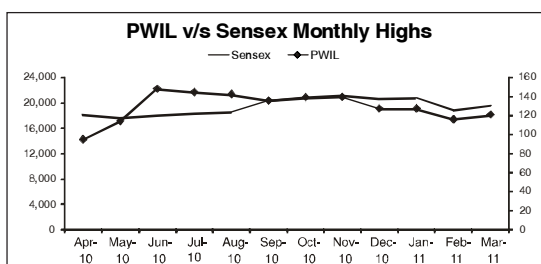
v. Listing on Stock Exchanges :

The Equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2011-12. The Company's shares are regularly traded on the Stock Exchange, Mumbai and National Stock Exchange of India Ltd.

vi. **Stock Code** : BSE - 523539, NSE SYMBOL - PRECWIRE

vii. Market Price Data - High, Low during each month in financial year 2010-11 :

Month & Year	PWIL @ BSE		SENSEX		PWIL @ NSE		NIFTY	
	High	Low	High	Low	High	Low	High	Low
Apr-10	94.00	76.05	18048	17277	102.65	72.05	5400	5161
May-10	113.30	81.00	17537	15960	112.40	81.10	5279	4786
Jun-10	147.35	93.50	17920	16318	147.40	93.10	5367	4961
Jul-10	144.00	120.10	18238	17396	144.00	119.20	5478	5226
Aug-10	141.50	120.50	18475	17820	150.00	120.50	5550	5349
Sep-10	135.00	122.00	20268	18027	137.90	122.00	6074	5403
Oct-10	138.15	125.50	20855	19769	138.00	125.80	6284	5937
Nov-10	138.50	110.00	21109	18955	138.00	110.00	6339	5690
Dec-10	126.75	100.05	20552	19075	134.90	105.65	6147	5721
Jan-11	126.65	110.00	20665	18038	127.00	109.25	6181	5417
Feb-11	115.15	89.00	18691	17296	114.80	87.80	5599	5178
Mar-11	120.05	103.80	19575	17792	120.00	101.10	5872	5348



viii. **Registrar and Transfer Agents:**

M/s. Sharepro Services (India) Private Ltd.
Samhita Warehousing Complex, Warehouse No. 52 & 53, Plot No. 13AB, 2nd Floor, Sakinaka, Mumbai - 400072.
Tel No. : (022) 67720400 Fax No. (022) 67720416

ix. **Share Transfer System :**

Transfers in physical form are lodged with the Company / Transfer Agents. The Transfer Agents have complete computerized facility for processing the transfers. After verification of the transfers lodged in physical form, the transfer agents prepare a statement of transfers which is reviewed by the Shareholders Grievances Committee of Directors and if in order, the transfers are approved, once in a fortnight. The share certificates duly transferred are then sent by the transfer agents to the transferees, which completes the transaction. In case of any complaint from shareholders for delay in transfer, the matter is actively followed up by the company with the transfer agents and the same is resolved to the satisfaction of the shareholder. Transfer of dematerialized shares takes place under the standard system of CDSL / NSDL.

x. **Distribution of holding as on 31.03.2011:**

No. of Shares		No. of Shareholders		No. of Shares	
From	To	Number	%	Number	%
Less than 501		8260	89.88	1077172	9.32
501 -	1000	407	4.43	338038	2.92
1001 -	2000	222	2.42	342783	2.96
2001 -	3000	79	0.86	199256	1.72
3001 -	4000	50	0.54	179964	1.56
4001 -	5000	37	0.40	176324	1.52
5001 -	10000	50	0.54	352199	3.05
10001 & above		85	0.93	8897887	76.95
Total		9190	100.00	11563623	100.00

	Number of Shares	%
Promoters Shareholding	6897283	59.65
Public Shareholding	4666340	40.35
Total	11563623	100.00

x. **Dematerialisation of shares and liquidity :**

The Equity Shares of the Company are in compulsory demat segment. The same are registered with both **National Securities Depository Ltd.**, Trade World, 4th floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 and **Central Depository Services (India) Limited**, Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai 400 023, under ISIN No. INE372C01011, common for both. 43.50% of Company's Share Capital are dematerialised as on 31.03.2011.

xii. **Outstanding GDRs / ADRs / Warrants and Convertible instruments etc. -**

The Company has not issued any GDRs or ADRs.

xiii. **Plant Locations :**

Unit I, & Unit II (ATLAS WIRES, SILVASSA) of the Company are located at Plot No. 125/2, Amli Hanuman (66KVA) Road, **Silvassa** - 396 230 U.T. of Dadra & Nagar Haveli.

PALEJ UNIT (ATLAS WIRES) is located at Plot No. 3, GIDC, National Highway No.8, Palej 392 220 Dist Bharuch, Gujarat.

xiv. **Address for correspondence:**

For transfer / dematerialization of shares, and queries relating to share transfer etc., shareholders are requested to directly communicate with the Registrars and Transfer (R & T) Agents at the address given in para viii above. In case their issues are not resolved by R & T Agents in reasonable time, or for any other matter, they may communicate with the company at its Registered Office, at Saiman House, J. A. Raul Street, Sayani Road, Prabhadevi, Mumbai - 400 025. Tel.: 2437 6281 Fax : 2437 0687 Email: investorgrievances@pwil.net; mumbai@pwil.net

Mahendra R. Mehta
Chairman & CEO

Mumbai,
Dated 16th May, 2011



MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry Structure & Development:

The Company produces Winding Wires made of Copper which are used in the manufacture of both rotating and static electrical equipments. Though there are number of players in the Industry, including many in SSI sector, due to quality of our products and loyalty of OEM customers, we performed well.

The overall capacity utilization of the Industry in the Country has marginally increased. The competition may continue to be intense.

Over the years, your Company has shifted marketing-base and presently supplies more than 90% of finished goods to OEMs. In Exports sector, the quality of the products is very well received. Indigenous equipments made for producing Winding Wires need substantial improvement in quality and design.

b) Opportunities & Threats

As ours is a power-deficit country, massive investment in the power sector, regardless of any change in the political system, is likely to continue. Government has ambitious plans for increasing installed capacity for electric power generation. Large Private Sector Firms are also implementing at present electric power generation projects. As an emerging economy, future for industrial growth in India is likely to be bright provided inflow of massive foreign direct investment (FDI) gets accelerated. Growth of Electrical Equipment Manufacturing Industry is linked with electric-power-sector, industrial development and improvement in the living standard of people. Global demand of electrical equipments made in India is expected to rise. These factors present good possibilities for growth of Electrical Winding Wires Industry.

Our Debt-Equity Ratio continues to be healthy at 0.40 which presents options and opportunities to launch further expansion-projects in certain key areas.

Areas of Threats:

High volatility in the rates of Refined Copper, our primary input, both in international as well as domestic markets, remains an important concern and is likely to remain so for the foreseeable future until the rates of Copper in the international market stabilise. Further, adequate resources-allocation and early reforms in the Power Sector Policy are needed.

Considering the trend in global commodity prices and domestic prices of food products, inflation is likely to put pressure on our costs and savings of people. Interest rates have hardened during the year. Some of the important issues need to be addressed at macro level urgently by Government, so that the production of Industrial Sector does not decline.

c) Segment-wise or Product-wise performance:

The Company's core activity is production and sale of only one product i.e. Winding Wires made of Copper. The overall production has increased by about 10%. Company's product is well received in domestic and export markets. Winding Wire Division of Palej Plant, which was revived on experimental basis during fiscal 2010-11, has

contributed only about 2% of the total production of the Company. The energy and costs for the experiment are disproportionate to the effort.

Insulating Varnish Division at Palej is of immense utility to your Company.

d) Outlook:

Long Term outlook of the Indian Economy, and consequently, electric-power-sector is healthy.

e) Risks and concerns:

Volatility in the price of Copper, our primary input, both in the International and Domestic markets, high rates of interest and inflationary pressures .

f) Internal control systems and their adequacy:

Commensurate with the size of your Company and the nature of its business, your Company has adequate internal control procedures and regular Internal Audit systems. This has been confirmed by the Auditors in their report to the members.

g) Discussion on Financial Performance with respect to Operational performance (All figures rounded off in Rupees Lacs only):

During the year under review, Net Sale Income was higher at 87363 [63019] due to increase in production, higher rate of input and lower quantity of Job work undertaken. Outflow for Power & Fuel was lower at 1458 [1590]. Salaries and wages were higher at 1095 [1030]. Cost of packing material consumed was higher at 648 [508] due to higher sales , increase in the cost of packing materials and exports. Stores and Spares are higher at 469 [370]. Repairs and maintenance of machinery is higher at 382 [298]. Freight and Transportation has increased to 804 [602] due to increase in the cost of freight , higher sales and exports. Other Expenses 766 [548] includes increase in Security Charages, Bank charges, contract labour etc., Foreign Exchange Loss is 100 [Gain 75] on account of exchange rate variations on imported input / plant and machinery. Travelling Expenses 62 [41], increase is due to more domestic and overseas travels by executives for marketing.

Reserves and Surplus is 16983 [14690] as at 31st March 2011,

Outstanding Fixed Loan from Bank is higher due to availment of Buyer's Credit on imported raw materials / plant and machinery; 2594 [1778]. Working Capital Borrowing from Banks is 4909 [3620] making aggregate borrowings from Banks 7508 [5409].

Capital Work in progress is 508 [456]

Inventory has increased to 4877 [2872] due to increase in production and higher rate of input. Debtors have increased to 19188 [13742] due to higher sale on own account, decrease in jobwork activity and higher rate of input. Current Assets comprising Cash & Bank Balances, Loans & Advances and other current assets are 8567 [5235]. Total Current assets increased to 32631 [21849] and Current Liabilities to 19927 [11414].

MANAGEMENT DISCUSSION AND ANALYSIS

Your Company continues to be market leader in the field of winding wires made of copper in India.

The Company has discharged all financial obligations in time on due dates, without any default or delay.

h) Material Developments in Human Resources / Industrial Relations including number of people employed:

Industrial relations during the year were generally satisfactory and new wage agreements with the labour at Silvassa Plants were finalized with retrospective effect from October 2008 onwards. All the matters pertaining to closure of Winding Wire Division at Palej were settled amicably.

i) Cautionary Statements:

Statements in this Management Discussion and Analysis describing the company objectives, estimates and expectations may be Forward Looking statements within the meaning of applicable laws and regulations. Actual performance may differ substantially or materially from those expressed or implied. .

Mahendra R. Mehta
Chairman & CEO

Mumbai
Dated 16th May, 2011.



AUDITORS' REPORT

To the Members of
PRECISION WIRES INDIA LIMITED

1. We have audited the attached Balance Sheet of Precision Wires India Limited, as at 31st March 2011, the related Profit and Loss Account for the year ended on that date annexed thereto and the 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 these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating, the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 (the "Act") and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in Paragraph 3 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 our 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 those books;
 - c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of the written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 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 said accounts read together with the Accounting Policies and Notes forming part of the accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
 - (ii) in so far as it relates to the Profit and Loss account, of the profit of the Company for the year ended on that date.
 - (iii) in the case of the Cash Flow statement of the cash flows for the year ended on that date.

FOR S.R. DIVATIA & CO.

Chartered Accountants

Shalin S. Divatia

Partner

Membership No. 39755

Firm Registration Number : 102646W

Mumbai,

Dated : 16th May, 2011

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 3 of our Report on even date :

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its business. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The inventory (except Returnable Plastic Spools lying with Customers) of the Company has been physically verified by the management during the year. 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) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has not granted any loans, secured or unsecured to / from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (b) The Company had accepted fixed deposits in previous years from Relatives of Directors and other parties covered in the register maintained under section 301 of the Act which were repaid during the current year. A total of 4 parties were involved in the aforesaid transactions for amounts aggregating to Rs. 2,50,00,000/-
- (c) In our opinion and according to the information and explanation given to us the rate of interest and other terms and conditions of the unsecured loans taken/ fixed deposits accepted by the Company are prima facie not prejudicial to the interest of the Company.
- (d) The payment of the Principal and Interest on the loans/ fixed deposits is regular and there are no overdue amounts payable in respect thereof.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in the internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts/ arrangements that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us each of the transactions in excess of Rs. 5 lakhs in respect of any party has been made at prices, which are prima facie reasonable having regard to the prevailing market prices, of such goods, materials or services at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us in respect of the deposits from the public and reflected by the Company, the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder wherever applicable have been complied with by the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company 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. We are of the opinion that prima facie the prescribed accounts and records have been maintained and made up. 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 information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess as applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2011 for a period of more than 6 months from the date of becoming payable.
- (b) According to the records of the Company, the dues outstanding of income tax, sales tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute are as follows:

Nature of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Central Excise Act	Excise Duty	1983-84	4,55,000/-	CEGAT, Delhi
Service Tax Act	Genvat of Service Tax	2010-11	4,07,073/-	CEGAT, Ahemdabad



AUDITORS' REPORT

- (x) The Company does not have accumulated losses as at 31st March, 2011. The Company has not incurred any cash loss during the financial year covered by the audit or in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the basis of the information and explanations given to us, by the management we are of the opinion that the Company has not defaulted in repayment of its dues to any financial institution, bank or to debenture holders during the year.
- (xii) 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) In our opinion the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Accordingly in our opinion the provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanation given to us the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet and cashflow statement of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
- (xviii) 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 during the year.
- (xix) The Company has not issued any secured debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

FOR S. R. DIVATIA & CO.

Chartered Accountants

Shalin S. Divatia

Partner

Membership No. 39755

Firm Registration Number : 102646W

Mumbai,

Dated : 16th May, 2011

S.R. DIVATIA & CO.
CHARTERED ACCOUNTANTS

To the Members of
Precision Wires India Limited

We have examined the compliance of conditions of corporate governance by Precision Wires India Limited ("the Company") for the year ended 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company, of 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.

Based on the aforesaid examination, in our opinion and to the best of our information and according to the explanation 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 have to state that the records of investor grievances are maintained by the Registrar and Transfer Agents appointed by the Company. The Registrar and Transfer Agents have certified that during the year under review there were no investor grievances pending/unattended to for more than 30 days.

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

FOR S. R. DIVATIA & CO.

Chartered Accountants

Shalin S. Divatia

Partner

Membership No. 39755

Firm Registration Number : 102646W

Mumbai,

Dated : 16th May, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedules	Rupees	As at 31/03/2011 Rupees	Rupees	As at 31/03/2010 Rupees
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	115,644,230		115,644,230	
Reserves and Surplus	2	<u>1,698,285,744</u>	<u>1,813,929,974</u>	<u>1,469,029,386</u>	1,584,673,616
LOAN FUNDS					
Secured Loans	3		<u>544,851,236</u>		540,871,032
Unsecured Loans	4		<u>205,992,003</u>		25,000,000
DEFERRED TAX LIABILITY (NET)	5		<u>178,411,230</u>		<u>173,936,394</u>
TOTAL			<u><u>2,743,184,443</u></u>		<u><u>2,324,481,042</u></u>
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	6	2,292,343,158		1,976,732,969	
Less : Depreciation		<u>(813,989,723)</u>		<u>(702,145,199)</u>	
Net Block		<u>1,478,353,435</u>		<u>1,274,587,770</u>	
Capital Work-in-Progress		<u>50,817,894</u>	<u>1,529,171,329</u>	<u>45,595,616</u>	1,320,183,386
INVESTMENTS	7		<u>5,016,522</u>		16,522
CURRENT ASSETS, LOANS AND ADVANCES					
Inventories		487,666,204		287,194,727	
Sundry Debtors		1,918,780,821		1,374,237,357	
Cash and Bank Balances		279,902,183		288,796,747	
Other Current Assets		26,086,984		25,510,517	
Loans and Advances		<u>550,701,106</u>		<u>209,176,319</u>	
		<u>3,263,137,298</u>		<u>2,184,915,667</u>	
Less : CURRENT LIABILITIES AND PROVISIONS	9				
Current Liabilities		1,992,742,519		1,141,362,479	
Provisions		<u>61,650,503</u>		<u>39,272,054</u>	
		<u>2,054,393,022</u>		<u>1,180,634,533</u>	
NET CURRENT ASSETS	(8-9)		<u>1,208,744,276</u>		1,004,281,134
MISCELLANEOUS EXPENDITURE (to the extent not written off)	10		<u>252,316</u>		—
TOTAL			<u><u>2,743,184,443</u></u>		<u><u>2,324,481,042</u></u>
Significant Accounting Policies and Notes on Accounts - Schedule	15				

As per our report of even date.

For S.R. Divatia & Co.
Chartered Accountants

Shalin S. Divatia
Partner
Membership No. 39755
Firm Registration No. 102646W

Mumbai,
Dated : 16th May, 2011

For and on behalf of the Board

Mahendra R. Mehta
Chairman, Managing Director & CEO

Milan M. Mehta
Vice Chairman & Managing Director

C. Mohandas Pai
Chief Financial Officer

S. G. Sathe
Company Secretary

Mumbai,
Dated : 16th May, 2011



**PROFIT AND LOSS ACCOUNT FOR
THE YEAR ENDED ON 31ST MARCH, 2011**

	Schedules	2010/11 Rupees	2009/10 Rupees
INCOME			
Sales and Processing Income (Gross)	#	9,761,824,334	6,970,633,780
Less : Excise Duty		(1,025,449,355)	(668,700,415)
Sales and Processing Income (Net)		<u>8,736,374,979</u>	<u>6,301,933,365</u>
Other Income	11	12,749,715	29,967,169
		<u>8,749,124,694</u>	<u>6,331,900,534</u>
EXPENDITURE			
Operating Expenses	# 12, 13	8,108,815,809	5,856,762,823
Financial Charges	14	47,704,355	46,322,422
Depreciation & Amortisation	6	122,473,768	108,781,617
TOTAL		<u>8,278,993,932</u>	<u>6,011,866,862</u>
Profit before Taxes & Extraordinary Items		<u>470,130,762</u>	<u>320,033,672</u>
Add : Extraordinary Items [Profit on Sale of Fixed Assets (Building)]		-	14,058,644
Profit before Taxes		<u>470,130,762</u>	<u>334,092,316</u>
Less : Provision for Income Tax		(150,800,000)	(91,700,000)
Less : Provision for Wealth Tax		(38,100)	(12,980)
Less : Provision for Deferred Tax		(4,474,836)	(14,902,300)
Less : Income Tax Adjustments (Net)		(4,815,183)	(1,247,097)
Profit after Taxes		<u>310,002,643</u>	<u>226,229,939</u>
Add : Balance brought forward from Previous Year		35,965,886	39,262,936
Profit Available for Appropriation		<u>345,968,529</u>	<u>265,492,875</u>
Less :			
Transfer to General Reserve		(230,000,000)	(170,000,000)
Interim Dividend @ Rs. 2.40 (Rs. 2.40) per Equity Share		(27,752,696)	(27,752,697)
Final Dividend @ Rs. 3.60 (Rs. 2.00) per Equity Share		(41,629,043)	(23,127,246)
Provision for Corporate Tax			
on Interim Dividend		(4,611,275)	(4,716,571)
on Final Dividend		(6,753,271)	(3,930,475)
Balance carried to Balance Sheet		<u>35,222,244</u>	<u>35,965,886</u>
Earning per Share of Rs.10/- each (in Rs.)			
Basic & Diluted EPS before Extra Ordinary Items		26.81	18.76
Basic & Diluted EPS after Extra Ordinary Items		26.81	19.56

(Refer Schedule 15B Note 16)

Refer Schedule 15B Note 6

Significant Accounting Policies and Notes on Accounts - Schedule 15.

As per our report of even date.

For S.R. Divatia & Co.
Chartered Accountants

Shalin S. Divatia
Partner
Membership No. 39755
Firm Registration No. 102646W

Mumbai,
Dated : 16th May, 2011

For and on behalf of the Board

Mahendra R. Mehta
Chairman, Managing Director & CEO

Milan M. Mehta
Vice Chairman & Managing Director

C. Mohandas Pai
Chief Financial Officer

S. G. Sathe
Company Secretary

Mumbai,
Dated : 16th May, 2011

SCHEDULES TO BALANCE SHEET

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED :		
12,000,000 (12,000,000) Equity Shares of Rs. 10/- each.	120,000,000	120,000,000
3,000,000 (3,000,000) Unclassified Shares of Rs. 10/- each.	30,000,000	30,000,000
	<u>150,000,000</u>	<u>150,000,000</u>
ISSUED :		
11,565,223 (11,565,223) Equity shares of Rs. 10/- each.	115,652,230	115,652,230
SUBSCRIBED AND PAID-UP:		
11,563,623 (11,563,623) Equity shares fully paid up	115,636,230	115,636,230
Add : Forfeiture of 1,600 (1,600) Equity shares (Amount originally paid-up)	8,000	8,000
TOTAL	<u>115,644,230</u>	<u>115,644,230</u>
SCHEDULE 2 : RESERVES AND SURPLUS		
Central and State Government Subsidies	2,000,000	2,000,000
Capital Redemption Reserve	11,698,500	11,698,500
Share Premium	183,865,000	183,865,000
General Reserve :		
Balance as per last Balance Sheet	1,235,500,000	1,065,500,000
Add : Transfer from Profit and Loss Account	230,000,000	170,000,000
	<u>1,465,500,000</u>	1,235,500,000
Balance in Profit and Loss Account	35,222,244	35,965,886
TOTAL	<u>1,698,285,744</u>	<u>1,469,029,386</u>
SCHEDULE 3 : SECURED LOANS		
Fixed Loans		
– From a Bank	259,426,533	177,780,495
– Interest accrued and due to Bank	526,657	1,062,943
	<u>259,953,190</u>	178,843,438
Working Capital borrowings from Banks	284,898,046	362,027,594
TOTAL	<u>544,851,236</u>	<u>540,871,032</u>
[Refer Note 3(a) of Schedule 15(B)]		
SCHEDULE 4 : UNSECURED LOANS		
Fixed Deposits	–	25,000,000
Unsecured Loan - Banks (Short Term)	205,992,003	–
[Refer Note 3(b) of Schedule 15(B)]	<u>205,992,003</u>	<u>25,000,000</u>
SCHEDULE 5 : DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability arising on account of Depreciation	185,256,946	178,122,685
	<u>185,256,946</u>	178,122,685
LESS :		
Deferred Tax Assets arising on account of :		
Unamortized/Unpaid Expenditure	(38,164)	(39,052)
Retirement benefits	(6,807,552)	(4,147,239)
	<u>(6,845,716)</u>	(4,186,291)
TOTAL	<u>178,411,230</u>	<u>173,936,394</u>

SCHEDULES TO BALANCE SHEET

SCHEDULE 6 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK				
	As at 01.04.2010	Additions	Sale / Adjustment	As at 31.03.2011	Upto 31.03.2010	For the Year	On Sale / Adjustment	Impairment Loss	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010	Rs.	Rs.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets :													
Land - Free Hold	23,996,417	36,752,050	-	60,748,467	-	-	-	-	-	-	60,748,467	23,996,417	
Buildings *	241,321,292	58,808,125	(231,362)	299,898,055	52,123,813	8,330,704	(52,830)	-	60,401,587	239,496,468	189,197,479		
Plant and Machinery	1,548,142,586	237,792,323	(25,958,381)	1,759,976,528	550,816,228	91,596,860	(13,387,946)	3,836,011	632,861,153	1,127,115,375	997,326,358		
Vehicles	8,281,313	3,497,100	(1,176,737)	10,601,676	4,351,983	865,646	(1,024,379)	-	4,193,250	6,408,426	3,929,330		
Office Equipments	22,984,332	1,814,161	-	24,798,493	19,195,723	2,363,139	-	-	21,558,862	3,239,631	3,788,609		
Furniture and Fixtures	18,199,647	2,669,641	-	20,869,288	14,535,309	1,920,792	-	-	16,456,101	4,413,187	3,664,338		
Intangible Assets :													
Technology Transfer Cost	113,807,382	1,643,269	-	115,450,651	61,122,143	17,396,627	-	-	78,518,770	36,931,881	52,685,239		
TOTAL	1,976,732,969	342,976,669	(27,366,400)	2,292,343,158	702,145,199	122,473,768	(14,465,256)	3,836,011	813,989,723	1,478,353,435	1,274,587,770		
Previous Year	(1,919,327,118)	(69,588,205)	(12,182,354)	(1,976,732,969)	(598,933,275)	(108,781,617)	(5,569,693)	-	(702,145,199)	(1,274,587,770)	(1,320,393,843)		
Capital Work in Progress (Including Advances on Capital Account)										50,817,894	45,595,616		
										1,529,171,329	1,320,183,386		

* Building includes Rs. 1,16,49,377/- (Rs. 1,18,80,739/-) being the cost of Residential Flats for employees at Palej / Silvassa.

* Excluding cost of Shares held in Co-operative Housing Society issued during the year and disclosed under Investments.

SCHEDULES TO BALANCE SHEET

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
SCHEDULE 7 : INVESTMENTS		
(Long Term, other than Trade Investments, at cost, unless otherwise stated)		
Long Term :		
UNQUOTED		
Government Securities -		
500 (500) 6 years National Savings Certificate (deposited with Government Authorities)	9,000	9,000
Other Investments :		
500 Nos of Non-Convertible Redeemable Taxable Bonds in the Nature of Debentures of Rs.10000/- each of "Rural Electrification Corporation Ltd" (u/s 54 EC of Income Tax Act, 1961)	5,000,000	-
100 (100) Equity Shares of Rs. 10/- each of Mogaveera Co-Op Bank Ltd., fully paid	1,000	1,000
100 (100) Equity Shares of Rs. 10/- each of Jankalyan Co-Op Bank Ltd., fully paid	1,000	1,000
110 (110) Equity Shares of Rs. 50/- each of Basera Co-op. Hsg. Soc. Ltd., fully paid	5,522	5,522
Total - Unquoted	5,016,522	16,522
QUOTED	Nil	Nil
	5,016,522	16,522
Current Investment	Nil	Nil
TOTAL	5,016,522	16,522



SCHEDULES TO BALANCE SHEET

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
SCHEDULE 8 : CURRENT ASSETS, LOANS AND ADVANCES		
INVENTORIES (At lower of cost or net realisable value)		
Raw Material	62,277,017	51,537,497
Work in Progress	211,027,885	65,424,906
Finished Goods	145,443,214	100,229,307
Stores, Spares and Consumables	43,078,234	53,494,062
Reels and Packing Material	20,975,349	14,780,426
Copper Scrap	4,864,505	1,728,529
	<u>487,666,204</u>	287,194,727
SUNDRY DEBTORS (Unsecured, Considered Good)		
Outstanding for a period exceeding six months	1,753,548	4,315,986
Others	1,917,027,273	1,369,921,371
	<u>1,918,780,821</u>	1,374,237,357
CASH AND BANK BALANCES		
Cash on hand	807,813	467,334
Balances with Scheduled Banks		
In Current Accounts	270,126,664	242,144,377
In Term Deposits	4,189,784	40,205,584
In Margin Money Accounts	88,804	26,900
In Dividend Accounts	2,814,243	2,825,118
Cheques in hand	1,874,875	3,127,434
	<u>279,902,183</u>	288,796,747
OTHER CURRENT ASSETS		
Interest accrued but not due	431,738	13,639
Export benefits accrued	25,655,246	25,496,878
	<u>26,086,984</u>	25,510,517
LOANS AND ADVANCES (Unsecured, considered good)		
Advances Recoverable in Cash or in kind or for value to be received	476,659,800	87,421,633
Deposits	4,959,431	7,888,171
Advance Payment of Taxes (net)	51,347,360	94,478,052
Balance with Customs and Central Excise Authorities	17,734,515	19,388,463
	<u>550,701,106</u>	209,176,319
TOTAL	<u><u>3,263,137,298</u></u>	<u><u>2,184,915,667</u></u>

SCHEDULES TO BALANCE SHEET

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
SCHEDULE 9 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES :		
Sundry Creditors		
(i) Total outstanding dues of micro / small scale industrial undertakings	1,083,395	1,055,230
(ii) Total outstanding dues of creditors other than micro / small scale industrial undertakings	<u>1,486,734,817</u>	<u>1,018,442,257</u>
	1,487,818,212	1,019,497,487
Security Deposits	200,000	200,000
Unclaimed Dividend *	2,814,243	2,825,118
Other Liabilities	<u>501,910,064</u>	<u>118,839,874</u>
	1,992,742,519	1,141,362,479
PROVISIONS :		
Provision for Wealth Tax	38,100	12,980
Proposed Dividend	41,629,043	23,127,246
Provision for Corporate Tax on Dividend	6,753,271	3,930,475
Provision for Leave Encashment	5,095,473	4,427,314
Provision for Gratuity payable	<u>8,134,616</u>	<u>7,774,039</u>
	61,650,503	39,272,054
TOTAL	<u>2,054,393,022</u>	<u>1,180,634,533</u>
* There is no amount, due and outstanding, to be credited to Investor Education and Protection Fund.		
SCHEDULE 10 : MISCELLANEOUS EXPENDITURE		
(To the extent not written off)		
Pre-operative Expenses	252,316	—
TOTAL	<u>252,316</u>	<u>—</u>



SCHEDULES TO PROFIT AND LOSS ACCOUNT

	2010/11 Rupees	2009/10 Rupees
SCHEDULE 11 : OTHER INCOME		
Interest (Tax Deducted at Source Rs. 62,291/- (Rs. 3,72,076/-)	10,914,036	4,097,377
Income from Investments *	175,000	62,613
Miscellaneous Receipts	1,452,647	2,450,702
Foreign Exchange Gain (net)	-	7,511,809
Excess Provision of Previous Years (Net)	-	867,372
Insurance Claim Received	-	13,028,105
Profit on sale of assets (Net)	208,032	522,749
Profit on sale of Investment (Net)	-	1,426,442
TOTAL	12,749,715	29,967,169
* Refer Schedule 15-B Note 10		
SCHEDULE 12 :		
(A) (ACCRETION)/DECRETION TO STOCK		
Stock at close		
Finished Goods	(136,011,243)	(94,909,837)
Copper Scrap	(4,864,505)	(1,728,529)
Wire Enamel	(9,431,971)	(5,319,470)
	<u>(150,307,719)</u>	<u>(101,957,836)</u>
LESS :		
Stock at commencement		
Finished Goods	94,909,837	97,224,587
Copper Scrap	1,728,529	1,658,091
Wire Enamels	5,319,470	4,551,273
	<u>101,957,836</u>	<u>103,433,951</u>
(ACCRETION) / DECRETION	(48,349,883)	1,476,115
(B) MATERIAL CONSUMED		
Stock at commencement		
Copper Wire Rods @	-	76,366,506
Work-in-progress	65,424,906	118,770,598
Enamels & Chemicals	43,019,971	41,666,253
Others	8,517,526	5,967,344
	<u>116,962,403</u>	<u>242,770,701</u>
Add : Purchases		
Copper Wire Rods **	7,385,309,450	4,929,559,887
Enamels & Chemicals	270,483,584	230,069,865
Others	22,289,635	23,214,118
	<u>7,678,082,669</u>	<u>5,182,843,870</u>
Less : Stock at close		
Copper Wire Rods	(5,625,411)	-
Work-in-progress	(211,027,885)	(65,424,906)
Enamels & Chemicals	(48,026,613)	(43,019,971)
Others	(8,624,993)	(8,517,526)
[Refer Note B-2(C) of Schedule 15]	<u>(273,304,902)</u>	<u>(116,962,403)</u>
	<u>7,521,740,170</u>	<u>5,308,652,168</u>
Cost of Material Purchased and Sold	2,590,331	51,767
(Accretion)/Decretion in Excise Duty on Closing Stock of Finished Goods	3,264,978	(844,589)
Material Consumed	<u>7,527,595,479</u>	<u>5,307,859,346</u>
Total Material Consumed (A + B)	<u>7,479,245,596</u>	<u>** 5,309,335,461</u>

** Includes Net Loss of Rs. Nil (Rs. 4,88,04,294/-) on squared up transactions of Hedging of Copper during the year. [Refer Schedule 15B-Note 12].

@ Opening Stock of Copper Wire Rods include Material in Transit of MTs NIL (MTs 225) amounting to Rs. NIL (Rs. 410,38,906/-) respectively.

SCHEDULES TO PROFIT AND LOSS ACCOUNT

	2010/11 Rupees	2009/10 Rupees
SCHEDULE 13 :		
MANUFACTURING, SELLING AND ADMINISTRATIVE EXPENSES		
Packing Material Consumed	64,773,113	50,820,089
Stores and Spares	46,960,274	36,987,630
Power and Fuel	145,821,429	158,966,595
Repairs and Maintenance		
Building	3,672,346	1,151,059
Machineries	38,245,183	29,788,199
Other Assets	2,615,786	2,568,733
Payments and provisions for employees		
Salary, Wages, Bonus etc.	99,075,780	93,722,389
Staff and Labour Welfare	2,172,137	1,866,128
Contributions to Provident and other Funds	8,296,945	7,472,453
Directors' Sitting Fees	219,000	331,000
Rent	11,053,122	8,210,734
Rates and Taxes	925,777	912,615
Travelling Expenses	6,169,076	4,075,090
Insurance	7,194,209	6,636,723
Freight and Transportation	80,456,989	60,201,392
Commission on Sales	11,963,594	11,147,808
Cash Discount	444,201	165,182
Bad Debts Written Off	2,567,883	12,979,167
Goods lost in transit	-	4,577,405
Other Expenses	76,689,419	54,846,971
Foreign Exchange Loss (net)	9,970,849	-
Sundry Balance Written Off	3,342,610	-
Provision for loss on Fixed Assets scrapped/discarded/impaired	3,836,011	-
Insurance Claims Written Off	3,104,480	-
TOTAL	629,570,213	547,427,362
SCHEDULE 14 : FINANCIAL EXPENSES		
Interest on Term Loans	18,125,299	18,844,868
Other Interest (Banks & Others)	13,574,757	16,350,393
Discounting Charges	16,004,299	11,127,161
TOTAL	47,704,355	46,322,422



**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

A. SIGNIFICANT ACCOUNTING POLICIES**1. Basis of Preparation of Financial Statements :**

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company.

2. Use of Estimates :

The preparation of financial statements in conformity with GAAP requires the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. Difference if any between the actual results and estimates is recognised in the period in which the results are known.

3. Fixed Assets and Depreciation :

i. Fixed Assets are stated at cost, net of Cenvat credit, where applicable less accumulated depreciation and impairment losses. Cost includes financing and other costs incurred for bringing the assets to its working condition for the intended use. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or construction are capitalised. Cost of fixed assets not ready for their intended use before such date are disclosed under capital work in progress.

ii. Depreciation on Fixed Assets (except those described below) is provided on the Straight Line Method at the rates not less than those specified from time to time in Schedule XIV to the Companies Act, 1956, which management considers as being representative of the useful economic life of such assets :

The management estimates the useful life of certain assets as follows :

Office Equipments	5 years
Computers	3 years
Furniture and Fixtures	5 years

Technology Transfer Cost is amortised over a period of 6 years.

iii. Depreciation on additions to assets or on sale of assets as the case may be is calculated pro-rata from the month of such addition or upto the month of such sale.

iv. Assets scrapped / discarded from use and held for disposal, if any, are stated at lower of book value or their estimated net realisable value.

4. Impairment of Assets :

An asset is treated as impaired when the carrying cost of assets exceeds its estimated recoverable value. The recoverable amount is greater of the Assets' Net Selling Price and Value in Use. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

5. Investments :

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary, if any, in the value of the investments.

6. Inventories :

i. Inventories are valued on FIFO basis at lower of cost or estimated net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

ii. Cost of Work in progress includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

iii. Closing stock of finished goods includes Excise duty payable thereon wherever applicable.

7. Excise duty / Service Tax :

Credit availed of Excise duty / Service Tax paid on inputs is reduced from the cost of material / services and is carried forward in Current Assets, Loans and Advances pending utilisation.

8. Income and Expenditure :

i. Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred, except those with significant uncertainties.

ii. In cases where duty paid materials are consumed prior to duty-free import of material for manufacture of products for export, the estimated excess cost of such material over that of duty free materials is carried forward and charged to revenue on consumption of such duty-free materials.

iii. Sales are recognised at the point of despatch of goods to the customers. Sales are net of discounts, Sales Tax / VAT and returns.

iv. Interest income is recognised on time proportion basis.

v. Dividend on Investments is accounted when received.

vi. Insurance claim receivable is recognised in the year of the loss to the extent ascertainable.

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

9. Foreign Currency Transactions :

- i. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. Non Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- ii. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign transactions are recognised in the Profit and Loss Account.

10. Forward Contracts :

Premium or discount on forward contracts are amortised over the life of the contract. Foreign Exchange Forward Contracts are re-expressed at the Balance Sheet and Exchange difference between the spot rate at the date of contract and spot rate on the Balance Sheet date is recognised as gain/loss in the Profit & Loss Account, in terms of pronouncement of the Institute of Chartered Accountants of India.

11. Employees Benefits :

- i. Gratuity Benefits are accounted for on the basis of amount determined by actuarial valuation made by Life Insurance Corporation of India (LIC) using the Projected Unit Credit Method and are funded accordingly by the approved Trust. Any shortfall between liabilities determined on actuarial basis and funds available is charged to Profit and Loss account. Contribution made to LIC is charged to Profit and Loss Account. In respect of certain employees who are not covered under approved Gratuity Fund, the liability is determined on the basis of Actuarial Valuation and is charged to Profit and Loss Account.
- ii. The Company's provident fund and pension scheme are in form of defined contribution plans where contribution is made to funds / Government managed schemes. These are accounted on accrual basis and charged to the Profit and Loss Account of the year in which the employee renders the related service.
- iii. The monetary value of leave encashment benefit is provided on the basis of actuarial valuation.

12. Taxes on Income :

In accordance with Accounting Standard AS 22 - Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and the laws that have been enacted or substantively enacted as of the balance sheet date. Deferred Tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the asset can be realised in future.

13. Provisions, Contingent liabilities and Contingent Assets:

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- (a) the company has a present obligation as a result of a past event
- (b) a probable outflow of resources is expected to settle the obligation; and
- (c) the amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

- (a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- (b) a present obligation when no reliable estimate is possible
- (c) a possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent Assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

B. NOTES TO ACCOUNTS

	Rs. Lacs 2010-11	Rs. Lacs 2009-10
1. A. Contingent Liabilities :		
a. Guarantees given by Bank to third parties	834.22	534.22
b. Disputed Income Tax Demands (not acknowledged) against which Company / Department has preferred an appeal	2.70	2.70
c. Disputed Wealth Tax Demands (not acknowledged) against which Company has preferred an appeal	3.40	3.40
d. Disputed demands of Central Excise against erstwhile Atlas Wires Limited pending in Appeal	4.55	4.55
e. Disputed demand of Gujarat Electricity Board pending at Apex Court	-	4.22
f. Disputed demand of Service Tax Credit on Sales Commission against which Company has preferred appeals After the above demands have been raised, CBEC, vide Circular No. 943/04/2011-CX dated 29.4.2011 has clarified that Cenvat Credit on Service Tax paid on Sales Commission is allowable.	4.07	-
g. Disputed demand of Service Tax distributed by Input Service provider against which Appeal is to be made	0.58	-
1. B. Estimated amount of Contracts remaining to be executed on Capital Account (net of advances paid) and not provided for	267.80	1028.87



SCHEDULE 15 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B. NOTES TO ACCOUNTS (Contd.)

2. Information pursuant to part II of Schedule VI.

2. (A) Capacities and Production - rounded off to the nearest Metric Ton (MT)

		Licensed	Installed MTs.
I	CAPACITY @		
a)	Winding Wires made of Copper, all types #	## @@	33540 (29100)
b)	Wire Enamels / Resins **	##	1750 (1750)

NOTES : @ As certified by the Managing Director and accepted by the Auditors.
 ## Licensed Capacity per annum is not indicated due to the abolition of Industrial licenses as per Notification No. 477 (E) dated July 25, 1991 issued under The Industries (Development and Regulation) Act, 1951
 ** For Wire Enamels/Resins,Capacity clubbed together.
 @@ Installed Capacity as on 31.3.2010
 Add : New capacity addition during the year under review
 Installed Capacity as on 31.3.2011
 # This excludes an effective capacity of 1500 MTs Per Year of Palej Plant which operated for part of the year.

		2010-2011 - MTs.		
		Own Account	Job work basis	Total
II	PRODUCTION			
	Winding Wires Made of Copper (Finished Goods)			
a)	Enamelled Round Wires	16236 (13964)	4228 ** (4671)	20464 (18635)
b)	Other - all types	1419 (1124)	3949 (3741)	5368 (4865)
		17655 (15088)	8177 (8412)	25832 (23500)

** Excludes Production of 18 MTs Interunit Enamelled Winding Wires made of copper done by Unit II for Unit Palej on Jobwork basis.

		MTs	MTs
		2010-11	2009-10
c)	Bare Copper Wires / Strips (Intermediate products, used for Capative consumption only)		
	Jobwork - Inter Unit		
	Unit I	76	327
	Unit II	559	338
	Palej Unit	141	0
	Total	776	665

d) Waste & Scrap of Copper generated during process on Total Production of items covered under a & b above. (Includes 12 MT(16 MT) scrap generated from Rejected Finished Goods Returned by Customers) ** 1193 (1325)

**Out of the above, 72 MT (100 MT) of Waste & Scrap of Copper was despatched for conversion into Copper Rods on Jobwork basis.

e) Wire Enamels / Resins @ 988 (1280)

@ (Includes 22 (30) MTs, Resin (an Intermediate Product used for Production of Wire Enamel)

2. (B) Sales and Processing Income

Sr. No.	Product	M. Tons (Rounded off)	Rupees
1.	Winding Wires made of Copper (Finished Goods)		
(a)	Enamelled Round Wires		
	– Own account	16,201 (14,024)	8,032,152,948 (5,596,752,420)
	– Job work account	** 4,227 (4,672)	327,846,592 (333,476,363)
	** Note : Enamelled Copper Winding Wires produced on Jobwork basis for Palej Unit By Unit II Interunit Jobwork Charges are excluded in Profit & Loss Account		
		M. Tons 18 (0)	Value Rs. 587,614 (0)
(b)	Other - All Types		
	– Own account	1,419 (1,123)	678,635,540 (450,621,824)
	– Job work account	3,949 (3,741)	229,398,350 (189,463,218)

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)**2. (B) Sales and Processing Income (Continued)**

Sr. No.	Product	M. Tons (Rounded off)	Rupees
2.	Bare Copper Wires / Strips (Intermediate products, used for Captive consumption only) Total Jobwork charges Rs.35,12,826/- (Rs. 29,89,122/-) being Inter-Unit transactions, are excluded in Profit & Loss Account.		
		MTs	MTs
		2010-11	2009-10
	Jobwork - Inter Unit		
	Unit I	76	327
	Unit II	559	338
	Palej	141	-
		<u>776</u>	<u>665</u>
3.	Wire Enamels/Resins @		
a)	Wire Enamel Sale	122	15,441,563
		(40)	(5,011,813)
b)	Inter Unit Sale of Captively Produced Enamel from Palej (MT)		
		2010-11	2009-10
	To Unit I	387	705
	To Unit II	387	489
		<u>774</u>	<u>1194</u>
	@ Income in respect of Inter Unit Sale of Rs. 10,88,16,798/- (Rs. 16,25,87,958/-) has been excluded from Sales & Processing Income while consolidating Profit & Loss A/c figures. However, Excise Duty paid thereon and included is.....		11,074,207 (14,044,166)
4.	a) Total Sale of Waste & Scrap of Copper generated during process on Total Production of items covered under 1(a) & 1(b) above	1,115	458,226,967
		(1,227)	(379,025,645)
	b) Sale of Insulating Paper Scrap Generated	14	111,646
		(19)	(124,558)
5.	Sale of Chemicals	31	3,779,805
		(1)	(73,775)
6.	Other Miscellaneous Sales		3,749,129 (1,468,656)
7.	Sale-Income in respect of Inter Unit Transfer of Boughtout Wire Enamels & Chemicals of Rs. 1,04,20,742/- (Rs. 55,74,327/-) has been excluded from "Sales & Processing Income" while consolidating Profit & Loss Account. However Excise Duty paid thereon and included is		1,407,587 (571,342)

2. (C) Opening and Closing Stock

Sr No.	Product	Opening Stock		Closing Stock	
		Quantity (M.T.) (Rounded off)	Value Rupees	Quantity (M.T.) (Rounded off)	Value Rupees
1.	a) Copper - Own	0	0	12	5,625,411
		(130)	(35,327,600)	(0)	(0)
	b) Copper - Jobwork	47	N.A.	51	N.A.
		(18)	(N.A.)	(47)	(N.A.)
2.	Material in Transit	0	0	0	0
		(225)	(41,038,906)	(0)	(0)
3.	a) Wire Enamels & Chemicals	374	43,019,971	339	48,026,613
		(295)	(41,666,252)	(374)	(43,019,971)
	b) Wire Enamel Received from Customers	0.336	N.A.	13	N.A.
		(0.050)	(N.A.)	(0.336)	(N.A.)
4.	a) Material under process - Own Copper	173	65,424,906	428	211,027,885
		(396)	(118,770,598)	(173)	(65,424,906)
	b) Material under process - Jobwork Copper	341	N.A.	193	N.A.
		(382)	(N.A.)	(341)	(N.A.)
5.	a) Other Raw Material	71	8,517,526	62	8,624,993
		(58)	(5,967,344)	(71)	(8,517,526)
	b) Other Raw Material - Jobwork	0.110	N.A.	0.200	N.A.
		(0.585)	(N.A.)	(0.110)	(N.A.)
6.	Finished Goods				
	(a) (i) Winding Wires Made of Copper (All types) - Own	218	94,909,837	242	136,011,243
		(293)	(97,224,587)	(218)	(94,909,837)
	(ii) Winding Wires Made of Copper (All types) - Jobwork	0	N.A.	1	N.A.
		(2)	(N.A.)	(0)	(N.A.)
	b) Wire Enamels	45	5,319,470	83	9,431,971
		(30)	(4,551,273)	(45)	(5,319,470)
7.	Waste & Scrap of Copper generated during process	5	1,728,529	10	4,864,505
		(7)	(1,658,091)	(5)	(1,728,529)



SCHEDULE 15 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B. NOTES TO ACCOUNTS (Contd.)

2. (D) Raw Material Consumed

Sr. No.	Description		M. Tons (Rounded off)	Rupees
1.	Copper			
a)	Own Account	**	#	
			18,153	7,234,081,060
			(15,774)	(5,059,272,085)
	** Includes consumption of Copper Rods which were converted from 72 Mts (100 Mts) of Waste & Scrap of Copper on Jobwork basis.			
b)	Received from customers for production of Winding Wires on Job Work basis.		#	
			8,195	Not Applicable
			(8,412)	(Not Applicable)
	Total Copper Consumed [1(a) + 1(b)]		26,348	7,234,081,060
			(24,186)	(5,059,272,085)
c)	For Bare Copper Wire produced on Jobwork basis			
		2010-11		
	By Unit I	76	+	
	By Unit II	561	+	
	By Palej Unit	142	+	
	Total	779	+	
		(666)	(+)	
	# / + Quantity and Value of consumption of 2(D) 1(c) above is included in 2(D) 1(a) and 2(D) 1(b) above, as applicable.			
2.	(a) Wire Enamels			
	(i) Out of captive production		835	Not Applicable
			(1,177)	(Not Applicable)
	(ii) Out of Procured / Received from outside		1,177	157,637,034
			(671)	(106,297,345)
			2,012	157,637,034
			(1,848)	(106,297,345)
	(b) Chemicals Consumed*		1,019	107,839,908
			(1,318)	(122,418,802)
	* Out of which 996 (1285) MT consumed for captive production of Wire Enamel and 23(33) MT consumed for production of Resin an Intermediate Product (Captively used for production of Wire Enamel)			
3.	Other Raw Material		177	22,182,168
			(169)	(20,663,936)

		2010-11 Rs.	2009-10 Rs.
2. (E) Value of Imports calculated on CIF Basis :			
	(Including Material in Transit)		
1.	Raw Materials	1,330,289,881	523,332,529
2.	Consumable Stores & Spares, Packing Material & Repairs to Plant	8,280,951	10,430,979
3.	Capital Goods	190,535,524	30,665,487
2. (F) Value of Raw Materials and Stores & Spares consumed :		Percentage	Value (Rs)
a.	Raw Materials :		
	Imported	18	1,351,650,809
		(11)	(594,121,988)
	Indigenous	82	6,170,089,361
		(89)	(4,714,530,180)
	TOTAL	100	7,521,740,170
		(100)	(5,308,652,168)
b.	Stores & Spares :		
	Imported	44	20,892,076
		(30)	(11,195,562)
	Indigenous	56	26,068,198
		(70)	(25,792,068)
	TOTAL	100	46,960,274
		(100)	(36,987,630)

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)

	2010-11	2009-10
	Rs.	Rs.
2. (G) Expenditure in foreign Currency : (Other than Imports, on Accrual basis)		
Technology Transfer Cost	1,304,089	0
On hedging of Copper	0	48,803,027
Testing/Membership Fees	177,149	189,978
Professional Fees	147,960	141,554
Travelling	2,187,952	527,058
Interest on Buyers Credit	4,108,095	2,051,163
Commission on Sales	1,230,642	359,533
Exhibition Expenses	1,837,857	2,240,020
Repairs to Imported Equipment	0	1,462,490
2. (H) Amount of Dividend remitted during the year in foreign currency	NIL	NIL
2. (I) Earnings in Foreign Exchange :		
Export of Goods on FOB Basis	386,089,846	232,749,155

2. (J) Employee benefits :

1. The Company adopted Accounting Standards (AS15) (Revised 2005) "Employee Benefits" effective from 01.04.07.

The disclosures require as per the Revised AS15 are as under :

A. Defined Contribution Plan :

Contribution to Defined Contribution Plan, recognised as expense for the year are as under :

	2010-11	2009-10
	Rs.	Rs.
Employers Contribution to Provident Fund	4,128,138	3,841,667
Employers Contribution to Employees State Insurance Fund	144,730	89,571
Employers Contribution to Employees Pension Scheme 1995	1,977,969	1,789,087
TOTAL	6,250,837	5,720,325

The above Plans are State Plans and the Company has no obligation to pay future benefits and its only obligation is to pay Contributions as they fall due.

B. Defined Benefit Plan :

The employees gratuity fund scheme managed by a Trust is a Defined Benefit Plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

I. Reconciliation of Opening and closing Balances of Defined Benefit Obligation	Gratuity (Funded)	Gratuity (Un-Funded)	Gratuity (Funded)	Gratuity (Un-Funded)
	2010-11	2010-11	2009-10	2009-10
	Rs.	Rs.	Rs.	Rs.
Present Value of Defined Benefit Obligation as at beginning of the year	11,526,496	7,774,039	9,647,731	6,663,462
Adjustments				
Interest Cost	939,567	0.00	0.00	0.00
Current Service Cost	997,285	0.00	771,818	0.00
Benefits Paid	1,096,390	360,577	939,567	1,110,577
Actuarial (Gain)/Loss	(444,454)	0.00	(612,613)	0.00
Present Value of Defined Benefit Obligation as at end of the year	1,023,459	0.00	779,993	0.00
	15,138,743	8,134,616	11,526,496	7,774,039
II. Reconciliation of Opening and closing Balances of Fair Value of Plan Assets				
Fair Value of Plan assets at beginning of the year	11,966,015	0.00	11,422,708	0.00
Expected Return on Plan assets	1,106,856	0.00	1,056,600	0.00
Employer Contribution	3,617,182	0.00	129,382	0.00
Benefits Paid	(444,454)	0.00	(612,613)	0.00
Actuarial (Gain)/Loss	(24,878)	0.00	(30,062)	0.00
Fair Value of Plan assets at end of the year	16,220,721	0.00	11,966,015	0.00
Actual return on plan assets	1,081,978	0.00	1,026,538	0.00



SCHEDULE 15 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B. NOTES TO ACCOUNTS (Contd.)

	Gratuity (Funded) 2010-11 Rs.	Gratuity (Un-Funded) 2010-11 Rs.	Gratuity (Funded) 2009-10 Rs.	Gratuity (Un-Funded) 2009-10 Rs.
III. Reconciliation of fair value of assets and obligations				
Fair Value of Plan assets at end of the year	16,220,721	0.00	11,966,015	0.00
Present Value of Defined Benefit Obligation as at end of the year	15,138,743	0.00	11,526,496	0.00
Net Liability/(Asset) Recognised in the Balance Sheet	(1,081,978)	0.00	(439,519)	0.00
IV. Expenses Recognised During the year				
Current Service Cost	1,096,390	0.00	939,567	0.00
Interest Cost	997,285	0.00	771,818	0.00
Expected Return on Plan assets	(1,106,856)	0.00	(1,056,600)	0.00
Net Actuarial (Gain) / Loss	998,581	0.00	749,930	0.00
Expenses Recognised During the year in Profit & Loss Account	1,985,399	0.00	1,404,715	0.00
V. Actuarial Assumptions				
Mortality Table (LIC)	1994-96 (Ultimate)		1994-96 (Ultimate)	
Discount Rate (Per Annum)	8%		8%	
Expected rate of Return on Plan assets	9.25%		9.25%	
Rate of Escalation in Salary (Per Annum)	4%		4%	

Basis used to determine expected rate of return on assets: The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation. The Gratuity scheme is invested in a Group Gratuity Cum Life Assurance cash accumulation policy offered by Life Insurance Corporation (LIC) of India.

Amounts for the current and previous year are as follows:

	2010-11 Rs.	2009-10 Rs.
(i) Gratuity (Funded)		
Defined benefit obligation	15,138,743	11,526,496
Plan Assets	16,220,721	11,966,015
Surplus / (deficit)	1,081,978	439,519
Experience adjustments on plan Assets	(24,878)	(30,062)
Experience adjustments on plan Liabilities	1,023,459	779,993
(ii) Gratuity (Non Funded)		
Defined benefit obligation	8,134,616	7,774,039
Plan Assets	-	-
Surplus / (deficit)	(8,134,616)	(7,774,039)
Experience adjustments on plan Assets	-	-
Experience adjustments on plan Liabilities	-	-
	2010-11 Rs.	2009-10 Rs.

2. (K) Remuneration to Auditors (excluding Service Tax) :

Remuneration to Auditors		
(a) Audit Fees	700,000	550,000
(b) Tax Audit Fees	100,000	50,000
(c) Certification Fees	102,750	54,348
(d) Taxation Matters	20,000	24,001
(e) Others	25,000	-
TOTAL	947,750	678,349

In addition to the above, an aggregate sum of Rs. 40,000/- (Previous Year - Rs. 40,000/-) has been paid /is payable to a partner of the firm of Auditors in his personal capacity for Company Law matters.

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)

	2010-11 Rs.	2009-10 Rs.
2. (L) Expenses/Debits and (Income / Credits) pertaining to previous year(s) :		
Manufacturing	(1,54,006)	171,057
Administration & Selling Expenses	1,082,342	(1,038,429)
TOTAL	928,336	(867,372)
2. (M) (a) Computation of profits in accordance with Section 198 of the Companies Act, 1956 :		
Net Profit before Tax	470,130,762	334,092,316
Less :		
Profit on Sale of Assets	(208,032)	(14,581,393)
Profit on Sale of Investments	-	(1,426,442)
Add :		
Directors' Remuneration *	28,154,379	23,512,529
Directors' sitting fees	219,000	331,000
Net Profit for Section 198 of the Companies Act	498,296,109	341,928,010
10% (10%) of Net Profit as above	49,829,611	34,192,801
Commission payable @ 1% (1%) of Net Profit as above to each of three Directors		
- Total 3% (Prev. Year -3%)	14,948,883	10,257,840
Total Commission for the Year to three working Directors	14,948,883	10,257,840

No adjustment of Depreciation is shown above as the Company depreciates fixed assets based on estimated useful lives not lower than implicit in Schedule XIV to the Companies Act, 1956. Accordingly, rates of depreciation used by the Company are higher than or equal to the minimum prescribed by the Schedule XIV.

* Excluding Provision for Gratuity Rs. 3,60,577/- (Rs.11,10,576/-) other than on actuarial valuation.

	2010-11 Rs.	2009-10 Rs.
2. (M) (b) Remuneration paid / payable during the year to Managing / Whole time Directors *		
Salary	10,100,000	9,900,000
Leave Travel Allowance	662,500	1,137,500
House Rent Allowance	300,000	300,000
Perquisites	931,035	729,189
Contribution to Provident & Pension Funds	1,212,000	1,188,000
	13,205,535	13,254,689
Commission	14,948,883	10,257,840
	28,154,418	23,512,529

* Excluding Provision for Gratuity Rs. 3,60,577/- (Rs. 11,10,576/-) other than on actuarial valuation.

- 2. (M) (c)** The remuneration paid / payable to Shri Mahendra R Mehta - the Chairman & Managing Director, for the year ended 31st March, 2009 exceeded 10% of the Profits of the Company as computed under Section 198 of the Companies Act, 1956, by Rs. 27,01,749/-. However, the same is within the minimum remuneration payable as per Schedule XIII of the Companies Act, 1956. The Company had made an application to the Central Government for the approval of minimum remuneration paid / payable to Shri Mahendra R Mehta and the approval has been received during the year.



**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)

3. a) Bank borrowings from Bank of Baroda (Term Loan and Working Capital facilities) are secured by a first charge on Hypothecation of Machinery, Stock-in-Trade, Book debts and Equitable Mortgage of Land & Factory Buildings of the Company and in addition, are guaranteed by Executive Directors.
- b) Unsecured Working capital facilities from ING Vysya Bank, Barclays Bank, BNP Paribas and Yes Bank are guaranteed by Executive Directors.
4. The Company has partially restarted with effect from 20.06.2010, the Winding Wire Division at Palej, which was closed down earlier during 2008.

5. Forward Contracts :

In respect of the import of raw materials and equipments, the Company used forward cover contracts to hedge its exposure to the movements in foreign currency exchange rates. Such forward covers are used to reduce the risk which may result from foreign currency rates fluctuations and is not used by the company for trading or speculation purposes.

- A. Details of derivative instruments (forward contract) outstanding (for hedged transactions mentioned below) as on 31.03.2011 :

Purpose of Hedge, Buyers Credit on Import of Capital Goods & Raw Materials	Amount in Foreign Currency	Equivalent Amount (Rs.)
Capital Goods	€ 2,080,000 (€ 397,000)	131,539,200 (24,042,320)
Capital Goods	£140,000 (£2,80,000)	10,070,046 (19,048,400)
Raw Materials	\$5,605,696 (-)	250,294,343 (-)
Sundry Creditors	\$48,610 (-)	2,170,437 (-)
Against Capital Commitment	- (€ 485,170)	- (32,739,272)

- B. Details of foreign currency exposure that are not hedged by derivative instrument or otherwise as on 31.03.2011 - Figures mentioned in Table below for Sundry Creditors are in respect of Import of Plant & Machinery / Raw Material.

Particulars	Amount in Foreign Currency	Equivalent Amount (Rs.)
Sundry Creditors	- (\$105,510)	- (4,762,721)
Sundry Creditors	€ 424,298 (-)	26,832,581 (-)
Sundry Debtors - Export	\$ 1,348,878 (\$ 296,452)	60,227,410 (13,381,839)
Sundry Debtors - Export	€ 463,612 (€ 180,313)	29,318,813 (10,919,760)
Advances from Customers - Export	€ 12,186 (€ 24,227)	544,105 (1,093,607)
Other Advances against Purchase of Plant & Machinery, Raw Material etc.	€ 24,133 (€24,189)	1,526,171 (1,464,898)
Other Advances against Purchase of Plant & Machinery, Raw Material etc.	\$ 87,574 (\$ 27,431)	3,910,174 (1,238,237)
Buyers' credit - Raw material	\$ 680 (\$ 2,715,443)	30,362 (122,575,085)
Buyers' credit - Capital Goods	£ 140,000 (-)	10,070,046 (-)
Buyers' credit - Capital Goods	€ 780,170 (-)	49,337,951 (-)
Buyers' credit - Capital Goods	\$ 2,781,345 (-)	125,549,913 (-)

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)

6. In accordance with AS14 (Revised) on 'Disclosure of Revenue from Sales Transactions' issued by Institute of Chartered Accountants of India, excise duty on sales amounting to Rs. 102,54,49,355 /-(Rs.6,68,700,415 /-) has been reduced from sales in Profit and Loss account and [Accretion]/Decretion of Excise Duty on Inventory of Finished Goods amounting to Rs. 32,64,978/- ([Rs. 8,44,589]) /- has been accounted in the profit and loss account under Schedule 12 - Material Consumed.
7. As the Company operates in the single business segment of Winding Wires made of Copper, there are no reportable segments of business as defined under the Accounting Standard AS 17-Segment Reporting issued by The Institute of Chartered Accountants of India.
8. Disclosure of Transactions with related parties as required under Accounting Standard AS 18 on Related Party disclosures issued by The Institute of Chartered Accountants of India are given below :

Relationship	Key Management personnel and their relatives :	
Chairman & Managing Director Shri Mahendra R. Mehta	Managing Director Shri Milan M. Mehta	Whole Time Director Shri Deepak M. Mehta
Relatives of key management personnel		
Mrs. S. M. Mehta, Wife	Mrs. G. M. Mehta, Wife Master A. M. Mehta, Son Miss M. M. Mehta, Daughter Milan Mahendra Mehta (HUF)	Mrs. S. D. Mehta - Wife Mr. N. D. Mehta, Son Deepak Mahendra Mehta (HUF)

Shri Mahendra R. Mehta and Mrs. S. M. Mehta are parents of Shri Milan M. Mehta and Shri Deepak M. Mehta
Shri Milan M. Mehta and Shri Deepak M. Mehta are brothers.

- b) The following transactions were carried out with related parties in the ordinary course of business:

Nature of Transaction	2010-11 Rs.	2009-10 Rs.	Related party
Rent Paid	6,295,763	6,336,600	Key Management Personnel and Relatives
Interest on Fixed Deposits	2,296,917	2,375,000	Relatives
Remuneration #	28,154,379	23,512,529	Key Management Personnel
Fixed Deposits taken	25,000,000	NIL	Relatives

Refer Note - 15 B - 2M (b)

- c) The Company does not have any subsidiary Company.

9. a) The following being Inter Unit Transactions during the year have been excluded in the Profit & Loss Account.

	2010-11 Rs.	2009-10 Rs.
1. Sales / Purchase & Processing Income etc.		
- Copper Wire Rods	4,100,440	2,989,122
- Enamels, Chemicals etc.	104,023,188	152,330,724
- Stores, Spares & Packing Material	4,140,142	1,787,395
2. Other Income / Other Expenses	73,478	428,010

- b) The profit arising on transfer of material by one Unit to another and in Stock as at 31st March, 2011 has been excluded from the valuation of relevant closing stock in the accounts of the Company.

10. Income from Investments consists of Dividends from Companies Rs. NIL/- (Rs 62,613/-). & Interest accrued on Rural Electrification Corpn Bond Rs.1,75,000/- (NIL)

11. (a) Amounts due to Small Scale Industrial Undertakings, and outstanding for a period exceeding 30 days are : 1. G.S. Dies Rs.14,033/- (NIL-), 2. All India Reels Rs.3,09,300/- (NIL), 3. Vikrant Packaging Rs.14,280/- (NIL), 4. Power Equipment Co. Rs. 23,309/- (NIL), 5. Andhra Carbon Products 38,909/- (44,982/-).



**SCHEDULE 15 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)

- (b) The Company has amounts due to Micro and Small Enterprises under The Micro Small and Medium Enterprises development Act 2006 (MSMED ACT) at the Year End.

	2010-11 Rs.	2009-10 Rs.
i) The Principal Amount and Interest due thereon remaining unpaid due to supplier		
– Principal Amount outstanding	533,506	244,926
– Interest	Nil	Nil
ii) The amount of Interest paid by the Company alongwith the amounts of the payment made to supplier beyond the appointed date for the year ending 31 st March, 2011	Nil	Nil
iii) The amount of Interest due and payable for the period of delay for making payment (beyond the appointing date during the year)	Nil	Nil
iv) The amount of Interest accrued and remaining unpaid for the year ending 31 st March, 2011	–	–
v) The amount of further interest remaining due and payable for the earlier years	NIL	NIL

NOTE : The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

12. The Net Loss on Copper Hedging Transaction squared up during the year is Rs. Nil (Previous Year - Rs. 4,88,04,294/-) and the same is included in the cost of Material Consumed (Schedule 12-B to the Profit and Loss Account for the year).

13. Interest paid to Suppliers/Bank Discounting Charges in relation to purchase of Copper of Rs. 752.31 Lacs (Rs.550.03 Lacs) is included in the cost of Raw Material (Copper).

14. Future obligations in case of lease agreements:

	2010-11 Rs.	2009-10 Rs.
Within one year	9,930,930	10,319,258
Later than one year and not later than five years	10,491,878	20,422,808
Later than five years	0	0
Total	20,422,808	30,742,066

15. In respect of Income Tax Assessment for A.Y.2009-10 , an amount of refund Rs. 548.58 Lacs, and interest thereon Rs. 65.83 Lacs were determined on 31.3.2011 and received during April, 2011. The above Interest has been included as Other Income - Schedule 11 in the year under review.

16. Earning Per Share (EPS) - EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of equity shares outstanding during the year as stated below.

	2010-11 Rs.	2009-10 Rs.
a. Profit after tax	310,002,643	226,229,939
b. Weighted Average Number of Shares	11,563,623	11,563,623
c. Basic & Diluted EPS before Extra Ordinary Items	26.81	18.76
d. Basic & Diluted EPS after Extra Ordinary Items	26.81	19.56
e. Face value per share	10.00	10.00

17. Figures in brackets pertain to the previous year.

18. Previous year's figures have been regrouped/reworked wherever necessary.

As per our report of even date.

For S.R. Divatia & Co.
Chartered Accountants

Shalin S. Divatia
Partner
Membership No. 39755
Firm Registration No. 102646W

Mumbai,
Dated : 16th May, 2011

For and on behalf of the Board

Mahendra R. Mehta
Chairman, Managing Director & CEO

Milan M. Mehta
Vice Chairman, Managing Director

C. Mohandas Pai
Chief Financial Officer

S. G. Sathe
Company Secretary

Mumbai,
Dated : 16th May, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**I. Registration Details : L31300MH1989PLC054356**Registration No.

State Code (Ref. Code List 1)

Balance Sheet
Date Month Year**II. Capital Raised during the Year (Amount in Rs. Thousands)**Public Issue
Right Issue
Bonus Issue
Private Placement
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)Total Liabilities
Total Assets
Sources of FundsPaid-Up Capital
Reserves & Surplus
Secured Loans
Unsecured Loans
Deferred Tax Liability
Application of FundsNet Fixed Assets
Investments
Net Current Assets
Miscellaneous Expenditure
Accumulated Losses
IV. Performance of the Company (Amount in Rs. Thousands)Turnover
Total Expenditure
+ Profit / - Loss Before Tax
+ Profit / - Loss After Tax
Earning per Share Rs. (After Extra Ordinary Item)
Dividend Rate % (Including Interim Dividend of 24%)
V. Generic Names of Three Principal Products / Service of CompanyProduct Description
W I N D I N G W I R E S O F

Item Code No. (ITC Code)

E N A M E L L E D C O P P E R

O T H E R W I N D I N G W I R E S

The Company deals in only one product.

For and on behalf of the Board

Mahendra R. Mehta
Chairman, Managing Director & CEO**C. Mohandas Pai**
Chief Financial Officer**Milan M. Mehta**
Vice Chairman & Managing Director**S. G. Sathe**
Company SecretaryMumbai,
Dated : 16th May, 2011Mumbai,
Dated : 16th May, 2011



**CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST MARCH, 2011**

	Rupees in Lacs	
	31/03/2011	31/03/2010
A. Cash Flow From Operating Activities		
Net profit before tax and extraordinary items	4,701.32	3,200.34
Add / (Deduct) : Adjustments for		
Financial Charges	477.04	447.55
Depreciation (net)	1,224.74	1,087.82
Preliminary Expenses / Deferred Revenue Written off	-	-
Imported Spares Issued	118.74	-
(Profit) / Loss on sale of assets	(2.08)	(5.23)
Provision for Loss on Fixed Assets Scrapped / Discarded	38.36	-
Provision for insurance Claim W/off	31.04	-
(Profit) / Loss on sale/write-off of Investment	-	(14.26)
Provision for Retirement Benefit	-	-
Bad Debts Written Off	-	-
Income from investments	(1.75)	-
	1,886.09	(0.63)
Operating Profit before working capital changes	6,587.41	4,715.59
Add / (Deduct) Adjustments for :		
Trade and Other Receivables	(5,476.48)	(5,876.74)
Inventories	(2,004.71)	1,375.31
Trade and Other Payables	8,524.21	3,944.87
Loans and Advances	(3,846.56)	(132.76)
Other Current Assets	(5.76)	(91.90)
	(2,809.30)	(91.90)
Cash generated from operations	3,778.11	3,934.37
Direct Taxes paid (net of refunds)	(1,124.97)	(947.82)
Cash flow before extra-ordinary items	2,653.14	2,986.55
Extraordinary items	-	140.59
Net cash from operating activities	2,653.14	3,127.14
B. CASH FLOW FROM INVESTING ACTIVITIES - Inflow / (Outflow)		
Purchase of fixed assets (including Capital Work In Progress)	(3,484.03)	(886.39)
Proceeds from Sale of Fixed assets	11.83	71.36
Purchase of Investment	(50.00)	-
Income from Investments	1.75	0.63
	(3,520.45)	(814.40)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in / (Repayment of) term loans	811.11	(863.57)
Increase/(Decrease) in Bank borrowings	(771.30)	247.31
Financial Charges Paid	(477.04)	(447.55)
Increase in unsecured loan	1809.92	-
Proceeds of sale of investment	-	30.20
Dividends paid	(594.33)	(438.12)
Net cash generated/(used) in financing activities	778.36	(1,471.73)
Net increase/(decrease) in cash equivalents	(88.95)	841.00
Cash and cash equivalents as at 1st April	2,887.97	2,046.97
Cash and cash equivalents as at 31st March	2,799.02	2,887.97

Note : Interest Income represents mainly amounts received from customers for delayed payments and income on Fixed-Deposits with the Bank. Hence the Interest Income is considered as a part of the operational activities of the Company.

As per our report of even date.

For and on behalf of the Board

For S.R. Divatia & Co.
Chartered Accountants

Mahendra R. Mehta
Chairman, Managing Director & CEO

C. Mohandas Pai
Chief Financial Officer

Shalin S. Divatia
Partner
Membership No. 39755
Firm Registration No. 102646W

Milan M. Mehta
Vice Chairman, Managing Director

S. G. Sathe
Company Secretary

Mumbai,
Dated : 16th May, 2011

Mumbai,
Dated : 16th May, 2011

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PRECISION WIRES INDIA LIMITED

REGD. OFFICE : SAIMAN HOUSE, J. A. RAUL STREET, OFF SAYANI ROAD,
PRABHADEVI, MUMBAI - 400 025.

22ND ANNUAL GENERAL MEETING 2010-2011

PROXY FORM

I/We _____ of _____ in the district
of _____ being a Member/Members of PRECISION WIRES INDIA LIMITED
hereby appoint _____ of _____
in the district of _____ or failing him
_____ of _____ in the
district of _____ as my/our Proxy to vote for me/us on my/our behalf at the **22nd Annual General Meeting**
of the Company to be held on **Wednesday, 3rd day of August, 2011** at 02.30 p.m. and any adjournment thereof.

Signed this _____ day of _____ 2011.

*DP ID : _____ *Client ID : _____

Reg. Folio No. : _____

Signature _____

*Please
affix
Revenue
Stamp*

No. of Shares held : _____

- NOTES :**
1. A MEMBER ENTITLED TO VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE MEMBER.
 2. THE PROXY FORM DULY COMPLETED MUST BE DEPOSITED AT THE REGISTRERD OFFICE OF THE COMPANY NOT LESS THAN **48 HOURS** BEFORE THE TIME FOR HOLDING THE MEETING.
- * APPLICABLE FOR MEMBERS HOLDING SHARES IN ELECTRONIC FORM

----- TEAR HERE -----

PRECISION WIRES INDIA LIMITED

REGD. OFFICE : SAIMAN HOUSE, J. A. RAUL STREET, OFF SAYANI ROAD,
PRABHADEVI, MUMBAI - 400 025.

ATTENDANCE SLIP

(This slip may please be handedover at the entrance of the meeting hall)

Reg. Folio No. : _____ *DP ID : _____ *Client ID : _____

No. of Shares held : _____

I hereby record my presence at the **TWENTYSECOND ANNUAL GENERAL MEETING** of the Company to be held on **Wednesday, 3rd August, 2011** at the Hall of The Mysore Association, 1st Floor, 393 Bhaudaji Road, Maheshwari Udyan (Kings' Circle), Matunga (Central Railway), Mumbai - 400 019.

Full Name of Shareholders/ Proxy (in Block Letters) _____

Signature of the Shareholder / Proxy _____

* APPLICABLE FOR MEMBERS HOLDING SHARES IN ELECTRONIC FORM.

BOOK-POST



If undelivered, please return to :

PRECISION WIRES INDIA LTD.
Saiman House, J.A. Raul Street,
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