

Simplify

46th Annual Report 2010-2011



Aplab Limited

46th Annual General Meeting

Day & Date : Thursday, 29th September, 2011

Time : 12.30 p.m.

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

Please bring this copy to the Annual General Meeting

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Aplab Limited

46th Annual Report 2010-2011

Board of Directors

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

Chairman
Managing Director
Executive Director
Director
Director
Director
Director

Company Secretary & Finance Controller

Rajesh K. Deherkar

Registered Office & Works

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

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

Works

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

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

EL-15, Pimpri Indl. Area,
MIDC, Bhosari,
Pune- 411 026

Sales & Service Centres

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

Auditors

M. P. Chitale & Co.
Chartered Accountants
Mumbai

Bankers

Corporation Bank,
Thane

Bank of Maharashtra,
Thane

Registrar & Transfer Agents

M/s. Adroit Corporate Services Pvt. Ltd.
19, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Mumbai - 400 059.
Tel. 2859 40 60 / 2859 60 60 / 2859 44 42
Fax: 2850 37 48

NOTICE

NOTICE IS HEREBY GIVEN THAT the Fortysixth Annual General Meeting of Aplab Limited will be held at Hotel Tip Top Plaza, L B S Marg, Thane (West) – 400 602 on Thursday the 29th September, 2011 at 12.30 p.m. to transact the following business:

Ordinary :-

1. To receive, consider and adopt the audited Annual Accounts for the year ended 31st March, 2011 together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. A.G. Joshi who retires by rotation and being eligible offers himself for re-appointment;
3. To appoint a Director in place of Dr. S.K. Hajela who retires by rotation and being eligible offers himself for re-appointment;
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

Special :-

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as a special resolution

“RESOLVED THAT consent of the members be and is hereby accorded pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) to the re-appointment of Mrs. Neelam K. Kumar as Executive Director of the Company for a period of 2 (two) years with effect from 1st August, 2011 subject to the approval of Central Government on the terms and conditions, including expressly the proposed remuneration payable to her as Executive Director and the minimum remuneration payable to her in case of absence or inadequacy of profits in any year, as set out in the draft Agreement between the Company and Mrs. Neelam K. Kumar.

RESOLVED FURTHER THAT the Managing Director be and is hereby authorized to execute the Agreement with such alterations, changes, and/or variations in the remuneration payable to Mrs. Neelam K. Kumar as may be agreed between the Directors and Mrs. Neelam K. Kumar, provided that the said remuneration as altered, changed or varied shall be in accordance with the limits prescribed therefore under Schedule XIII of the Act for the time being and from time to time in force.

RESOLVED FURTHER THAT Mrs. Neelam K. Kumar, Executive Director shall perform such duties as entrusted to her from time to time, subject to the supervision and control of the Chairman, Managing Director and Board of Directors.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all necessary or desirable steps to give effect to this resolution.”

By Order of the Board

Thane
11th August, 2011
Registered Office :
Aplab House
A-5, Wagle Estate,
Thane – 400 604

Rajesh K. Deherkar
Company Secretary &
Finance Controller

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a proxy must be lodged at the registered office of the company at least 48 hours prior to the time fixed for the meeting.
3. The Register of Members and the Share Transfer Register of the company will remain closed from Thursday, the 22nd September, 2011 to Thursday, the 29th September, 2011 (both days inclusive).
4. Members are requested to contact the Registrar and Share Transfer Agents for all matters connected with the Company's shares at: M/s Adroit Corporate Services Pvt. Ltd., 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai – 400 059. Tel : 28594060 / 28594442 / 28594428 Fax : 28503748
5. Members are requested to notify immediately on any change, if any, in their address/mandate/bank details to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agents in respect of their physical share folios.
6. The Company has already transferred, all unclaimed dividend declared upto the financial year ended 31st March, 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed their dividend upto the year ended 31st March, 1994 may submit their claim to the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, CBD, Belapur in the prescribed form.
7. Pursuant to the provision of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 1995 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. It may also be noted

that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof. Accordingly Dividend for the year ended 31st March, 1995, 31st March, 1996, 31st March, 1997 and 31st March, 2003 have already been transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 2004, 31st March, 2005, 31st March, 2006, 31st March, 2007, 31st March, 2008 and 31st March, 2009 are requested to make their claim to the Registered Office of the Company.

8. Members who would like to ask any questions on the Accounts are requested to send their questions to Registered Office of the Company at least 10 days before the Annual General Meeting to enable the Company to answer the questions satisfactorily.
9. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies at the Annual General Meeting. Members/Proxies should bring the attendance slip duly filled in and signed for attending the meeting.
10. All documents referred to in the Notice and Explanatory statement are open for inspection at the Registered office of the company during office hours on all days except Saturdays, Sundays and public holidays between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
- 11. The Members are requested to provide their e-mail IDs to the Registrar or Registered Office for facilitating speedy communication.**
12. As required under Clause 49 VI(A) of the Listing Agreement, the relevant information in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting is given in the Explanatory Statement of the Annual Report.

EXPLANATORY STATEMENT :
(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 5

Mrs. Neelam K. Kumar was re-appointed as "Executive Director" with effect from 1st August, 2011 for a period of two years by the Board of Directors ["the Board"] at its meeting held on 11th August, 2011. The re-appointment of Mrs. Neelam K. Kumar and her remuneration were approved by the Remuneration Committee and Board of Directors at their meeting held on 11th August, 2011 to seek the Central Government permission subject to the approval by shareholders in the ensuing Annual General Meeting, for the remuneration payable to Mrs. Neelam K. Kumar, Executive Director in terms of Paragraph 1 (C) of Section II of Part II of Schedule XIII of the Companies Act, 1956, in case of no profit or inadequate profit during any year of her tenure, upon terms and conditions which are set out in the draft Agreement.

Statement pursuant to Paragraph 1 (C) of Section II of Part II of Schedule XII

I. General Information:

PARTICULARS	INFORMATION
1. Nature of Industry	Electronic Industry. The Company is engaged in the business of manufacturing and marketing of Electronics Test & Measuring Instruments, Power Systems, Micro Processor based instruments and systems, Industrial control equipments, ATMs and other Banking Automation Products.
2. Date of commencement of commercial production.	30 th September, 1964
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable.
4. Financial performance based on given indicators	As per audited financial results for the year ended 31 st March, 2011 following is the financial performance

Particulars	Rupees in 000
Turnover & other income	1112983
Profit after tax	12298
Net Worth	259123
5. Export performance and net foreign exchange earnings	The company's export and net foreign exchange earnings for the financial period ended 31 st March, 2011 in Rupees thousands were Rs. 52869, Previous Year Rs. 69408
6. Foreign investments or collaborators, if any.	Nil
Non-resident Shareholding	64481 Equity Shares aggregating to 1.29% of the Paid-up Share Capital

II. Information about the appointee:

1) Background details

Mrs. Neelam K. Kumar is a Qualified Electronics Engineer, Member IEEE/USA, a Technical Board Topper and All Round Merit certificate holder in Academics, Music, and Sports & Dramatics. She has also attended Masters Degree Programme in Engineering Business Management

conducted by The University of Warwick, UK. Currently associated with the company since 1996 and presently occupying the position of Executive Director of Power Controls & Conversion Division & Export Production Centre for Philip Harris UK Products manufactured in India and heads the IT division.

2) Present Remuneration: Amount in Rs.

Particulars	Neelam Kumar
Designation	Executive Director
With effect from	01.08.2008
Upto	31.07.2011
Salary p.a.	12,00,000
Other allowance p.a.	1,80,000
HRA p.a.	1,92,000
or	
Company Accomodation	
Furnishing etc p.a.	80,000
Medical p.a.	50,000
LTA p.a.	1,00,000
Gas Electricity p.a.	34,000
Total p.a.	18,36,000
Provident Fund	As per company's rules & Act
Gratuity/Leave Encashment	As per company's rules & Act
Commission:	
On First Rs. 300 lacs of Profit	Nil
On Profit above Rs. 300 lacs	2%
Including Commission	Rs. 75,00,000/- per annum
Maximum Remuneration	plus retirement benefits
Payable	

3) Recognition or awards

In the year 1978 Mrs. Neelam K. Kumar was awarded a merit certificate for development of a new method of emergency lights first productionised in record time for specific Export purpose & for doing special work in the field of miniaturized DC to DC Converters for TV Industry that was in its initial boom in India in the year 1977-1978.

Mrs. Neelam K. Kumar is a recipient of 'The Shield of Excellence' in Export under the category "Outstanding Export Growth" relating to the year 1993-1994 by the 'Electronics and Computer Software Export Promotion Council'.

Mrs. Neelam K. Kumar has successfully Convened India International Conference on Power Electronics 2002 and 2004.

Mrs. & Mr. Ashok Hinduja in the presence of the esteemed Consul General of France & Mrs. Mayumi Pajolas, had invited 50 Asian women achievers in various fields and Mrs. Neelam K. Kumar was one of the 50 invited Asian women achievers in the field of Hi Tech Electronics.

4) Job profile and her suitability

Mrs. Neelam K. Kumar has 28 years hands on experience of Manufacturing Electronic Equipments especially Power Conversion & Control Systems, Test & Measuring Instruments for export as well as local market. Mrs. Kumar

will be heading Power Control & Conversion Division, Export Production Centre and IT Division. She will also assist the Chairman & Managing Director for Corporate Communication.

5) Remuneration proposed

In accordance with the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ["the Act"], and subjects to the limits prescribed under the Act, and also subject to such approvals as are necessary, consent of the members is being sought for authorizing the Board of Directors to revise the remuneration payable to Mrs. Neelam K. Kumar, Executive Director for the remaining term within the ceiling of Rs. 75,00,000/- per annum, commensurate with the effective capital of the company prescribed under the Act in terms of Paragraph 1 (C) of Section II of Part II of Schedule XIII, in case of no profit or inadequate profit during any year of her tenure.

Details of Proposed Remuneration

Particulars	Neelam Kumar	Amount in Rs.
Designation	Executive Director	
With effect from	01.08.2011	
Upto	31.07.2013	
Salary p.a.	13,80,000	
Other allowance p.a.	1,55,400	
HRA or Company Accomodation	Company Accomodation	
Furnishing etc p.a.	1,00,000	
Medical p.a.	20,000	
LTA p.a.	1,30,000	
Gas Electricity p.a.	34,000	
Total p.a.	18,19,400	
Provident Fund	As per company's rules & Act	
Gratuity/Leave Encashment	As per company's rules & Act	
Commission:		
On First Rs. 300 lacs of Profit	Nil	
On Profit above Rs. 300 lacs	2%	
Including Commission	Rs. 75,00,000/- per annum	
Maximum Remuneration	plus retirement benefits	
Payable		

Notes: 1) For calculation of commission, extra-ordinary items of income and expenditure will not be considered.

2) Company Accomodation cost will not be more than Rs. 40,000/- per month.

6) Comparative remuneration profile with respect to industry, size of company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by her and

the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointees in other companies.

7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Besides the remuneration proposed, there is no other pecuniary relation exist.

III. Other Information:

1) Reasons of loss or inadequate profits

The liberalization of Economic policies has resulted in stiff competition for the Company's products from International Suppliers as well as unorganized sectors within the country. Taxation structure, competition and comparative higher manufacturing cost have affected the sales realizations.

2) Steps taken or proposed to be taken for improvement

With the global stable economic conditions, improved taxation structure, the prospects of business in general are bright which is evident from the improving performance of the company for the year ended 31 March 2011. The similar trend is expected to continue in years ahead

The Company has taken radical cost rationalization measures by which manpower requirements will be rationalized and administrative expenses will be pruned. The focused credit control norms for the customers and improved agreed terms with the Bankers would result in reduction of the finance cost. Targeted better product mix through strategic marketing policies would improve the bottom line.

3) Expected increase in productivity and profits in measurable terms

With all-round cost rationalization, the Company is expected to improve its performance in the current year. The expected rapid growth in new Product Lines and operations of the company in coming years will certainly generate adequate profits.

This may be treated as abstract of the terms of the agreements pursuant to Section 302 of the Act.

A copy of the draft agreement referred to in the resolution is open for inspection by members at the registered office of the company during office hours on all days except Saturdays, Sundays and public holidays between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.

The Directors commend the Resolution at Item No. 5 for your approval.

Except Mrs. Neelam K. Kumar, none of the other Directors of the company is in any way concerned or interested in the resolution

INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING APPOINTED/RE-APPOINTED

Mr. A.G. Joshi – Independent Director

Mr. A.G. Joshi is a Post Graduate in Science faculty and did his Management studies from Pune University. He is having working experience in the Banking field with Bank of Maharashtra for 30 years, 3 years in Indian Bank as Executive Director and Dena Bank for 3 years as Chairman and Managing Director.

He is also Director in Sahil Resorts & Spa India Ltd, Sahil Hospitality Ltd., Phadnis Properties Limited, Phadnis Infrastructure India Ltd., Phadnis Power Projects Pvt Ltd, Unity Infra Projects Limited, Roman Tarmat Ltd., GDA Trustee & Consultancy Ltd

Dr. S.K. Hajela – Independent Director

Dr. Shailendra Hajela graduated in Electrical Engineering from IIT-Roorkee in India and did his Doctorate in Control Systems at the Technical University in Ilmenau in Germany. He is Fellow of IE, IETE and Senior Member of IEEE. He is the Chairman of Telecel Communications (P) Ltd., an ICT consultancy organization

He has worked as a Senior Consultant to the Telecom Regulatory Authority of India from February 1998 to August 2006. Dr. Hajela has done consultancy assignments for the UNESCAP, World Bank, Asian Development Bank, UNDP, ITU, APT and the Government of India

He joined the P & T Department of India as an officer of the Indian Telecom Service in 1959 and worked in progressively increasing positions of responsibility during his career

He is also Director in Telecel Communications Pvt. Ltd

By Order of the Board

Thane
11th August, 2011
Registered Office :
Aplab House
A-5, Wagle Estate,
Thane – 400 604

Rajesh K. Deherkar
Company Secretary &
Finance Controller

DIRECTORS' REPORT

To the Members

Gentlemen,

Your Directors present their 46th Annual Report and the Audited Accounts for the year ended 31.03.2011

	(Rs. in Lacs)	
	<u>Year ended</u> <u>31.03.2011</u>	<u>Year ended</u> <u>31.03.2010</u>
Profit before finance cost, depreciation and tax	924.59	92.64
Finance Cost	617.35	507.68
Depreciation	184.26	200.93
Profit/(Loss) before tax	122.98	(615.97)
Provision for Income tax	-	-
Deferred Tax Liability/(Asset)	-	-
Net Profit/(Loss)	122.98	(615.97)
Amount available for appropriations	-	-
Appropriations :		
1. General Reserve	-	-
2. Proposed Dividend	-	-
3. Tax on Dividend	-	-

REVIEW OF OPERATIONS

During the year under review the Company's turnover has increased to Rs. 11,416.56 Lacs against Rs. 9,795.54 Lacs of previous year. This represents a growth of 16.55%. The growth is mainly in fuel dispensing units, power electronics and service income. With the added turnover profit before tax of Rs. 122.98 Lacs is achieved against loss of Rs. 615.97 Lacs of previous year. In the current year growth is expected in sale of all other products.

FINANCE

The cost of finance has been continued to increase in the year under review. The Reserve Bank of India's frequent enhancement in the borrowing costs for the financial institutions may increase further the finance cost in the current year. The liquidity position of the company has been satisfactory during the current year in spite of the carried forward losses of earlier year, due to the disciplined operations. Directors are making every effort to control the cost by better working capital management.

DIVIDENDS

The year under review has generated net profit of Rs. 122.98 Lacs however as a prudent business practice the Board felt it appropriate to defer the recommendation of any dividend till earning of adequate profit to clear the deficit in the Profit & Loss Account, (P.Y. Nil).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

A. Industry Structure and Developments:

The electronics manufacturing sector in India continues to be under tremendous pressure. High inflation and spiraling commodity prices have resulted in increased upward pressure on our wage bill and lower margins for our products. RBI's ongoing focus on reducing inflation and consequent steady increases in key lending rates has substantially increased your company's borrowing costs. The markets your company operates is continue to be extremely competitive with little advantage in local manufacturing. Your company's sales margins continue to be impacted. The increase in material costs without much scope for increasing selling prices continues to challenge your company's push towards profitable growth. The problems faced by Indian manufacturers range from poor infrastructure like non availability of power, complex State, Centre and local taxes, rules & regulations, corruption, bureaucratic hurdles and lack of promotional policies. Further delay in the implementation of the uniform GST has further hampered efforts to reduce operational costs. The emerging debt crisis across the western economies threatens to turn into a full-fledged recession. Your company is somewhat insulated from its effects since a majority of our sales revenue continues to be driven out of India. Government spending has slowed over the last few quarters but we expect this to pick up again, especially in the areas of Defense.

B. Opportunities and Threats to your company:

Your company continues to explore opportunities in the PV Solar market. Your company's reputation in the power sector and unique market defining intellectual property should help in making further inroads into this market.

Your company's banking and retail automation products continue to see increasing interest from the industry. Banks in particular are keen to look automation and self-service kiosks, as their labour costs continue to increase. We expect a substantial rise in the business in the coming year.

Test and Measurement division should see some growth as the educational and defense sectors continue to expand. Your company is also looking to increasing its share of the OEM power supply business.

The UPS division makes a major portion of your company's business however unfortunately margins are under the most pressure for this market segment. Your company is going to increasingly focus on industrial and customized UPS systems, where the company can command better margins.

Your company's fuel dispenser products have seen sales margins hampered by high input costs as commodity prices have risen. Your company has begun to start marketing some of its automation and solar products to this market segment. This would help enhance sales and also alleviate some of the margin pressure.

C. Threats

General economic conditions of inflation, severe competition within India and from outside, increasing material price and labour costs continue to be major threats. Increases in prices of lead, copper, steel and aluminum and volatility therein are disruptive to our supply chain. Cost of borrowings continues to rise and is likely to continue to do so in the midterm as RBI continue to increase its key lending rates in an effort to tame inflation. Our interest burden continues to put pressure on our net profits and the company is exploring all options to reduce its debt burden.

Service revenue margins continue to be under tremendous pressure as payroll and transportation makes up the major cost for this revenue. Both have seen significant rise due to high inflation and fuel price rises.

If the emerging debt crisis expands and pushes some of the western economies into recession, then your company's exports are further likely to be hampered.

COMPANY PERFORMANCE

D. Performance Balance Sheet:

During the year under review your company achieved sales of Rs.11,416.57 Lacs and earned profit of Rs.924.59 Lacs before Interest, Depreciation and Tax as compared to sales of Rs. 9,795.54 Lacs and Profit of Rs. 92.64 Lacs before Interest, Depreciation and Tax in the previous year. Increased turnover and improved product mix resulted in better gross margin. There has also been increase in the finance costs because of constant enhancement by the Reserve Bank of India in the borrowing rates for the banks. An efficient Management of available technical, financial, human resources would be bringing in improvement in the current year.

E. Internal control systems and their adequacy:

The Company has a proper and adequate system of controls in order to ensure that all assets are guarded against loss from unauthorized use or disposal and the transactions pertaining to the assets are properly documented and recorded. The internal control systems are designed to ensure that all the records in the organization are reliable and adequate in order to prepare the financial statements and maintaining

accountability. The internal control systems are supplemented by Internal Audit by a firm of Chartered Accountants and also monitoring by the Executive Directors. The Audit Committee also reviews this and the observations of Internal Auditors in the periodical meetings.

F. Financial Performance:

The cost of finance has been continued to increase in the year under review. The Reserve Bank of India's frequent enhancement in the borrowing costs for the financial institutions may increase further the finance cost in the current year. The liquidity position of the company has been satisfactory during the current year due to the disciplined operations, in spite of the carried forward losses of earlier year. Directors are making every effort to control the cost by better working capital management.

G Human Resources/Industrial Relations

Your company treats human resources as an important valuable asset for the growth of the organization and keeping this in view every effort is being made to retain and attract best talent in the industry to cater current and future business needs. Various in-house training programs are conducted to enhance the capability of existing employees.

SUBSIDIARY COMPANIES

Pursuant to Section 212 of the Companies Act, 1956 ("the Act"), the Company is required to attach to its Annual Report, the Balance Sheet, Profit and Loss Account, Directors' Report and the Report of Auditors (collectively referred to as "the accounts and reports") of its subsidiaries for the year ended 31st March, 2011.

Intel Instruments & Systems Limited

Intel Instruments & Systems Limited, the export subsidiary at SEZ recorded turnover of Rs. 370.21 Lacs during the year as against Rs.570.44 Lacs during the previous year. The operations for the year have resulted in a loss of Rs. 88.73 Lacs as against small profit of Rs.1.51 Lacs in the previous year.

Sprylogic Technologies Limited

Sprylogic Technologies Limited, the IT subsidiary recorded turnover of Rs. 184.14 Lacs during the year as against Rs.156.93 Lacs in the previous year. The operations during the year have resulted into a profit of Rs. 3.73 Lacs as against Rs.7.45 Lacs during the previous year.

AUDITORS REPORT

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

- Due to inadequate turnover Intel made a loss of Rs. 88.73 Lacs for the year under review as against small profit of Rs. 1.51 Lacs in the previous year. The Directors are making efforts to improve the performance in coming years. Exposing Intel's products to foreign countries where specifications and quality standards are stringent brings some indirect benefits to Aplab. This enables Aplab to use latest technology for domestic market and keep Aplab ahead of the competitors.

During the year Limit of maximum gratuity payable to an individual is raised to Rs. 10 Lacs from Rs.3.5 Lacs. There is no default in paying gratuity and leave encashment to employees leaving the Company on superannuation or otherwise. As on Balance Sheet date the fund amount available with LIC is Rs.222.09 Lacs. The Company shall contribute/fund past gratuity liability in the coming years.

FIXED DEPOSITS

During the year, fixed deposits of Rs. 51.98 Lacs were accepted and Rs. 248.87 Lacs were renewed pursuant to provisions of section 58A of the Companies Act, 1956. As at year end the Fixed Deposits amounting to Rs.13.78 Lacs remained unclaimed.

DIRECTORS

During the year Mr S A Joshi retired as Director from the Board and expressed his unavailability for reappointment. The Board appreciates his valuable guidance and co-operation received during his tenure.

In accordance with the clause 132 of the Articles of Association of the Company, Mr. A.G. Joshi and Dr. S. K. Hajela are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

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

CORPORATE GOVERNANCE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors had prepared the annual accounts on a going concern basis.

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

LISTING OF SECURITIES

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

PERSONNEL

The relations with employees were cordial during the year. The Board appreciates the willful co-operation and team spirit in the Management Cadre and other employees of the company.

During the year under review, the Company had no employee covered by Section 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

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

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the valuable co-operation and support extended during the

year by the Company's Bankers, various Government Bodies and also from the Business Partners like Customers, Suppliers, Shareholders and other well-wishers.

For and on behalf of
the Board of Directors

Thane
11th August, 2011

Nishith Deodhar
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

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

A) ELECTRICAL ENERGY

1. Conservation of Energy:

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

2. Energy conservation measures taken:

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

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

B) TECHNOLOGY DEVELOPMENT – R & D

1. Research & Development in Power Electronics

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

- a) Solar based inverters and industry unique parallel solar architectures.
- b) Energy conservation devices for Industrial Lighting.
- c) High efficiency consumer inverters.
- d) An industry first high efficiency "green" fuel dispenser

Expenditure on R & D

	(Rs.in Lacs)	
	2010-11	2009-10
Capital Expenditure	Nil	Nil
Revenue Expenses	41.35	42.08
TOTAL	41.35	42.08
Total R & D Expenses as a percentage to turnover:	0.37%	0.43%

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The earnings and outgo in foreign exchange are as follows:

Earnings (FOB Value & other charges)	Rs. 528.69 Lacs
Outgo (CIF Value of imports plus expenses)	Rs.1685.08 Lacs

For and on behalf of
the Board of Directors

Thane
11th August, 2011

Nishith Deodhar
Managing Director

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

1. Company's philosophy on Code of Governance

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

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

2. Board of Directors – Composition

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

Name	Executive/Non Executive Independent	Number of outside Directorships	Total no. of membership In Committees	Number of Chairmanship in Committees
Mr. P.S. Deodhar	Non Executive	1	3	1
Mr. Nishith Deodhar	Executive	1	-	-
Mr. S.A. Joshi*	Executive	2	-	-
Mrs. Neelam K. Kumar	Executive	-	-	-
Mr. Amit Goenka	Independent & Non-Executive	8	2	-
Mr. A.G. Joshi	Independent & Non-Executive	5	11	5
Mr. Jayant Deo	Independent & Non-Executive	1	3	1
Dr. S.K. Hajela	Independent & Non-Executive	-	2	-

* Retired with effect from 1st August, 2011.

Board Meetings held during the year:

During the year under review four Board Meetings were held on 13th May, 2010, 11th August, 2010, 12th November, 2010 and 14th February, 2011 respectively..

The attendance at Board Meetings and during the Financial Year 2010-11 and at the last Annual General Meeting (AGM):

Name	Number of Board Meetings attended	Attendance at the last Annual General Meetin
Mr. P.S. Deodhar	2	Yes
Mr. Nishith Deodhar	4	Yes
Mr. S.A. Joshi	4	Yes
Mrs. Neelam K. Kumar	4	Yes
Mr. Amit Goenka	-	No
Mr. A.G. Joshi	4	Yes
Mr. Jayant Deo	4	Yes
Dr. S.K. Hajela	2	No

3. Audit Committee

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

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

The present Audit Committee consists of three Independent Directors. Mr. A.G. Joshi is the Chairman of the Committee. Mr. Jayant Deo and Dr. S.K. Hajela are the other members of the Committee. All the members have financial and accounting knowledge.

During the year under review four meetings of the Audit Committee were held i.e. on 13th May, 2010, 11th August, 2010, 12th November, 2010 and 14th February, 2011 respectively. The attendance of each member of the Committee is given below:

Name of Director	No. of Meetings held	No. of Meetings attended
Mr. A.G. Joshi	4	4
Mr. Jayant Deo	4	4
Dr.S.K.Hajela	4	2

4. Remuneration Committee

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

The present Remuneration Committee consists of three Independent Directors. Mr. A.G. Joshi is the Chairman of the Committee. Mr. Jayant Deo and Dr. S.K. Hajela are the other members of the Committee.

No meeting of the Remuneration Committee was held during the year.

Remuneration Policy

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

(a) Whole-time Directors / Executive Directors

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

Details of Remuneration paid/payable to Executive Directors for the financial year ended 31st March, 2011

Name	Salary & Allowances	P F and Gratuity	Perquisites	Total
Mr. Nishith Deodhar	13,80,000	1,44,000	14,53,547	29,77,547
Mr. S.A. Joshi	15,72,000	1,44,000	1,70,341	18,86,341
Mrs. N.K. Kumar	15,72,000	1,44,000	2,00,529	19,16,529

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

(b) Non-Executive Directors

Non-Executive Directors received Sitting Fees as follows

Name	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Mr.P.S.Deodhar	20000	-	20000
Mr. A.G. Joshi	40000	40000	80000
Mr. Jayant Deo	40000	40000	80000
Dr. S.K. Hajela	20000	10000	30000

5. Shareholders/Investors' Grievance Committee

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

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

During the year under review four meetings of the Committee were held i.e. on 13th May, 2010, 11th August, 2010, 12th November, 2010 and 14th February, 2011 respectively. The Committee also reviews the functioning of Share Transfer Committee for approving share transfers, transmission, transposition, issue of duplicate share certificates and matters pertaining to investors' grievances. The attendance of each member of the Committee is given below:

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

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

6. General Body Meetings

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

Meeting	Date	Time	Venue
45 th AGM	24 th September, 2010	12.30 p.m.	Hotel Tip Top Plaza, L B S Marg, Thane
44 th AGM	25 th , June, 2009	12.30 p.m.	Hotel Satkar Residency, Thane
43 rd AGM	10 th June, 2008	11.30 a.m.	Hotel Tip Top Plaza, L B S Marg, Thane

During the year no resolutions were passed through Postal Ballot.

Disclosure

Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large – The details are provided in note 19 of Notes on Accounts in accordance with the provisions of Accounting Standard 18. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

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

7. Means of Communication

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

Management Discussion and Analysis Report forms part of this Annual Report

8. General Shareholder Information

Annual General Meeting

The 46th Annual General Meeting of the Company will be held on Thursday the 29th September, 2011 at 12.30 p.m. at Hotel Tip Top Plaza, L.B.S. Marg, Near Check Naka, Thane (W) - 400 602.

Financial Calendar for the year 2011- 2012 (Provisional)

1	Results for the 1 st quarter ending 30 th June, 2011	On or before 14 th Aug., 2011
2	Results for the 2 nd quarter ending 30 th Sept., 2011	On or before 14 th Nov., 2011
3	Results for the 3 rd quarter ending 31 st Dec., 2011	On or before 14 th Feb., 2012
4	Results for the financial year ending 31 st March, 2012	On or before 14 th May, 2012
5	A G M for the year ending March, 2012	On or before 30 th Sept., 2012

Date of Book Closure

The Register of Members and the Share Transfer Register of the company will remain closed from Thursday, the 22nd September, 2011 to Thursday, the 29th September, 2011 (both days inclusive).

Stock Exchange Listing

The Company's shares are presently listed in Mumbai, Pune, Delhi and Madras Stock Exchanges. The Company has paid Annual Listing fee to each of these Stock Exchanges.

Stock Code

Mumbai Stock Exchange Demat ISIN Number	517096 INE273A01015
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Market Price Data

The monthly high & low quotations of shares traded at Mumbai Stock Exchange during the financial year 2010-2011 are

Period	High	Low	Monthly Turnover of shares traded	Monthly Low BSE sensex	Monthly High BSEsensex
April, 2010	50.80	37.00	1,47,629	17,276.80	18,047.86
May, 2010	47.45	37.45	53,624	15,960.15	17,536.86
June, 2010	48.80	36.75	1,09,132	16,318.39	17,919.62
July, 2010	48.70	41.00	1,94,188	17,395.58	18,237.56
August, 2010	48.90	37.40	89,883	17,819.99	18,475.27
September, 2010	47.45	39.00	1,44,110	18,027.12	20,267.98
October, 2010	44.05	39.35	39,897	19,768.96	20,854.55
November, 2010	42.90	31.25	27,418	18,954.82	21,108.64
December, 2010	42.90	28.50	21,070	19,074.57	20,552.03
January, 2011	39.90	29.25	19,921	18,038.48	20,664.80
February, 2011	35.75	26.50	32,216	17,295.62	18,690.97
March, 2011	31.65	22.76	34,770	17,792.17	19,575.16

Registrar and Transfer Agents

Members are requested to contact the Registrar and Share Transfer Agents for all matters connected with the Company's shares services at : M/s Adroit Corporate Services Pvt. Ltd., 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Mumbai – 400 059, Telephone: 28594060 / 28594442 / 28594428, Fax: 28503748

Share Transfer System

The Company's shares are traded on the Stock Exchanges compulsorily in demat mode. Shares in physical mode which are lodged for transfer with M/s Adroit Corporate Services Pvt. Ltd. are processed and returned to the shareholders within the stipulated time.

Distribution Schedule of Shareholding as on 31st March, 2011

No. of Shares	No. of Holders	% of Shareholders	No. of Shares	% of Shareholding
Up to - 100	2708	54.97	195470	3.91
101 – 1000	1674	33.98	452324	9.05
501 – 1000	286	5.81	228867	4.58
1001 – 2000	129	2.62	202800	4.06
2001 – 3000	41	0.83	103039	2.06
3001 – 4000	17	0.35	59829	1.20
4001 – 5000	17	0.35	77976	1.56
5001 – 10000	18	0.37	123062	2.46
10001 – 20000	18	0.36	268173	5.36
20001 – 50000	7	0.14	226803	4.53
50001 & above	11	0.22	3061657	61.23
T O T A L	4926	100.00	5000000	100.00

Pattern of Shareholding as on 31st March, 2011

CATEGORY	NO.OF SHARES	% TO TOTAL CAPITAL
Directors	672030	13.44
Directors / Promoters Relatives	335047	6.70
Promoters	1321200	26.42
Employees	2050	0.04
NRI'S	64481	1.29
NRI Corporate Bodies	1500	0.03
Corporate Bodies	97193	1.94
Associate Corporate Bodies	519499	10.39
Mutual Funds	2300	0.05
Clearing Member	851	0.02
Corporate Body – Brokers	10502	0.21
Public	1973347	39.47
T O T A L	5000000	100.00

Dematerialization of Shares

The Company's equity shares are included in the list of companies whose scrips have been mandated by SEBI for settlement only in dematerialized form by all investors. The Company has signed agreements with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and Adroit Corporate Services Pvt. Limited to offer Depository of the equity share capital of the Company has been dematerialized.

Plant Locations:

Thane	-	A-1, A-3, A-5, A-6 & B-92, Wagle Industrial Estate, Thane – 400 604.
Navi Mumbai	-	Plot No. 12, TTC Indl. Area, Vill. Digha, Navi Mumbai-400708
Pune	-	6 & 18, Electronics Sadan II, Bhosari, Pune – 411 026
	-	EL-15, Bhosari, Pune - 411026

Address for Correspondence:

Registered Office	:	A-5, Aplab House, Wagle Industrial Estate, Thane – 400 604
Tel. Nos.	:	022 – 6739 55 88 Ext. 588
Fax No.	:	022 – 25823137
E-mail	:	shares@aplab.com OR response@aplab.com
Web	:	www.aplab.com

Shareholders are requested to address their correspondence to the Company's Registrar and Share Transfer Agents as mentioned above and for any queries contact persons are Mrs. Veena Shetty or Mr. Pratap Pujare. Shareholders may also contact Mr. A. Ramesh Babu, Secretarial Executive at the registered office of the company for any assistance.

Nomination Facility

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

CODE OF CONDUCT

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

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

CEO / CFO Certification:

We hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct

(c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

1. significant changes in internal control during the year;
2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For Aplab Limited

Nishith P. Deodhar
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Member of Aplab Limited

We have examined the compliance of the conditions of Corporate Governance by Aplab Limited (the Company) for the year ended 31st March, 2011 as stipulated in Clause 49 of the said Company with Stock Exchanges in India.

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

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

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

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

For M.P. Chitale & Co
Chartered Accountants

Thane,
August 11, 2011

Ashutosh Pednekar
Partner
ICAI M.No. 41037

AUDITORS' REPORT

We have audited the attached Balance Sheet of Aplab Limited as on March 31, 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date all of which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We report as follows:-

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by Companies (Auditor's Report) (Amednment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. *We invite reference to the annual report of the wholly owned subsidiary, Intel Instruments & Systems Ltd. (Intel) which is appended to the Company's annual report. It may be noted that Intel has accumulated losses impacting the realisability of the Company's Investment Rs.225 lacs (P.Y. Rs.225 lacs), Debtors Rs.326.39 lacs (P.Y. Rs. 225.18 lacs) and Loans & Advances Rs.219.72lacs (P.Y. Rs. 21.58 lacs). This is also a matter referred to in our audit report for the previous year 2009-10.*
3. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
4. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of these books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
5. The Balance Sheet and Profit and Loss Account and the Cash Flow Statements dealt with by this report are in agreement with the books of accounts.
6. In our opinion and to the best of our knowledge and according to the explanations given to us, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 to the extent applicable *subject to non-compliance with AS-15 which requires accounting for accrued liability towards employment benefits including gratuity. As per the Company's accounting policy in this regard, gratuity is recognized when contribution is made to the Group Gratuity Scheme. The year-end amount payable to LIC under this scheme not recognized in the financial statements is Rs 722.65 lacs.*
7. On the basis of the written representations received from the Directors as on March 31, 2011 which have been taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.
8. *We further report that, without considering our observations at Para 2 above, the effect of which could not be determined, had the observations made by us in Para 6 above been considered while compiling accounts for the year, the profit after tax of Rs.122.98 lacs for the year would have resulted to a loss of Rs 599.67 lacs and balance of Reserves and Surplus would have been Rs 1368.58 lacs as against the reported figure of Rs 2,091.23 lacs.*
9. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required; however, in view of our observations in Paragraph 8 above, they do not give a true and fair view:
 - in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011,
 - in the case of the Profit and Loss Account, of the profit for the year ended on that date
 - in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

Ashutosh Pednekar
Partner
ICAI M.No. 41037

Thane
August 11, 2011

ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in Paragraph 1 of our report of even date on the accounts for the year ended 31st March 2011 of Aplab Limited)

- i. (a) The Company has maintained reasonable

- records showing full particulars including quantitative details and situation of fixed assets.
- (b) Physical verification of some items of fixed assets was conducted by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) During the year, Company has not disposed of any substantial/major part of fixed assets.
- ii. (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- iii. (a) According to the information and explanations given to us, the Company has granted an interest free unsecured loan amounting to Rs. 21.58 lacs to its subsidiary, Intel Instruments & Systems Ltd..
- (b) *Subject to our observation in para 2 of our main report* this interest free loan granted is prima facie not prejudicial to the interest of the Company
- (c) The Company has not stipulated any terms and conditions of repayment of this interest free loan given to its subsidiary.
- (d) Subject to our observations in para (iii) (c) above there is no overdue amount of loan granted to the company listed in the register maintained under Section 301 of the Companies Act, 1956.
- (e) According to the information and explanations given to us, the Company has taken an unsecured loan amounting to Rs. 235 lacs from a company which is listed in the register maintained under section 301 of the Companies Act, 1956.
- (f) The rate of interest and other terms and conditions of this loan taken is not prima facie prejudicial to the interest of the Company.
- (g) The loan taken has not been paid on original due date & has rolled over. However, payment of interest has been made on regular basis.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of inventory and fixed assets, and with regard to the sale of goods. *The internal control procedures in case of services rendered need to be strengthened.* Subject to this observation, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control procedures.
- v. In respect of transactions entered in the register maintained in pursuance of Sections 301 of the Companies Act, 1956,
- (a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts / arrangements that needed to be entered into the register maintained under Section 301 have been so entered.
- (b) According to the information and explanations given to us the transactions of purchase and sale of goods made in pursuance of such contracts / arrangements with some parties / companies listed in the register maintained under section 301 are for specialized items for which alternative sources of supply are not readily available; as such comparison of prices could not be made. However, as certified by the management, these transactions are at competitive prices considering the quality and non standard nature of products and terms of payment and other commercial considerations.
- vi. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder with regard to the deposits accepted from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company relating to the manufacture of electronic products and components there of pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that

prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.

- ix. (a) According to the records of the Company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, cess and other statutory dues with the appropriate authorities during the year. There are no undisputed statutory dues outstanding as of March 31, 2011 for a period of more than six months since they became payable.
- (b) As at the year-end according to the records of the Company and information and explanations given to us, the following are particulars of disputed dues on account of sales tax and excise duty:-

Statute	Amount (Rs.in Lacs)	Financial Year	Forum where dispute is pending
			Appellate Authority
Custom Duty	5.30	2003-04	CESTAT, Mumbai
Excise Duty	1.80	2007-08	Commissioner of Central Excise (Appeals), Navi Mumbai
Excise Duty	5.37	1999-2000	CESTAT, Mumbai
Sales Tax	5.51	2002-2003	Dy. Commissioner Appeals, New Delhi
Sales Tax	1.33	2003-2004	Dy. Commissioner Appeals, New Delhi
Sales Tax	1.68	2004-2005	Jt. Commissioner Appeals, New Delhi
Sales Tax	3.40	2004-2005	Jt. Commissioner Appeals, New Delhi
Sales Tax	16.58	2003-2004	Jt. Commissioner Sales Tax (Appeals VIII) Thane
Sales Tax	0.59	2004-2005	Addl. Commissioner Grade II, (Appeals III) Commercial Taxes (Lucknow)
Sales Tax	0.83	2005-2006	Addl. Commissioner Grade II, (Appeals III) Commercial Taxes (Lucknow)
Sales Tax	1.70	2006-2007	Addl. Commissioner Grade II, (Appeals III) Commercial Taxes (Lucknow)
Sales Tax	1.08	2007-2008	Addl. Commissioner Grade II, (Appeals III) Commercial Taxes (Lucknow)

- x. *Subject to our observation in para 8 of the main report, the Company's accumulated losses as at the end of the year are less than fifty percent of its net worth. The Company has not incurred cash losses during the current financial year but has incurred cash losses in the immediately preceding financial year.*
- xi. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.
- xiv. In our opinion and according to information and explanations given to us the Company is not a dealer or trader of shares, debentures and other investments.
- xv. According to the information and explanations given to us & *subject to our observation in para 2 of our main report*, the Company has given a guarantee for loans taken by its subsidiary from a bank on terms and conditions, which in our opinion, are prima facie, not prejudicial to the interest of the Company.
- xvi. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purposes for which the loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short term basis have, prima facie, not been used for long term investment and vice versa.
- xviii. The Company has not made any preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised money by any public issues during the year.
- xxi. Based on information and the explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the company noticed or reported during the year.

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

Ashutosh Pednekar
Partner
ICAI M.No. 41037

Thane
August 11, 2011

Balance Sheet as at 31st March, 2011

(Rs. in lacs)

	Schedule	As At 31-03-2011	As At 31-3-2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	5,00.00	5,00.00
Reserves & Surplus	2	20,91.24	19,68.70
		<u>25,91.24</u>	<u>24,68.70</u>
LOANS			
Secured	3	38,70.72	36,74.14
Unsecured	4	10,20.99	8,70.32
		<u>48,91.71</u>	<u>45,44.46</u>
DEFERRED TAX LIABILITY (NET)			
		22.80	22.80
TOTAL		<u><u>75,05.75</u></u>	<u><u>70,35.96</u></u>
APPLICATION OF FUNDS			
FIXED ASSETS			
	5		
Gross Block		49,30.37	38,07.19
Less : Depreciation		23,50.61	23,02.50
Net Block		<u>25,79.76</u>	<u>15,04.69</u>
Capital Work In Progress		-	12,04.18
		<u>25,79.76</u>	<u>27,08.87</u>
INVESTMENTS			
	6	2,32.38	2,32.38
CURRENT ASSETS, LOANS & ADVANCES			
	7		
Inventories		35,00.97	38,50.22
Sundry Debtors		37,81.02	26,05.65
Cash & Bank Balances		2,39.18	2,48.38
Loans & Advances		19,83.84	18,43.12
		<u>95,05.01</u>	<u>85,47.37</u>
CURRENT LIABILITIES & PROVISIONS			
	8		
Current Liabilities		36,08.48	32,62.02
Provisions		12,02.92	11,90.64
		<u>48,11.40</u>	<u>44,52.66</u>
NET CURRENT ASSETS			
		<u>46,93.61</u>	<u>40,94.71</u>
TOTAL		<u><u>75,05.75</u></u>	<u><u>70,35.96</u></u>
CONTINGENT LIABILITIES			
	9		
NOTES ON ACCOUNTS			
	18		
SIGNIFICANT ACCOUNTING POLICIES			
	19		

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

Ashutosh Pednekar
Partner

Rajesh K. Deherkar
Company Secretary &
Finance Controller

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

Thane : 11th August, 2011

Thane : 11th August, 2011

Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)

	Schedule	2010-11	2009-10
INCOME:			
Sales and Operating Earnings	10	114,16.57	97,95.54
Other Income	11	1,52.86	1,61.77
Variation in Stocks	12	(4,39.60)	6,59.52
		<u>111,29.83</u>	<u>106,16.83</u>
EXPENSES:			
Materials Consumed	13	64,01.81	66,11.39
Payments to and provisions for Employees	14	21,56.66	22,48.57
Manufacturing Expenses	15	4,87.44	5,07.11
Other Expenses	16	11,59.33	11,57.12
Interest and Finance Charges	17	6,17.35	5,07.68
Depreciation	5	1,84.70	2,01.42
Less: Transferred to Revaluation Reserve		0.44	0.49
		<u>1,84.26</u>	<u>2,00.93</u>
		<u>110,06.85</u>	<u>112,32.80</u>
PROFIT/(LOSS) BEFORE TAX		1,22.98	(6,15.97)
PROVISION FOR TAXATION		-	-
PROFIT AFTER TAX		1,22.98	(6,15.97)
Balance brought forward from previous year		(6,15.97)	-
Balance carried to balance sheet		<u>4,92.99</u>	<u>(6,15.97)</u>
Basic & Diluted Earning per Share (Rupees)		2.46	(12.32)
NOTES ON ACCOUNTS	18		
SIGNIFICANT ACCOUNTING POLICIES	19		

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

Ashutosh Pednekar
Partner

Thane : 11th August, 2011

Rajesh K. Deherkar
Company Secretary &
Finance Controller

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

Managing Director
Executive Director
Director

Thane : 11th August, 2011

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in lacs)

	As At 31-03-2011	As At 31-03-2010
SCHEDULE 1:		
Share Capital		
Authorised		
70,00,000 (Previous year 70,00,000) Equity Shares of Rs. 10 each.	<u>7,00.00</u>	<u>7,00.00</u>
Issued And Subscribed		
50,00,000 (Previous year 50,00,000) Equity Shares of Rs. 10 each	<u>5,00.00</u>	<u>5,00.00</u>
Paid Up		
50,00,000 (Previous year 50,00,000) Equity Shares of Rs. 10 each fully paid up.	<u>5,00.00</u>	<u>5,00.00</u>
	<u>5,00.00</u>	<u>5,00.00</u>
Note: Share Capital includes 8,30,300 Equity Shares of Rs. 10 each allotted as fully paid bonus Shares by Capitalisation of General Reserve, in earlier years.		
SCHEDULE 2:		
Reserves & Surplus		
1. General Reserve		
Balance last year	12,76.31	12,76.31
Less :Debit Balance of Profit & Loss A/c.	<u>4,92.99</u>	<u>6,15.97</u>
	7,83.32	6,60.34
2. Share Premium Account	12,91.81	12,91.81
3. Capital Reserve	4.01	4.01
4. Revaluation Reserve		
Balance last year	12.54	13.03
Less: Amount transferred from Profit and Loss Account	<u>0.44</u>	<u>0.49</u>
	12.10	12.54
	<u>20,91.24</u>	<u>19,68.70</u>
SCHEDULE 3 :		
Secured Loans		
1. Term Loans from Banks :		
a) Corporation Bank	-	42.67
Secured by mortgage of Land and Buildings and other Fixed Assets subject to specific prior charges, at Thane and Digha, Navi Mumbai.		
(Repayable within one year Rs. Nil lacs previous year Rs. 42.67 lacs)		

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in lacs)

	As At 31-03-2011	As At 31-03-2010
b) Bank of Maharashtra Secured by mortgage of Land and Buildings and other Fixed Assets subject to specific prior charges, at Bhosari Pune and Bangalore (Repayable within 1 year Rs. 1,23.84 lacs previous year Rs. 20.64 lacs)	7,29.46	7,49.37
c) Vehicle loans from Banks. : Secured by hypothecation of vehicles financed by respective bank (Repayable within one year Rs.1.72 lacs previous year Rs. 6.67 lacs)	2.81	9.69
2. Deferred Payment/Hire Purchase Credits : From other corporate Secured by charge / lien over assets acquired under hire-purchase agreements (Repayable within one year Rs.Nil lacs previous year Rs.0.99 lacs)	-	0.99
3. Cash Credit : From Corporation Bank Secured by hypothecation of all stocks and book debts and further secured / to be secured by charge on Land & Buildings at Thane and other fixed assets Subject to specific prior charge (s).	21,38.52	20,75.86
4. Bill Discounting Secured by Bills discounted with Corporation Bank.	9,99.93	7,95.56
	<u>38,70.72</u>	<u>36,74.14</u>
SCHEDULE 4 :		
Unsecured Loans		
Fixed Deposits (Repayable within one year Rs. 3,31.89 lacs previous year Rs. 4,17.42 lacs)	7,60.99	8,70.32
Inter Corporate Deposit (Repayable within one year Rs. 2,60.00 lacs previous year Rs. Nil lacs)	2,60.00	-
	<u>10,20.99</u>	<u>8,70.32</u>

Schedule forming part of the Balance Sheet as at 31st March, 2011

SCHEDULE - 5

FIXED ASSETS

(Rs. in lacs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2010	Additions	Dele- tions	As on 31.03.2011	Up to 01.04.2010	For the Year	Written back	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
PRODUCTION										
Leasehold Land	3,26.26	-	-	3,26.26	26.84	3.64	-	30.48	2,95.78	2,99.41
Factory Buildings	8,34.30	-	-	8,34.30	3,45.59	48.87	-	3,94.46	4,39.84	4,88.71
Residential Premises	7.54	-	-	7.54	4.69	0.14	-	4.83	2.71	2.85
Office Premises	83.32	11,90.90	-	12,74.22	12.41	8.61	-	21.02	12,53.21	70.91
Plant and Machinery	10,22.46	5.45	-	10,27.91	8,21.87	31.83	-	8,53.70	1,74.20	2,00.59
Electrical Installations	92.06	52.25	-	144.31	49.21	6.63	-	55.84	88.47	42.86
Furniture and Fixtures	6,51.48	3.67	-	6,55.15	3,45.28	53.78	-	3,99.06	2,56.09	3,06.20
E.D.P. Systems/Computers	3,81.33	8.51	-	3,89.84	3,42.16	17.75	-	3,59.91	29.93	39.17
Vehicles	1,96.17	-	3.49	1,92.68	1,46.55	12.58	2.49	1,56.64	36.04	49.62
RESEARCH AND DEVELOPMENT										
Plant and Machinery	48.69	-	-	48.69	46.33	0.37	-	46.70	1.99	2.36
Electrical Installations	0.91	-	-	0.91	0.91	-	-	0.91	-	-
Furniture and Fixtures	8.53	-	-	8.53	7.22	0.22	-	7.44	1.09	1.31
E.D.P. Systems/Computers	20.03	-	-	20.03	19.34	0.28	-	19.62	0.41	0.70
TOTAL FOR THE YEAR	36,73.08	12,60.78	3.49	49,30.37	21,68.40	1,84.70	2.49	23,50.61	25,79.76	15,04.69
TOTAL PREVIOUS YEAR	37,54.06	53.13	-	38,07.19	20,74.26	2,28.24	-	23,02.50	15,04.69	

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in lacs)

	As At 31-03-2011	As At 31-03-2010
SCHEDULE 6 :		
Investments (Non-trade, Unquoted unless otherwise stated)		
Long Term Investments (At Cost)		
1. In shares of Subsidiary Companies:		
a) Intel Instruments & Systems Limited 2,25,000 Equity Shares of Rs. 100 each fully paid up. (Previous year 2,25,000 Equity Shares of Rs. 100 each fully paid up)	2,25.00	2,25.00
b) Sprylogic Technologies Ltd. 50,000 Equity Shares of Rs. 10 each fully paid up	5.00	5.00
2 Other Investments (Unquoted)		
a) 2000 Ordinary Shares of Rs. 10 each fully paid up of Saraswat Co. Op. Bank Ltd.	0.20	0.20
b) 1001 Ordinary Shares of Rs. 50 each fully paid up of The Thane Janata Sahakari Bank Ltd.	0.50	0.50
3 Other Investments (quoted)		
4700 Ordinary Shares of Rs. 10 each fully paid up of Bank of Maharashtra at premium of Rs. 13 per share (Market Value as on 31.03.2011 @ 59.40 per share	1.08	1.08
4 Government Securities		
National Saving Certificates (Deposited with various Government Authorities)	0.60	0.60
	<u>2,32.38</u>	<u>2,32.38</u>
SCHEDULE 7:		
Current Assets, Loans & Advances		
(A) Current Assets		
1. Inventories		
(As certified by the Management)		
Stores & Spares at cost	79.49	79.01
Materials & Components at cost	20,48.06	19,35.76
Goods in process at cost	8,64.23	12,46.80
Finished Goods at lower of cost or selling price	3,56.90	4,13.93
Materials in Transit and in Bonded Warehouse at cost	1,36.66	1,52.01
	<u>34,85.34</u>	<u>38,27.51</u>
Excise Duty paid/payable on Finished Goods	15.63	22.71
	<u>35,00.97</u>	<u>38,50.22</u>
2. Sundry Debtors (Unsecured)		
a) Due from Subsidiary Companies (Considered good) within 6 months		
Intel Instruments & Systems Limited	7.81	12.39
others		
Intel Instruments & Systems Limited	3,18.58	2,12.79
Sprylogic Technologies Ltd.	0.15	5.56
	<u>3,18.73</u>	<u>2,18.35</u>
	<u>3,26.54</u>	<u>2,30.74</u>
b) Due from others(considered good)		
Within 6 months	27,48.00	19,84.06
others	7,06.48	3,90.85
	<u>37,81.02</u>	<u>26,05.65</u>

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Rs. in lacs)

	As At 31-03-2011	As At 31-03-2010
SCHEDULE 7 Contd..		
3. Cash & Bank Balances		
Cash and Cheques on hand	8.22	10.95
In Deposit Accounts with Scheduled Banks	1,24.70	1,12.10
In Current Accounts with Scheduled Banks	1,06.26	1,25.33
	<u>2,39.18</u>	<u>2,48.38</u>
Deposit Receipts of Rs. 1,20.54 lacs (Previous year Rs.1,01.87 lacs) are pledged against Letters of Credit and Guarantees issued by Bank.		
(B) Loans & Advances (Unsecured) (considered good unless otherwise specified)		
1. Loans & advances to Employees	24.83	18.30
2. Advances recoverable in cash or in kind or for value to be received		
a) From Subsidiary Companies		
i) Intel Instruments & Systems Limited	2,19.72	21.58
ii) Sprylogic Technologies Ltd.	5.46	85.69
b) From others	3,28.10	2,82.11
c) Amount due as refund of additional duty of customs	32.35	38.15
3. Balance with Excise Authorities	13.44	71.80
4. Advance Income Tax/ T.D.S.	11,11.46	10,77.95
5. Deposits	2,48.48	2,47.54
	<u>19,83.84</u>	<u>18,43.12</u>
SCHEDULE 8 :		
Current Liabilities & Provisions		
1. Current Liabilities		
Sundry Creditors		
a) Micro, Small & Mededum Enterprises	11.76	14.12
b) Others	13,79.87	12,60.63
Acceptances	10,77.89	7,77.93
Dues to Directors	1.47	0.87
Advance from customers	1,63.90	1,82.13
Interest accrued but not due	44.77	61.92
Other Liabilities	9,13.56	9,45.41
Unclaimed Debenture*	-	7.80
Unclaimed Fixed Deposits*	13.78	9.48
Unclaimed Interest on above Fixed Deposits*	1.30	1.55
Cummulative Time Deposit from Employees*	0.18	0.18
*(Amount Transferable to Investor Education and Protection Fund, when due.)	<u>36,08.48</u>	<u>32,62.02</u>
2. Provisions		
Provision for Warranties	1,58.25	1,52.50
Provision for Taxation	9,36.77	9,36.77
Provision for Leave Encashment	1,07.90	1,01.37
	<u>12,02.92</u>	<u>11,90.64</u>
SCHEDULE 9:		
Contingent Liabilities		
1. Disputed Tax/duty demands not provided for	2,36.07	2,11.72
2. Corporate guarantees given to Banks on account of Subsidiary/ Other Companies	67.46	1,36.57
3. Bank guarantees given on behalf of company to third parties.	19,13.68	16,56.01

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)

	2010-11	2009-10
SCHEDULE 10:		
Sales and Operating Earnings		
Product Sales	103,86.61	89,15.43
Less : Excise duty	5,04.39	3,39.34
Net Sales	98,82.22	85,76.09
Service Income	15,34.35	12,19.45
	<u>114,16.57</u>	<u>97,95.54</u>
SCHEDULE 11:		
Other Income		
Interest - on Bank Deposits (Gross, T.D.S. Rs.0.77 lacs) (Previous year Rs. 1.04 lacs)	8.23	10.54
- on Other Accounts (Gross, T.D.S. Rs. Nil) (Previous year Nil)	0.80	1.58
	<u>9.03</u>	<u>12.12</u>
Dividend	0.19	0.16
Insurance Claims	7.17	1.50
Provisions no longer required	5.40	-
Miscellaneous Receipts	74.84	21.39
Exchange Variation Profit	19.54	62.00
Refund of Additional Duty of Customs	22.41	50.32
Rent Received	14.28	14.28
	<u>1,52.86</u>	<u>1,61.77</u>
SCHEDULE 12:		
Variation in Stocks		
Stock at Close		
: Finished Goods	3,56.90	4,13.93
: Goods in process	8,64.23	12,46.80
	<u>12,21.13</u>	<u>16,60.73</u>
Stock at Commencement		
: Finished Goods	4,13.93	2,98.34
: Goods in Process	12,46.80	7,02.87
	<u>16,60.73</u>	<u>10,01.21</u>
	<u>(4,39.60)</u>	<u>6,59.52</u>
SCHEDULE 13:		
Materials Consumed		
Stock at Commencement	19,35.76	19,98.75
Add : Purchases	63,99.23	64,44.26
	<u>83,34.99</u>	<u>84,43.01</u>
Less : Stock at Close	20,48.06	19,35.76
	<u>62,66.93</u>	<u>65,07.25</u>
Add : Consumption of Stores & Spares	1,14.88	1,04.14
	<u>64,01.81</u>	<u>66,11.39</u>

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)

	2010-11	2009-10
SCHEDULE 14:		
Payments to and provisions for Employees		
Salaries, Wages & Bonus	18,31.30	19,16.14
Contribution to Provident & Other Funds	1,80.17	1,62.56
Gratuity & Leave Encashment	35.01	39.40
Staff Welfare Expenses	1,10.18	1,30.47
	<u>21,56.66</u>	<u>22,48.57</u>
SCHEDULE 15:		
Manufacturing Expenses		
Labour Charges	41.55	37.13
Rent	3.00	3.00
Rates & Taxes	88.32	1,10.92
Power & Electricity	66.66	65.86
Insurance Charges	2.99	8.02
Repairs to Plant & Machinery	1.15	0.56
Repairs to Factory Building	5.83	11.75
Miscellaneous Works Expenses	2,77.94	2,69.87
	<u>4,87.44</u>	<u>5,07.11</u>
SCHEDULE 16:		
Other Expenses		
Rent for Office/Residential Premises	57.55	56.29
Equipment Lease Rentals	2.14	1.53
Printing & Stationery	29.95	30.38
Postage & Telephone	1,22.66	1,25.31
Royalty	7.36	-
Travelling & Conveyance	2,56.71	2,51.07
Vehicle Expenses	41.01	34.50
Legal & Professional Charges	1,79.32	1,28.40
Advertisement & Publicity	14.86	37.02
Commission & Discount	39.86	39.96
Transport Outward & Other Charges	2,42.75	2,40.26
Sales Tax, Purchase Tax	1.94	5.63
Office Maintenance Charges	67.05	66.54
Repairs and Maintenance	35.90	16.63
Miscellaneous Expenses	28.03	28.25
Bad debts & other amounts written off	26.49	20.03
Amortisation of Goodwill	-	26.82
Provision for Warranties	5.75	48.50
	<u>11,59.33</u>	<u>11,57.12</u>
SCHEDULE 17:		
Interest and Finance Charges		
On Fixed Period Loans	1,46.25	1,23.83
On other Loans/Deposits	3,86.49	2,99.53
Bank Charges	84.61	84.32
	<u>6,17.35</u>	<u>5,07.68</u>

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

SCHEDULE 18

NOTES ON ACCOUNTS

1. i) The Company recognises its Gratuity liability on the basis of contribution to the LIC Group Gratuity Scheme. During the year, LIC informed the Company that based on its actuarial valuation as of March 31, 2011 a contribution of Rs.7,22.65 lacs- is required to make the Scheme fully funded. Gratuity expenditure recognized includes Rs.28.48 lacs being the contribution for financial year 2010-11.

- ii) Employee benefit:-

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

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

(Rs. in lacs)

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	Rs.	Rs.	Rs.	Rs.
The major categories of plan assets as a percentage of total plan assets	*	*	N/A	N/A
Qualifying Insurance Policy	611868	611868	-	-
Changes in the present value of the obligation				
1 Opening present value of Obligation	6,51.57	6,17.63	1,01.37	88.81
2 Interest Cost	*	*	8.14	6.74
3 Current Service Cost	45.96	22.51	12.18	15.69
4 Past Service Cost	-	-	-	-
5 Benefits Paid	1,23.65	73.80	(10.02)	(5.21)
6 Actuarial (gain) / loss on Obligation	*	*	(3.77)	(4.66)
7 Closing Present Value of Obligation	9,44.74	6,51.57	1,07.90	1,01.37
Changes in the Fair Value of Assets				
1 Opening Fair value of Plan Assets	2,97.20	2,99.99	*	*
2 Expected Return on Plan Assets	*	*		
3 Contributions	25.18	44.17		
4 Benefits Paid	1,23.65	73.80		
5 Actuarial gain (loss) on Plan Assets	23.37	26.84		
6. Closing Present Value of Plan Assets	2,22.10	2,97.20	Not applicable	Not applicable
Profit & Loss - Expenses				
1 Current Service Cost	45.96	22.51	12.18	15.69
2 Interest Cost	*	*	8.14	6.74
3 Expected Return on Plan assets	*	*	-	-
4 Net Actuarial gain (loss) recognised in the year	*	*	3.77	4.66
5 Past Service Cost	-	-	-	-
6 Expenses Recognised in the Profit & Loss Account	28.48	22.51	6.53	12.56
Actuarial Assumptions				
1 Discount Rate	8%	8 %	7.5%	7.5%
2 Expected Rate of Return on Plan Assets	*	*	N/A	N/A
3 Expected Rate of Salary Increase	4%	4 %	4%	4%
4 Attrition Rate	1 to 3 %	1 to 3 %	-	-
5 Mortality Post-retirement	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate

* Information to the extent made available by LIC

* Note: Negative Amounts are shown in Bracket.

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

2. Expenditure on Research & Development (as certified by the Management)	(Rs. in lacs)	
	<u>2010-11</u> <u>Rupees</u>	<u>2009-10</u> <u>Rupees</u>
Capital Expenditure for acquisition of fixed assets	-	-
Other Expenses		
(I) Salaries, Allowances, etc	22.24	26.68
(ii) Materials Consumed	3.42	1.26
(iii) Other Expenses	15.69	14.14
Total	<u>41.35</u>	<u>42.08</u>
3. Payments to Directors		
(Exclusive of future liabilities in respect of retirement benefits like contribution to gratuity fund, Provision for leave encashment on retirement and other retirement benefits)		
(a) Remuneration		
Salary	45.24	73.24
Provident Fund Contribution & Gratuity	4.32	9.92
Other Perquisites	18.24	18.78
Total	<u>67.80</u>	<u>1,01.94</u>
(b) Sitting Fees to non-executive directors	2.10	2.25
4. Payment to Auditors:		
Audit Fees Rs.7.50 lacs (Rs.7.50 lacs) ,Tax Audit Fees Rs.1.10 lacs (Rs.1.10 lacs) Management Services Rs.1.35 lacs (Rs.1.35 lacs) Limited Review and Corporate Governance and other Certification Fees Rs.3.92 lacs (Rs.4.75 lacs), Expenses reimbursed and Services tax Rs.2.62 lacs (Rs.2.72 lacs)		
5. Investment in shares of Intel Instruments & Systems Limited, a subsidiary company Rs.2,25.00 lacs (Rs.2,25.00 lacs) and Rs.5,46.11 lacs (Rs.2,46.76 lacs) other dues from that Company are considered good in view of the strategic nature of this investment and the subsidiary's ongoing and potential business operations.		
6. Loans and Advances in Schedule 7 include:		
Rs.11.31 lacs (Rs.10.71 lacs) as Sales Tax, in respect of which matters are pending with the appellate authorities and,		
Rs.14.70 lacs (Rs.14.70 lacs) towards compensation paid to MTNL, in respect of which the Company has filed a suit for recovery.		
7. The Company is entitled to benefit u/s 35(2AB) of the Income Tax Act,1961 as per renewal dated 19.05.2010 received from Ministry of Science and Technology, Government of India, DSIR, New Delhi, valid for the period 1.4.2010 to 31.03.2013.		
8 Similarly Suppliers/Service providers covered under Micro, Small Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is given to the extent available:-		

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

	(Rs. in lacs)	
	2010-11	2009-10
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	11.76	14.12
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

9. Segment Reporting (Accounting Standard – AS 17)

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

10. Related Party Disclosures (Accounting Standard AS 18)

List of Related Parties and Relationship

Subsidiary Companies:

Intel Instruments and Systems Limited
Sprylogic Technologies Ltd

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

Zee Entertainment Enterprises Ltd (Formerly Zee Telefilms Ltd)

Key Management Personnel:

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

Relatives of Key Management Personnel:

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

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

Sr.No. Name of the Party

- 1 Deodhar Electro Design Pvt Ltd
- 2 TTL Technologies Private Limited
- 3 Intel Exports Corporation
- 4 Telemetrics Incorporated

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

5	Print Quick Private Limited
6	Origin Instrumentation Private Limited
7	Contech Soft-Tech Solution Pvt. Ltd
8	Telemetry Systems Pvt. Ltd
9	A.N. Associates
10	Dakshin Media Gaming Solutions Pvt. Ltd.
11	Aalay Interiors
12	Digital Media Convergence Ltd

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

(Rs. in lacs)

Nature of Transaction & Names	Subsidiaries Rs.	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Sale of Material / Finished Goods				
Intel Instruments & Systems Ltd.	18.89			
	(23.93)			
Sprylogic Technologies Ltd.	0.43			
	(5.56)			
Deodhar Electro Design Pvt. Ltd.				1.04
				(22.85)
Intel Exports Corporation				1.59
				(0.75)
Telemetry Incorporated				0.01
				(0.72)
TTL Technologies Pvt. Ltd.				56.75
				(4.04)
Total	19.32			59.39
	(29.49)			(28.36)
Purchase of Material / Finished Goods				
Intel Instruments & Systems Ltd.	1,88.34			
	(3,61.53)			
Sprylogic Technologies Ltd	1,42.32			
	(1,46.94)			
Deodhar Electro Design Pvt. Ltd				72.24
				(90.65)
Telemetry Incorporated				2,39.66
				(2,24.67)
Telemetry Systems Pvt. Ltd.				57.90
				(40.55)
Aalay Interiors			Nil	
			(19.49)	
Total	3,30.66		Nil	3,69.80
	(5,08.47)		(19.49)	(3,55.87)

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)

Nature of Transaction & Names	Subsidiaries Rs.	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Rent Paid / Payable				
Nishith Deodhar		10.20 (10.20)		
Origin Instrumentation Pvt. Ltd.				7.53 (7.53)
Print Quick Pvt. Ltd.				7.53 (7.53)
Contech Soft - Tech Solution Pvt. Ltd.				3.00 (3.00)
Total		10.20 (10.20)		18.06 (18.06)
Income received (Rent)				
Spylogic Technologies Ltd.	14.28 (14.28)			
Total	14.28 (14.28)			
Service/Labour charges Paid/Payable				
Deodhar Electro Design Pvt. Ltd.				7.94 (10.93)
Digital Media Convergence Ltd.				Nil (0.60)
Spylogic Technologies Ltd.	17.19 (Nil)			
A. N. Associates			Nil (9.55)	
Intel Instruments & Systems Ltd.	0.45 (Nil)			
Total	17.64 (Nil)		Nil (9.55)	7.94 (11.53)
Expenses Reimbursed				
Intel Instruments & Systems Ltd.	Nil (0.79)			
Spylogic Technologies Ltd.	Nil (0.69)			
Telemetrics Incorporated				1.29 (1.22)
Total	Nil (1.48)			1.29 (1.22)

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)

Nature of Transaction & Names	Subsidiaries Rs.	Key Management Personnel Rs.	Relative of Management Personnel Rs.	Related Enterprises Rs.
Investment as on 31.03.2011				
Intel Instruments & Systems Ltd.	2,25.00			
	(2,25.00)			
Spylogic Technologies Ltd	5.00			
	(5.00)			
Total	2,30.00			
	(2,30.00)			
Debit Balances as on 31.03.2011				
Intel Instruments & Systems Ltd.	5,46.11			
	(2,46.76)			
Spylogic Technologies Ltd.	5.61			
	(91.25)			
Digital Media Convergence Ltd.				Nil
				(0.60)
Intel Export Corporation				2.04
				(2.04)
Total	5,51.72			2.04
	(3,38.01)			(2.64)
Inter Corporate Deposit				
TTL Technologies PVt. Ltd.				2,35.00
				(Nil)
Total				2,35.00
				(Nil)
Interest Paid/Accrued and due on Inter Corporate Deposit				
TTL Technologies PVt. Ltd.				12.57
				(Nil)
Total				12.57
				(Nil)
Credit Balances as on 31.03.2011				
Deodhar Electro Design Pvt. Ltd.				2.37
				(3.37)
Telemetrys Incorporated				88.68
				(78.40)
Telemetrys Systems Pvt. Ltd.				23.71
				(15.19)
Origin Instrumentation Pvt. Ltd.				0.56
				(0.56)
Print Quick Pvt. Ltd.				0.56
				(0.56)
Contech Soft - Tech Solution Pvt. Ltd.				1.54
				(0.23)
Nishith Deodhar		0.77		
		(0.77)		
Total		0.77		1,17.42
		(0.77)		(98.31)

Previous year figures are shown in bracket.

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

11. Earning per Share (Accounting Standard – AS 20)		(Rs. in lacs)	
		2010-11	2009-10
Profit computation for both Basic and Diluted Earnings per Equity Share of Rs. 10 each			
Net profit/ (Loss) after tax as per Profit and Loss Account available for Equity Shareholders		1,22.98	(6,15.97)
Number of shares for Basic and diluted EPS as above		50,00,000	50,00,000
Earning per Share			
Basic and Diluted (Rs.)		2.46	(12.32)
12. Taxes on Income (Accounting Standard – AS 22)			
(i) No provision is made for current tax in view of the unabsorbed business loss and unabsorbed depreciation			
(ii) Deferred Tax Liability / (Asset) at the year end comprises timing difference on account of:			
- Depreciation		(7.79)	Nil
- Expenditure / Provisions		31.42	Nil
Total		23.63	Nil
Unabsorbed losses and depreciation*		23.63	Nil
Total		Nil	Nil

* Deferred tax asset on carried forward unabsorbed business loss and depreciation has been considered to the extent of deferred tax liability for the year. Deferred tax asset on the balance of such carried forward losses has not been recognised in the absence of virtual certainty of future taxable income.

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

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

i) Licensed Capacity: Not applicable

ii) Installed Capacity:

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

iii) Stocks, Production and Sales including outsourced items. (Rs. in lacs)

	Opening Stock Nos.	Closing Stock Nos.	Production during the year Nos.	Quantity sold Nos.	Sales Value Net of Excise Rs.
I) Electronic Test & Measuring Instruments including Digital / Microprocessor based Instruments	3845 (3469)	2001 (3845)	36270 (34190)	38114 (33814)	20,26.24 (21,68.06)
II) Microprocessor based systems (including Electronic Transaction Control Systems)	12254 (14142)	13345 (12254)	108349 (93262)	107258 (95150)	6,70.66 (8,19.57)
III) D.C .Regulated Power Supplies/Inverters/ Converters/A.C. Line Voltage Regulators/ Controllers/Transducers	11751 (10665)	9897 (11751)	32355 (32701)	34209 (31615)	57,90.77 (53,93.11)
IV) Accessories, Spares and Other Miscellaneous	3 (20)	0 (3)	8382 (9122)	8385 (9139)	10.94 (11.07)
V) Pumps for dispensing fuel & accessories	2 (1)	13 (2)	1229 (1911)	1218 (1910)	13,83.61 (1,84.28)
Grand Total	27855 (28297)	25256 (27855)	186585 (171186)	189184 (171628)	98,82.22 (85,76.09)

(Figures for previous year are shown in bracket.)

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

Raw Materials and Components consumed: (Rs. in lacs)				
Particulars	2010-11		2009-10	
	Nos.	Rupees	Nos.	Rupees
Resistors, Pots, etc.	2509571	1,29.24	2182106	52.72
Capacitors	1361610	64.10	1120841	74.66
Transformers, Laminations, Printed Circuit Boards	*	2,73.71	*	2,53.72
Diodes, ICs, Transistors, CRTs	113589	58.72	311248	2,18.27
Relays, Fuses, Meters, Switches	1812463	2,41.25	1176123	2,40.90
Sub-assemblies & others	*	7,07.84	*	9,46.27
Sub Total		15,96.56	*	22,15.01
		30,71.42		40,01.55
Less : VAT set off		1,06.60		1,00.79
Sub Total		29,64.82		39,00.76
Add: Consumption of Outsourced Items		33,22.11		26,06.49
Add: Consumption of Stores & Spares		1,14.88		1,04.14
Grand Total		64,01.81		66,11.39

Notes: 1. * Quantity in various units of measurements

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

				(Rs. in lacs)	
		2010-11	2009-10		
		Rupees	Rupees		
13.2	Value of Imports calculated on CIF basis Components and Spares & outsourced items	16,77.40	23,38.30		
	Capital Goods	Nil	4.79		
	Others	-	-		
13.3	Earnings in Foreign Exchange: FOB Value of Exports	4,78.28	6,56.71		
	Other charges	50.41	37.37		
13.4	Expenditure in Foreign Currency: Travelling	2.87	8.25		
	Subscription to Foreign Journals & Membership Fees	0.12	0.11		
	Commission on Sales	4.69	20.87		

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

		2010-11		2009-10	
		Rupees	Percent	Rupees	Percent
Imported		6,56.34	22.13	13,75.38	35.26
Indigenous		23,08.48	77.87	25,25.38	64.74
		29,64.82	100.00	39,00.76	100.00

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

		2010-11		2009-10	
		Rupees	Percent	Rupees	Percent
Imported		-	-	-	-
Indigenous		1,14.88	100	1,04.14	100
		1,14.88	100	1,04.14	100

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

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

Particulars	Opening balance as on 01.04.2010	Provision made during the year	Provision reversed /adjusted	Closing balance as on 31.03.2011
Taxation - Income Tax	8,23.52	-	-	8,23.52
FBT	1,13.25	-	-	1,13.25
Provision for Warranties	1,52.50	62.75	57.00	1,58.25
Provision for Leave Encashment	1,01.37	6.53	-	1,07.90

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

SCHEDULE 19

SIGNIFICANT ACCOUNTING POLICIES

1. System of Accounting:

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

2. Revenue Recognition:

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

3. Fixed Assets and Depreciation:

Fixed Assets:

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

Capital Work-in-progress:

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

Depreciation:

Depreciation is provided on the written down value method.

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

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

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

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

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

4. Goodwill

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

5. Inventories:

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

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

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

6. Sundry Debtors and Advances:

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

7. Taxation:

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

8. Foreign Exchange Transactions:

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

9. Research and Development costs:

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

10. Employee Benefits:

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

Signature to Schedules '1' to '19'

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

Ashutosh Pednekar
Partner

Thane : 11th August, 2011

Rajesh K. Deherkar
Company Secretary &
Finance Controller

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

Thane : 11th August, 2011

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

(Rs. in lacs)

Particulars	2010-11	2009-10
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extra ordinary items	1,22.98	(6,15.97)
Adjustments For :		
Depreciation	1,84.26	2,00.93
Provision Written back	(5.40)	-
Amortisation of Goodwill	-	26.82
Interest received	(8.23)	(10.54)
Dividend received	(0.19)	(0.16)
Operating Profit before working capital changes	<u>(2,93.42)</u>	<u>(3,98.92)</u>
Adjustments For :		
(Decrease) / Increase in Working Capital	3,41.08	7,62.00
	<u>(47.66)</u>	<u>3,63.08</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(56.59)	(53.14)
Capital Work in Progress	-	(2,70.81)
Sale of Fixed Assets	1.00	-
Dividend Paid	-	(58.50)
(Purchase) / Sale of Other Investments	-	0.30
Net Cash used in Investing Activities	<u>(55.59)</u>	<u>(3,82.15)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase / (Decrease) in Borrowings	80.23	0.77
Interest received	8.23	10.54
Dividend received	0.19	0.16
Provision written back	5.40	-
Net Cash from financial activities	<u>94.05</u>	<u>11.47</u>
Net Increase / (Decrease) Increase in Cash and Cash Equivalent (A+B+C)	<u>(9.20)</u>	<u>(7.60)</u>
Opening Balance of Cash and Cash Equivalent	2,48.38	2,55.98
Closing Balance of Cash and Cash Equivalent	2,39.18	2,48.38
Net Increase / (Decrease)	<u>(9.20)</u>	<u>(7.60)</u>

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

2) Figures in brackets indicate outflow.

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

For and on behalf of the Board

Ashutosh Pednekar
Partner

Nishith Deodhar
Managing Director

Thane : 11th August, 2011

Thane : 11th August, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

L	9	9	9	9	9	M	H	1	9	6	4	P	L	C	0	1	3	0	1	8
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Balance Sheet

3	1	0	3	2	0	1	1
---	---	---	---	---	---	---	---

State Code

1	1
---	---

Date : Date Month Year

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

Public Issue

		N	I	L		
--	--	---	---	---	--	--

Rights Issue

		N	I	L		
--	--	---	---	---	--	--

Bonus Issue

		N	I	L		
--	--	---	---	---	--	--

Private Placement

		N	I	L		
--	--	---	---	---	--	--

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

Total Liabilities

		7	5	0	5	7	5
--	--	---	---	---	---	---	---

Total Assets

		7	5	0	5	7	5
--	--	---	---	---	---	---	---

Sources of Funds

Paid-up Capital

		5	0	0	0	0	0
--	--	---	---	---	---	---	---

Reserve & Surplus

		2	0	9	1	2	4
--	--	---	---	---	---	---	---

Secured Loans

		3	8	7	0	7	2
--	--	---	---	---	---	---	---

Unsecured Loans

		1	0	2	0	9	9
--	--	---	---	---	---	---	---

Deferred Tax Liability

				2	2	8	0
--	--	--	--	---	---	---	---

Application of Funds

Net Fixed Assets

		2	5	7	9	7	6
--	--	---	---	---	---	---	---

Investments

			2	3	2	3	8
--	--	--	---	---	---	---	---

Net Current Assets

		4	6	9	3	6	1
--	--	---	---	---	---	---	---

Misc. Expenditure

		N	I	L		
--	--	---	---	---	--	--

Accumulated Losses

		N	I	L		
--	--	---	---	---	--	--

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

Turnover

		1	1	1	2	9	8	3
--	--	---	---	---	---	---	---	---

Total Expenditure

		1	1	0	0	6	8	5
--	--	---	---	---	---	---	---	---

Profit/Loss Before Tax

+	-				1	2	2	9	8
---	---	--	--	--	---	---	---	---	---

Profit/Loss After Tax

+	-				1	2	2	9	8
---	---	--	--	--	---	---	---	---	---

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

Earning per Share in Rs.

+	-			2	.	4	6
---	---	--	--	---	---	---	---

Dividend %

-	-
---	---

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

Item Code No. (ITC Code)

8	5	0	4	4	0	.	0	4
---	---	---	---	---	---	---	---	---

Product Description

U	N	I	N	T	E	R	U	P	T	E	D		P	O	W	E	R
S	U	P	P	L	Y		S	Y	S	T	E	M	S				

Item Code No. (ITC Code)

8	4	7	2	9	0	.	0	0
---	---	---	---	---	---	---	---	---

Product Description

E	L	E	C	T	R	O	N	I	C		T	R	A	N	S	A	C	T	I	O	N
C	O	N	T	R	O	L		S	Y	S	T	E	M	S							

Item Code No. (ITC Code)

9	0	3	0	2	0	-	0	0
---	---	---	---	---	---	---	---	---

Product Description

T	E	S	T		M	E	A	S	U	R	I	N	G		A	N	D
I	N	D	U	S	T	R	I	A	L		C	O	N	T	R	O	L
E	Q	U	I	P	M	E	N	T	S								

Item Code No. (ITC Code)

8	4	1	3	.	1	1
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Product Description

F	U	E	L		D	I	S	P	E	N	S	E	R	S
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STATEMENT RELATING TO SUBSIDIARIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1. Name of the Subsidiary Company	INTEL INSTRUMENTS & SYSTEMS LIMITED	SPRYLOGIC TECHNOLOGIES LIMITED
2. Financial year of the subsidiary ended on	31st March, 2011	31st March, 2011
3. Date from which it became subsidiary	5th April, 1985	16th August, 2005
4. Extent of the Holding Company's interest in the subsidiary company at the end of the financial year of the subsidiary company	2,25,000 Equity Shares of Rs.100/- each fully paid-up, i.e., 100% of the paid up capital of the subsidiary company.	50,000 Equity Shares of Rs.10/- each fully paid up.
5. Net aggregate amount of the profit (losses) of the subsidiary company not dealt within the Holding Company's accounts (concerning the members of the Holding Company)		
a. For the current year	Loss Rs. 69.70 lacs	Profit Rs.3.73 lacs
b. For the previous years since it became subsidiary	Loss Rs. 160.42 lacs	Profit Rs.13.50 lacs
6. Net aggregate amount of the profit (losses) of the subsidiary company dealt within the Holding Company's account		
a. For the current year	Nil	NIL
b. For the previous years since it became subsidiary	Nil	Nil
7. Change of interest of Aplab Ltd. in the subsidiary between end of the financial year of subsidiary and that of Aplab Ltd.	N.A.	N.A.
8. Material changes between the end of the financial year in the subsidiary and the end of financial year of Aplab Ltd in respect of subsidiary's fixed assets, investments, lending and borrowing for purposes other than meeting their current liabilities	N. A.	N. A.

For and on behalf of the Board of Directors

Thane
11th August, 2011

Nishith Deodhar
Managing Director

Intel Instruments & Systems Limited

Annual Report 2010-2011

Board of Directors

S.A. Joshi
K. B. Valia

Director
Director

Registered Office & Works

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

Auditors

Karmarkar & Co.
Chartered Accountants
Mumbai

Bankers

Bank of Maharashtra
Mumbai

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DIRECTORS' REPORT TO THE MEMBERS:

Gentlemen,

Your Directors present herewith their Annual Report and Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

The operating results for the year are summarized below:

	2010-11	(Rs. in Lacs) 2009-10
Profit/(Loss) before depreciation and Interest	(99.19)	12.90
Less : 1) Depreciation	1.43	1.47
2) Interest	9.04	9.92
	<u>10.47</u>	<u>11.39</u>
	(88.72)	1.51
Add/(Less) :		
1) Adjustment on a/c of Deferred Tax (Net)	19.04	(4.40)
2) Current tax provision for earlier year	-	0.01
3) Provision for FBT	-	-
4) FBT provision for earlier year	(0.02)	0.03
5) Provision for current tax	-	-
6) Deferred tax provision for earlier year	-	(5.01)
	<u>(69.70)</u>	<u>(7.86)</u>
Balance from previous year	(160.42)	(152.56)
	<u>(230.12)</u>	<u>(160.42)</u>

BUSINESS OPERATIONS & PROSPECT FOR THE CURRENT YEAR:

During the current year your company has made a loss of Rs. 88.73 lakhs. Due to Less order flow from USA Market, the sale to the US market has gone down tremendously. The real growth will come since business out sourcing opportunities from the Western European countries are looking into our face. It is endeavor that our products are made as good as the best in the world.

DIRECTORS:

During the year, Mr. Kavin Valia Retired by rotation and eligible himself Offer for re-appointment. He has been re-appointed as a Director of the Company.

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

The Directors confirm that –

- (i) in the preparation of the Annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- (ii) appropriate accounting policies have been selected and applied consistently and have made judgments and

estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the Profit of the Company for the year ended 31st March, 2011,

- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- (iv) the Annual Accounts have been prepared on a going concern basis.

PERSONNEL:

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

ENERGY CONSERVATION:

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

FOREIGN EXCHANGE EARNING AND OUTGO:

Your company is a 100% export oriented unit situated in Special Economic Zone. The net earning in foreign exchange during the year under review after allowing for the outgo on imports and other expenses was Rs. 172.00 Lacs.

AUDITORS:

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

ACKNOWLEDGEMENT:

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

For and on behalf of the
Board of Directors

Place: Mumbai
Date: 20th July, 2011

S. A. Joshi
Director

AUDITOR'S REPORT

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

We have audited the attached Balance Sheet of Intel Instruments & Systems Ltd, as at 31st March, 2011 and Profit and Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in Paragraph '2' above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit, except confirmation of balances of debtors and other parties under loans and advances.
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of the books.
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - (iv) According to the information and explanations given to us, in relation to the affairs of the company, no director is disqualified from being appointed as a director under section 274 (1) (g) of the Companies Act, 1956.
 - (v) *No Provision has been made during the year for accrued liability in respect of gratuity and leave encashment payable to employees. The aforesaid accounting practice is not in compliance with Accounting Standard - 15 of the Institute of Chartered*

Accountants of India referred to in Section 211 (3C) of the Companies Act, 1956 which requires accounting for accrued liability towards gratuity and leave encashment. Had provision for gratuity, valued actuarially at Rs.45.32 lakhs been made, the loss shown in the Profit & Loss account would have been higher at Rs.115.02 lakhs Further, taking into account gratuity not provided in earlier years valued actuarially at Rs. 116.09 lakhs, the accumulated loss shown in the Balance Sheet would have been higher at Rs. 391.53 lakhs against the reported figure of Rs.230.12 lakhs. Further the company's accrued liability towards leave encashment is not determined.

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

- a) In our opinion, the Balance Sheet and the Profit and Loss Account comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
- b) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read together with the accounting policies and the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011.

AND

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

For and On behalf of
KARMARKAR & CO.
Chartered Accountants

(S. D.BAL)

Proprietor

M.No. 100/17574

Place: Mumbai

Date : 20th July, 2011

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDIT REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011 OF INTEL INSTRUMENTS & SYSTEMS LTD.,

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

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) A major portion of the assets were physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) During the year, the company has not disposed off a major part of the plant and machinery, therefore the question of reporting on clause 4 (i)(c) of the Companies (Auditor's Report) Order, 2003 does not arise.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) During the year, the company has taken loan of Rs.20 Lacs from the party listed in the register maintained under section 301 of the Companies Act, 1956. The company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4(ii) (b) and 4(iii) (c) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
 - (b) There is no overdue amount of loans from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
 - (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are competitive having regard to nature of items and non availability of suitable alternative sources of supply.
 - (vi) In our opinion and according to the information and explanations given to us, the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the company, as the company has not accepted any deposits from the public.
 - (vii) The company did not have an internal audit system during the year under review. However, we are informed that, keeping in view the aforesaid requirements, the company has instituted internal controls in the key operating areas.
 - (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, for any of the products of the company.
 - (ix) (a) During the year, the company has generally deposited its E. S. I. C. dues with the appropriate authorities before due date. The company was not regular in depositing its Provident Fund dues with the appropriate authorities. The outstanding provident fund dues as at the last day of the financial year concerned of Rs. 2.71 lakhs are outstanding for a period of more than six months from the date they become payable.
 - (b) According to the information and explanation given to us, there are no undisputed dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess as at 31st March, 2011, for a more than six months from the date they become payable.
 - (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise

duty and cess which have not been deposited on account of any dispute.

- (x) The accumulated losses of the company are more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks.
- (xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company has not dealt or traded in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions.

(xvi) During the year, the company has not raised any term loan. Accordingly, the provisions of clauses 4(xvi) and 4(xvii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xvii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the question of reporting on whether the price at which such shares have been issued is prejudicial to the interest of the company does not arise.

(xviii) The company has not issued any debentures.

(xix) The company has not raised any money by public issue during the year.

(xx) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For and On behalf of
KARMAKAR & CO.
Chartered Accountants

(S. D. BAL)
Proprietor

M.No. 100/17574

Place: Mumbai

Date : 20th July, 2011

Balance Sheet
As At 31st March, 2011 (Rs. in lacs)

		AS AT	AS AT
SCHEDULE		31.03.2011	31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	A	2,25.00	2,25.00
Reserves and Surplus	B	0.03	0.03
		2,25.03	2,25.03
LOANS			
Secured	C	67.45	96.57
Unsecured	D	21.75	21.75
		89.20	1,18.32
		3,14.23	3,43.35
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	E	59.01	57.94
Depreciation		53.99	52.55
		5.02	5.39
CURRENT ASSETS, LOANS AND ADVANCES			
Stocks & Stores	F	6,77.30	5,90.54
Sundry Debtors		94.58	1,64.71
Cash & Bank Balances		6.32	6.35
Loans & Advances		67.16	73.03
		8,45.36	8,34.63
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current liabilities	G	7,57.82	6,27.86
Provisions		43.27	45.00
		8,01.09	6,72.86
NET CURRENT ASSETS			
		44.27	1,61.77
DEFERRED TAX (Refer Schedule 9 (B) (2b))			
Deferred tax asset		35.19	16.17
Deferred tax liability		(0.37)	(0.40)
		34.82	15.77
PROFIT & LOSS ACCOUNT			
		2,30.12	1,60.42
		3,14.23	3,43.35
CONTINGENT LIABILITIES			
	H		
ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	9		

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

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

Mumbai. Mumbai.
 Date : 20th July, 2011 Date : 20th July, 2011

Profit & Loss Account for the year ended
31st March, 2011 (Rs. in lacs)

		2010-2011	2009-2010
SCHEDULE			
INCOME			
Sales	1	3,70.21	5,70.44
Other Income	2	0.50	0.67
Variation in closing stock of finished goods & goods in process	3	42.06	76.50
		4,12.77	6,47.61
EXPENSES			
Materials Consumed	4	1,98.54	3,50.94
Payments to & Provision for employees	5	2,40.31	2,22.62
Service Charges and Works Expenses	6	24.56	25.43
Other Expenses	7	27.62	35.72
Interest	8	9.04	9.92
Depreciation		1.43	1.47
		5,01.50	6,46.10
Profit/(Loss) before Tax		(88.73)	1.51
Provision for Taxation			
Add/Less : Deferred tax		19.05	(4.40)
Less : Fringe Benefit Tax		-	-
Profit/(Loss) after Tax		(69.68)	(2.89)
Add : Current tax provision for earlier year		-	0.01
Add : Fringe Benefit Tax Provision for earlier year		(0.02)	0.03
Less : Deferred tax provision for earlier year		-	(5.01)
		(69.70)	(7.86)
Balance brought forward from Previous Year		(1,60.42)	(1,52.56)
Loss transferred to Balance Sheet		(2,30.12)	(1,60.42)
ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	9		

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

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

Mumbai. Mumbai.
 Date : 20th July, 2011 Date : 20th July, 2011

Schedules forming part of the Balance Sheet as at 31st March, 2011
(Rs. in lacs)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED CAPITAL	3,00.00	3,00.00
300000 Equity Shares of Rs.100 each	3,00.00	3,00.00
ISSUED AND SUBSCRIBED		
2,25,000 Equity Shares of Rs.100 each fully paid up. (Previous year - 2,25,000 Equity Shares of Rs.100 each fully paid up). (All the above shares are held by the holding company, Aplab Limited.)	2,25.00	2,25.00
	2,25.00	2,25.00
SCHEDULE 'B'		
RESERVES AND SURPLUS		
RESERVES		
Investment Allowance Reserve (Utilised) Account.	0.03	0.03
	0.03	0.03
SCHEDULE 'C'		
SECURED LOANS FROM BANKS		
a) Packing Credit Loan (Secured by Hypothecation of Raw Material, Finished & Semi-finished goods)	28.96	60.35
b) Foreign Bills Purchase Account (Against Export Documents)	38.49	36.22
	67.45	96.57
SCHEDULE 'D'		
UNSECURED LOANS		
Advance from Aplab Limited	21.58	21.58
Loan from Directors	0.17	0.17
	21.75	21.75

SCHEDULE - E
FIXED ASSETS
(Rs. in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As At 01.04.2010 Rs.	Additions for the Year Rs.	Ded. for the Year Rs.	Cost As At 31.03.2011 Rs.	As At 01.04.2010 Rs.	For the Year Rs.	Ded. For the Year Rs.	Upto 31.03.2011 Rs.	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
Plant and Machinery	7.30	-	-	7.30	6.67	0.10	-	6.77	0.53	0.63
Test Equipment	19.30	-	-	19.30	18.03	0.20	-	18.23	1.07	1.27
Electrical Installations	2.46	-	-	2.46	2.17	0.04	-	2.21	0.25	0.29
Computers	14.01	1.05	-	15.06	12.90	0.75	-	13.66	1.40	1.11
Office Equipments	3.62	-	-	3.62	3.24	0.05	-	3.29	0.33	0.38
Furniture & Fixtures	9.09	0.02	-	9.11	8.36	0.15	-	8.51	0.60	0.73
Air Conditioners	2.16	-	-	2.16	1.18	0.14	-	1.32	0.84	0.98
Total	57.94	1.07	-	59.01	52.55	1.43	-	53.99	5.02	5.39
Total for Previous Year	57.81	0.13	-	57.94	51.08	1.47	-	52.55	5.39	6.73

Schedules forming part of the Balance Sheet as at 31st March, 2011
(Rs. in lacs)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE 'F'		
CURRENT ASSETS, LOANS AND ADVANCES		
1) CURRENT ASSETS		
a) Stocks & Stores: (as per inventories valued and certified by the Management)		
- Stores spares, Materials & Components at cost	3,48.17	3,03.47
- Goods in Process at Estimated cost	2,45.53	1,93.31
- Finished Goods at lower of cost or selling price	83.60	93.76
	<u>6,77.30</u>	<u>5,90.54</u>
b) Sundry Debtors (Unsecured considered good)		
Within 6 months	62.21	1,41.01
over 6 months	32.37	23.70
	<u>94.58</u>	<u>1,64.71</u>
c) Cash & Bank Balances		
Cash on hand	0.15	0.42
Bank Balance with scheduled Banks :		
In Current Accounts	1.62	0.62
In E.E.F.C. Account	2.42	0.88
In Margin and Deposit Accounts	2.13	4.43
	<u>6.32</u>	<u>6.35</u>
2) LOANS & ADVANCES (Unsecured considered good)		
Advances recoverable in cash or in kind	51.29	51.31
Loans & Advances to staff	8.65	14.02
Interest accrued and not due	-	0.03
Prepaid expenses	1.55	1.42
Deposits	4.03	2.38
Advance income tax and tax deducted at source	1.49	1.92
Fringe Benefit Tax	0.15	1.95
	<u>67.16</u>	<u>73.03</u>
SCHEDULE 'G'		
CURRENT LIABILITIES & PROVISIONS		
1) CURRENT LIABILITIES		
Temporary Bank Overdraft	24.83	16.87
Sundry Creditors for Supplies	4,55.73	5,75.19
Sundry Creditors for Expenses	28.53	28.96
Advances against orders	2,38.55	-
Other Liabilities	10.18	6.84
	<u>7,57.82</u>	<u>6,27.86</u>
2) PROVISIONS		
Provision for Gratuity	43.27	43.27
Provision for Fringe Benefit Tax	-	1.73
Provision for Current Tax	-	-
	<u>43.27</u>	<u>45.00</u>
SCHEDULE 'H'		
CONTINGENT LIABILITIES		
I Counter Guarantees given to Development Commissioner SEEPZ :		
for Letter of Authority	0.02	0.02
for Excisable Goods	20.00	20.00
II For Import Letter of credit	40.00	40.00

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2011
(Rs. in lacs)

	2010-2011	2009-2010
SCHEDULE 1		
SALES		
Products	3,33.11	5,65.19
Service Charges Received TDS Rs. 8,24.77 (Previous Year Rs. Nil)	37.10	5.25
	<u>3,70.21</u>	<u>5,70.44</u>
SCHEDULE 2		
OTHER INCOME		
Interest received on Bank Deposit. T.D.S. Rs. 510 (Previous Year Rs. 41.80)	0.10	0.16
Interest on I. T. Refund	0.20	0.07
Scrap Sale	0.20	0.44
	<u>0.50</u>	<u>0.67</u>
SCHEDULE 3		
VARIATION IN STOCKS		
STOCKS AT CLOSE		
Finished Goods	83.60	93.76
Goods in Process	2,45.53	1,93.31
	<u>3,29.13</u>	<u>2,87.07</u>
Less : Stock at Commencement		
Finished Goods	93.76	70.81
Goods in Process	1,93.31	1,39.76
	<u>2,87.07</u>	<u>2,10.57</u>
	<u>42.06</u>	<u>76.50</u>
SCHEDULE 4		
MATERIALS CONSUMED		
Raw Materials & Components		
Stocks at commencement	3,03.47	2,14.78
Add:Purchases	2,43.24	4,39.63
	<u>5,46.71</u>	<u>6,54.41</u>
Less : Stocks at close	3,48.17	3,03.47
	<u>1,98.54</u>	<u>3,50.94</u>
SCHEDULE 5		
PAYMENTS TO & PROVISIONS FOR EMPLOYEES		
Salaries, Wages , Allowances & Bonus	2,03.45	1,79.12
Gratuity	1.02	11.33
Contribution to P. Fund, F. P. Fund & E.S.I.C, etc.	21.30	15.95
Staff Welfare expenses	14.54	16.22
	<u>2,40.31</u>	<u>2,22.62</u>
SCHEDULE 6		
SERVICE CHARGES & WORKS EXPENSES		
Service Charges	7.32	8.87
Works Expenses		
Rent	3.92	3.75
Rates & Taxes	2.03	1.96
Light & Power	8.69	9.44
Insurance	0.18	0.17
Repairs to Factory Building	1.35	0.08
Repairs to Plant & Machinery	1.07	1.16
	<u>24.56</u>	<u>25.43</u>

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)

	2010-2011	2009-2010
SCHEDULE 7		
OTHER EXPENSES		
Printing & stationery	2.30	2.81
Postage Telegram, Telephones, etc.	1.64	1.71
Bank Charges & ECGC Commission	1.38	3.71
Travelling & conveyance	4.65	4.32
Vehicle expenses	0.70	1.04
Legal Professional & Consultation fee	8.79	6.25
Freight, transport, octroi etc.	6.68	8.93
Other repairs & maintenance	0.01	0.38
Other expenses	0.42	1.49
Sales Tax	1.05	5.08
	<u>27.62</u>	<u>35.72</u>
SCHEDULE 8		
INTEREST		
On other loans	9.04	9.92
	<u>9.04</u>	<u>9.92</u>

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011.

SCHEDULE 9

A. SIGNIFICANT ACCOUNTING POLICIES

1) ACCOUNTING CONCEPTS

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

2) SALES

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

3) FIXED ASSETS

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

4) DEPRECIATION

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

5) FOREIGN CURRENCY TRANSACTIONS

i) Exchange differences relating to acquisition of fixed assets are adjusted in the cost of such assets.

ii) Exchange gains or losses on settlement of revenue transactions are recognised in the Profit & Loss account.

iii) Export receivables discounted with the banks (FOBN Credit) and outstanding on the balance sheet date are stated at the exchange rates prevailing at the time of discounting, since these receivables upon realisation would be appropriated by the bank at the aforesaid rates.

iv) The balance standing to the company's credit in the Exchange Earner's Foreign Currency Account is at the rate prevailing on the day of credit by bank.

v) Other current assets and current liabilities on the balance sheet date are translated at year-end exchange rates, any exchange differences on translation being recognised in the Profit & Loss account.

6) INVENTORIES

Items of inventories are valued on the following basis:

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

7) STAFF BENEFITS

i) Provident fund and family pension benefits are accounted on the basis of contributions made to government provident fund and family pension funds.

Schedules forming part of Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2011

ii) Gratuity and leave encashment is being accounted on payment basis.

8) TAXES ON INCOME

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

B) NOTES ON ACCOUNTS

1) Payment to Auditors:

(Rs. in Lacs)

	2010-2011	2009 - 2010
Audit Fees	0.65	0.65
For Tax advice and representation	0.15	0.15
Tax Audit	0.15	0.15
Other Services	0.10	0.10
Reimbursement of Expenses	0.15	0.15
	1.20	1.20

2) a) Provision for current taxation has not been considered necessary in view of losses incurred by the company during the year.

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

(Rs.in Lacs)

	As at 31-03-2011	As at 31-03-2010
Assets		
a) Brought forward loss/ unabsorbed depreciation as per Income Tax Return	12.96	16.04
b) Income Tax disallowance	0.09	0.13
c) Unabsorbed loss/ Unabsorbed depreciation to be carried forward	22.14	-
	35.19	16.17
Liabilities		
a) Differences between income tax depreciation and book depreciation	0.37	0.40
	0.37	0.40

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

i) Credited to Profit & Loss Account is Rs. 0.01 Lacs

(2009-2010 Rs.2.01 Lacs - Debit).

ii) Included in the carrying amount of fixed assets Rs.Nil
(2009-2010 Rs. Nil)

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

5) Related Party Disclosures:

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

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

a) Holding Company:

The Company is a wholly owned subsidiary of Aplab Ltd.

b) Other related companies / enterprises:

Deodhar Electro Design Pvt. Ltd.

Intel Exports Corporation.

Print Quick Pvt. Ltd.

Mitramax Energy Pvt. Ltd.

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

(Rs. in Lacs)

Sr.No.	Particulars	Holding Company	Other companies/ enterprises
1	Purchase of Materials	18.62	46.45
2	Sale of Finished goods	147.44	33.83
3	Outstandings payable / (receivable) by the company (net)*	524.44	28.04
4	Service charges received	40.91	-
5	Reimbursement of Expenses received	0.45	0.20
6	Processing Charges paid	0.28	-

* Excluding balances in Share Capital and Unsecured Loan Accounts.

6) As per Accounting Standard - 20 on 'Earnings per share' issued by the Institute of Chartered Accountants of India, the Earnings per share of the company is Rs. (-) 30.98 (Previous Year - Rs. (-) 3.50).

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

Schedules forming part of Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2011

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

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

7.3) Stocks, Production and Sales:

	Opening Stock No. of Pcs.	Closing Stock No. of Pcs.	Production No. of Pcs.	Sales Quantity No. of Pcs.	Sales Value Rs. in lacs
Test and Measuring Instruments (Oscilloscopes, Cable Fault Locators, Decade Boxes, Output Meters etc.)	1050 (746)	381 (1050)	2852 (2839)	3521 (2535)	148.63 (135.78)
AC to DC Power Supplies (Power Supplies, OFLs, AC Sources, Isolated Line Supplies, Spares Etc.)	645 (382)	346 (645)	1422 (2342)	1721 (2079)	92.27 (132.50)
AC to DC Power Systems (Frequency Converters Voltage Regulators and Stabilizers Etc.)	82 (54)	72 (82)	528 (1279)	538 (1251)	70.48 (106.95)
Telephone Exchange	3 (3)	3 (3)	0 (0)	0 (0)	0 (0)
Custom Built Electronic Devices (Lab Discharge Lamps and Printer DPN)	-	-	500 (1403)	500 (1403)	10.90 (184.24)
OEM Products	-	-	797 (745)	797 (745)	10.82 (7.73)
TOTAL				*	333.10 (567.20)

* Sales excluding exchange rate differences.

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

7.4) Raw Material and Component Consumed:

	2010 - 2011		2009 - 2010	
	Quantity	Rs	Quantity	Rs.
Resistors	1107148	2.88	2044618	5.16
Capacitors	2680178	14.33	4781422	25.28
Potentiometers	108775	14.96	199381	26.78
Valves, Crystals	4308	32.55	7560	59.11
Transistors	128180	21.15	249919	38.02
Diodes, SCRS	325101	23.74	632718	41.13
Switches	118006	23.11	214122	41.91
IC's	332158	30.67	596312	53.16
Knobs, Terminals, Cover, Fuses Moldings etc.				
Copper Wire Aluminum Sheets *				
Sections, Bobbins etc.		35.15		60.39
	**	198.54	**	350.94

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

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

7.5) Value of imports calculated on CIF Basis: -

	(Rs. in Lacs)	
	2010-2011	2009-2010
Components & Spares	54.13	133.75
Capital Goods	-	-
	54.13	133.75

7.6) Earnings in Foreign Exchange: -

	(Rs. in Lacs)	
	2010-2011	2009-2010
F.O.B Value of Exports	225.77	406.75
	225.77	406.75

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

7.7) Value of Raw Materials and Components Consumed

	(Rs. in Lacs)			
	2010-2011	%	2009-2010	%
Imported	61.85	31.15	138.57	39.49
Indigenous	136.69	68.85	212.37	60.51
	198.54	100.00	350.94	100.00

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

Signatures to Schedules A to H & 1 to 9

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

Chartered Accountants

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

Membership No. 100/17574

Mumbai. Date : 20th July, 2011 Mumbai. Date : 20th July, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011
(Rs. in lacs)

Particulars	2010-2011	2009-2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax and extra ordinary items	(88.73)	1.51
Adjustments for :		
Depreciation	1.43	1.47
Net Loss on Sale of Fixed Assets	-	-
Profit on Sale of Fixed Assets	-	-
Fixed Assets scrapped / Amount w/off	-	-
Diminution in value of investments	-	-
Interest received	(0.30)	(0.23)
Dividend Received	-	-
Provision for Gratuity	-	-
Operating Profit before working capital changes	(87.60)	2.75
Adjustments For :		
(Decrease) / Increase in Working Capital	109.51	4.50
	21.91	7.25
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1.07)	(0.13)
Sale of Fixed Assets	-	-
Dividend Paid	-	-
Investments made	-	-
Net Cash used in Investing Activities	(1.07)	(0.13)
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Borrowings	(29.12)	(3.10)
Interest received	0.30	0.23
Dividend received	-	-
Issue of Shares	-	-
Provision Written Back	(0.01)	0.04
Net Cash from Financing Activities	(28.83)	(2.83)
Net Increase in Cash and Cash Equivalent (A+B+C)	(7.99)	4.29
Opening Balance of Cash and Cash Equivalent	(10.52)	(14.81)
Closing Balance of Cash and Cash Equivalent	(18.51)	(10.52)
Increases / (Decrease)	(7.99)	4.29

For KARMARKAR & CO.,
Chartered Accountants

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

Mumbai.
Date :20th July, 2011

For and on behalf of the Board of Directors

S. A. Joshi
Director

Mumbai.
Date : 20th July, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
I. Registration Details

 Registration No.

 Balance Sheet State Code

Date : Date Month Year

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

Public Issue

Bonus Issue

Rights Issue

Private Placement

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

Total Liabilities

Sources of Funds

Paid-up Capital

Secured Loans

Total Assets

Reserve & Surplus

Unsecured Loans

Application of Funds

Net Fixed Assets

Net Current Assets

Accumulated Losses

Investments

Misc. Expenditure

Accumulated Losses

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

Turnover Including Other Income

+ - Profit/Loss Before Tax

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

Total Expenditure

- Profit/Loss After Tax

Earning per Share in Rs.

Dividend %

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

 Item Code No. (ITC Code)

 Product Description

 Item Code No. (ITC Code)

 Product Description

 Item Code No. (ITC Code)

 Product Description

Sprylogic Technologies Ltd.

6th Annual Report 2010-2011

Board of Directors

Nishith Deodhar	Director
U. V. Save	Director
S. A. Joshi	Director
Rajesh K. Deherkar	Director

Registered Office & Works

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

Corporate Office

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

Auditors

Puranik Kane & Co.
Chartered Accountants
Thane

Bankers

Corporation Bank,
Thane

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Schedules to Profit & Loss Account	63
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DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in submitting their 6th Annual Report together with the audited annual accounts of the Company for the year ended 31st March 2011.

(Rs. in Lacs)

	Year ended 31.03.2011	Year ended 31.03.2010
Total Revenue	190.12	156.96
Total Expenditure	125.73	109.52
PBDIT	64.39	47.45
Finance Cost	0.54	0.62
Depreciation	4.91	6.86
Amortisation of Product Cost	53.23	28.67
Profit Before Tax	5.72	11.30
Provision for Tax	5.55	4.43
Provision for Fringe Benefit Tax	-	-
Deferred Tax Liability/(Asset)	(3.56)	(0.58)
Net Profit/(Loss)	3.73	7.45
Amount available for appropriations	-	-
Appropriations :	17.23	13.50
1. General Reserve	-	-
2. Proposed Dividend	-	-
3. Tax on Dividend	-	-

Working Results & Operations:

Your Company's revenue grew to Rs. 190.12 Lacs during the financial year 2010 -11 from Rs. 156.96 lacs of previous year. This represents a growth of 21.13%. During the year business from Banking Automation Solutions has grown substantially even though other business remains flat.

The Profit after Tax for the year is Rs 3.73 Lacs as compared to Rs 7.45 lacs in the previous year.

During the reporting year concentration was mainly on Banking Automation and Software relating Customer specified requirements. We anticipate remarkable growth opportunities in these domains in future.

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

The Indian IT Industry continues to reel from the after-effects of the 2008 financial crisis. Indian IT companies are struggling to climb up the value chain, and so even though sales revenues have increased, intense margins pressure remains. This is evident from the recent quarterly numbers provided by Indian IT majors. Higher inflation along with dearth of skilled labour has pushed payrolls costs higher, further negatively impacting margins. Your company has increased focus on bespoke applications and product development rather than purely services. This segment of the market is less competitive and the margins are generally

better. We continue to leverage our relationships with chip manufacturers to acquire sales leads, and we have been successful in garnering several projects as result of these relationships. We expect some of our investments in solar and power platforms to start showing some results with increasing interest in our product platforms and technologies.

b) Opportunities and Threats

The deregulation of petrol and diesel prices has not been completely implemented. The three major oil companies still regulate petrol prices as per Govt. directives. Deregulating this market will help bring additional downstream oil companies into India and could result in improved margins for our electronics. Your company continues to explore other opportunities within this sector – whether for web applications or retail automation. The Solar market continues to mature and customers are increasingly looking to local vendors to adopt these technologies for local conditions.

The current debt crisis continues to threaten to turn into a double-dip recession for western economies. Our international plans would be directly impacted as result of this. Our presence in the Indian market and increasing focus on emerging economies should alleviate some of these effects.

c) Company Achievements

Your company has been able to make a break into the software testing services market with its first international customer. We expect this activity to grow with increasing experience in this arena. We also have our first CRM implementation contract for an Indian customer. Our experience in customizing web applications to suit Indian requirements will hold us in good stead and continue generating sales revenue from this activity. Your company is discussing licensing some of its intellectual property to international customers and likely to start monetizing some of these investments. Your company has also acquired a second banking customer for proving systems and application monitoring for their self-service kiosk network.

Internal control systems

The Company continues to enforce strict systems and controls to ensure adequate IP protection. A new versioning and document control system has been implemented and is completely operational. Asset tracking of all our assets are also managed via this system.

Fixed Deposits:

The Company has not accepted any deposit during the year.

Directors:

During the year Mr. U. V. Save and Mr. S. A. Joshi resigned as Directors from the Board. The Board appreciated their

valuable guidance and co-operation received during their tenure. Mr. R. K. Deherkar was appointed as Additional Director.

People:

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

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

Auditors:

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

Conservation of Energy and Technology Absorption and Research and Development:

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

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

Foreign Exchange Earnings and Outgo:

The foreign exchange outgo was Nil and the Company has billed export orders worth Rs.8.80.

Employees Particulars:

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

Directors Responsibility Statement:

Pursuant to the provisions of section 217(2AA) of the

Companies Act, 1956, the Directors hereby state:

a) that while preparing the annual accounts for the year ended 31st March 2011, the applicable accounting standards had been followed along with proper explanations relating to material departures;

b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of financial year;

c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) that the directors had prepared the annual accounts on a going concern basis.

Acknowledgements:

The Directors thank the Shareholders and Government authorities for their support to the company.

For Sprylogic Technologies Limited

Place: Thane
Date: July 12, 2011

Nishith P. Deodhar
Director

AUDITORS' REPORT

To the Members of Sprylogic Technologies Limited,

We have audited the attached Balance Sheet of Sprylogic Technologies Limited as at 31st March 2011, relevant Profit & Loss Account and the Cash Flow Statement for the year ended on that date all of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

- 1) As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.
- 2) Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purpose of audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by the report is in agreement with the books of account of the Company.
 - d) On the basis of written representations received from the directors as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 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.
 - e) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.

- f) In our opinion and to the best of our information and according to the explanations given to us, the Accounts, read together with the Notes thereon, give the information required by The Companies Act, 1956 in the manner so required and present a true and fair view:
 - i) in case of the Balance Sheet of state of the affairs of the Company as at 31st March, 2011
 - ii) in case of Profit & Loss Account of the Profit for the year ended on 31st March 2011; and
 - iii) in case of the Cash Flow Statement of the cash flows for the year ended on that date.

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

Ashish Ashok Kane
 Partner

Place: Thane
 Date: 12th July, 2011

Membership No. 104076
 Firm Regn. No. 120215W

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in Paragraph 1 of our report of even date on the accounts for the year ended 31st March 2011 of Sprylogic Technologies Limited

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

covered in the register maintained under Section 301 of the Companies Act, 1956.

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

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

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

Place: Thane
Date: 12th July, 2011

Balance Sheet as at 31st March 2011

(Rs. in lacs)

	Schedule	As at 31.03.2011	As At 31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	8.50	8.50
Reserves & Surplus	2	17.22	13.50
		25.72	22.00
LOANS			
Secured	3	2.49	4.12
		2.49	4.12
DEFERRED TAX LIABILITY (NET)			
		-	2.69
		28.21	28.81
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	1,81.78	1,48.87
Less Depreciation		1,32.78	74.63
Net Block		49.00	74.23
Capital work in progress		29.46	24.29
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	5	8.99	12.72
Cash & Bank Balances		(63.69)	0.70
Loans & Advances		58.69	46.64
Deferred Tax Asset		0.87	-
		4.86	60.06
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	6	40.77	1,21.08
Provision		14.41	8.85
		55.18	1,29.94
NET CURRENT ASSETS			
		(50.33)	(69.88)
MISCELLANEOUS EXPENDITURE			
(To the extent not W/off or Adjusted)	7		
Preliminary & Pre - operative Expenses		0.08	0.16
TOTAL		28.21	28.81
NOTES ON ACCOUNTS	13		
SIGNIFICANT ACCOUNTING POLICIES	14		

As per our report attached For and on behalf of the Board
For Puranik Kane & Co.
Chartered Accountants
Ashish Ashok Kane
Partner
Firm Regn. No. 120215W
Thane
12th July 2011

Nishith Deodhar Director
S.A. Joshi Director
Thane
12th July 2011

Profit & Loss Account for the year ended 31 March 2011

(Rs. in lacs)

	Schedule	2010-11	2009-10
INCOME:			
Sales and Operating Earnings	8	1,84.14	1,56.93
Other Income	9	5.98	0.03
		1,90.12	1,56.96
EXPENSES:			
Payments to and provisions for Employees	10	1,28.32	1,35.17
Other Expenses	11	35.83	33.92
TOTAL		1,64.15	1,69.10
Less: Product Development Cost		38.42	59.59
		1,25.73	1,09.51
Interest and Finance Charges	12	0.53	0.61
Depreciation	4	4.91	6.86
Amortization of Product Cost	4	53.23	28.68
		1,84.40	1,45.66
PROFIT BEFORE TAX		5.72	11.30
PROVISION FOR TAXATION			
Current Tax		5.55	4.43
Fringe Benefit Tax		-	-
Deferred Tax Liability / (Asset)		(3.56)	(0.58)
PROFIT AFTER TAX		3.73	7.45
Balance brought forward from previous year		13.50	6.05
Balance available for appropriation		17.22	13.50
APPROPRIATIONS :			
General Reserve		-	-
Surplus/Loss Carried to Balance Sheet		17.22	13.50
		17.22	13.50
Basic & Diluted Earning per Share (Rupees)		4.39	8.76
NOTES ON ACCOUNTS	13		
SIGNIFICANT ACCOUNTING POLICIES	14		

As per our report attached For and on behalf of the Board
For Puranik Kane & Co.
Chartered Accountants
Ashish Ashok Kane
Partner
Firm Regn. No. 120215W
Thane
12th July 2011

Nishith Deodhar Director
S.A. Joshi Director
Thane
12th July 2011

Schedules forming part of the Balance Sheet as at 31st March, 2011
(Rs. in lacs)

Schedule	As At 31-3-2011	As At 31-3-2010
SCHEDULE 1 :		
Share Capital		
Authorised		
10,00,000 Equity Shares of Rs. 10 each.	100.00	100.00
Issued And Subscribed		
85,000 Equity Shares of Rs. 10 each	8.50	8.50
Paid up		
85,000 Equity Shares of Rs. 10 each (50,000 Equity shares of Rs. 10 each held by holding company M/s. Aplab Ltd.)	8.50	8.50
	8.50	8.50
SCHEDULE 2 :		
Reserves & Surplus		
1. Profit & Loss Account		
Balance last year	13.50	6.05
Add. Current year profit	3.73	7.45
Closing Balance	17.22	13.50
SCHEDULE 3 :		
Secured Loans		
1. Term Loans from Banks :		
a) Vehicle Loans from Banks	2.49	4.12
Secured by hypothecation of Vehicles financed by respective bank.	2.49	4.12

SCHEDULE - 4
FIXED ASSETS
(Rs. in lacs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2010	Additions	Dele- tions	As on 31.03.2011	Up to 01.04.2010	For the Period	Written back	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
Plant and Machinery	6.83	0.41	-	7.24	0.76	0.89	-	1.64	5.60	6.07
E.D.P. Systems/Computers	17.60	0.30	-	17.90	10.61	2.88	-	13.49	4.41	6.99
Vehicles	9.51	-	-	9.51	5.21	1.11	-	6.32	3.19	4.30
Furniture and Fixture	0.22	0.05	-	0.27	0.03	0.03	-	0.06	0.21	0.19
TOTAL FOR THE YEAR	34.16	0.76	-	34.92	16.61	4.91	-	21.52	13.40	17.55
Owned Products	1,14.71	32.14	-	1,46.85	58.03	53.23	-	1,11.26	35.59	56.68
	1,48.87	32.90	-	1,81.77	74.64	58.14	-	1,32.78	49.00	74.23
Total for the previous year	95.17	55.23	1.53	1,48.87	40.12	35.54	1.02	74.64	74.23	55.05

Schedules forming part of the Balance Sheet & Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)			(Rs. in lacs)		
Schedule	As at 31.03.2011	As At 31.03.2010	Schedule	2010-11	2009-10
SCHEDULE : 5			SCHEDULE 8		
Current Assets, Loans & Advances			Sales and Operating Earnings		
(A) Current Assets					
1. Sundry Debtors (Unsecured)					
Due from others (Considered good)			Service Income	1,84.14	1,56.93
Within 6 months	8.99	12.72		1,84.14	1,56.93
	8.99	12.72			
2. Cash & Bank Balances			SCHEDULE 9		
Cash and Cheques on hand	-	-	Other Income		
In Deposit Accounts with Scheduled Banks			Sales Commission	-	-
In Current Accounts with Scheduled Banks	(63.69)	0.70	Misc. Income	5.98	0.03
	(63.69)	0.70		5.98	0.03
(B) Loans & Advances (Unsecured)			SCHEDULE 10		
(considered good unless otherwise specified)			Payments to and provisions for Employees		
1. Advance Income Tax/T.D.S.	58.69	46.64	Salaries, Wages & Bonus	1,05.02	1,21.47
2. Deposits :	-	-	Contribution to Provident & Other Funds	7.28	9.51
	58.69	46.64	Gratuity	15.52	4.03
			Staff Welfare Expenses	0.28	0.16
			Contribution to ESIC	0.22	-
				1,28.32	1,35.17
SCHEDULE 6 :			SCHEDULE 11		
Current Liabilities & Provisions			Other Expenses		
1. Current Liabilities			Rent for Office/Residential Premises	14.28	14.81
Sundry Creditors	4.79	11.89	Printing & Stationery	0.30	0.31
Other liabilities	29.88	20.73	Postage & Telephone	0.89	1.14
Advance from customers	6.11	88.46	Traveling	1.89	7.00
	40.77	1,21.07	Vehicle Expenses	1.55	0.61
Provision for Taxation	14.41	8.85	Legal & Professional Charges	12.40	3.66
	14.41	8.85	Advertisement & Publicity	-	0.11
			Commission & Discount	-	-
			Office Maintenance Charges	0.29	1.37
			Repairs and Maintenance	0.03	0.28
			Misc. Expenses	0.04	0.45
			Exchange Variation Loss (Net)	(0.45)	0.13
			Consumables	0.61	1.39
			Software cost written off	1.11	-
			Food Expenses	0.49	0.50
			Insurance	0.13	0.18
			Internet Exp	2.20	1.91
			Miscellaneous Expenditure written off	0.08	0.08
				35.83	33.93
SCHEDULE 7 :			SCHEDULE 12		
Miscellaneous Expenditure			Interest and Finance Charges		
(To the extent not written off or adjusted)			On Fixed Period Loans	0.39	0.58
Preliminary and Pre Operative Expenses			Bank Charges	0.14	0.03
Company Formation Expenses	0.08	0.16		0.53	0.61
	0.08	0.16			

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011
SCHEDULE 13
NOTES ON ACCOUNTS
1. Payments to Directors

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

	2010-2011 Rupees	2009-2010 Rupees
(a) Remuneration		
Salary	10.38	14.09
Provident Fund Contribution	0.81	0.96
Other Perquisites	0.64	3.59
Total	11.83	18.64

2. Payment to Auditors:

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

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

		2010-11	2009-10
i	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	5.28	11.89
ii	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
iii	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v	The amount of further interest remaining due and payable even in succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

4. Segment Reporting (Accounting Standard – AS 17)

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

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011
5. Related Party Disclosures (Accounting Standard AS 18)

List of Related Parties and Relationship

- Holding Company:
Aplab Limited
- Key Management Personnel:
Mr. Nishith P. Deodhar Chairman
Mr. S.A. Joshi Director
- Relatives of Key Management Personnel
Mr. P. S. Deodhar
- Enterprises over which key management personnel and their relatives are able to exercise significant influence
Deodhar Electro Design Ltd.
TTL Technologies Pvt. Ltd.

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

(Rs.in lacs)

Nature of Transaction	Holding company Rs.	Deodhar Electro Design Pvt. Ltd.	TTL Technologies Pvt. Ltd
Sale & services of Software	159.51 (146.40)	3.61 (2.40)	4.87 (2.85)
Sale of Laptop	0.00 (0.54)	— —	— —
Purchase of Asset	0.43 (5.56)	— —	— —
Rent paid	15.75 (15.75)	— —	— —
Advance from Customer	3.31 (80.92)	— —	—

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

(Rs. in Lacs)

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

	2010-11	2009-10
Net Profit / (Loss) after tax as per Profit and Loss Account available for Equity Shareholder	3.73	7.45
Number of shares for Basic EPS	85,000	85,000
Earning per share Basic and Diluted	Rs.4.39	Rs 8.76

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011
7. Deferred Tax Assets and Liabilities (Accounting Standard – AS 22)

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

	(Rs. in Lacs)	
	2010-11 Rupees	2009-10 Rupees
- Depreciation	(3.51)	(0.45)
- Expenditure / Provisions not allowable	4.38	3.14

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

	(Rs. in Lacs)	
	2010-11 Rupees	2009-10 Rupees
8.1 Value of Imports Calculated on CIF basic Components and spares & outsourced items	NIL	NIL
Capital Goods	NIL	NIL
Other	NIL	NIL
8.2 Earning in Foreign Exchange: FOB Value of Exports	8.80	11.56
Other Charges	NIL	NIL
8.3 Expenditure in Foreign Currency Traveling	NIL	2.03

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

	(Rs. In lacs)			
Particulars	Opening as on 01.04.2010	Provision made during the year	Provision reversed / adjusted	Closing as on 31.03.2011
Taxation				
- Income Tax	7.94	5.55	Nil	13.49
- FBT	0.92	Nil	Nil	0.92

10. During the year the management estimated that useful economic life of certain software was over. Accordingly, an amount of Rs.16.52 has been amortised to the Profit & Loss Account.

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

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011

SCHEDULE 14

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statement:

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

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

2. Fixed Assets and Depreciation:

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

3. Depreciation and Amortisation :

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

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

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

The carrying amount of fixed assets is reviewed at each Balance Sheet date if there are any indications of impairment based on internal / external factors.

4. Taxation:

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

5. Retirement Benefits:

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

6. Revenue Reorganization:

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

Signature to Schedules '1' to '14'

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

Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

Thane
12th July, 2011

For and on behalf of the Board

Nishith P. Deodhar Director
S. A. Joshi Director

Thane
12th July, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011
(Rs. in lacs)

Particulars	2010-2011	2009-2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extra ordinary items	5.72	11
Adjustments For :		
Depreciation	4.91	6.86
Amortization of Product Cost	53.23	28.68
	<u>63.86</u>	<u>46.84</u>
Operating Profit before working capital changes	63.86	46.84
Adjustments For :		
(Decrease) / Increase in Working Capital	(88.54)	21.90
	<u>(24.68)</u>	<u>68.74</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase / Development of Fixed Assets	(38.07)	(67.53)
Sale of Fixed Assets	-	0.51
	<u>(38.07)</u>	<u>(67.02)</u>
Net Cash used in Investing Activities	(38.07)	(67.02)
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase / (Decrease) in Borrowings	(1.63)	(1.45)
Net Cash from Financial Activities	(1.63)	(1.45)
Net Increase / (Decrease) Increase in Cash and Cash Equivalent(A+B+C)	<u>(64.38)</u>	<u>0.28</u>
Opening Balance of Cash and Cash Equivalent	0.70	0.42
Closing Balance of Cash and Cash Equivalent	(63.68)	0.70
Net Increase / (Decrease)	<u>(64.38)</u>	<u>0.28</u>

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

Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

Thane
12th July, 2011

For and on behalf of the Board

Nishith P. Deodhar Director
S. A. Joshi Director

Thane
12th July, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

Balance Sheet State Code

Date : Date Month Year

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

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

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

Total Liabilities	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="1"/>	Total Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="1"/>
Sources of Funds			
Paid-up Capital	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="0"/>	Reserve & Surplus	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="2"/>
Secured Loans	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="9"/>	Unsecured Loans	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>

Application of Funds

Net Fixed Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="6"/>	Investments	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/> <input type="text" value=""/>
Net Current Assets	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="-"/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="3"/>	Misc. Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="0"/> <input type="text" value="8"/>
Accumulated Losses	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>		

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

Turnover	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="2"/>	Total Expenditure	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="0"/>
+ - Profit/Loss Before Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="2"/>	+ - Profit/Loss After Tax	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="3"/>

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

Earning per Share in Rs.	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="."/> <input type="text" value="3"/> <input type="text" value="9"/>	Dividend %	<input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>
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V. Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

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

**AUDITORS' REPORT ON CONSOLIDATED
FINANCIAL STATEMENTS**

- 1 We have examined the attached Consolidated Balance Sheet of Aplab Limited and its subsidiaries ("the Aplab Group") as at 31st March, 2011 and consolidated profit and loss account and consolidated cash flow statement for the year ended from April 1, 2010 to March 31, 2011 all of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements & other financial information. Our responsibility is to express an opinion on these financial statements.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements free of material misstatements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
- 3 We did not audit the financial statements of two subsidiaries, Intel Instruments & Systems Ltd., ("Intel") whose financial statements reflect total assets of Rs.314.23 lacs as at March 31, 2011 and total revenues of Rs.412.77 lacs, and Sprylogic Technologies Ltd. whose financial statements reflect total assets of Rs.28.21 lacs as at March 31, 2011 and total revenue of Rs. 190.12 lacs These financial statements have been audited by other firms of auditors, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts included in respect of subsidiaries, is based solely on the reports of the auditors of those companies.
- 4 We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, 'Consolidated Financial Statements' as notified under the Company's (Accounting Standards) Rules, 2006.
- 5 *We invite attention to the modification in the audit report on the separate financial statements of Aplab Ltd. regarding non-recognition of accrued liability towards gratuity as per AS-15 Employee Benefits. As per the Company's accounting policy in this regard, gratuity is provided when contribution is made to the Group Gratuity Scheme. The year-end amount payable to LIC under this scheme not recognized in the financial statements is Rs 722.65 lacs Similarly a subsidiary, Intel Instruments & Systems Ltd. also does not recognize gratuity & leave encashment liability on accrual basis resulting in non-recognition of year end liability of Rs.161.41 lacs. Further the subsidiary company's*

accrued liability towards leave encashment is not determined.

- 6 *We further report that, had the observations made by us in Para 5 above been considered, while compiling the consolidated financial statements for the year, the profit of Rs. 57.00 lacs for the year would have resulted to loss of Rs. 827.06 lacs and balance of Reserves and Surplus would have been Rs. 987.21 lacs as against the reported figure of Rs.1, 871.27 lacs.*
- 7 Based on our audit, and on consideration of separate audit reports on the individual financial statements of the Company and the aforesaid subsidiaries, and to the best of our information and according to the explanations given to us, *subject to our observations at para 5 above, we are of the opinion that the said consolidated financial statements of Aplab Group companies do not give a true and fair view:*
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - b) in the case of the Consolidated Profit and Loss Account of the consolidated loss of the Group for the year then ended and
 - c) in the case of the Consolidated Cash Flow Statement of the consolidated cash flow of the Group for the year then ended

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

Thane
August 11, 2011

Ashutosh Pednekar
Partner
ICAI M.No. 41037

Consolidated Balance Sheet as at 31st March, 2011

(Rs. in lacs)

	Schedule	As at 31.03.2011	As At 31.03.2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	5,00.00	5,00.00
Reserves & Surplus	2	18,71.28	18,16.25
		23,71.28	23,16.25
LOANS			
Secured	3	39,40.66	37,74.83
Unsecured	4	10,21.15	8,70.48
		49,61.81	46,45.31
DEFERRED TAX LIABILITY (NET)			
		-	9.73
		73,33.09	69,71.29
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	51,71.15	40,14.01
Less: Depreciation		25,37.38	24,29.69
Net Block		26,33.77	15,84.32
Capital Work In Progress		29.46	12,28.47
		26,63.23	28,12.79
INVESTMENTS			
	6	2.38	2.38
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	7	41,78.27	44,40.76
Sundry Debtors		35,58.05	24,70.01
Cash & Bank Balances		1,81.81	2,55.43
Loans & Advances		18,84.52	18,55.50
		98,02.65	90,21.70
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	8	38,76.94	36,12.18
Provisions		12,60.60	12,44.50
		51,37.54	48,56.68
NET CURRENT ASSETS			
		46,65.11	41,65.02
MINORITY INTEREST			
		(10.59)	(9.06)
DEFERRED TAX ASSET (NET)			
		12.88	-
MISCELLANEOUS EXPENDITURE			
(To the extent not W/off or adjusted) Preliminary & Pre-Operative expenses	9	0.08	0.16
		73,33.09	69,71.29
CONTINGENT LIABILITIES			
NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES			
	10		

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

Ashutosh Pednekar
Partner

Rajesh K. Deherkar
Company Secretary &
Finance Controller

Thane : 11th August, 2011

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

Thane : 11th August, 2011

Consolidated Profit & Loss Account for the year ended 31st March, 2011

(Rs. in lacs)

	Schedule	2010-11	2009-10
INCOME:			
Sales and Operating Earnings	11	116,03.63	100,04.58
Other Income	12	1,45.06	1,48.20
Variation in Stocks	13	(3,97.53)	7,36.02
		113,51.16	108,88.80
EXPENSES			
Materials Consumed	14	62,50.68	64,44.00
Payments to and provisions for Employees	15	25,25.30	26,06.36
Manufacturing Expenses	16	5,11.58	5,32.54
Other Expenses	17	11,89.95	12,08.79
		104,77.51	107,91.69
Less : Product Development Cost			
		38.44	59.59
		104,39.07	107,32.10
Interest and Finance Charges			
	18	6,28.30	5,21.92
Depreciation/Amortisation	5	2,44.28	2,38.44
Less : Transferred to Revaluation Reserve		0.44	0.49
		2,43.84	2,37.95
PROFIT BEFORE TAX			
		39.95	(6,03.17)
Provision for Taxation			
Current tax		5.55	4.43
Deferred tax Liability/(Assets)		(22.60)	3.82
PROFIT AFTER TAX			
		57.00	(6,11.42)
Less : Current Tax Provision for earlier year			
		-	0.04
Less : Deferred Tax Provision for earlier year			
		-	(5.00)
Less : Balance b/f from previous year			
		(7,62.89)	(1,46.51)
Balance carried to balance sheet			
		(7,05.89)	(7,62.89)
Basic and diluted earning per share (Rupees)			
		1.11	(12.39)
CONTINGENT LIABILITIES			
NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES			
	19		

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

Ashutosh Pednekar
Partner

Rajesh K. Deherkar
Company Secretary &
Finance Controller

Thane : 11th August, 2011

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

Thane : 11th August, 2011

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in lacs)

		As at 31.03.2011	As at 31.03.2010			As at 31.03.2011	As at 31.03.2010
SCHEDULE 1: Share Capital				(b) Bank of Maharashtra : 7,29.46 7,49.37			
Authorised				Secured by mortgage of Land, & Building and other fixed assets subject to specific prior charges at Bhosri, Pune and Bangalore (Repayable within one year Rs. 1,23.84 lacs Previous year Rs. 20.64.lacs)			
70,00,000 (Previous year Rs. 70,00,000) Equity Shares of Rs. 10 each.		7,00.00	7,00.00	(c) Vehicle loans from Banks. : 5.30 13.81			
Issued And Subscribed				Secured by hypothecation of vehicles financed by respective banks (Repayable within one year Rs.1.72 lacs Previous year Rs. 6.67 lacs)			
50,00,000 (Previous year Rs. 50,00,000) Equity Shares of Rs. 10 each		5,00.00	5,00.00	2. Deferred Payment/Hire Purchase Credits: - 0.99			
Paid Up				From other corporate Secured by charge /lien over assets acquired under hire-purchase agreements (Repayable within one year Rs.Nil Previous year Rs. 0.99 lacs)			
50,00,000 (Previous year Rs. 50,00,000) Equity Shares of Rs.10 each fully paid up.		5,00.00	5,00.00	3. Cash Credit : 21,38.52 20,75.86			
Note: Share Capital includes 8,30,300 Equity Shares of Rs.10 each allotted as fully paid bonus shares by Capitalisation of General Reserve, in earlier years.				From Corporation Bank, Secured by hypothecation of all stocks and book debts and further secured / to be secured by charge on land & buildings at Thane and other fixed assets Subject to specific prior charge (s)			
SCHEDULE 2 Reserves & Surplus				4. Bill Discounting 9,99.93 7,95.56			
1. General Reserve				5. Packing Credit Loan 28.96 60.35			
Balance last year		12,76.31	11,27.31	Secured by hypothecation of Raw material, Finished Goods, & Semi finished goods			
Less: Debit Balance of Profit and Loss Accounts		(7,05.89)	(6,16.38)	6. Foreign Bills Purchase Account 38.49 36.22			
		5,70.42	5,10.93	Against Export Documents			
Less :Mionority interest		7.09	3.07	39,40.66 37,74.83			
		5,63.33	5,07.86				
2. Share Premium Account				21,38.52 20,75.86			
		12,91.81	12,91.81	4. Bill Discounting 9,99.93 7,95.56			
3. Capital Reserve				5. Packing Credit Loan 28.96 60.35			
		4.01	4.01	Secured by hypothecation of Raw material, Finished Goods, & Semi finished goods			
4. Revaluation Reserve				6. Foreign Bills Purchase Account 38.49 36.22			
Balance last year		12.54	13.03	Against Export Documents			
Less: Amount transferred from Profit and Loss Account		0.44	0.49	39,40.66 37,74.83			
		12.10	12.54				
5. Investment allowance Reserve (Utilised)				21,38.52 20,75.86			
		0.03	0.03	4. Bill Discounting 9,99.93 7,95.56			
		18,71.28	18,16.25	5. Packing Credit Loan 28.96 60.35			
SCHEDULE 3: Secured Loans				6. Foreign Bills Purchase Account 38.49 36.22			
1. Term Loans from Banks :				Against Export Documents			
(a) Corporation Bank :				21,38.52 20,75.86			
Secured by mortgage of Land, & Building & other Fixed Assets Subject to specific prior charges at Thane & Digha, Navi Mumbai. (Repayable within one year Rs.Nil (previous year Rs.42.67 lacs)				4. Bill Discounting 9,99.93 7,95.56			
		-	42.67	5. Packing Credit Loan 28.96 60.35			
SCHEDULE 4: Unsecured Loans				6. Foreign Bills Purchase Account 38.49 36.22			
Fixed Deposits				Against Export Documents			
(Repayable within one year Rs. 3,31.89 lacs Previous year Rs.4,17.42)				21,38.52 20,75.86			
Inter Corporate Deposit				4. Bill Discounting 9,99.93 7,95.56			
(Repayable within one year Rs. 2,60.00 lacs Previous year Rs.Nil)				5. Packing Credit Loan 28.96 60.35			
Loan from Directors				6. Foreign Bills Purchase Account 38.49 36.22			
		0.16	0.16	Against Export Documents			
		10,21.15	8,70.48	21,38.52 20,75.86			

Schedule forming part of the Consolidated Balance Sheet as at 31st March, 2011

SCHEDULE - 5

FIXED ASSETS

(Rs. in lacs)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2010	Additions	Dele- tions	As on 31.03.2011	Up to 01.04.2010	For the Year	Written back	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
PRODUCTION										
Leasehold Land	3,26.26	-	-	3,26.26	26.85	3.64	-	30.49	2,95.77	2,99.41
Factory Buildings	8,34.30	-	-	8,34.30	3,45.59	48.87	-	3,94.46	4,39.84	4,88.71
Residential Premises	7.54	-	-	7.54	4.69	0.14	-	4.83	2.71	2.85
Office Premises	83.32	11,90.90	-	12,74.22	12.41	8.60	-	21.01	12,53.21	70.91
Plant and Machinery	10,55.89	5.86	-	10,61.75	8,47.33	33.02	-	8,80.35	1,81.40	2,08.56
Electrical Installations	94.53	52.25	-	1,46.78	51.37	6.67	-	58.04	88.74	43.16
Furniture and Fixtures	6,66.57	3.73	-	6,70.30	3,58.09	54.15	-	4,12.24	2,58.06	3,08.48
E.D.P. Systems/Computers	4,12.95	9.85	-	4,22.80	3,65.66	21.39	-	3,87.05	35.75	47.28
Vehicles	2,05.68	-	3.49	2,02.19	1,51.77	13.70	2.49	1,62.98	39.21	53.92
RESEARCH AND DEVELOPMENT										
Owned Products	1,14.71	32.14	-	1,46.85	58.03	53.23	-	1,11.26	35.59	56.68
Plant and Machinery	48.69	-	-	48.69	46.33	0.37	-	46.70	1.99	2.36
Electrical Installations	0.91	-	-	0.91	0.91	-	-	0.91	-	-
Furniture and Fixtures	8.53	-	-	8.53	7.22	0.22	-	7.44	1.09	1.31
E.D.P. Systems/Computers	20.03	-	-	20.03	19.34	0.28	-	19.62	0.41	0.69
TOTAL FOR THE YEAR	38,79.91	12,94.73	3.49	51,71.15	22,95.59	2,44.28	2.49	25,37.38	26,33.77	15,84.32
TOTAL PREVIOUS YEAR	39,07.05	1,08.50	1.54	40,14.01	21,65.46	2,65.26	1.03	24,29.69	15,84.32	

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Rs. in lacs)

	As at 31.03.2011	As at 31-03-2010		As at 31.03.2011	As at 31-03-2010
SCHEDULE 6:			(B) Loans & Advances (Unsecured)		
Investments (Non-trade, Unquoted unless otherwise stated)			(Considered good unless otherwise specified)		
A. Long Term Investments (At Cost)			1. Loans and advances to Employees 33.49 32.32		
1. Other Investments : (Unquoted)			2. Advances recoverable in cash or in kind or for value to be received		
a) 2000 ordinary Shares of Rs. 10 each fully paid up of Saraswat Co-op Bank Ltd.	0.20	0.20	a) From Others	3,80.94	3,36.81
b) 1001 ordinary Shares of Rs. 50 each fully paid up of The Thane Janata Sahakari Bank Ltd.	0.50	0.50	b) Amount due as refund of additional duty of customs	32.35	38.15
2) Other investments (Quoted)			3. Balance with Excise Authorities	13.44	71.80
4700 ordinary Shares of Rs. 10 each fully paid of Bank of Maharashtra at premium of Rs. 13 per share Market value as on 31st March 2011 Rs. 59.40 per share	1.08	1.08	4. Advance Income Tax / T.D.S.	11,71.79	11,26.50
3. Government Securities			5. Deposits	2,52.51	2,49.92
National Savings Certificates (Deposited with various Govt. authorities)	0.60	0.60		18,84.52	18,55.50
	2.38	2.38	SCHEDULE 8:		
SCHEDULE 7:			Current Liabilities & Provisions		
Current Assets, Loans & Advances			1. Current Liabilities		
(A) Current Assets			Sundry Creditors		
1. Inventories			a) Micro small & Medium Enterprises		
(As certified by the Management)			b) Others		
Stores & Spares, Dies & Moulds at cost	79.49	3,82.48	Acceptances	10,77.89	7,77.93
Materials & Components at cost	23,96.23	19,35.76	Dues to Directors	1.47	0.87
Goods in process at cost	11,09.77	14,40.11	Advance from customers	2,10.41	1,84.89
Finished Goods at lower of cost or selling price	4,40.50	5,07.69	Interest accrued but not due	44.77	61.92
Materials in Transit and in Bonded Warehouse at cost	1,36.65	1,52.01	Other Liabilities	9,78.45	9,72.98
	41,62.64	44,18.05	Temporary Bank Overdraft	-	16.87
Excise Duty Paid / Payable on Finished Goods	15.63	22.71	Unclaimed Debenture*	-	7.80
	41,78.27	44,40.76	Unclaimed Fixed Deposits*	13.78	9.48
2. Sundry Debtors (Unsecured)			Unclaimed Interest on above Fixed Deposit*		
Due from others Considered Good			Cummulative Time Deposit from Employees*	1.30	1.55
Within 6 months	28,19.20	20,49.90	*(Amount Transferable to Investors Education & Protection fund when due)	0.18	0.18
Others	7,38.85	4,20.11	Provisions		
	35,58.05	24,70.01	Provision for Warranties	1,58.25	1,52.50
3. Cash & Bank Balances			Provision for Taxation	9,51.18	9,47.36
Cash and Cheques on hand	8.36	11.38	Provision for Gratuity	43.27	43.27
In Deposit Accounts with Scheduled Banks	1,26.83	1,16.53	Provision for Leave Encashment	1,07.90	1,01.37
In Current Accounts with Scheduled Banks	46.62	1,27.52		12,60.60	12,44.50
	1,81.81	2,55.43	SCHEDULE 9		
* Deposit Receipts of Rs. 1,20.54 lacs (Previous year Rs.1,01.87 lacs) are pledged against letters of Credit and Guarantees issued by Bank.			Miscellaneous Expenditure		
			(To the extent not written off / adjusted)		
			Preliminary & Pre-operative Expenses		
			Company Formation Expenses		
			0.08 0.16		
			0.08 0.16		
			SCHEDULE 10		
			Contingent Liabilities		
			1. Disputed Tax/duty demands not provided for		
			2. Corporate guarantees given to Banks on account of Subsidiary / Other Companies		
			3. Bank Guarantees given on behalf of Company to third parties		
			4. Counter Guarantees		
			2,36.07 2,31.74		
			67.46 1,36.57		
			19,13.68 16,56.01		
			20.02 40.00		
			22,37.23 20,64.32		

Schedules forming part of the Consolidated Profit & Loss Account For the Year Ended 31st March, 2011

(Rs. in lacs)

	2010-11	2009-10		2010-11	2009-10
SCHEDULE 11			SCHEDULE 15		
Sales and Operating Earnings			Payments to and provisions for Employees		
Product Sales	105,36.57	89,62.29	Salaries, Wages & Bonus	21,39.78	22,16.74
Less : Excise Duty	5,04.39	3,39.34	Contribution to Provident & Other Funds	2,08.97	1,88.02
Net Sales	100,32.18	86,22.95	Gratuity & Leave Encashment	51.55	54.76
Service Income	15,71.45	13,81.63	Staff Welfare Expenses	1,25.00	1,46.84
				25,25.30	26,06.36
	116,03.63	100,04.58	SCHEDULE 16		
SCHEDULE 12			Manufacturing Expenses		
Other Income			Labour Charges	48.42	46.00
Interest-on Bank Deposits (Gross, T.D.S. Rs.0.77 lacs) Previous year Rs. 1.04 lacs)	8.32	10.70	Rent	6.92	6.74
-on Other Accounts (Gross, T.D.S. Rs. Nil) Previous year Rs. Nil)	1.00	1.65	Rates & Taxes	90.37	1,12.88
	9.32	12.35	Power & Electricity	75.36	75.30
Dividend	0.19	0.16	Insurance Charges	3.16	8.19
Insurance Claims	7.17	1.50	Repairs to Plant & Machinery	2.51	1.73
Provision No Longer Required	5.40	-	Repairs to Factory Building	6.90	11.83
Miscellaneous Receipts	81.03	21.87	Miscellaneous Works Expenses	2,77.94	2,69.87
Exchange Variation Profit	19.54	62.00		5,11.58	5,32.54
Refund of Additional duty of customs	22.41	50.32	SCHEDULE 17		
	1,45.06	1,48.20	Other Expenses		
SCHEDULE 13			Rent for Office/Residential Premises	57.55	56.82
Variation in Stocks			Equipment Lease Rentals	2.14	1.54
Stock at Close			Printing & Stationery	32.55	33.80
Finished Goods	4,40.50	5,07.69	Postage & Telephone	1,27.39	1,30.06
Goods in process	11,09.77	14,40.11	Royalty	7.36	-
	15,50.27	19,47.80	Travelling & Conveyance	2,63.26	2,62.89
Stock at Commencement			Vehicle Expenses	43.26	36.15
Finished Goods	5,07.69	3,69.15	Legal & Professional Charges	2,00.51	1,38.31
Goods in Process	14,40.11	8,42.63	Advertisement & Publicity	14.86	37.02
	19,47.80	12,11.78	Commission & Discount	39.86	39.96
	(3,97.53)	7,36.02	Transport Outward & other charges	2,49.57	2,49.44
SCHEDULE 14			Sales Tax, Purchase Tax	2.99	10.71
Materials Consumed			Office Maintenance Charges	69.10	67.91
Stock at Commencement	22,39.22	22,13.54	Repairs and Maintenance	18.75	18.34
Add : Purchases	62,92.81	63,65.54	Miscellaneous Expenses	28.56	30.28
	85,32.03	85,79.08	Bad debts & other amounts written off	26.49	20.11
Less : Stock at close	23,96.23	22,39.22	Exchange Variation loss (Net)	-	0.13
	61,35.80	63,39.86	Amortisation of Goodwill	-	26.82
Add : Consumption of Stores & Spares	1,14.88	1,04.14	Provision for Warranties	5.75	48.50
	62,50.68	64,44.00		11,89.95	12,08.79
SCHEDULE 18			Interest and Finance Charges		
			On Fixed Period Loans	1,46.65	1,24.41
			On Other Loans / Deposits	3,95.53	3,09.45
			Bank charges	86.12	88.06
				6,28.30	5,21.92

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2011

SCHEDULE 19

A. NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

1. Loans and Advances in Schedule 7 include

- i) Rs.11.31 lacs (Rs 10.71 lacs) as Sales Tax, in respect of which matters are pending with the respective appellate authorities and,
 - ii) Rs.14.70 lacs (Rs.14.70 lacs) towards compensation paid to MTNL, in respect of which the Company has filed a suit for recovery.
- 2 i) The Company recognizes its Gratuity liability on the basis of contribution to the LIC Group Gratuity Scheme. During the year, LIC informed the Company that based on its actuarial valuation as of March 31, 2011 a contribution of Rs.7,22.65 lacs is required to make the Scheme fully funded. Gratuity expenditure recognized includes Rs.28.48 lacs being the contribution for financial year 2010-11 of the companies except Intel Instruments & systems Ltd (Intel). As regards Intel , the un provided gratuity liability at year end is Rs.1,61.42 lacs (including Rs 45.32 lacs for the current year).
- ii) Employee benefit:-

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

The benefit of Gratuity is funded defined benefit plan. For this purpose the Companies except Intel Instruments and Systems Ltd has obtained a qualifying insurance policy From LIC

(Rs. in lacs)

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	Rs.	Rs.	Rs.	Rs.
The major categories of plan assets as a percentage of total plan assets	*	*	Nil	Nil
Qualifying Insurance Policy	611868	611868		
Changes in the present value of the obligation				
1 Opening present value of obligation	6,51.57	6,17.63	1,01.37	88.81
2 Interest Cost	*	*	8.14	6.74
3 Current Service Cost	45.96	22.51	12.18	15.69
4 Past Service Cost	-	-	-	-
5 Benefits Paid Actuarial (gain) / loss on	1,23.65	73.80	(10.02)	(5.21)
6 Obligation	*	*	(3.77)	4.66
7 obligation Closing Present Value of	4,44.74	6,51.57	1,07.90	1,01.37
Changes in the Fair Value of Assets				
1 Opening Fair value of Plan Assets	2,97.90	2,99.99		
2 Expected Return on Plan assets	*	*		
3 Contributions	25.18	44.17		
4 Benefits Paid Actuarial gain (loss) on	1,23.65	73.80		
5 Actuarial gain (loss) on Plan Assets	23.37	26.83	Not applicable	Not applicable
6. Closing Present Value of plan Assts	2,22.10	2,97.20	as unfunded	as unfunded

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2011

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	Rs.	Rs.	Rs.	Rs.
Profit & Loss - Expenses				
1 Current Service Cost	45.96	22.51	12.18	15.69
2 Interest Cost	*	*	8.14	6.74
3 Expected Return on Plan assets	*	*	-	-
4 Net Actuarial gain (loss) recognised in the year	*	*	3.77	4.66
5 Past Service Cost	-	-	-	-
6 Expenses Recognised in the statement of Profit & Loss	28.48	22.51	6.53	12.56
Actuarial Assumptions				
1 Discount Rate	8%	8 %	7.5%	7.5%
2 Expected Rate of Return on Plan Assets	*	*	N/A	N/A
3 Expected Rate of Salary Increase	4%	4 %	4%	4%
4 Attrition Rate	1 to 3 %	1 to 3 %	-	-
5 Mortality Post-retirement	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate	LIC (94-96) Ultimate

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

* Note: Negative Amounts are shown in Bracket.

Information relating to subsidiaries not included above as complete details are not available.

3. Related Party Disclosures (Accounting Standard AS 18)

List of Related Parties and Relationship

Subsidiary Companies:

Intel Instruments and Systems Limited

Sprylogic Technologies Ltd

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

Zee Entertainment Enterprises Ltd (Formerly Zee Telefilms Limited)

Key Management Personnel:

Mr. P.S. Deodhar

Chairman

Mr. Nishith Deodhar

Managing Director

Mr. S.A.Joshi

Executive Director

Mrs. Neelam K Kumar

Executive Director

Relatives of Key Management Personnel:

Mrs. A. P. Deodhar

Mrs. Aruna Narayanan

Mr. Arun P. Deodhar

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

Sr.No.	Name of the Party
1	Deodhar Electro Design Pvt Ltd
2	TTL Technologies Private Limited
3	Intel Exports Corporation
4	Telemetrics Incorporated
5	Print Quick Private Limited
6	Origin Instrumentation Private Limited
7	Contech Soft-Tech Solution Pvt. Ltd
8	Telemetry Systems Pvt. Ltd
9	A.N. Associates
10	Dakshin Media Gaming Solutions Pvt. Ltd.
11	Aalay Interiors
12	Digital Media Convergence Ltd

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2011

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

(Rs. in lacs)

Nature of Transaction & Names	Key Management Personnel	Relative of Management Personnel Rs.	Related Enterprises Rs.
Sale of Material / Finished Goods			
Deodhar Electro Design Pvt. Ltd.			12.50 (30.50)
Intel Exports Pvt. Ltd.			27.59 (29.91)
Telemetrys Incorporated			0.01 (0.72)
TTL Technologies Pvt. Ltd.			61.62 (6.90)
Total			1,01.72 (68.03)
Purchase of Material / Finished Goods			
Deodhar Electro Design Pvt. Ltd.			1,18.69 (94.65)
Telemetrys Incorporated			2,39.66 (2,24.67)
Telemetrys Systems Pvt. Ltd.			57.90 (40.55)
Aalay Interiors		Nil (19.48)	
Total		Nil (19.48)	4,16.25 (3,59.87)
Rent Paid / Payable			
Nishith Deodhar	10.20 (10.20)		
Origin Instrumentation Pvt. Ltd.			7.53 (7.53)
Print Quick Pvt. Ltd.			7.53 (7.53)
Contech Soft - Tech Solution Pvt. Ltd.			3.00 (3.00)
Total	10.20 (10.20)		18.06 (18.06)
Service/Labour charges Paid/Payable			
Deodhar Electro Design Pvt. Ltd.			7.94 (16.30)
Digital Media Convergence Ltd.			Nil (0.60)
A. N. Associates		Nil (9.55)	
Intel Exports-Intel			0.20 (Nil)
Total		Nil (9.55)	8.14 (16.90)

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2011

(Rs. in lacs)

Nature of Transaction	Key Management Personnel	Relative of Management Personnel Rs.	Related Enterprises Rs.
Expenses Reimbursed			
Telemetrics Incorporated (Supplier)			1.29
Intel Export Corporation			(1.22)
			Nil
			(0.58)
Total			1.29
			1.80
Debit Balances as on 31.03.2011			
Digital Media Convergence Ltd.	Nil		
	(0.60)		
Intel Export Corporation			2.04
			(3.30)
Total	Nil		2.04
	(0.60)		(3.30)
Inter Corporate Deposit			
TTL Technologies Pvt. Ltd.			2,35.00
			(Nil)
Total			2,35.00
			(Nil)
Interest Paid/Accrued and due on Inter Corporate Deposit			
TTL Technologies Pvt. Ltd.			12.57
			(Nil)
Total			12.57
			(Nil)
Credit Balances as on 31.03.2011			
Deodhar Electro Design Pvt. Ltd.			22.66
			(3.37)
Telemetrics Incorporated			88.68
			(78.40)
Telemetra Systems Pvt. Ltd.			23.71
			(15.19)
Origin Instrumentation Pvt. Ltd.			0.56
			(0.56)
Print Quick Pvt. Ltd.			0.97
			(0.56)
Contech Electronics Pvt. Ltd.		1.54	
		(0.23)	
Nishith Deodhar	0.77		
	(0.77)		
Intel Export Corporation			2.15
			(Nil)
Total	0.77	1.54	1,38.73
	(0.77)	(0.23)	(98.08)

Previous year figures are shown in bracket

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2011

4. Earning per Share (Accounting Standard – AS 20)	(Rs. in lacs)	
	<u>2010-11</u>	<u>2009-10</u>
Profit computation for both Basic and Diluted Earnings per Share of Rs. 10 each		
Net profit/ (Loss) after tax as per Profit and Loss Account available for Equity Shareholders	55.47	(6,19.45)
)Number of shares for Basic & diluted EPS as above	50,00,000	50,00,000
Earning per Share (Rs.)		
Basic and Diluted (Rs.)	1.11	(12.39)
5. Deferred Tax Assets and Liabilities (Accounting Standard – AS 22)		
Deferred Tax Liability / (Asset) at the year end comprises timing difference on account of:		
- Depreciation Aplab	(10.44)	29.03
Other	-	3.14
	(10.44)	32.17
- Expenditure / Provisions	23.32	6.27
Business Loss	-	16.17
	23.32	22.44
	(12.88)	9.73

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

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

Particulars	Opening as on 01.04.2010	Provision made during the year	Provision reversed /adjusted	Closing as on 31.03.2011
Taxation - Income Tax	8,31.46	5.55	-	8,37.01
FBT	1,15.90	-	1.73	1,14.17
Provision for Warranties	1,52.50	62.75	57.00	1,58.25
Provision for Leave Encashment	1,01.37	6.53	-	1,07.90
Provision for Gratuity	43.27	-	-	43.27

Schedules forming part of the Consolidated Balance Sheet and Profit & Loss Account For the Year Ended 31st March, 2011

B. SIGNIFICANT ACCOUNTING POLICIES**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

2. PRINCIPLES OF CONSOLIDATION

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

- a. The financial statements of the Parent Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses, if any.
- b. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.
- c. As on 31st March, 2008, 35000 equity shares at face value of Rs.10 each amounting to Rs.3,50,000 of Sprylogic Technologies Ltd. were issued to Mr.Nishith Deodhar, Managing Director due to which Sprylogic did not remain 100% subsidiary Company of Aplab Ltd. as on 31st March, 2008. Disclosure of minority interest is made in the Consolidated Balance Sheet for above transaction.

3. OTHER SIGNIFICANT ACCOUNTING POLICIES

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

Signature to Schedules '1' to '19'

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

Ashutosh Pednekar
Partner

Thane : 11th August, 2011

Rajesh K. Deherkar
Company Secretary &
Finance Controller

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

Thane : 11th August, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(Rs. in lacs)

Particulars	2010-11	2009-10
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extra ordinary items	39.95	(6,03.17)
Adjustments for :		
Depreciation	2,43.84	2,37.95
Amortisation of Goodwill	-	26.82
Interest Received	(9.32)	(12.35)
Dividend Received	(0.19)	(0.16)
Provision / Balances written back	(5.40)	-
Operating Profit before working capital changes	<u>2,68.88</u>	<u>(3,50.91)</u>
Adjustment For :		
(Decrease) / Increase in Working Capital	(3,41.28)	7,84.92
Prior year Tax Adjustment	<u>(72.40)</u>	<u>4,34.01</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(90.56)	(1,08.50)
Capital Work in Progress	(5.17)	(2,83.11)
Sale of Fixed Assets	1.00	0.51
Dividend Paid	-	(58.50)
Sales / (Purchase) of Other Investments made	-	0.30
Net Cash used in Investing Activities	<u>(94.73)</u>	<u>(4,49.30)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Borrowings	78.60	(0.67)
Interest Received	9.32	12.35
Dividend Received	0.19	0.16
Provision Written Back	5.40	-
Net Cash from Financial Activities	<u>93.51</u>	<u>11.88</u>
Net Increase / Decrease in (A+B+C)	<u>(73.62)</u>	<u>(3.41)</u>
Opening Balance of Cash and Cash Equivalent	2,55.43	2,58.84
Closing Balance of Cash and Cash Equivalent	1,81.81	2,55.43
Increase / (Decrease)	<u>(73.62)</u>	<u>(3.41)</u>

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

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

For and on behalf of the Board

Ashutosh Pednekar
Partner

Nishith Deodhar
Managing Director

Thane : 11th August, 2011

Thane : 11th August, 2011

Aplab Limited

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

PROXY FORM

Folio No. : _____ No. of Shares : _____

Client ID : _____ DP ID : _____

I / We _____

of _____ in the district of _____

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

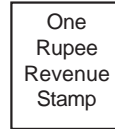
_____ in the district of _____

_____ or failing him _____ in the district of _____

_____ as my / our proxy to

attend and vote for me / us on my / our behalf at the 46th Annual General Meeting of the Company to be held on Thursday, 29th September, 2011 at 12.30 p.m. at Hotel Tip Top Plaza, LBS Marg, Near Check Naka, Thane (W) - 400 602.

Signed this _____ day of _____ 2011.



Signature

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

—TEAR HERE—

Aplab Limited

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

ATTENDANCE SLIP

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

Folio No. : _____ No. of Shares : _____

Client ID : _____ DP ID : _____

Name of the attending member (in block letters)

Name of the proxy (in block letters)

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

I hereby record my presence at the 46th Annual General Meeting of the Company to be held on Thursday, 29th September, 2011 at 12.30 p.m. at Hotel Tip Top Plaza, LBS Marg, Near Check Naka, Thane (W) - 400 602.

Member's / Proxy Signature

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

TEAR HERE