

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

	Schedule	March 31, 2010 Rupees	March 31, 2009 Rupees
<b><u>SOURCES OF FUNDS</u></b>			
<b>Shareholders' Funds</b>			
Capital	1	60,480,000	60,480,000
Reserves and Surplus	2	447,955,208	408,108,097
		<u>508,435,208</u>	<u>468,588,097</u>
<b>Loan Funds</b>			
Secured Loans	3	150,985,795	79,034,223
Unsecured Loans	4	4,440,000	13,320,000
		<u>155,425,795</u>	<u>92,354,223</u>
<b>Deferred Tax Liability (net)</b>	5	39,798,849	35,664,426
<b>Total</b>		<u><u>703,659,852</u></u>	<u><u>596,606,746</u></u>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>Fixed Assets</b>			
Gross Block	6	607,507,150	561,131,830
Less : Depreciation		<u>170,859,914</u>	<u>158,590,471</u>
Net Block		436,647,236	402,541,359
Capital Work-in-progress		<u>25,174,144</u>	<u>10,847,930</u>
		<u>461,821,380</u>	<u>413,389,289</u>
<b>Investments</b>	7	480,983	1,754,713
<b>Current Assets, Loans and Advances</b>			
Inventories	8	91,110,822	106,247,278
Sundry Debtors	9	266,430,150	217,212,588
Cash and Bank Balances	10	14,972,146	37,693,557
Other Current Assets	11	123,862	482,377
Loans and Advances	12	80,160,695	51,995,275
		<u>452,797,675</u>	<u>413,631,075</u>
<b>Less : Current Liabilities and Provisions</b>	13		
Liabilities		179,528,044	194,713,287
Provisions		<u>33,027,195</u>	<u>37,455,044</u>
		<u>212,555,239</u>	<u>232,168,331</u>
<b>Net Current Assets</b>		240,242,436	181,462,744
<b>Miscellaneous Expenditure (To the extent not written off or adjusted)</b>		1,115,053	-
<b>Total</b>		<u><u>703,659,852</u></u>	<u><u>596,606,746</u></u>
Notes to Accounts	20		

The Schedules referred to herein above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

**For Price Waterhouse**  
 Firm Registration No. 301112E  
 Chartered Accountants

**Neeraj Gupta**  
 Partner  
 Membership No.F055158

Mumbai: May 17, 2010

For and behalf of the Board  
**E. A. Elias**  
 Managing Director

**A. D. Kunte**  
 Director

**K. K. Bhavsar**  
 Company Secretary

Mumbai: May 17, 2010

**Sudhir Seth**  
 Director

**Shailesh Hemani**  
 Director

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

	Schedule	March 31, 2010 Rupees	March 31, 2009 Rupees
<b><u>INCOME</u></b>			
Sales (Refer Note 1(G)(a) on Schedule 20)	<b>14</b>	1,575,238,946	1,560,471,884
Less : Excise Duty		115,678,503	143,799,559
		<u>1,459,560,443</u>	<u>1,416,672,325</u>
Less : Sales Tax		87,574,851	56,223,888
		<u>1,371,985,592</u>	<u>1,360,448,437</u>
Commission		4,330,426	12,720,410
Service Charges		3,694,253	1,119,401
Other Income	<b>15</b>	18,965,785	19,212,082
		<u>1,398,976,056</u>	<u>1,393,500,330</u>
<b><u>EXPENDITURE</u></b>			
Cost of Materials	<b>16</b>	903,338,465	860,324,298
Employee Costs	<b>17</b>	165,746,234	147,042,253
Operating and Other Expenses	<b>18</b>	191,163,044	200,689,528
Financial Expenses	<b>19</b>	19,027,134	12,699,590
Depreciation		36,414,651	37,413,198
		<u>1,315,689,528</u>	<u>1,258,168,867</u>
<b>Profit before Taxation</b>		83,286,528	135,331,463
<i>Provision for Taxation</i>			
- Current Year		25,200,000	42,251,000
- Fringe Benefit Tax		-	1,641,986
- Deferred		4,134,423	(684,145)
<b>Profit after Taxation</b>		<u>53,952,105</u>	<u>92,122,622</u>
<b>Profit and Loss Account Balance Brought Forward from Previous Year</b>		287,246,222	226,351,173
<b>Profit available for Appropriation</b>		<u>341,198,327</u>	<u>318,473,795</u>
<b>Appropriations</b>			
Proposed Dividend		12,096,000	18,144,000
Corporate Tax on Dividend		2,008,994	3,083,573
Transfer to General Reserve		5,000,000	10,000,000
Profit and Loss Account Balance		322,093,333	287,246,222
		<u>341,198,327</u>	<u>318,473,795</u>
Basic and Diluted Earnings Per Share (Refer Note 15 on Schedule 20)		8.92	15.23
Notes to Accounts	<b>20</b>		
The Schedules referred to herein above form an integral part of the Profit and Loss Account.			

This is the Profit and Loss Account referred to in our report of even date.

**For Price Waterhouse**

Firm Registration No. 301112E  
Chartered Accountants

**Neeraj Gupta**

Partner  
Membership No.F055158

Mumbai: May 17, 2010

For and behalf of the Board

**E. A. Elias**  
Managing Director

**A. D. Kunte**  
Director

**K. K. Bhavsar**  
Company Secretary

Mumbai: May 17, 2010

**Sudhir Seth**  
Director

**Shailesh Hemani**  
Director

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

	March 31, 2010 Rupees	March 31, 2009 Rupees
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Taxes	83,286,528	135,331,463
Adjustments for :		
Depreciation	36,414,651	37,413,198
Loss on Sale/ Scrapping of Assets (net)	350,039	566,898
Bad Debts Written Off	1,608,734	1,298,590
Liabilities/ Provisions no longer required written back	(573,717)	(1,418,643)
Wealth Tax	-	21,153
Interest Income - Gross	(965,809)	(1,067,208)
Provision for Diminution in value of investment	1,273,730	-
Interest Expense	15,079,307	9,325,791
Operating Profit Before Working Capital Changes	<u>136,473,463</u>	<u>181,471,243</u>
Adjustments for :		
(Increase)/Decrease in Inventory	15,136,456	(11,625,926)
(Increase)/Decrease in Debtors	(50,826,296)	63,575,612
(Increase)/Decrease in Other Receivables	(26,017,730)	(12,891,037)
Increase/(Decrease) in Trade payables	(14,635,914)	(5,836,674)
Increase/(Decrease) in Provisions	5,585,694	3,159,687
Income Tax paid during the year	(29,961,000)	(42,700,000)
Fringe Benefit Tax Paid	(256,500)	(1,450,000)
Wealth Tax Paid	(21,153)	(24,278)
<b>(A) Net Cash Generated from Operations</b>	<u>35,477,020</u>	<u>173,678,625</u>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets (Including Capital Work-in-progress)	(85,474,855)	(111,421,116)
Interest Received	1,324,324	1,140,108
Sale of Fixed Assets	278,074	783,949
Miscellaneous Expenditure (to the extent not W/off or adjusted) incurred during the year	(1,115,053)	-
<b>(B) Net Cash (used in) /from Investing Activities</b>	<u>(84,987,510)</u>	<u>(109,497,059)</u>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Secured and Unsecured Loans - Net (Payment)/ Receipts	63,071,571	(16,810,231)
Interest Paid	(15,079,307)	(9,325,791)
Payment of Dividend	(21,203,185)	(21,013,503)
<b>(C) Net Cash (used in) / from Financing Activities</b>	<u>26,789,079</u>	<u>(47,149,525)</u>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)</b>	<u>(22,721,411)</u>	<u>17,032,042</u>
<b>Cash and Cash Equivalents as at the beginning of the year</b>	37,693,557	20,661,515
<b>Cash and Cash Equivalents as at the end of the year</b>	<u>14,972,146</u>	<u>37,693,557</u>
	<u>(22,721,411)</u>	<u>17,032,042</u>
<b>Notes on Cash Flow Statement :</b>	0	
1. The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 issued by the institute of Chartered Accountants of India.		
2. Cash and Cash Equivalents represent Cash and Bank Balances only.		
3. Previous year's figures have been regrouped and recast wherever necessary to conform to the current year classification.		

This is the Cash Flow Statement referred to in our report of even date.

**For Price Waterhouse**

Firm Registration No. 301112E  
Chartered Accountants

**Neeraj Gupta**

Partner  
Membership No.F055158  
Mumbai: May 17, 2010

For and behalf of the Board

**E. A. Elias**  
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**A. D. Kunte**  
Director

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Company Secretary  
Mumbai: May 17, 2010

**Sudhir Seth**  
Director

**Shailesh Hemani**  
Director

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010**

	March 31, 2010 Rupees	March 31, 2009 Rupees
<b>SCHEDULE 1</b>		
<b><u>CAPITAL</u></b>		
Authorised		
12,000,000 Equity Shares of Rs. 10 each	120,000,000	120,000,000
Issued, Subscribed and Paid Up:		
6,048,000 Equity Shares of Rs. 10 each fully paid up (includes 1,243,500 Bonus Shares issued by capitalisation of reserves and securities premium)	60,480,000	60,480,000
	60,480,000	60,480,000
<b>SCHEDULE 2</b>		
<b><u>RESERVES AND SURPLUS</u></b>		
Securities Premium Account	81,695,875	81,695,875
Capital Reserve (Represents Capital Profit on Equity Shares Forfeited)	166,000	166,000
General Reserve		
As per last Balance Sheet	39,000,000	29,000,000
Add: Transfer from Profit and Loss Account	5,000,000	10,000,000
	44,000,000	39,000,000
<b>Profit and Loss Account</b>	322,093,333	287,246,222
	447,955,208	408,108,097
<b>SCHEDULE 3</b>		
<b><u>SECURED LOANS</u></b>		
<b>Cash Credit from Banks</b>	31,764,969	1,425,358
(i) Primary Security - hypothecation of Raw Materials, Stock-in-Process, Finished Goods, Stores and Spares, Receivables and Fixed Deposits		
(ii) Collateral security - property, factory land and building and other fixed assets of the Company (Repayable on demand)		
<b>Term Loans from Banks</b>	118,225,487	75,807,655
(i) Primary Security - Entire block of fixed assets.		
(ii) Collateral security - property, factory land and building and other fixed assets of the Company (Repayable within one year Rs. 29,726,589; March 31, 2009 Rs. 23,319,055)		
<b>Hire Purchase Loans from Banks</b>	995,339	1,801,210
(Refer Note 16 (i) on Schedule 20) (Secured against hypothecation of Vehicles) (Repayable within one year Rs. 737,474; March 31, 2009 Rs. 805,871)		
	150,985,795	79,034,223
<b>SCHEDULE 4</b>		
<b><u>UNSECURED LOANS</u></b>		
Sales Tax Deferral (Payable within one year Rs. 4,440,000; March 31, 2009 Rs. 8,880,000)	4,440,000	13,320,000
	4,440,000	13,320,000
<b>SCHEDULE 5</b>		
<b><u>DEFERRED TAX LIABILITIES (NET)</u></b>		
(Refer Note 1(l) on Schedule 20)		
<b>Deferred Tax Liabilities on account of:</b>		
Timing Differences between book depreciation and depreciation as per Income Tax Act, 1961, of India	46,311,162	40,358,819
<b>Deferred Tax Assets on account of:</b>		
Timing Differences in Provisions	6,431,656	4,533,079
Miscellaneous Expenditure	80,657	161,314
	6,512,313	4,694,393
	39,798,849	35,664,426

**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010**
**SCHEDULE 6**
**FIXED ASSETS**

(Refer Notes 1 (B) and 1 (C) on Schedule 20)

**Rupees**

Particulars	Gross Block (at cost)			Depreciation			Net Book Value		
	As at March 31, 2009	Additions during the year	Deletions/ Adjustment during the year	As at March 31, 2010	Up to March 31, 2009	For the year	On Deletions/ Adjustments during the year	As at March 31, 2010	As at March 31, 2009
<b><u>Tangible assets</u></b>									
Freehold Land	42,024,860	-	-	42,024,860	-	-	-	42,024,860	42,024,860
Leasehold Land	5,091,974	-	-	5,091,974	320,786	66,821	-	387,607	4,704,367
Buildings – Factory	102,739,336	17,411,605	48,866	120,102,075	24,107,524	3,721,824	47,998	27,781,350	92,320,725
Building - Office *	874,659	-	-	874,659	192,788	14,257	-	207,045	667,614
Plant and Machinery	307,059,935	40,358,553	10,540,643	336,877,845	85,049,078	23,413,776	10,391,488	98,071,366	238,806,479
Tools, Dies and Jigs	22,652,874	4,760,773	7,431,844	19,981,803	12,107,172	1,837,150	7,425,421	6,518,901	13,462,902
Computer Hardware	26,902,610	2,236,334	2,478,866	26,660,078	15,987,143	3,161,173	2,469,291	16,679,025	9,981,053
Vehicles **	11,631,743	-	337,306	11,294,437	3,196,570	1,101,476	155,021	4,143,025	7,151,412
Office Equipment	12,459,766	3,315,192	1,944,247	13,830,711	3,962,890	552,826	1,789,062	2,726,654	11,104,057
Furniture and Fixtures	19,568,800	521,468	1,974,512	18,115,756	8,596,673	1,151,488	1,849,890	7,898,271	10,217,485
<b><u>Intangible assets</u></b>									
Patent and Trademarks	40,000	-	-	40,000	39,353	-	-	39,353	647
Computer Software	10,085,273	2,544,716	17,037	12,612,952	5,030,494	1,393,860	17,037	6,407,317	6,205,635
<b>TOTAL</b>	<b>561,131,830</b>	<b>71,148,641</b>	<b>24,773,321</b>	<b>607,507,150</b>	<b>158,590,471</b>	<b>36,414,651</b>	<b>24,145,208</b>	<b>170,859,914</b>	<b>436,647,236</b>
Previous Year	469,713,212	106,276,257	14,857,639	561,131,830	134,684,065	37,413,198	13,506,792	158,590,471	
Capital Work-in-progress [including Capital Advances Rs. Nil: (March 31, 2009 : Rs. 5,005,177)]									25,174,144
* Includes cost of shares in co-operative housing amounting to Rs. 500 (March 31, 2009: Rs. 500)									461,821,380
** Includes vehicles acquired on hire purchase Rs.1,307,247 (March 31, 2009: Rs. 4,393,873)									413,389,289

	March 31, 2010 Rupees	March 31, 2009 Rupees
<b><u>SCHEDULE 7</u></b>		
<b><u>INVESTMENTS</u></b>		
(Refer Note 1(D) and 5 on Schedule 20)		
Long Term Investments (Quoted, Non Trade)		
Development Credit Bank Limited - 1,200 Equity Shares of Rs. 10 each	18,000	18,000
Current Investment in Subsidiary Company-(At Cost or realizable value, whichever is less) (Unquoted, Trade)		
144 Equity Shares of DHS 1000 each fully paid up of APW Systems MEA (FZC), a Free Zone Company with limited liability	462,983	1,736,713
	480,983	1,754,713
Aggregate of Unquoted Investments - At Realisable Value	462,983	1,736,713
Aggregate of Quoted Investments - At Book Value	18,000	18,000
- At Market Value	38,640	22,668
<b><u>SCHEDULE 8</u></b>		
<b><u>INVENTORIES</u></b>		
(Refer Note 1(E) on Schedule 20)		
Raw Materials (including Packing Materials, Components and Processing Materials) (includes Goods in Transit Rs. 937,093; March 31, 2009: Rs. 2,681,925)	62,853,990	54,577,084
Work-in-Progress	18,031,454	31,220,977
Finished Goods (includes Goods in Transit Rs. 49,530; March 31, 2009: Rs. 1,307,616)	6,172,093	15,709,369
Traded Goods	4,053,285	4,739,848
	91,110,822	106,247,278

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010**

	March 31, 2010 Rupees	March 31, 2009 Rupees
<b>SCHEDULE 9</b>		
<b><u>SUNDRY DEBTORS</u></b>		
(Unsecured, Considered Good)		
Outstanding for a period exceeding six months	9,841,577	18,014,887
Others	256,588,573	199,197,701
	<u>266,430,150</u>	<u>217,212,588</u>
<b>SCHEDULE 10</b>		
<b><u>CASH AND BANK BALANCES</u></b>		
Cash on Hand	62,974	106,197
Balances with Scheduled Banks on		
- Current Accounts	2,988,867	11,614,177
- Unclaimed Dividend Account	445,437	437,504
- Unclaimed Share Application Money on Rights Issue Account	5,160	5,160
- Deposit Accounts	11,469,708	25,530,519
(Includes deposits aggregating Rs. 10,630,701; (March 31, 2009: Rs. 9,848,600) pledged with banks against bank guarantee)		
	<u>14,972,146</u>	<u>37,693,557</u>
<b>SCHEDULE 11</b>		
<b><u>OTHER CURRENT ASSETS</u></b>		
Interest Accrued on Fixed Deposits	123,862	482,377
	<u>123,862</u>	<u>482,377</u>
<b>SCHEDULE 12</b>		
<b><u>LOANS AND ADVANCES</u></b>		
Unsecured, Considered Good		
Advance to Subsidiary Company - APW Systems MEA (FZC)	538,440	-
Advances Recoverable in Cash or in Kind or for Value to be Received	54,529,212	34,684,787
Deposits	14,390,759	14,009,486
Balances with Excise and Customs Authorities	7,647,289	3,174,562
Advance Fringe Benefit Tax (Net of Provision for Fringe Benefit Tax Rs. 6,536,986; March 31, 2009: Rs. 6,536,986)	382,940	126,440
Advance Tax and Tax Deducted at Source (Net of provision for Taxation Rs. 218,139,059; March 31, 2009: Rs. Nil)	2,672,055	-
	<u>80,160,695</u>	<u>51,995,275</u>
<b>SCHEDULE 13</b>		
<b><u>CURRENT LIABILITIES AND PROVISIONS</u></b>		
<u>Liabilities</u>		
Dues to Micro and Small Enterprises (Refer Note 6 on Schedule 20)	16,531,554	6,542,751
Dues to Other than Micro and Small Enterprises	150,969,448	174,564,826
Unclaimed Dividend*	461,892	437,504
Unclaimed Excess Share Application Money on Rights Issue*	5,160	5,160
Other Liabilities	5,706,828	9,730,499
Advances from Customers	5,853,162	3,432,547
* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2010		
	<u>179,528,044</u>	<u>194,713,287</u>
<u>Provisions</u>		
Leave Entitlement (Refer Note 1(H)(c) on Schedule 20)	7,838,546	5,676,282
Gratuity (Refer Note 1(H)(b) and 17 on Schedule 20)	11,083,655	7,660,225
Taxation (Net of Advance Tax and Tax Deducted at Source Rs. Nil; March 31, 2009: Rs. 190,069,248)		2,890,964
Proposed Dividend	12,096,000	18,144,000
Corporate Tax on Dividend	2,008,994	3,083,573
	<u>33,027,195</u>	<u>37,455,044</u>
	<u>212,555,239</u>	<u>232,168,331</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED MARCH 31, 2010**

	Year Ended March 31, 2010 Rupees	Year Ended March 31, 2009 Rupees
<b>SCHEDULE 14</b>		
<b><u>SALES</u></b>		
Sales - Manufacturing	1,513,773,000	1,495,192,426
Sales - Trading	61,465,946	65,279,458
	<hr/> 1,575,238,946	<hr/> 1,560,471,884
<b>SCHEDULE 15</b>		
<b><u>OTHER INCOME</u></b>		
Interest on		
- Fixed Deposits - Gross	897,350	996,197
(Tax Deducted at Source Rs. 135,232; Previous Year Rs. 225,738)		
- Others	68,459	71,011
	<hr/> 965,809	<hr/> 1,067,208
Sale of Scrap	9,336,857	10,644,803
Liabilities/ Provisions No Longer Required Written Back	573,717	1,418,643
Exchange Gain (Net)	-	4,063,819
Miscellaneous	8,089,402	2,017,609
	<hr/> 18,965,785	<hr/> 19,212,082
<b>SCHEDULE 16</b>		
<b><u>COST OF MATERIALS</u></b>		
Raw Materials (including packing materials, components and processing materials) consumed		
Opening Stock	54,577,084	41,430,719
Add : Purchases (Includes Job Work charges Rs. 45,609,360; Previous Year Rs. 47,504,734)	838,918,144	829,253,462
	<hr/> 893,495,228	<hr/> 870,684,181
Less : Closing Stock (includes Goods in Transit Rs. 937,093 ; March 31, 2009: Rs. 2,681,925)	62,853,990	54,577,084
Sub Total (a)	830,641,238	816,107,097
(Increase)/ Decrease in Work in progress and Finished Goods		
Opening Stock		
Work-in-Progress	31,220,977	33,033,048
Finished Goods	15,709,369	11,928,989
	<hr/> 46,930,346	<hr/> 44,962,037
Closing Stock		
Work-in-Progress	18,031,454	31,220,977
Finished Goods (includes Goods in Transit Rs.49,530; March 31, 2009: 1,307,616)	6,172,093	15,709,369
	<hr/> 24,203,547	<hr/> 46,930,346
Sub Total (b)	22,726,799	(1,968,309)
Traded Goods		
Opening Stock	4,739,848	8,228,596
Add : Purchases	49,283,865	42,696,762
	<hr/> 54,023,713	<hr/> 50,925,358
Less : Closing Stock	4,053,285	4,739,848
Sub Total (c)	49,970,428	46,185,510
Total cost of materials (a+ b + c )	<hr/> 903,338,465	<hr/> 860,324,298

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED MARCH 31, 2010**

	Year Ended March 31, 2010 Rupees	Year Ended March 31, 2009 Rupees
<b>SCHEDULE 17</b>		
<b><u>EMPLOYEE COSTS</u></b>		
Salaries and allowances, Wages and Bonus	143,455,863	128,735,201
Contribution to Provident Fund and Other Funds (Refer Notes 1(H) and 17 on Schedule 20)	11,206,964	9,113,379
Staff Welfare	11,083,407	9,193,673
	<hr/>	<hr/>
	165,746,234	147,042,253
<b>SCHEDULE 18</b>		
<b><u>OPERATING AND OTHER EXPENSES</u></b>		
Inward Freight	11,286,353	11,908,582
Casual Labour	18,222,533	17,378,775
Transportation	18,685,251	20,030,020
Consumables	7,694,953	8,103,383
Tools, Dies and Jigs for Replacements	911,610	3,477,382
Power, Fuel and Water	24,370,534	23,596,151
Insurance	2,593,980	2,487,915
<i>Repairs and Maintenance</i>		
- Buildings	1,357,054	954,377
- Plant and Machinery	9,364,967	13,269,893
- Others	13,560,887	13,611,778
Rent	17,460,090	17,391,908
Rates and Taxes (including Rs. 263,438 for prior year; previous year Rs. Nil)	2,009,261	1,591,446
Communication	9,167,020	8,142,721
Printing and Stationery	2,100,468	2,287,912
Legal and Professional Fees	12,757,221	12,457,433
Directors' Sitting Fees	900,000	995,000
Travelling, Vehicle and Conveyance	14,187,698	15,161,330
Exchange Loss (net)	111,454	-
Commission	10,175,841	11,984,611
Selling and Marketing	8,592,045	11,310,899
Website Development Expenses	269,704	66,500
Bad Debts/ Advance Written Off	1,608,734	1,298,590
Loss on Sale/ Scrapping of Assets (net)	350,039	566,898
Diminution in Value of Investment (Refer Note 5 on Schedule 20)	1,273,730	-
Miscellaneous	2,151,617	2,616,024
	<hr/>	<hr/>
	191,163,044	200,689,528
<b>SCHEDULE 19</b>		
<b><u>FINANCIAL EXPENSES</u></b>		
Bank Charges	3,947,827	3,373,799
Interest On		
- Fixed Loans	9,292,759	4,835,522
- Others	5,786,548	4,490,269
	<hr/>	<hr/>
	19,027,134	12,699,590

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31,  
2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010****20. NOTES TO ACCOUNTS****1. Significant Accounting Policies****A. Basis of Accounting**

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956, and the relevant provisions of the Companies Act, 1956. (the Act)

**B. Fixed Assets**

Fixed Assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of the asset and borrowing costs specifically relatable to the acquisition of the asset) less accumulated depreciation.

**C. Depreciation**

Depreciation has been provided on straight line method at the rates prescribed under Schedule XIV to the Act except for demo stock capitalised which is depreciated @ 50% p.a. Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

**D. Investments**

Long term investments are stated at cost less provision, if any, for permanent diminution in value. Current investments are carried at the lower of cost and fair value (Refer Note No.5).

**E. Inventories**

- (a) Inventories are valued at lower of cost and net realisable value.
- (b) Cost of raw materials and cost of traded goods is determined on first-in-first-out basis.
- (c) Cost of Work-in-process and finished goods comprises all cost of purchase, cost of conversion and other related overheads.

**F. Foreign Currency Transactions**

- (a) Foreign currency transactions are translated at the exchange rates prevailing on the date of the transactions.
- (b) Realised gains and losses on settled foreign exchange transactions are recognised in the Profit and Loss Account.
- (c) Monetary assets and liabilities denominated in foreign currency as at the Balance Sheet date are translated at the exchange rates prevailing at the date of the Balance Sheet and the resultant exchange difference is recognised in the Profit and Loss Account.
- (d) In respect of forward contracts, other than forward contracts in respect of firm commitments and highly probable forecast transactions, the premium or discount arising at the inception of forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Profit and Loss Account in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the year.

**G. Revenue Recognition**

- (a) Sales are recognised based on the terms and conditions (mainly ex-works) agreed with the customer and upon transfer of ownership, risk and rewards. Sales include insurance, freight, packing and octroi and are exclusive of excise duty and sales tax.
- (b) In respect of commission and other heads of income, the Company follows the practice of recognising income on an accrual and prudent basis.

**H. Employee Benefits****(a) Defined Contribution Plans**

The Company contributes on a defined contribution basis to Employee's Provident Fund, Employee's State Insurance Fund and Employee's Pension Scheme towards post employment benefits, all of which are administered by the respective Government authorities, and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

**(b) Defined Benefit Plan**

The Company has a Defined Benefit Plan namely Gratuity for all its employees. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method.

Gratuity Fund is recognised by the income tax authorities and is administered through trustees. The Company has taken a group gratuity policy with Life Insurance Corporation of India.

Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Profit and Loss Account.

**(c) Employee Leave Entitlement**

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilised leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year end and charged to the Profit and Loss Account. Leave balances to be utilised in short term is provided for on the basis of cost to Company and charged to the Profit and Loss Account.

**I. Deferred Taxation**

- (a) Deferred tax resulting from timing differences between book and tax profits is accounted for under the Liability method at the current rate of tax to the extent that the timing differences are expected to crystallise/capable of reversal.
- (b) In case there are carried forward losses and unabsorbed depreciation as per the Income Tax Act, 1961, of India, deferred tax assets are recognised only when there is a virtual certainty supported by convincing evidence that such assets will be realised.

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**
**20. NOTES TO ACCOUNTS (Continued)**
**J. Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**K. Provisions and Contingent Liabilities**

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation but the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 – "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India is made.

**L. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the results are known/ materialised.

**M. Miscellaneous Expenditure**

Rights issue expenses will be written off upon issue of shares.

**2. Contingent Liabilities and Capital Commitments**

	<b>Rupees</b>	
	<b>As at March 31, 2010</b>	<b>As at March 31, 2009</b>
(a) Contingent Liabilities		
Outstanding Bank Guarantees *	9,719,671	34,360,127
Claims against the Company not acknowledged as debts in respect of ** :		
- Sales Tax matters – Non collection of 'C' and 'I' forms	62,800,604	10,558,107
- Excise matters	651,413	-

\* All Bank Guarantees are Performance Bank Guarantees.

\*\* The timing and the amount of cash flows, if any that may arise from the above matters will be determined only on settlement of the cases.

	<b>As at March 31, 2010</b>	<b>As at March 31, 2009</b>
(b) Capital Commitments		
Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	3,056,922	55,784,652

(c) In accordance with the Export Promotion of Capital Goods ("EPCG") Scheme, import of capital goods are allowed to be made duty free subject to the condition that the Company will fulfill, in future, a specified amount of export obligation within a specified time. As at March 31, 2010, the Company has fulfilled required export obligations against the amount of duty saved on import of capital goods. On fulfilment of required obligation, the Company has filed five applications for closure of EPCG Licences to Joint Director General of Foreign Trade (DGFT) out of which redemption letters for two licences have been received.

**3. Auditors' Remuneration (included under Legal and Professional fees)**

	<b>Year Ended March 31, 2010</b>	<b>Year Ended March 31, 2009</b>
		<b>Rupees</b>
As Auditors	725,000	650,000
Limited review of the unaudited quarterly results	525,000	195,000
Limited review of interim financial statements for inclusion in the Draft Letter of Offer and Letter of Offer for the proposed Rights Issue	400,000	200,000
Other matters	-	245,000
Out-of-Pocket Expenses	38,829	45,335
<b>Total</b>	<b>1,688,829</b>	<b>1,335,335</b>

**4. Managerial Remuneration**

	<b>Year Ended March 31, 2010</b>	<b>Year Ended March 31, 2009</b>
		<b>Rupees</b>
Salaries and Allowances	4,080,000	5,280,000
Company's Contribution to Provident Fund	396,000	396,000
Perquisites	119,400	102,000
	4,595,400	5,778,000
<b>Directors other than Managing/ Whole-time directors</b>		
Sitting Fees	900,000	995,000
<b>Total</b>	<b>5,495,400</b>	<b>6,773,000</b>

Provisions for post retirement benefits which are based on actuarial valuation done on an overall Company basis are excluded above.

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**
**20. NOTES TO ACCOUNTS (Continued)**
**5. Diminution in the value of investment**

The Company has an investment of Rs.1,736,713 (144 Equity Shares of DHS 1000 each) in the shares of APW Systems MEA FZC LLC ("APW MEA"), a subsidiary of the Company. The net worth of APW MEA has substantially eroded due to operational losses as on March 31, 2010. The Board of Directors of the Company has passed the resolution on March 31, 2010 to discontinue the operations and to liquidate APW MEA as of March 31, 2010 and its operations to be wound up as of that date.

On that basis, the account of APW MEA is not prepared on a going concern basis, accordingly, the Company has provided the diminution in the value of investment aggregate to Rs. 1,273,730 and is charged to Profit and Loss Account.

**6. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:**

Dues to Micro, Small & Medium Enterprises	As at March 31, 2010	As at March 31, 2009
1 Total Amount Due to MSMEs		
- Principal Amt due to MSMEs	14,380,079	5,795,579
- Interest on the principal Amt due to MSMEs	66,513	8,151
2 Total delayed payments to MSME during the year		
- Principal Amount	62,765,171	50,655,251
- Interest on the principal Amount	1,337,790	739,020
3 Total Interest Accrued during the year and at the year end in normal course		
- Total Interest paid during the year for all delayed payments	-	-
- Total Interest due at the year end for all delayed payments	-	-
4 Total Interest Accrued during the year and at the year end as per Section 16 as per the MSMED Act		
- Total Interest accrued during the year for all delayed payments as per Section 16 of the MSMED Act	1,337,790	739,020
- Total Interest due at the year end for all delayed payments as per Section 16 of the MSMED Act	66,513	8,151
5 Total Interest accrued and remaining unpaid at the end of the year under MSMED Act	2,151,475	747,172

The above information and that given in schedule 13, "Current Liabilities and Provisions" regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

**7. Capacity**

	Units	Year Ended March 31, 2010		Year Ended March 31, 2009	
		Licensed Capacity*	Installed Capacity <sup>^</sup>	Licensed Capacity*	Installed Capacity <sup>^</sup>
Enclosures	Nos.		84,000		84,000
Card Frames	Nos.		50,000		50,000
Instrument	Nos.		35,000		35,000
Consoles	Nos.		220		220
Plating #	Sq. Ft.		2,400,000		-

\* As informed by the Management, manufacturing licence does not contain details of licensed capacity.

<sup>^</sup> As certified by the Management.

# Utilised Capacity during the year 2009-2010 was 415,385 sq. ft.

Note: (i) Enclosures includes Racks, Sub-racks, Cabinets for use in Telecom, Networking, Electrical and other industries and includes parts for ATMs.  
(ii) Capacity for Enclosures includes capacity for components and accessories for contract manufacturing.  
(iii) Capacity for various products is interchangeable as the machinery is common and processes are similar.

**8. (a) Manufactured Goods**

	Year Ended March 31, 2010		Year Ended March 31, 2009	
	Quantity(Nos.)	Value (Rs.)	Quantity(Nos.)	Value (Rs.)
<u>Enclosures</u>				
Opening Stock	675	6,214,953	680	6,900,780
Production	64,596		47,644	
Sales **	65,157	801,921,490	47,649	720,294,735
Closing Stock	114	1,477,186	675	6,214,953
<u>Card Frames</u>				
Opening Stock			25	42,120
Production	13,215		13,202	
Sales **	13,207	30,698,731	13,227	26,579,160
Closing Stock	8	10,039	-	-
<u>Others (including components and accessories)*</u>				
Opening Stock		9,494,416		4,986,089
Sales **		480,265,202		550,543,311
Closing Stock		4,684,868		9,494,416

\* The relevant information is given in aggregate as individual items are too numerous to be conveniently grouped and are of a value less than 10% of the total.

\*\* Sales are net of excise duty and sales tax.

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**
**20. NOTES TO ACCOUNTS (Continued)**
**(b) (i) Consumption of Raw Materials, Packing Materials, Components and Processing Materials \***

	Year Ended March 31, 2010		Year Ended March 31, 2009	
	Quantity (M.T.)	Value (Rupees)	Quantity (M.T.)	Value (Rupees)
CRCA Sheets	4172.612	168,247,992	4220.908	237,584,665
Aluminium Sheets	144.134	28,881,724	29.192	5,295,036
Aluminium Sections	107.426	16,730,027	145.598	25,713,233
Components and Packing Materials**		571,172,135		500,009,429
Outside Processing**		45,609,360		47,504,734
		830,641,238		816,107,097

\* The value of consumption of raw materials has been arrived at on the basis of Opening Stock plus Purchases less Closing Stock. The consumption, therefore, includes adjustments for raw materials written-off, shortage/excess, etc.

\*\* The relevant information is given in aggregate as individual items are too numerous to be conveniently grouped and are of a value less than 10% of the total.

**(b) (ii) Value and percentage of Imported and Indigenous Raw Materials, Packing Materials, Components and Processing Materials Consumed**

	Year Ended March 31, 2010		Year Ended March 31, 2009	
	Value (Rs.)	% of Total Consumption	Value (Rs.)	% of Total Consumption
Imported	135,204,345	16.44%	78,843,865	9.66%
Indigenous	695,436,893	83.56%	737,263,232	90.34%
Total	830,641,238	100.00%	816,107,097	100.00%

**(c) Traded Goods**

	Year Ended March 31, 2010		Year Ended March 31, 2009	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
<i>Switches with Accessories</i>				
Opening Stock	563	4,739,848	1,245	8,228,596
Purchases (net of purchase return)	3,448	49,563,539	3,627	42,696,762
Sales (net of sales return and sales tax)	3,653	59,100,169	4,309	63,031,231
Closing Stock	358	4,053,285	563	4,739,848

**9. Expenditure in foreign currency**
**(Rs.)**

	Year Ended March 31, 2010	Year Ended March 31, 2009
Travelling, Vehicle and Conveyance	893,982	1,520,943
Selling and Marketing	1,003,580	206,069
Commission	6,207,416	7,684,056
Miscellaneous	473,751	287,905

**10. Value of Imports on CIF basis**
**(Rs.)**

	Year Ended March 31, 2010	Year Ended March 31, 2009
Raw Materials	123,322,169	72,212,457
Traded Goods (net of returns)	37,565,502	35,461,912
Maintenance Spares	1,276,816	1,232,959
Capital Goods	4,367,191	44,383,586
Tools, Dies & Jigs for replacements	-	2,993,061

**11. Earnings in Foreign Exchange**
**(Rs.)**

	Year Ended March 31, 2010	Year Ended March 31, 2009
F.O.B. value of Exports	165,601,341	130,571,630
Commission	4,330,426	12,720,414
Interest	-	32,533

**12. Reimbursement of expenses in Foreign Exchange**
**(Rs.)**

	Year Ended March 31, 2010	Year Ended March 31, 2009
Exhibition and Seminar	538,440	601,854
Carriage Outward	42,244	-

**13. Related Party Disclosures**

a) Related Party Disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Council of the Institute of Chartered Accountants of India are given below:

**i) Subsidiary Company**

APW Systems MEA (FZC) LLC.

**ii) Related Companies**

 M. Ruty & Co. Pty. Ltd.  
 APW Electronics Ltd.  
 APW Enclosures Systems (UK) Ltd.  
 APW Integrated Systems Ltd.  
 APW Poland Ltd.

**iii) Key Management Personnel**

 E. A. Elias  
 Sudhir Seth

This aforesaid list of related parties is limited to entities/ persons with whom transactions have taken place during the year or those who owe amounts to the Company or to whom amounts are owed by the Company at the year end. Other entities with whom there are no transactions have not been disclosed above.

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**
**20. NOTES TO ACCOUNTS (Continued)**
**b) Transactions entered into with related parties are as follows:**
**(Rupees)**

Particulars	Subsidiary	Related companies					Key Management Personnel		
	APW Systems MEA (FZC)	M. Ruttly & Co. Pty. Ltd.	APW Electronics Ltd.	APW Enclosures Systems (UK) Ltd.	APW Poland Ltd.	APW Integrated Systems Ltd.	E. A. Elias	Sudhir Seth	Ashok Kunte
<b>Transactions during the year</b>									
Sales	-	2,998,170	-	-	-	-	-	-	-
		<i>3,437,814</i>							
Commission Expenses	6,207,417	-	-	-	-	-	-	-	-
	<i>7,684,056</i>								
Selling and Marketing Expenses	683,813	-	-	-	-	-	-	-	-
Interest on Advance	-	-	-	-	-	-	-	-	-
	<i>32,533</i>								
Managerial Remuneration	-	-	-	-	-	-	4,595,400	-	-
							<i>5,778,000</i>		
Director Sitting Fees	-	-	-	-	-	-	-	100,000	145,000
								<i>110,000</i>	<i>185,000</i>
Liabilities/ Provisions No Longer Required Written Back	-	-	257,813	294,544	-	-	-	-	-
			<i>25,573</i>	<i>878,512</i>	<i>5,597</i>	<i>38,579</i>			
<b>Year-end balances</b>									
Payable	319,186	-	-	-	-	-	-	-	-
	<i>674,606</i>		<i>289,509</i>	<i>245,665</i>					
Receivable	-	866,539	-	-	-	-	-	-	-
		<i>988,478</i>							
Advances	538,440	-	-	-	-	-	-	-	-
Investments	462,983	-	-	-	-	-	-	-	-
	<i>1,736,713</i>								

Note: The figures in italics are in respect of the previous year ended March 31, 2009.

**14. Segmental Reporting**

The business segment has been considered as the primary segment. The Company is organised into one main business segment, namely 'Enclosures, Card Frames, Instrument Case and Consoles'. The business segments have been identified considering the nature of services, the differing risks and returns, the organisation structure and the internal financial reporting system. Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

**(i) Primary Segment**
**(Amount in Rupees)**

Particulars	April 1, 2009 to March 31, 2010				April 1, 2008 to March 31, 2009			
	Enclosures, Card Frames, I. Case and Consoles	Others	Unallocable	Total	Enclosures, Card Frames, I. Case and Consoles	Others	Unallocable	Total
<b>Revenue</b>								
- External sales (including scrap sales)	1,322,222,280	59,100,169		1,381,322,449	1,308,062,009	63,031,231		1,371,093,240
- Commission and Service Charges	-	8,024,679		8,024,679	-	13,839,811		13,839,811
Total	1,322,222,280	67,124,848		1,389,347,128	1,308,062,009	76,871,042		1,384,933,051
<b>Results</b>								
Segment Result –Profit/ (Loss)	221,553,755	11,046,090		232,599,845	251,897,318	20,957,123		272,854,441
- Unallocable corporate expenses net of income			134,849,781	134,849,781			128,697,497	128,697,497
Operating Profits								
- (Gain)/Loss on sale of Fixed Assets			350,039	350,039			566,898	566,898
- Interest expense			15,079,307	15,079,307			9,325,791	9,325,791
- Interest income			965,809	965,809			1,067,208	1,067,208
Profit Before Taxation				83,286,528				135,331,463
- Income Taxes			25,200,000	25,200,000			42,251,000	42,251,000
- Fringe Benefit Tax			-	-			1,641,986	1,641,986
- Deferred Tax			4,134,423	4,134,423			(684,145)	(684,145)
Net Profit				53,952,105				92,122,622
<b>Other Information</b>								
	<b>As at March 31, 2010</b>				<b>As at March 31, 2009</b>			
- Segment assets	849,330,814	31,465,419	-	880,796,233	762,206,941	32,203,741	-	794,410,682
- Unallocated corporate	-	-	34,303,805	34,303,805	-	-	34,364,395	34,364,395
Total assets				915,100,038				828,775,077
- Segment liabilities	97,825,572	(25,710,080)	-	72,115,492	186,474,580	19,026,979	-	205,501,559
- Unallocated corporate	-	-	335,664,391	335,664,391	-	-	154,685,422	154,685,422
Total liabilities				407,779,883				360,186,980
	<b>April 1, 2009 to March 31, 2010</b>				<b>April 1, 2008 to March 31, 2009</b>			
Capital expenditure	77,326,580	-	8,148,275	85,474,855	107,819,112	-	3,602,004	111,421,116
Depreciation	31,664,565	30,285	4,719,801	36,414,651	32,899,738	48,410	4,465,050	37,413,198

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**
**20. NOTES TO ACCOUNTS (Continued)**

<b>(ii) Geographical Segment</b>								<b>(Rupees)</b>
<b>Particulars</b>	<b>April 1, 2009 to March 31, 2010</b>				<b>April 1, 2008 to March 31, 2009</b>			
	<b>India</b>	<b>Middle-East*</b>	<b>Others**</b>	<b>Total</b>	<b>India</b>	<b>Middle-East*</b>	<b>Others**</b>	<b>Total</b>
<b>Revenue</b>								
- External sales	1,215,721,107	63,771,052	101,830,290	1,381,322,449	1,240,351,400	81,633,843	49,107,997	1,371,093,240
- Commission and Service Charges	3,694,253	-	4,330,426	8,024,679	1,119,401	-	12,720,410	13,839,811
<b>Total</b>	<b>1,219,415,360</b>	<b>63,771,052</b>	<b>106,160,716</b>	<b>1,389,347,128</b>	<b>1,241,470,801</b>	<b>81,633,843</b>	<b>61,828,407</b>	<b>1,384,933,051</b>
	<b>As at March 31, 2010</b>				<b>As at March 31, 2009</b>			
<b>Other Information</b>								
Carrying Amount of Segment Assets	875,829,967	17,736,967	21,533,104	915,100,038	808,178,834	5,735,830	14,860,413	828,775,077
	<b>April 1, 2009 to March 31, 2010</b>				<b>April 1, 2008 to March 31, 2009</b>			
Capital Expenditure	85,474,855	-	-	85,474,855	111,421,116	-	-	111,421,116

\* Represents United Arab Emirates, Kuwait and Oman.

\*\* Represents Australia, United States of America, China, Singapore, Japan, Hong Kong, United Kingdom, Egypt, Israel and Tunisia.

**(iii) Notes:**

- (a) The Segment Revenue in the geographical segments considered for disclosure are as follows:
- Revenue within India includes sales to customers located within India and earnings in India.
  - Revenue outside India includes sales to customers located outside India, earnings outside India and export benefits on sales made to customers located outside India.
- (b) Segment revenue, results, assets and liabilities include the respective amounts identified to each of the segments and amounts allocated on a reasonable basis.

**15. Earnings Per Share**

<b>Particulars</b>	<b>March 31, 2010</b>	<b>March 31, 2009</b>
<i>Profit available to Equity Shareholders</i>		
- Profit after Tax (A) (Rupees)	53,952,105	92,122,622
<i>Number of Equity Shares</i>		
- Weighted Number of equity shares outstanding during the year (B)	6,048,000	6,048,000
Basic and diluted earnings per share (A/B) (Rs.)	8.92	15.23
Nominal value of an equity share (Rupees)	10	10

**16. (i) Hire Purchase /Lease Transactions**

The Company has acquired Vehicles under Hire Purchase Scheme which expires on various dates up to September 5, 2011. The minimum lease payments and present value of minimum lease payments as at March 31, 2010 is as under:

<b>Description</b>	<b>Not later than 1 year</b>		<b>Later than 1 year and not later than 5 years</b>		<b>Later than 5 years</b>		<b>Total</b>	
	<b>MLP</b>	<b>PV</b>	<b>MLP</b>	<b>PV</b>	<b>MLP</b>	<b>PV</b>	<b>MLP</b>	<b>PV</b>
Vehicles	813,735	737,474	266,720	257,865	-	-	1,080,455	995,339

MLP: Minimum Lease Payments PV: Present Value

Lease expenses recognised during the year as interest Rs. 168,975. (Previous year: Rs. 273,731).

**(ii) Operating Lease Transactions**

The Company has taken on lease commercial facilities under non-cancelable operating lease. This lease expires on various dates upto October 31, 2012 and is renewable at the request of lessee by mutual agreement for a further period. The future minimum lease payments as at March 31, 2010 in respect of these are as follows:

<b>Minimum Lease Payments</b>	<b>Amount in</b>
Not later than one year	8,480,139
Later than one year but not later than five years	13,939,418
Later than five years	-

The lease expense incurred during the year amounts to Rs. 17,460,090. (Previous year: Rs. 17,391,908).

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR MARCH 31, 2010**
**20. NOTES TO ACCOUNTS (Continued)**
**17. The Company has classified the various benefits provided to employees as under :-**

<b>I</b>	<b>Defined Contribution Plans</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>
a.	Employers' Contribution to Provident Fund				
b.	Employers' Contribution to Employee's State Insurance				
c.	Employers' Contribution to Employee's Pension Scheme, 1995				
	During the year, the Company has recognised the following amounts in the Profit and Loss Account:*				
-	Employers' Contribution to Provident Fund *	3,818,048	3,049,854	3,236,381	2,717,629
-	Employers' Contribution to Employee's State Insurance *	388,187	469,301	895,553	552,820
-	Employers' Contribution to Employee's Pension Scheme *	2,432,528	2,360,501	2,127,885	1,928,966
	* Included in Contribution to Provident and Other Funds (Refer Schedule 17)				
<b>I</b>	<b>Defined Benefit Plan</b>				
	<b>Contribution to Gratuity Fund</b>				(% p.a.)
<b>a.</b>	<b>Major Assumptions</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>
	Discount Rate	7.60%	7.10%	7.80%	8.05%
	Expected Rate of Return on Plan Assets	7.50%	7.50%	7.50%	7.50%
	Salary Escalation Rate @	10.00%	10.00%	10.00%	7.00%
	@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.				
<b>b.</b>	<b>Change in the Present Value of Obligation</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>
	Opening Present Value of Obligation	18,047,985	15,350,143	11,111,131	7,182,159
	Current Service Cost	1,744,744	1,455,078	1,254,077	889,508
	Interest Cost	1,297,492	1,191,582	838,482	525,257
	Benefit paid	(571,510)	(737,591)	(417,002)	(520,095)
	Past Service Cost	1,391,073	-	-	-
	Actuarial Loss/ (gain) on Obligations	337,027	788,773	2,563,455	3,034,302
	Closing Present Value of Obligation	22,246,811	18,047,985	15,350,143	11,111,131
<b>c.</b>	<b>Change in Fair Value of Plan Assets</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>
	Opening Fair Value of Plan Assets	10,387,760	9,521,887	8,628,718	4,416,011
	Expected Return on Plan Assets	777,717	712,002	670,014	404,635
	Actuarial(loss)/gain on Plan Assets	205,761	160,626	126,752	160,861
	Contributions	363,428	730,836	513,405	4,167,306
	Benefits paid	(571,510)	(737,591)	(417,002)	(520,095)
	Closing Fair Value of Plan Assets	11,163,156	10,387,760	9,521,887	8,628,718
<b>d.</b>	<b>Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets</b>	<b>As at 31.03.2010</b>	<b>As at 31.03.2009</b>	<b>As at 31.03.2008</b>	<b>As at 31.03.2007</b>
	Present Value of Funded Obligation	22,246,811	18,047,985	15,350,143	11,111,131
	Fair Value of Plan Assets	11,163,156	10,387,760	9,521,887	8,628,718
	Funded Status	(11,083,655)	(7,660,225)	(5,828,256)	(2,482,413)
	Present Value of Unfunded Obligation	11,083,655	7,660,225	5,828,256	2,482,413
	Assets recognised in the Balance Sheet and included under Loans and Advances and Other Current Assets (Refer Schedule 13)	-	-	-	-
	Unfunded Net Liability Recognised in the Balance Sheet disclosed under Current Liabilities and Provisions (Refer Schedule 13)	11,083,655	7,660,225	5,828,256	2,482,413
<b>e.</b>	<b>Amount recognised in the Balance Sheet</b>				
	Present Value of Obligation	22,246,811	18,047,985	15,350,143	11,111,131
	Fair Value of Plan Assets	11,163,156	10,387,760	9,521,887	8,628,718
	Liability/ (Assets) recognised in the balance Sheet and included under Current Liabilities and Provisions (Refer Schedule 13)	11,083,655	7,660,225	5,828,256	2,482,413
<b>f.</b>	<b>Expenses Recognised in the Profit and Loss Account</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2006-07</b>
	Current Service Cost	1,744,744	1,455,078	1,254,077	889,508
	Past Service Cost	1,391,073	-	-	-
	Interest Cost	1,297,492	1,191,582	838,482	525,257
	Expected Return on Plan Assets	(777,717)	(712,002)	(670,014)	(404,635)
	Net Actuarial Loss/(gain) recognised in the period	131,266	628,147	2,436,703	2,873,441
	Total expenses Recognised in the Profit and Loss Account **	3,786,858	2,562,805	3,859,248	3,883,571
	** Included in Contribution to Provident and Other Funds (Refer Schedule 17)				

**SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**
**20. NOTES TO ACCOUNTS (Continued)**
**18. Amount remitted in foreign currency on account of Dividend**
**(Rupees)**

Dividend on Equity Shares	Year Ended March 31, 2010	Year Ended March 31, 2009
(i) Dividend remitted (excluding dividend tax)	7,282,080	7,282,080
(ii) Number of non-resident shareholder	2	2
(iii) Number of shares held (equity shares of Rs. 10 each)	2,427,360	2,427,360

**19. As required by the Clause 32 of the listing agreement, the following disclosures made:**
**(Rupees)**

	Balance as at March 31, 2010	Maximum outstanding during the year ended March 31, 2010	Balance as at March 31, 2009	Maximum outstanding during the year ended March 31, 2009
i. Loans and advances in the nature of Advance to subsidiary, - APW Systems MEA(FZC) (Advance is with a repayment schedule)	38,440	538,440	-	731,340
ii. Loans and advances in the nature of loans to associates	-	-	-	-
iii. Loans and advances in the nature of loans where there is no repayment schedule, or interest below rate specified as per Section 372A of the Companies Act, 1956.	-	-	-	-
iv. Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
v. Investments by the Loanee in the shares of the Company as at the year end	-	-	-	-

**20. The Company uses forward contracts to hedge its risks of net exposure associated with foreign currency fluctuations. The Company does not enter into any forward contract which is intended for trading or speculative purposes.**
**(a) Derivative Instruments – Outstanding as at year-end forward exchange contracts to hedge the foreign currency exposure for realisation against exports:**

No. of Open Contracts as at March 31, 2010	Foreign Currency Denomination	Foreign Currency Amount	Indian Rupees equivalent
1	USD	50,000	2,283,500

**(b) The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as at March 31, 2010 are as follows:**

Particulars	Foreign Currency Denomination	Foreign currency Amount	Indian Rupees equivalent
Liabilities (Trade Payables)	USD	180,221	8167,595
	EURO	2,990	182,450
	GBP	697	47,731
<b>Total</b>			<b>8,397,776</b>
Assets (Trade Receivables)	USD	458,389	20,567,922
	EURO	269,249	16,122,642
	AUS \$	21,218	866,539
<b>Total</b>			<b>37,557,103</b>

Refer Note 1(F) above for accounting policy on Foreign Currency Transactions.

**21. Previous year figures have been regrouped and recast wherever necessary to conform to the current year classification.**

Signatures to Schedules 1 to 20 forming part of the Accounts

**For Price Waterhouse**

Firm Registration No. 301112E  
Chartered Accountants

**Neeraj Gupta**

Partner  
Membership No.F055158  
Mumbai, May 17, 2010

For and behalf of the Board

**E. A. Elias**  
Managing Director

**Sudhir Seth**  
Director

**A. D. Kunte**  
Director

**Shailesh Hemani**  
Director

**K. K. Bhavsar**  
Company Secretary

Mumbai, May 17, 2010

**Additional information pursuant to Part IV of Schedule VI to the Act**  
**Balance Sheet Abstract and Company's General Business Profile**
**I Registration Details**

Registration No. 

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State Code 

1	1
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Balance Sheet Date 

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

Public Issue <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Rights Issue <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
N	I	L					
N	I	L					
Bonus Issue <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L	Private Placement <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>N</td><td>I</td><td>L</td></tr></table>	N	I	L
N	I	L					
N	I	L					

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

<b>Total Liabilities</b> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>9</td><td>1</td><td>6</td><td>2</td><td>1</td><td>5</td></tr></table>	9	1	6	2	1	5	<b>Total Assets</b> <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>9</td><td>1</td><td>6</td><td>2</td><td>1</td><td>5</td></tr></table>	9	1	6	2	1	5
9	1	6	2	1	5								
9	1	6	2	1	5								
<b>Sources of Funds</b>	<b>Reserves and Surplus</b>												
Paid-Up Capital <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>6</td><td>0</td><td>4</td><td>8</td><td>0</td></tr></table>	6	0	4	8	0	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>4</td><td>7</td><td>9</td><td>5</td><td>5</td></tr></table>	4	4	7	9	5	5	
6	0	4	8	0									
4	4	7	9	5	5								
Secured Loans <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>5</td><td>0</td><td>9</td><td>8</td><td>5</td></tr></table>	1	5	0	9	8	5	Unsecured Loans <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td>4</td><td>4</td><td>4</td><td>0</td></tr></table>			4	4	4	0
1	5	0	9	8	5								
		4	4	4	0								
Deferred Tax Liability <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>3</td><td>9</td><td>7</td><td>9</td><td>9</td></tr></table>	3	9	7	9	9								
3	9	7	9	9									
<b>Application of Funds</b>	<b>Investments</b>												
Net Fixed Assets <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>6</td><td>1</td><td>8</td><td>2</td><td>1</td></tr></table>	4	6	1	8	2	1	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>4</td><td>8</td><td>1</td></tr></table>				4	8	1
4	6	1	8	2	1								
			4	8	1								
Net Current Assets <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>2</td><td>4</td><td>0</td><td>2</td><td>4</td><td>2</td></tr></table>	2	4	0	2	4	2	Miscellaneous expenditure <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td>1</td><td>1</td><td>1</td><td>5</td></tr></table>			1	1	1	5
2	4	0	2	4	2								
		1	1	1	5								

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

Turnover <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>3</td><td>9</td><td>8</td><td>9</td><td>7</td><td>6</td></tr></table>	1	3	9	8	9	7	6	Total Expenditure <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>3</td><td>1</td><td>5</td><td>6</td><td>8</td><td>9</td></tr></table>	1	3	1	5	6	8	9
1	3	9	8	9	7	6									
1	3	1	5	6	8	9									
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<input checked="" type="checkbox"/>	<input type="checkbox"/>														
<input checked="" type="checkbox"/>	<input type="checkbox"/>														
Profit/Loss Before Tax <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>8</td><td>3</td><td>2</td><td>8</td><td>7</td></tr></table>		8	3	2	8	7	Profit/ Loss After Tax <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>5</td><td>3</td><td>9</td><td>5</td><td>2</td></tr></table>		5	3	9	5	2		
	8	3	2	8	7										
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(Please tick appropriate box + for Profit, - for Loss)															
+ - <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td></tr></table>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Dividend Rate % <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>2</td><td>0</td></tr></table>	2	0										
<input checked="" type="checkbox"/>	<input type="checkbox"/>														
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Earning Per Share in Rs. <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td>8</td><td>.</td><td>9</td><td>2</td></tr></table>			8	.	9	2									
		8	.	9	2										
(Please tick appropriate box + for Positive, - for Negative)															

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

Item Code No. (ITC Code) <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>8</td><td>4</td><td>7</td><td>3</td><td>-</td><td>3</td><td>0</td><td>9</td><td>9</td></tr></table>	8	4	7	3	-	3	0	9	9	Product Description <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>E</td><td>N</td><td>C</td><td>L</td><td>O</td><td>S</td><td>U</td><td>R</td><td>E</td><td>S</td><td></td><td>F</td><td>O</td><td>R</td></tr><tr><td>E</td><td>L</td><td>E</td><td>C</td><td>T</td><td>R</td><td>O</td><td>N</td><td>I</td><td>C</td><td>S</td><td></td><td></td><td></td></tr></table>	E	N	C	L	O	S	U	R	E	S		F	O	R	E	L	E	C	T	R	O	N	I	C	S							
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K	E	Y	B	O	A	R	D		D	R	A	W	E	R																												

For and behalf of the Board

**E. A. Elias**  
 Managing Director

**Sudhir Seth**  
 Director

**K. K. Bhavsar**  
 Company Secretary

**A. D. Kunte**  
 Director

**Shailesh Hemani**  
 Director

Mumbai May 17, 2010