

FORM A - UNQUALIFIED REPORT

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|---|---|--|
| 1 | Name of the Company | Aplab Limited |
| 2 | Annual financial statements for the year ended | 31 st March, 2014 |
| 3 | Type of Audit Observation | Un-qualified |
| 4 | Frequency of Observation | Not Applicable |
| 5 | <p>To be signed by –</p> <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman |     |



APLAB LIMITED
49th Annual Report
2013-2014

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|--|---|
| <p style="text-align: center;">Aplab Limited 49th Annual General Meeting</p> | |
| Day & Date | : Thursday, 7 th August 2014 |
| 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

49th Annual Report 2013-2014

CIN : L99999 MH1964 PLC 013018

Board of Directors

P. S. Deodhar
Nishith Deodhar
Amrita P. Deodhar
Amit Goenka
Mukund Galgali
A. G. Joshi
Jayant Deo
S. K. Hajela

Chairman
Managing Director
Director
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.

Unit No. 37, SDF - II,
SEEPZ-SEZ, Andheri (East),
Mumbai - 400 096.

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

Unit 18, Electronic Sadan II,
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

Shahade & Associates
Chartered Accountants

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 Forty Ninth Annual General Meeting of Aplab Limited (CIN : L99999MH1964PLC013018) will be held at Hotel Tip Top Plaza, L B S Marg, Thane (West) – 400 602 on Thursday, the 7th August, 2014 at 12.30 p.m. to transact the following business:

Ordinary Business:-

1. To receive, consider and adopt the audited Annual Accounts for the year ended 31st March, 2014 together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mrs. Amrita P. Deodhar (DIN:00538573), who retires by rotation and being eligible offers herself for re-appointment;
3. To appoint M/s. Shahade & Associates, Chartered Accountants (ICAI Registration No. 109840W) as statutory auditors of the Company and to fix their remuneration.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 73 and other applicable provisions, if any, of the Companies Act, 2013 and the Memorandum and Articles of Association, consent of the Company be and is hereby accorded to the Board of Directors of the Company to accept monies from the shareholders of the Company by way of fixed deposit or to renew the existing deposits placed by the shareholders.

RESOLVED FURTHER THAT the Board of the Directors of the Company shall ensure compliance of the provisions of Companies (Acceptance of Deposit) Rules 2014 for acceptance, renewal and repayment of deposits.

RESOLVED FURTHER THAT the amount of fresh deposit or renewal together with the amount of other deposits outstanding on the date of acceptance or renewal, received from shareholders, shall not exceed 25% of the aggregate of the paid up capital and free reserves of the company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the deposits aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

Special Business:-

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule IV to the Companies Act, 2013, Mr. Anil G. Joshi (DIN 00019927), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule IV to the Companies Act, 2013, Mr. Jayant N. Deo (DIN 00568381), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule IV to the Companies Act, 2013, Dr. S. K. Hajela (DIN 01001987), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019

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

“RESOLVED THAT pursuant to the relevant provisions of the Companies Act, 2013 the Company do exit the Joint Venture business with Arabian Power Electronics Company (APEC), Saudi Arabia due to changed licensing regulations in Saudi Arabia for companies with foreign equity.

RESOLVED FURTHER THAT subject to the consents, approvals and permissions being obtained from the appropriate authorities to the extent applicable or necessary, consent of the Company be and is hereby given pursuant to the applicable provisions of the Companies Act, 2013 to transfer the shares to Mr. Sattam Al Omayri or any other Saudi National at consideration mutually acceptable and with effect from such date as the Board of Directors of the Company may think fit.

RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby given for negotiating, executing the relevant agreements and such other documents as may be necessary in connection with the exit of Joint Venture Business of APEC at Saudi Arabia.

RESOLVED FURTHER THAT Mr. Nishith P. Deodhar, Managing Director or any of the Directors be and is hereby authorized to finalize the terms and conditions of the agreements/documents and execute the agreements and all other relevant agreements/documents on behalf of the Company and complete all formalities and do all such further acts and deeds to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and other enabling provisions, if any, consent of the Company be and

is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether movable or immovable or stock-in process and debts and advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount upto which the moneys may be borrowed shall not exceed Rs. 50,00,00,000/- (Rupees Fifty Crores only) at any point of time."

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

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.1.25 Lacs plus service tax as applicable and re-imbursement of actual travel and out-of-pocket expenses for the financial year ending 31st March, 2015 as approved by the Board of Directors of the company to be paid to M/s Gangan & Co., Cost Accountants for the conduct of the cost audit of the company's product(s)/service(s) covered under Central Excise tariff Act 1985 be and is hereby ratified and confirmed."

Registered Office:
Aplab House, A-5, Wagle Estate,
Thane-400604

By Order of the Board

Rajesh K. Deherkar
Company Secretary &
Finance Controller

Place : Thane
Dated : 8th May, 2014

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. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than 10 (ten) percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
2. The instrument of Proxy in order to be effective, should be deposited at the registered office of the company duly completed and signed at least 48 hours prior to the time fixed for the meeting. Proxies submitted on behalf of the companies, societies etc must be supported by an appropriate resolution/authority as applicable.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting is annexed hereto.
4. The Register of Members and the Share Transfer Register of the company will remain closed from Friday, the 1st August, 2014 to Thursday, the 7th August, 2014 (both days inclusive).
5. 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., 17-20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai - 400 059. Tel : 28594060 / 28594442 / 28594428 Fax : 28503748

6. 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 or Company's Registrar & Share Transfer Agents in respect of their physical share folios.
7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent or to the Company.
8. The Company has already transferred, all unclaimed dividend declared up to 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 up to 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.
9. Pursuant to the provision of the Companies Act, 2013, 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, 31st March, 2003, 31st March, 2004, 31st March, 2005 and 31st March, 2006 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, 2007, 31st March, 2008 and 31st March, 2009 are requested to make their claim to the Registered Office of the Company.
10. 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.
11. 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.
12. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 49th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members for voting electronically are as under:-

- I) In case of members receiving e-mail:
 - i) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
 - ii) Log on to the e-voting website www.evotingindia.com.
 - iii) Click on "Shareholders" tab to cast your votes.
 - iv) Select the Electronic Voting Sequence Number ("EVSN") 140702003 along with "APLAB LIMITED" from the drop down menu and click on Submit.
 - v) Now, fill up the following details in the appropriate boxes:

| | For Members holding shares in Demat Form | For Members holding shares in Physical Form |
|------------------------|---|---|
| User ID | For NSDL: 8 Character DP ID followed by 8 Digits Client ID. For CDSL: 16 digits beneficiary ID | Folio Number registered with the Company |
| PAN * | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders) | |
| DOB # | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio | |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. #Anyone | |

* Members who have not updated their PAN with the Company/ Depository Participant are requested to use the default number: <aplab49agm> in the PAN field.

- vi) After entering these details appropriately, click on "SUBMIT" tab.
 - vii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting, through CDSL platform.
- You can also update your mobile number and e-mail ID in your demat account, which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the member forgets the password and the same needs to be reset.
- viii) For members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in the Notice of AGM.

- ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

II. In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy]:

- (I) Initial password and other details are provided as below at the bottom of Attendance Slip
- (ii) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.

III. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

IV. The voting period begins on 1st August, 2014 (9:00 am) and ends on 3rd August, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

V. In case you have any queries or issues regarding e- voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

VI. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity share capital of the Company as on the cut-off date (record date) of 30th June, 2014.

VII. CS Rama Subramanian, Company Secretaries (Membership No. ACS 15923, CP No. 10964) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

IX. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.aplab.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

13. All documents referred to in the Notice and Explanatory statement are open for inspection at the Registered office of the company during office hours between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays up to the date of Annual General Meeting.

14. The Members are requested to provide their e-mail ids to the Registrar or Registered Office for facilitating speedy communication.
15. Details under Clause 49 VI (A) of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting forms part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

EXPLANATORY STATEMENT:

(Pursuant to Section 102 of the Companies Act, 2013)

Item Nos. 5 to 7

Mr. Anil G. Joshi, Mr. Jayant N. Deo and Dr. S.K. Hajela are directors whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, all of them being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors for five consecutive years for a term up to 31st March, 2019. Notices have been received from members proposing them as candidates for the office of Director of the Company.

In the opinion of the Board, they fulfill the conditions specified in the Companies Act, 2013 and rules made there under for their appointment as Independent Directors of the Company and are independent of the management.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

Accordingly, the Board recommends the resolutions in relation to their appointment as Independent Directors for the approval by the shareholders of the Company.

Except Mr. Anil G. Joshi, Mr. Jayant N. Deo and Dr. S.K. Hajela, being appointees, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 4 to 6.

Item No. 8

According to the applicable provisions of the Companies Act, 2013, sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of such undertaking requires the approval of the shareholders by way of an ordinary resolution. The Company proposes to exit from the Joint Venture business of APEC at Saudi Arabia due to changed licensing regulations in Saudi Arabia and transfer the shares to Mr. Sattam Al Omairi or any other Saudi Arabia National, therefore, seeking your consent for such proposal as contained in the ordinary resolution appended above.

Item No. 9

The shareholders had passed an Ordinary Resolution under Section 293 (1) (d) of the erstwhile Companies Act, 1956 authorizing the Board of Directors to borrow any sum or sums of moneys for and on behalf of the Company, from time to time provided that the total amount upto which the moneys may be borrowed shall not exceed Rs. 50,00,00,000/- (Rupees Fifty Crores only) at any point of time.

However, in terms of Section 180 of the Companies Act, 2013, which was notified with effect from 12th September, 2013, such authority needs to be given by a Special Resolution. The Ministry of Corporate Affairs vide their General Circular No. 04/2014 dated. 25th March, 2014 has clarified that the resolution passed under Section 293 of the

Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and/or creation of security on assets of the company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from the date of such notification.

Hence it is necessary to pass a Special Resolution under Section 180(1)(c) of the Companies Act, 2013 authorizing the Board of Directors to borrow any sum or sums of moneys for and on behalf of the Company, from time to time provided that the total amount upto which the moneys may be borrowed shall not exceed . 50,00,00,000/- (Rupees Fifty Crores only) at any point of time.

The Board recommends the resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

Item No. 10

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a Cost Accountant in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on 8th May, 2014, the Board has considered and approved appointment of M/s Gangan & Co., Cost Accountants for the conduct of Cost Audit of the company's product(s)/service(s) covered under Central Excise tariff Act 1985 at a remuneration of Rs. 1.25 Lacs plus service tax as applicable and re-imbursement of actual travel and out-of-pocket expenses for the financial year ending 31st March, 2015.

The Resolution at item no. 9 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

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

Mrs. Amrita P. Deodhar - Director
(DIN:00538573)

Mrs. Amrita Deodhar is a commerce graduate of 1967. She is a successful entrepreneur for over four decades having set up Electronic Manufacturing Unit in SEEPZ in 1975. After selling that business, she set up distribution company representing several international companies producing high tech electronic test equipment and analytical test instruments. After strengthening the company with a nationwide sales and service network and securing large market share, she sold that enterprise to a US Multi-national in 2011. She brings to Aplab Board her long experience in building business ventures and making them a commercial successes. She is also Director in Origin Instrumentation Pvt. Ltd., Deodhar Electro Design Pvt. Ltd., Printquick Pvt. Ltd, Devize (India) Pvt. Ltd. and Intel Export Corporation

Mr. Anil G. Joshi – Independent Director
(DIN 00019927)

Mr. A.G. Joshi is a Post Graduate in Science faculty who did his Management studies from Pune University. He is having working experience in the Banking field with Bank of Maharashtra for 31 years,

3 years in Indian Bank as Executive Director and 3 years in Dena Bank as Chairman and Managing Director. He is also Director in Unity Infra Projects Limited, Tarmat Ltd., Videocon Industries Ltd., GDA Trusteeship Ltd., Pune, Sahil Hospitality Ltd. Pune, Saraswat Co-op. Bank Ltd., Mumbai,

**Mr. Jayant N. Deo – Independent Director
(DIN 00568381)**

Mr. Jayant Deo is a Mechanical Engineer having Post Graduation in Industrial Engineering and Financial Management. He is having 41 years of working experience. He is a Member of World Energy Council and Fellow Member of Institution of Engineers (India)

**Dr. S.K. Hajela – Independent Director
(DIN 01001987)**

Dr. Shailendra Hajela graduated in Electrical Engineering from IIT-Roorkee in India who 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. Shailendra Kumar 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.

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

Place : Thane
Dated : 8th May, 2014

By Order of the Board

Rajesh K. Deherkar
Company Secretary &
Finance Controller

DIRECTORS' REPORT

To the Members

Your Directors present their 49th Annual Report and the Audited Accounts for the year ended 31st March, 2014

| | (Rs. in Lacs) | |
|--|--------------------------|--------------------------|
| | Year ended 31.03.2014 | Year ended 31.03.2013 |
| Profit before finance cost, depreciation and tax | 1358.91 | 740.55 |
| Finance Cost | 1022.23 | 896.34 |
| Depreciation | 278.12 | 213.68 |
| Profit/(Loss) before tax | 58.56 | (369.47) |
| Provision for income tax | - | - |
| Deferred Tax Liability/(Asset) | - | - |
| Net Profit/(Loss) | 58.56 | (369.47) |
| 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 could achieve higher turnover of Rs. 9515.97 Lacs against Rs. 7161.40 Lacs of previous year. This represent a growth of 32.88%. The growth is mainly in Banking Automation Products. With added turnover profit before tax of Rs. 58.56 Lacs is achieved against loss of Rs. 369.47 Lacs of previous year. In the current year growth is expected in sale of other products.

FINANCE

The cost of finance has been continued to increase in the year under review. Liquidity position was always under pressure. Directors are making every effort to control the cost by better working capital management. In current year though absolute figures will increase finance cost, enhanced turnover will reduce the impact thereof.

DIVIDENDS

The year under review has generated net profit of Rs. 58.56 Lacs. However as a prudent business practice the Board felt it appropriate to defer recommendation of any dividend till earning of substantial profit (P.Y. Nil).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

A. Industry Structure and Developments:

Manufacturing in India continues to face several headwinds like in the past few years. High inflation and poor infrastructure mean higher input costs, increasing labour strike, higher borrowing costs and consequently lower margins for our products. The markets your company operates in 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 due to continued Chinese and other low cost imports pressure 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. Government spending and in general demand for your company's Industrial products has substantially slowed over the 2012-2013 fiscal year. Although, we are hopeful that spending and consequent demand will increase in the current year; this being an election year, but any upside seems restricted due to the negative outlook by international ratings companies. Your company now has successfully tapped the Middle East market and looks to further focus and grow business in these lucrative markets.

B. Opportunities and Threats to your company:

An election year, we hope provides new opportunities with new investments the Government is likely to undertake this year. Your company continues to explore opportunities in the PV Solar market; in an energy starved environment, PV solar looks increasingly attractive to Indian consumers.

Your company's banking and retail automation products are likely to grow exponentially this year. Your company has tied with reputed international brands to bring the Indian banking industry world-class banking automation products. Banks, partially RBI mandated, continue to expand their rural retail banking networks. The number of customers they service has increased, along with the geographical spread. There is also a big dearth of trained personnel in the retail banking sector, especially in the rural areas, hampering banks growth plans. All these factors lend to an increased interest in your company's self-service kiosks. We expect a substantial rise in business in the coming year.

Test and Measurement division should see some growth in the education sector due to the increased Government spending in an election year. However, we expect the increase to be marginal at best.

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 in Middle East and the GCC countries, where the company can command better margins and now has a very strong partner and investments.

Your company's exited the fuel dispensing business. This business had become extremely competitive and a low margin market share acquisition exercise. The costs of maintain an extremely geographically dispersed population of dispensing units and the associated costs, convinced the company that this business was not strategic.

C. Threats

Your company primarily operates in LBT taxed areas. Trader community strikes, and the additional overheads, costs of operating in an LBT area puts your company in a disadvantage

to other companies operating in areas where local taxes are manufacturing friendly.

General economic conditions of inflation, severe competition within India and from outside, increasing material prices and labour costs continue to be major threats. Cost of borrowings continues to rise and is likely to continue to do so in the midterm as high lending rates mean lesser liquidity. 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 higher fuel price rises.

The weaker rupee is likely to help exports but also means that managing business in products where import content is high, and in a volatile currency environment becomes increasingly difficult.

COMPANY PERFORMANCE

D. Performance Balance Sheet:

During the year under review your company achieved sales of Rs. 9515.97 Lacs and earned profit of Rs. 1358.91 Lacs before Interest, Depreciation and Tax as compared to sales of Rs. 7161.40 Lacs and Profit of Rs. 740.55 Lacs before Interest, Depreciation and Tax in the previous year. Increased turnover resulted in better gross margin though some of the orders were with low margin. There has been enhancement in cost of finance and human resources.

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 monitored by Managing Director. The Audit Committee also reviews the systems and the observations of Internal Auditors in the periodical meetings. Frequency of verification at branches will be improved during the current year.

F. Financial Performance:

The cost of finance has been continued to increase in the year under review. The liquidity position of the company has been under continuous stress during the current year. During the year carried forward losses of earlier year are marginally reduced. 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 programmes are conducted to enhance the capability of existing employees.

SUBSIDIARY COMPANY

SPRYLOGIC TECHNOLOGIES LIMITED

Sprylogic Technologies Limited, the IT subsidiary recorded turnover of Rs. 210.38 Lacs during the year as against Rs.238.37 Lacs in the previous year. The operations during the year have resulted into a profit before tax of Rs. 37.05 Lacs as against profit before tax of Rs.69.02 Lacs during the previous year.

FIXED DEPOSITS

During the year, fixed deposits of Rs. 58.49 Lacs were accepted and Rs. 250.95 Lacs were renewed. As at year end the Fixed Deposits amounting to Rs.13.13 Lacs remained unclaimed.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013, Mrs. Amrita P. Deodhar (DIN:00538573) is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offer herself for re-appointment.

Pursuant to the applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule IV to the Companies Act, 2013, Mr. Anil G. Joshi (DIN 00019927), Jayant N. Deo (DIN 00568381) and Dr. S. K. Hajela (DIN 01001987) Directors of the Company are to be appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019.

AUDITORS

The Auditors, M/s Shahade & Associates., Chartered Accountants, (ICAI Registration No. 109840W) retire at the forthcoming Annual General Meeting. They have furnished a certificate confirming their eligibility for reappointment under provisions of Section 139 of the Companies Act, 2013 and have expressed their willingness to be re-appointed. You are requested to appoint the Auditors for the current year and fix the remuneration.

As per the requirement of Central Government and pursuant to section 233B of the erstwhile Companies Act, 1956, your company has been carrying out an audit of cost records of company's product(s)/service(s) covered under Central Excise tariff Act 1985.

The company has appointed Messrs Gangan & Co. Cost Accountants, as Cost Auditors to audit the cost accounts for the financial year 2014-15 in pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014

The cost audit report for the previous year has already been filed with the Ministry of Corporate Affairs.

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 provisions of Companies Act, 2013, your Directors' subscribe to the "Directors' Responsibility Statement" and confirm as under:

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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;
- 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.
- e) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively
- f) that the Directors had laid down internal financial controls and such controls are adequate and operating effectively.

LISTING OF SECURITIES

The Securities are listed on the stock exchanges at Mumbai, Delhi, Chennai & Pune. The Company is proposing of delisting the shares from Delhi, Chennai and Pune Stock Exchanges.

PERSONNEL

The relation with employees were cordial during the year. The Board appreciates the willful co-operation and team spirit of all employees of the company.

PARTICULARS OF EMPLOYEES

Information as required under the provisions of Section 217 (2A) of the Companies Act, 1956 (the Act) and the rules framed there under forms part of this report. However 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
May 8, 2014

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 is switching over its lighting needs 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. EMI / EMC compatible rack UPS (2KVA) are made for BEL & ECIL.

- b. UPS for NOVA with modular modules in 19 inch rack & very unique components for high temperature withstanding capacity. Special Rack Construction.
- c. Data logger system for UPS with CANBUS communication and touch screen for monitoring /display.
- d. Special customer connections from Frequency Converters with lockable facility to improve the contacts.
- e. RS232 communication facilities in UPS systems for monitoring parameters on PC.
- f. 200KVA Frequency Converter with special specifications to meet Oil & Gas industries in OPEC area (Saudi Arabia).

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The earnings and outgo in foreign exchange are as follows:

| | |
|--|-------------------------|
| Earnings (FOB Value) (P Y Rs. 484.32 Lacs) | Rs. 730.99 Lacs |
| Outgo (CIF Value of imports plus expenses) (P Y 701.94 Lacs) | Rs. 1815.88 Lacs |

For and on behalf of the Board of Directors

Thane
May 8, 2014

Nishith Deodhar
Managing Director

Expenditure on R & D

| | (Rs. in Lacs) | |
|---|----------------------|----------------|
| | 2013-14 | 2012-13 |
| Capital Expenditure | Nil | Nil |
| Revenue Expenses | 36.06 | 39.19 |
| Total | 36.06 | 39.19 |
| Total R & D Expenses as a percentage to turnover | 0.38% | 0.54% |

REPORT ON CORPORATE GOVERNANCE
(Pursuant to Clause 49 of the Listing Agreement)
1. Company's philosophy on Code of Governance

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

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

2. Board of Directors – Composition

As on the date of this report, the Board of Directors of your Company consists of eight members, comprising of one Executive Director and seven 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 | - | - | - |
| Mr. Nishith Deodhar | Executive | 1 | - | - |
| Mrs. A. P. Deodhar | Non Executive | - | - | - |
| Mr. Amit Goenka | Independent & Non-Executive | 9 | 1 | - |
| Mr. Mukund Galgali | Independent & Non-Executive | 1 | - | - |
| Mr. A.G. Joshi | Independent & Non-Executive | 6 | 7 | 5 |
| Mr. Jayant Deo | Independent & Non-Executive | - | 3 | 1 |
| Dr. S.K. Hajela | Independent & Non-Executive | - | 2 | - |

Board Meetings held during the year:

During the year under review five Board Meetings were held on 12th April, 2013, 30th May, 2013, 14th August, 2013, 31st October, 2013 and 13th February, 2014 respectively.

The attendance at Board Meetings and during the Financial Year 2013-14, and at the last Annual General Meeting (AGM):

| Name | Number of Board Meetings attended | Attendance at the last Annual General Meeting |
|------------------------|-----------------------------------|---|
| Mr. P.S. Deodhar | 4 | Yes |
| Mr. Nishith Deodhar | 5 | Yes |
| Mrs. Amrita P. Deodhar | 5 | Yes |
| Mr. Amit Goenka | - | No |
| Mr. Mukund Galgali | 5 | Yes |
| Mr. A.G. Joshi | 5 | Yes |
| Mr. Jayant Deo | 5 | Yes |
| Dr. S.K. Hajela | 2 | No |

3. Audit Committee

The Audit Committee has been constituted in the year 2001 as per Section 292A of the Companies Act, 1956 and the guidelines set out in the listing agreements with the Stock Exchanges. The terms of reference of the Audit Committee are as 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 30th May, 2013, 14th August, 2013, 31st October, 2013 and 13th February, 2014 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 | 1 |

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 Director for the financial year ended 31st March, 2014

| Name | Salary & Allowances | P F and Gratuity | Perquisites | Total |
|---------------------|---------------------|------------------|-------------|-----------|
| Mr. Nishith Deodhar | 13,80,000 | 1,44,000 | 2,92,750 | 18,16,750 |

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

(a) Non-Executive Directors

Non-Executive Directors received Sitting Fees as follows

| Name | Sitting Fees | | Total |
|-------------------|---------------|-------------------|----------|
| | Board Meeting | Committee Meeting | |
| Mr.P.S.Deodhar | 60,000 | - | 60,000 |
| Mr. A.G. Joshi | 75,000 | 60,000 | 1,35,000 |
| Mr. Jayant Deo | 75,000 | 60,000 | 1,35,000 |
| Dr. S.K. Hajela | 30,000 | 7,500 | 37,500 |
| Mrs. A.P. Deodhar | 75,000 | - | 75,000 |

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 on 30th May, 2013, 14th August, 2013, 31st October, 2013 and 13th February, 2014 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 were held on the following dates, time and venue:

| Meeting | Date | Time | Venue |
|----------------------|----------------------------------|------------|--|
| 48 th AGM | 14 th August, 2013 | 12.30 p.m. | Hotel Tip Top Plaza, L B S Marg, Thane |
| 47 th AGM | 28 th September, 2012 | 12.00 noon | Hotel Tip Top Plaza, L B S Marg, Thane |
| 46 th AGM | 29 th September, 2011 | 12.30 p.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 Additional Note 26 under item no. 4 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 49th Annual General Meeting of the Company will be held on Thursday the 7th August, 2014 at 12.30 p.m. at Hotel Tip Top Plaza, L B S Marg, Thane – 400 602

Financial Calendar for the year 2014- 2015 (Provisional)

| | | |
|----|---|---|
| 1. | Results for the 1 st quarter ending 30 th June, 2014 | On or before 14 th Aug., 2014 |
| 2. | Results for the 2 nd quarter ending 30 th Sept., 2014 | On or before 14 th Nov., 2014 |
| 3. | Results for the 3 rd quarter ending 31 st Dec., 2014 | On or before 14 th Feb., 2015 |
| 4. | Results for the financial year ending 31 st March, 2015 | On or before 31 st May, 2015 |
| 5. | A G M for the year ending March, 2015 | On or before 30 th Sept., 2015 |

Date of Book Closure

The Register of Members and the Share Transfer Register of the company will remain closed from Friday the 1st August, 2014 to Thursday, the 7th August, 2014 (both days inclusive).

Stock Exchange Listing

The Company's shares are presently listed in Mumbai, Pune, Delhi and Madras Stock Exchanges.

Stock Code

| | |
|--|------------------------|
| Mumbai Stock Exchange Demat ISIN Number | 517096 INE273A01015 |
|--|------------------------|

Market Price Data

The monthly high & low quotations of shares traded at Mumbai Stock Exchange during the financial year 2013-2014 are

| Period | High | Low | Monthly Turnover of shares traded |
|-----------------|-------|-------|-----------------------------------|
| April, 2013 | 24.30 | 18.30 | 3,222 |
| May, 2013 | 24.45 | 20.30 | 5,688 |
| June, 2013 | 24.45 | 20.95 | 8,029 |
| July, 2013 | 24.95 | 20.45 | 11,633 |
| August, 2013 | 21.00 | 17.50 | 35,412 |
| September, 2013 | 29.00 | 18.50 | 9,234 |
| October, 2013 | 26.00 | 22.45 | 9,873 |
| November, 2013 | 25.90 | 21.40 | 13,896 |
| December, 2013 | 25.00 | 23.10 | 9,546 |
| January, 2014 | 26.70 | 22.80 | 15,252 |
| February, 2014 | 29.75 | 23.50 | 5,891 |
| March, 2014 | 32.70 | 25.05 | 30,706 |

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. The applications for transfer/transmission/transposition/deletion of shares in physical form are processed by the Registrar and Share Transfer Agents of the Company and are returned after the registration of transfers within 15 days from the date of receipt, subject to validity of all documents lodged with the company. The applications for transfer of shares under objection are returned within a period of 7 days. The transfer applications are approved at regular intervals.

Income Tax PAN card mandatory for Transfer/Transmission/Deletion/Transposition of securities held in physical form.

The Securities Exchange Board of India (SEBI) vide its circular nos. MRD/DoP/Cir-05/2009 dated 20th May, 2009 and SEBI/MRD/DoP/SE/TRA/Cir-03/2010 dated 7th January, 2010 has made it mandatory to furnish a copy of Income Tax PAN card to the Company/the Registrars for Transfer/Transmission/Deletion/Transposition of securities held in physical form.

Distribution Schedule of Shareholding as on 31st March, 2014

| No. of Shares | No. of Holders | % of Shareholders | No. of Shares | % of Shareholding |
|------------------|----------------|-------------------|----------------|-------------------|
| Up to 500 | 3965 | 89.12 | 572897 | 11.46 |
| 501 – 1000 | 259 | 5.82 | 205676 | 4.11 |
| 1001 – 2000 | 109 | 2.45 | 170342 | 3.41 |
| 2001 – 3000 | 37 | 0.83 | 91270 | 1.83 |
| 3001 – 4000 | 19 | 0.43 | 68378 | 1.37 |
| 4001 – 5000 | 16 | 0.36 | 72727 | 1.45 |
| 5001 – 10000 | 15 | 0.34 | 94532 | 1.89 |
| 10001 & above | 29 | 0.65 | 3724178 | 74.48 |
| T O T A L | 4449 | 100.00 | 5000000 | 100.00 |

Pattern of Shareholding as on 31st March, 2014

| CATEGORY | NO.OF SHARES | % TO TOTAL CAPITAL |
|---|----------------|--------------------|
| Directors | 928966 | 18.58 |
| Directors / Promoters' Relatives / Trusts | 178186 | 3.57 |
| Promoters | 1321200 | 26.42 |
| Employees | 2050 | 0.04 |
| NRI'S | 52140 | 1.04 |
| NRI Corporate Bodies | 1500 | 0.03 |
| Corporate Bodies | 83025 | 1.66 |
| Associate Corporate Bodies | 519499 | 10.39 |
| Mutual Funds | 2300 | 0.05 |
| Clearing Member | 1964 | 0.04 |
| Corporate Bodies – Brokers | 2779 | 0.06 |
| Public | 1906391 | 38.12 |
| T O T A L | 5000000 | 100.00 |

Dematerialization of Shares

The Company's equity shares are included in the list of companies whose scrips have been mandated by SEBI for settlement only in dematerialized form by all investors. The Company has signed agreements with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and Adroit Corporate Services Pvt. Limited to offer Depository services to its shareholders and has paid their respective charges for the benefit of its members. As on 31st March 2014, 93.87% 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, Village Digha, Thane Belapur Road, Navi Mumbai-400708
Mumbai - Unit No. 37, SDF - II, SEEPZ-SEZ, Andheri (East), Mumbai - 400 096.
Pune - Gala Nos. 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 person is Mr. Pratap Pujare. Shareholders may also contact Mr. A. Ramesh Babu, Sr. Executive - Secretarial 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:

I, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 2014 and its entire schedule and notes on accounts, as well as the Cash Flow Statement and to the best of our knowledge and information:
 - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
 - b. 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.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company, which are fraudulent, illegal or violate the Company's code of conduct.
3. The Company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures pertaining to financial reporting.
4. The Company's other certifying officers and we have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and through them to the Audit Committee of the Company's Board of Directors:
 - a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;

- c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems over financial reporting;
- d. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

For Aplab Limited

Nishith P. Deodhar
Managing Director
DIN : 01614848

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, 2014 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 **Shahade & Associates**
Chartered Accountants

Place : Mumbai
Date : 8th May, 2014

Atul Shahade
Partner
M No. 35227

AUDITORS' REPORT**Report on the Financial Statements**

We have audited the accompanying financial statements of Aplab Limited ("**the Company**"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("**the Act**") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as

evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 12 (2) to the Financial Statements regarding Non provision of diminution of value of Investment made in joint venture company as per requirement of Accounting Standard 13. This is in terms of arrangement between the parties to acquire Aplab Ltd. shareholding in this Associate Company at original investment value. Our Opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("**the Order**") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from all the branches not visited by us;
 - d. In our opinion, the Balance Sheet, Statement of Profit

Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013

- e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

For **Shahade & Associates**
Chartered Accountants
(ICAI Firm Regn. No. 109840W)

Atul Shahade
Partner
M. No. 35227

Place : Mumbai
Date : May 8, 2014

ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of Aplab Limited for the year ended on 31st March 2014.)

- i. (a) The Company has maintained reasonable records showing particulars including quantitative details and situation of fixed assets. However, this needs completion in terms of identification, location & other details for few of the assets.
- (b) Physical verification of items of the fixed asset was conducted by the management during the year as per the programme and we are informed that no material discrepancies were noticed in such verification. The verification results are being reconciled with Fixed Assets Register by the Company.
- (c) During the year, the Company has not disposed off a substantial part of fixed assets
- ii. (a) As explained to us, the inventory has been physically verified during the year by the management at the various locations. In our opinion, the frequency of such verification needs to be improved at branches.
- (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 at all manufacturing locations 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 at all manufacturing locations. As informed to us, the discrepancies noticed in physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.

- iii. (a) According to the information and explanations given to us, the Company has not granted any loan to the parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clause (iii) (a) to (iii) (d) are not applicable.

- (b) According to the information and explanations given to us, the Company has additionally taken two Unsecured Loans amounting to Rs. 124.50 lacs (Previous Year Rs. 1096 lacs) and Fixed Deposits amounting to Rs. 42.12 lacs (Previous Year Rs. 177 Lacs) from its Directors who are listed in the register maintained under section 301 of the Companies Act, 1956.

- (c) The rate of interest and other terms and conditions of these loans taken are prima facie not prejudicial to the interest of the Company.

- (d) In respect of Unsecured Loans taken repayment of principal and interest are not stipulated.

- 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. 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 other areas of 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 there under with regard to the deposits accepted from the public.

vii. In our opinion, the Internal Audit covering Head Office & Manufacturing Units is commensurate with the size and the nature of its activities at these places.

viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central government u/s 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the Cost records with a view to determine 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, Wealth tax, Service tax, Customs Duty, Excise Duty, cess and other statutory dues with the appropriate authorities during the year, though there is a delay in few cases. There are no undisputed statutory dues outstanding as of March 31, 2014 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 various Statutory Dues :-

| Statute | Amount (Rs. in Lacs) | F.Y. | Forum where dispute is pending |
|--------------|----------------------|-----------|--|
| 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 | 2002-03 | Dy. Commissioner Appeals, New Delhi. |
| Sales Tax | 1.33 | 2003-04 | Dy. Commissioner Appeals, New Delhi. |
| Sales Tax | 1.68 | 2004-05 | Joint Commissioner Appeals, New Delhi. |
| Sales Tax | 3.40 | 2004-05 | Joint Commissioner Appeals, New Delhi. |
| Sales Tax | 16.58 | 2003-04 | Joint Commissioner of Sales Tax (Appeal VIII), Thane, |
| Sales Tax | 0.59 | 2004-05 | Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow) |
| Sales Tax | 0.83 | 2005-06 | Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow) |
| Sales Tax | 1.70 | 2006-07 | Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow) |
| Sales Tax | 1.08 | 2007-08 | Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow) |
| Income Tax | 22.28 | 2003-04 | Additional Commissioner Grade II, Appeal filed with Tribunal Mumbai |
| Income Tax | 14.28 | 2004-05 | Additional Commissioner Grade II, Appeal filed with CIT (A) II Thane |
| Income Tax | 11.44 | 2005-06 | Additional Commissioner Grade II, Appeal filed with A.C. Circle 1, Thane |
| Income Tax | 7.62 | 2007-08 | Appeal filed with ITAT Mumbai |
| Income Tax | 515.75 | 2008-09 | Additional Commissioner Circle 1, Thane |
| Income Tax | 682.31 | 2009-10 | Appeal filed with Commissioner of IT Range 1 |
| Total | 1293.55 | | |

x. The Company has accumulated losses at the end of the year which is less than fifty percent of its net worth. The Company has not incurred a Cash Loss during the current financial year, however the company has incurred Cash Loss amounting to Rs. 153.56 Lacs in the immediately preceding financial year.

xi. Based on our audit procedures and on the basis of information and explanations given by the management, there are cases of delay in Repayment of Principal amount of Term Loans with interest thereon and such overdue amount is Rs. 38.67 lacs as on 31st March, 2014 for two term loans for a period of one month. This has been subsequently paid.

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, the Company has not given any guarantee for loans taken by its subsidiary from a bank.
- 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 **Shahade & Associates**
Chartered Accountants
(ICAI Firm Regn. No. 109840W)

Atul Shahade
Partner
M. No. 35227

Place : Mumbai
Date : May 8, 2014

Balance Sheet as at 31st March, 2014

(Amount in Rs.)

| Particulars | Note | As At 31-03-2014 | As At 31-03-2013 |
|---------------------------------------|---------|-----------------------|-----------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| a) Share Capital | 1 | 5,00,00,000 | 5,00,00,000 |
| b) Reserves and Surplus | 2 | 21,83,82,432 | 21,25,61,968 |
| Total | | 26,83,82,432 | 26,25,61,968 |
| Non-current Liabilities | | | |
| a) Long - Term Borrowings | 3 | 12,75,11,693 | 13,44,42,540 |
| b) Deferred Tax Liabilities (net) | 4 | - | - |
| c) Other Long-Term Liabilities (net) | 5 | 32,74,075 | 15,39,845 |
| d) Long-Term Provisions | 6 | 9,27,53,726 | 11,24,62,340 |
| Total | | 22,35,39,494 | 24,84,44,725 |
| CURRENT LIABILITIES | | | |
| a) Short - Term Borrowings | 7 | 60,37,54,716 | 52,37,99,472 |
| b) Trade Payables | 8 | 24,67,39,355 | 13,95,44,806 |
| c) Other Current Liabilities | 9 | 14,50,15,555 | 12,17,42,757 |
| d) Short - Term Provisions | 10 | 1,78,07,831 | 2,01,89,740 |
| Total | | 1,01,33,17,457 | 80,52,76,775 |
| Total - Equity And Liabilities | | 1,50,52,39,383 | 1,31,62,83,468 |
| ASSETS | | | |
| Non - Current Assets | | | |
| a) Fixed Assets | 11 | 57,66,37,445 | 60,73,91,874 |
| Tangible Assets | | 1,93,972 | 3,23,286 |
| Intangible Assets | | 57,68,31,417 | 60,77,15,160 |
| b) Non - Current Investments | 12 | 2,26,19,150 | 2,26,19,150 |
| c) Other Non-Current Assets | 13 | 21,97,93,005 | 6,24,17,131 |
| d) Deferred Tax Assets (net) | 4 | 12,01,057 | 12,01,057 |
| Total | | 82,04,44,629 | 69,39,52,498 |
| CURRENT ASSETS | | | |
| a) Inventories | 14 | 35,89,34,945 | 43,61,05,243 |
| b) Trade Receivables | 15 | 28,50,26,755 | 13,27,75,903 |
| c) Cash and Cash Equivalents | 16 | 36,10,827 | 3,00,07,675 |
| d) Short - Term Loans and Advances | 17 | 3,72,22,227 | 2,34,42,149 |
| Total | | 68,47,94,754 | 62,23,30,970 |
| TOTAL ASSETS | | 1,50,52,39,383 | 1,31,62,83,468 |
| Notes to Financial Statements | 1 to 26 | | |
| Significant Accounting Policies | 27 | | |

As per our report attached
For Shahade & Associates.
Chartered Accountants
Firm Reg. No. 109840W
Atul Shahade
Partner
M. No. 35227
Mumbai : 8th May, 2014

Rajesh K. Deherkar
Company Secretary &
Finance Controller

DIN - 01614848
DIN - 00019927

For and on behalf of the Board

Nishith Deodhar
A. G. Joshi
Managing Director
Director

Thane : 8th May, 2014

Statement of Profit & Loss for the year ended 31st March, 2014

(Amount in Rs.)

| | Note | 2013 - 14 | 2012 - 13 |
|--|---------|---------------------|----------------------|
| INCOME | | | |
| Revenue from Operations | 18 | 95,15,96,514 | 71,61,40,110 |
| Other Income | 19 | 1,03,43,226 | 2,06,54,378 |
| Total Revenue | | 96,19,39,740 | 73,67,94,488 |
| EXPENSES | | | |
| Materials Consumed | 20 | 49,37,66,691 | 32,27,32,098 |
| Changes in Inventories | 21 | (3,98,69,378) | 60,15,375 |
| Employee Benefit Expenses | 22 | 22,08,49,532 | 20,95,63,798 |
| Manufacturing Expenses | 23 | 5,49,01,019 | 4,01,64,672 |
| Finance Costs | 24 | 10,22,22,881 | 8,96,34,197 |
| Other Expenses | 25 | 9,64,00,531 | 8,64,49,292 |
| Depreciation & Amortization Expenses | | | |
| Less : Transferred to Revaluation Reserve | 11 | 2,78,48,000 | 2,14,04,418 |
| | | 36,001 | 36,001 |
| | | 2,78,11,999 | 2,13,68,417 |
| Total Expenses | | 95,60,83,275 | 77,59,27,849 |
| Profit / (Loss) before Exceptional Items & Taxes | | 58,56,465 | (3,91,33,361) |
| Sale of Fuel Dispensing Pump Business | | - | 21,86,400 |
| Profit Before Tax | | 58,56,465 | (3,69,46,961) |
| Provision For Taxation | | | |
| Tax Expenses | | | |
| Current Tax | | - | - |
| Deferred Tax | | - | - |
| Prior Year Tax Adjustment | | - | 2,22,154 |
| PROFIT /(LOSS) FOR THE YEAR | | 58,56,465 | (3,67,24,807) |
| EARNINGS PER EQUITY SHARE (face Value of Rs. 10/- each) | | | |
| Basic | | 1.17 | (7.34) |
| Diluted | | 1.17 | (7.34) |
| Notes to Financial Statements | 1 to 26 | | |
| Significant Accounting Policies | 27 | | |

As per our report attached
For Shahade & Associates.
Chartered Accountants
Reg. No. 109840W
Atul Shahade
Partner
M. No. 35227
Mumbai : 8th May, 2014

Rajesh K. Deherkar
Company Secretary &
Finance Controller

DIN - 01614848
DIN - 00019927

For and on behalf of the Board

Nishith Deodhar
A. G. Joshi
Managing Director
Director

Thane : 8th May, 2014

Notes to the Financial Statements

| | (Amount in Rs.) |
|--|--------------------|
| | As At |
| | 31-3-2014 |
| | As At |
| | 31-3-2013 |
| NOTE 1 : | |
| SHARE CAPITAL | |
| Authorised : | |
| 1,00,00,000 (March 31,2013, 1,00,00,000) | |
| Equity Shares of Rs. 10 each | 10,00,00,000 |
| Issued : | |
| 50,00,000 (March 31,2013, 50,00,000) | |
| Equity Shares of Rs. 10 each | 5,00,00,000 |
| Subscribed and Paid up : | |
| 50,00,000 (March 31,2013, 50,00,000) | |
| Equity Shares of Rs. 10 each | 5,00,00,000 |
| Total | 5,00,00,000 |

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. There is no change in share capital of the company during the year. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

| Name of Shareholder | As at 31-03-2014 No. of Shares held | As at 31-03-2014 % of Shares | As at 31-03-2013 No. of Shares held | As at 31-03-2013 % of Shares |
|------------------------------------|---|------------------------------------|---|------------------------------------|
| Prabhakar Shankar Deodhar | 5,60,652 | 11.21 | 5,60,652 | 11.21 |
| Amrita Prabhakar Deodhar | 3,68,314 | 7.37 | 3,68,314 | 7.37 |
| Zee Entertainment Enterprises Ltd. | 13,21,200 | 26.42 | 13,21,200 | 26.42 |
| Balram Bharwani | 2,92,161 | 5.84 | 2,22,500 | 4.45 |

| | As At | As At |
|--|--------------------|--------------------|
| | 31-3-2014 | 31-3-2013 |
| NOTE 2 : | | |
| RESERVES AND SURPLUS | | |
| 1. Capital Reserve: | | |
| Balance as per last Balance sheet | 3,42,86,749 | 4,00,800 |
| Addition during the year | - | 3,38,85,949 |
| | 3,42,86,749 | 3,42,86,749 |
| Pursuant to Mumbai High Court Order dated 25th March 2013, the wholly owned subsidiary Intel Instruments & Systems Ltd. was merged with Aplab Ltd. at the closing hours of 31-03-2013. As per above order Assets and Liabilities of both the Companies were considered at fair value and difference between fair value of Assets and Liabilities of both the companies was adjusted in Capital Reserve. | | |
| 2. Securities Premium Reserve: | | |
| Balance as per last Balance sheet | 12,91,81,200 | 12,91,81,200 |
| 3. Revaluation Reserve: | | |
| Opening Balance | 3,24,012 | 11,69,301 |
| Less : Amount transferred to Land Revaluation Account | - | 8,09,287 |
| Less : Amount transferred to Profit and Loss Account | 36,001 | 36,001 |
| | 2,88,011 | 3,24,012 |

Notes to the Financial Statements

| | (Amount in Rs.) | |
|---|---------------------|---------------------|
| | As At 31-3-2014 | As At 31-3-2013 |
| 4. General Reserve | | |
| Balance as per last Balance Sheet | 12,76,30,982 | 12,76,30,982 |
| 5. Surplus/Deficit as per Profit and Loss Account | | |
| Opening Balance | (7,88,60,975) | (4,21,36,168) |
| Add : Profit /(Loss) for the year | 58,56,465 | (3,67,24,807) |
| Balance as at end of the year | (7,30,04,510) | (7,88,60,975) |
| Total | 21,83,82,432 | 21,25,61,968 |

NOTE 3 :
Long Term Borrowings
1. Secured

Term Loan :

From Banks

7,89,37,737

9,08,32,335

From NBFCs

6,13,956

9,67,206

7,95,51,693

9,17,99,540

2. Unsecured :

Fixed Deposits

4,79,60,000

4,26,43,000

Loan from Others

-

-

4,79,60,000

4,26,43,000

Total
12,75,11,693
13,44,42,540
TERM LOAN

Term Loan I Bank of Maharashtra

2,32,00,891

3,44,78,735

a) Secured by mortgage of Land and Building, at Bhosari Pune and Bldg. at Bangalore.

b) Payable from 28-02-2011 at Rs.10,32,000 per month

c) Interest to be paid as & when applied.

d) Rate of Interest at present 14.50% p.a.

Term Loan II Bank of Maharashtra

a) Hypothecation charge on all the Assets/

Equipments/Machinery purchased out of this term loan.

b) Payable from 30-04-2013 at Rs.15,00,000 p.m.

5,54,99,996

5,59,94,870

c) Interest to be paid as & when applied.

d) Rate of Interest at present 14.50%

Overdue installment and interest thereon

outstanding for both the Term Loans is Rs. 38,67,384/-

Term Loans from ICICI Bank

2,36,849

3,58,730

Secured by hypothecation of vehicles financed by bank.

| Name of Lender | EMI Rs. | From | To | Rate of Interest p.a. |
|----------------|------------|---------------|--------------|--------------------------|
| ICICI Bank | 13,070 | 1st Jan. 2012 | 1st Nov 2016 | 11.50% |

Loan from NBFCs :

6,13,956

9,67,205

 Secured by hypothecation of vehicles purchased
out of these Term loans

Notes to the Financial Statements

| Name of Lender | EMI Rs. | From | To | Rate of Interest p.a. |
|------------------------------|------------|----------------|----------------|--------------------------|
| Kotak Mahindra Prime Ltd. | 7,050 | 30th June 2011 | 10th May 2016 | 13.35% |
| Kotak Mahindra Prime Ltd. | 17,100 | 25th Aug. 2011 | 10th Aug. 2016 | 12.73% |
| Future Capital Holdings Ltd. | 13,668 | 9th Jan. 2012 | 5th Dec. 2016 | 13.50% |

(Amount in Rs.)

Unsecured

Fixed Deposits

Fixed Deposits accepted from Public and Shareholders having Maturity of Two and Three years. Interest payable as per the scheme accepted by the Fixed Deposit Holder Interest payable for two years 10.50% p.a. and for three years 11%p.a.

**As At
31-3-2014**
**As At
31-3-2013**
4,79,60,000

4,26,43,000

NOTE 4 :
Deferred Tax (Assets) / Liabilities (Net)

Balance as per last Balance Sheet

Deferred tax asset on unabsorbed losses will be assessed in the subsequent years and will be recognized in conformity with AS-22 (Accounting for Taxes on Income)

(12,01,057)

(12,01,057)

Total
(12,01,057)

(12,01,057)

NOTE 5 :
Other Long Term Liabilities

Interest Accrued but not due on Fixed Deposits

32,74,075

15,39,845

Total
32,74,075

15,39,845

NOTE 6 :
Long Tem Provisions

Provision for Leave Encashment

Provision for Warranties

Provision for Gratuity

6,989,024

86,48,230

80,00,000

83,00,000

7,77,64,702

9,55,14,110

Total
9,27,53,726

11,24,62,340

NOTE 7 :
Short Term Borrowings
Secured

Working Capital Loans repayable on Demand from banks

Local Bills Discounting

Packing Credit Loan

Foreign Bills Discounting

BOM - Short Term Loan

Loan from Others

28,51,79,394

27,72,03,082

10,98,75,852

10,99,32,360

-

38,42,515

-

3,47,515

5,00,00,000

-

25,00,000

-

Total
44,75,55,246

39,13,25,472

Secured
Cash credit cum Working Capital Demand Loan

1)

From Corporation Bank

Secured by hypothecation of all stocks and book debts and further

28,51,79,394

27,72,03,082

Notes to the Financial Statements

| | | (Amount in Rs.) | |
|--|--|---------------------|---------------------|
| | | As At 31-3-2014 | As At 31-3-2013 |
| secured / to be secured by second charge on Land & Buildings at Thane, Pune & Digha and on land of Bangalore Subject to Specific prior charges. | | | |
| Rate of Interest 14.60%p.a. as per sanction letter | | | |
| 2) | Local Bills Discounting | 10,98,75,852 | 10,99,32,360 |
| Secured by Bills Discounted with Corporation Bank | | | |
| Rate of Interest 14.60%p.a. as per sanction letter | | | |
| 3) | Packing credit Loan | | |
| Secured by hypothecation of stocks & trade receivables | | - | 38,42,515 |
| 4) | Foreign Bills Discounting | | |
| Secured by Export Documents | | - | 3,47,515 |
| Bank of Maharashtra | | | |
| a) | Secured by mortgage of Land and Building, at Bhosari Pune on Plot No. EL-15 | 5,00,00,000 | - |
| b) | Payable in three installments as follows : | | |
| on 30th April, 2014 - Rs. 1 crore | | | |
| on 31st May, 2014 - Rs 2 crore | | | |
| on 30th June, 2014 - Rs. 2 crore | | | |
| c) | Interest to be paid as & when applied | | |
| d) | Rate of Interest - 14.25% p.a | | |
| e) | Inter Corporate Deposits from R. B. Financial Services Pvt. Ltd. @16.75% p.a. and brokerage 2.25% p.a. | 25,00,000 | - |
| Unsecured | | | |
| Fixed Deposits | | 2,04,53,000 | 2,28,74,000 |
| Other Loans | | | |
| From Directors | | 12,20,50,000 | 10,96,00,000 |
| Sundry Creditors | | 1,36,96,470 | - |
| | | 15,61,99,470 | 13,24,74,000 |
| Total | | 60,37,54,716 | 52,37,99,472 |
| Unsecured : | | | |
| Fixed Deposits : | | | |
| Fixed Deposits accepted from Public and Shareholders having maturity of One year the scheme accepted by Fixed Deposit Holder, Interest payable for one year @ 10%. (Includes deposits worth Rs. 13,13,000/- matured but unpaid as on 31st March, 2014. No interest payable after maturity as per the terms of Fixed Deposits) (Includes Rs. 1,24,000/- deposits matured over seven years and unpaid as on 31st March, 2014 and transferable to Investor Education and Protection Fund) | | 2,04,53,000 | 2,28,74,000 |
| Others Loan | | | |
| from Directors | | | |
| Mrs. Amrita P. Deodhar | | 11,36,00,000 | 10,41,00,000 |
| Mr. Nishith Deodhar | | 29,50,000 | - |
| Mr. Prabhakar S. Deodhar | | 55,00,000 | 55,00,000 |
| Interest payable @11.75% p.a. | | | |

Notes to the Financial Statements

| | | (Amount in Rs.) |
|--|----------------------------|----------------------------|
| | As At 31-3-2014 | As At 31-3-2013 |
| NOTE 8 : | | |
| Trade Payables | | |
| (Unsecured and subject to confirmation) | | |
| Micro Small & Medium Enterprises | 9,53,447 | 4,647 |
| Acceptances | 16,76,58,511 | 4,41,48,679 |
| Sundry Creditors | 7,81,27,397 | 9,53,91,480 |
| Total | 24,67,39,355 | 13,95,44,806 |
| NOTE 9 : | | |
| Other Current Liabilities | | |
| Current Maturities of Long Term Debts (Secured) | | |
| Term Loans | 3,05,05,881 | 3,04,92,701 |
| From Others | 3,53,249 | 3,11,945 |
| Current maturities of Long Term borrowings from NBFC (Unsecured) | - | 8,23,527 |
| Fixed Deposits | 55,46,000 | 43,91,000 |
| Interest Accrued and due | 98,13,815 | 1,04,33,295 |
| Unclaimed interest on Fixed Deposits* | 35,098 | 25,809 |
| Dues to Directors | 2,74,892 | 57,549 |
| Advances from Customers | 45,62,419 | 91,30,828 |
| Statutory Dues | 97,99,743 | 36,46,274 |
| Other Liabilities | 8,41,24,458 | 6,24,29,830 |
| Total | 14,50,15,555 | 12,17,42,757 |
| *(Amount Over Seven Years is Transferable to Investor Education and Protection Fund) | | |
| NOTE 10 : | | |
| Short Term Provisions | | |
| Provision for Leave Encashment | 7,37,056 | 13,97,735 |
| Provision for Warranties | 43,00,000 | 62,75,000 |
| Provision for Gratuity | 1,27,70,775 | 1,25,17,005 |
| Total | 1,78,07,831 | 2,01,89,740 |
| NOTE 11 : | | |
| See Page No. 33 | | |
| NOTE 12 : | | |
| Non Current Investments | 2,26,19,150 | 2,26,19,150 |
| Total | 2,26,19,150 | 2,26,19,150 |
| Investment in Shares of Subsidiary Companies (At Cost) | | |
| 1) Sprylogic Technologies Limited | | |
| 50000 Equity shares of Rs. 10 each fully paid | 5,00,000 | 5,00,000 |
| 2) Arabian Power Electronics Company | 2,18,83,000 | 2,18,83,000 |
| i) As per the joint Venture Agreement dated 14-11-2011 with Eram Support Services Arabia Aplab Ltd. has invested 50% in the JV business of Arabian Power Electronics Company | | |

Notes to the Financial Statements

| | As At 31-3-2014 | (Amount in Rs.) As At 31-3-2013 |
|--|--------------------|---------------------------------------|
| ii) Due to the change in Licensing Regulations in Saudi Arabia for companies with foreign equity during the year, JV share was diluted to below 20% by increase in total JV share of other partner | | |
| iii) Diminution in the value of investment is not provided being proposed sale of Joint venture share at par or more | | |
| Other Investments (Unquoted) | | |
| 1) 2000 Ordinary Shares of Rs. 10 each fully paid up of Saraswat Co-op. Bank Ltd. | 20,000 | 20,000 |
| 2) 1001 Ordinary Share of Rs. 50 each fully paid up of The Thane Janta Sahakari Bank Ltd. | 50,050 | 50,050 |
| 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 31.03.2014 @ 38.95 per share.) | 1,08,100 | 1,08,100 |
| Government Securities | | |
| National Savings Certificate (Deposited with various Government Authorities) Out of above NSC worth Rs.43,000 are matured | 58,000 | 58,000 |

NOTE 13 :
Other Non Current Assets

| | | |
|-----------------------------------|---------------------|--------------------|
| Advance Income Tax / T.D.S. (Net) | 3,15,82,774 | 2,74,59,785 |
| Deposits | 90,31,760 | 93,18,063 |
| Inventories | 14,91,64,036 | - |
| Dues from Others : | | |
| Trade Receivables | 3,00,14,435 | 2,56,39,283 |
| Total | 21,97,93,005 | 6,24,17,131 |

NOTE 14 :
Inventories

(As per records maintained, Physically verified and valued lower of cost or market value and certified by the Management)

| | | |
|---|---------------------|---------------------|
| Material and Components | 17,75,43,085 | 24,53,31,283 |
| Goods in process | 5,65,49,794 | 5,79,41,898 |
| Finished goods | 10,52,27,716 | 12,06,76,494 |
| Material in transit and in Bonded Warehouse | 1,16,41,594 | 41,82,812 |
| Stores and Spares | 79,72,756 | 79,72,756 |
| Total | 35,89,34,945 | 43,61,05,243 |

Notes to the Financial Statements

| | | (Amount in Rs.) | |
|--|--|--------------------|----------------------------|
| | | As At 31-3-2014 | As At 31-3-2013 |
| NOTE 15 : | | | |
| Trade Receivables (Unsecured, considered good and subject to confirmations) | | | |
| Dues from Subsidiary within 6 months Sprylogic Technologies Ltd. | | 2,759 | 54,616 |
| | | <u>2,759</u> | <u>54,616</u> |
| Dues from others : | | | |
| within 6 months | 26,40,72,648 | | 11,89,94,403 |
| others | 2,09,51,348 | | 1,37,26,883 |
| | <u>28,50,23,996</u> | | <u>13,27,21,287</u> |
| Total | <u><u>28,50,26,755</u></u> | | <u><u>13,27,75,903</u></u> |
| NOTE 16 : | | | |
| Cash and Bank Balances | | | |
| Cash in hand | 8,67,484 | | 5,86,120 |
| Balances with Banks | | | |
| In Current Accounts | (1,40,29,636) | | 1,56,39,953 |
| In Deposit Accounts | | | |
| Maturing within 12 Months | 1,57,68,804 | | 66,106 |
| Maturing after 12 Months | 3,49,800 | | 1,28,98,336 |
| In Unclaimed Dividend Accounts | 6,54,375 | | 8,17,161 |
| Total | <u><u>36,10,827</u></u> | | <u><u>3,00,07,675</u></u> |
| 1. | Balance with schedule Bank include Rs. 1,61,18,604 (P.Y. Rs. 1,29,64,442) representing margin money for letter of credit and bank guarantees issued | | |
| 2. | Section 205 of the Companies Act, 1956 mandates that companies transfer dividend that has been unclaimed for period of seven years from unpaid dividend account to Investor Education & Protection Fund (IEPF),. Accordingly if dividend is unclaimed for a period of seven years, it will be transferred to IEPF. | | |
| 3. | Deposits includes Rs.3,49,800 with original maturity of 12 months and more. | | |
| NOTE 17 : | | | |
| Short Term Loans and Advances | | | |
| (Unsecured, considered good and subject to confirmations) | | | |
| Loans and Advances to Employees | 28,60,971 | | 22,01,064 |
| Advances to others | 2,87,05,605 | | 1,75,08,694 |
| Amount due as Refund of Additional Duty of Customs | 14,13,420 | | 18,57,874 |
| Balance with Excise Authorities | 42,42,231 | | 18,74,516 |
| Total | <u><u>3,72,22,227</u></u> | | <u><u>2,34,42,149</u></u> |

Notes to the Financial Statements

| | | (Amount in Rs.) |
|--|----------------------------|----------------------------|
| | <u>2013 - 2014</u> | <u>2012 - 2013</u> |
| NOTE 18 : | | |
| Revenue from Operations | | |
| Sale of Products | 88,26,09,142 | 61,35,04,779 |
| Less : Excise Duty | <u>6,17,38,759</u> | <u>3,53,50,307</u> |
| Net Sales | <u>82,08,70,383</u> | <u>57,81,54,472</u> |
| Income from Services | 13,07,26,131 | 13,79,85,638 |
| Total | <u>95,15,96,514</u> | <u>71,61,40,110</u> |
| NOTE 19 : | | |
| Other income | | |
| Interest on Bank Deposits | 13,38,309 | 12,59,916 |
| Other Interest | <u>19,220</u> | <u>21,574</u> |
| | <u>13,57,529</u> | <u>12,81,490</u> |
| Dividend | 24,010 | 12,340 |
| Provisions written back | 45,94,885 | 85,32,460 |
| Miscellaneous Receipts | 4,47,264 | 69,71,787 |
| Refund of Additional Duty of Customs | 18,32,012 | 22,56,769 |
| Rent | 20,79,540 | 15,62,988 |
| Profit on Sale of Assets | 7,986 | 36,544 |
| Total | <u>1,03,43,226</u> | <u>2,06,54,378</u> |
| NOTE 20: | | |
| Materials Consumed | | |
| Opening Stock | 24,53,31,283 | 24,89,26,735 |
| Add purchases | <u>50,84,21,470</u> | <u>29,49,87,068</u> |
| | <u>75,37,52,753</u> | <u>54,39,13,803</u> |
| Less Stock at Close | <u>26,88,81,405</u> | <u>23,17,99,280</u> |
| | <u>48,48,71,348</u> | <u>31,21,14,523</u> |
| Add Consumption of Stores and Spares | 88,95,343 | 1,06,17,575 |
| Total | <u>49,37,66,691</u> | <u>32,27,32,098</u> |
| NOTE 21 : | | |
| Changes in Inventories of Finished Goods and Work-in-Progress | | |
| Stock at Close - Finished Goods | 14,95,97,396 | 11,56,27,149 |
| Stock at Close - Work in Progress | <u>6,67,33,235</u> | <u>5,33,63,309</u> |
| | <u>21,63,30,631</u> | <u>16,89,90,458</u> |
| Opening Stock - Finished Goods | 11,85,19,355 | 12,48,42,298 |
| Opening Stock - Work in Progress | <u>5,79,41,898</u> | <u>5,01,63,535</u> |
| | <u>17,64,61,253</u> | <u>17,50,05,833</u> |
| Total | <u>3,98,69,378</u> | <u>(60,15,375)</u> |
| (Previous years closing stock does not include stock of Intel Instruments & System Ltd., whereas on merger, the same is considered as opening stock of current year) | | |

Notes to the Financial Statements

(Amount in Rs.)

| | <u>2013 - 2014</u> | <u>2012 - 2013</u> |
|--|----------------------------|----------------------------|
| NOTE 22 : | | |
| Employee Benefit Expenses | | |
| Salary Wages and Bonus | 19,43,52,241 | 16,62,10,676 |
| Contributions to Provident and Other Funds | 1,36,30,088 | 1,24,99,541 |
| Gratuity and Leave Encashment | 38,89,620 | 2,36,86,031 |
| Staff Welfare Expenses | 89,77,583 | 71,67,550 |
| Total | <u>22,08,49,532</u> | <u>20,95,63,797</u> |
| NOTE 23 : | | |
| Manufacturing Expenses | | |
| Labour Charges | 1,01,68,464 | 39,64,461 |
| Rates and Taxes | 1,82,79,171 | 89,11,594 |
| Power and Electricity | 84,65,826 | 73,70,501 |
| Insurance Charges | 1,60,290 | 8,51,665 |
| Repairs to Plant and Machinery | 83,701 | 92,702 |
| Repairs to Factory Building | 11,25,151 | 12,13,310 |
| Miscellaneous Work Expenses | 1,66,18,416 | 1,77,60,439 |
| Total | <u>5,49,01,019</u> | <u>4,01,64,672</u> |
| NOTE 24 : | | |
| Finance Cost | | |
| Interest on Fixed Period Loans | 2,64,82,976 | 1,68,11,106 |
| Interest on Other Loans / Deposits | 6,96,99,117 | 6,66,41,194 |
| Bank Charges | 82,47,711 | 55,87,660 |
| Exchange Variation Loss (net) | (22,06,923) | 5,94,237 |
| Total | <u>10,22,22,881</u> | <u>8,96,34,197</u> |
| NOTE 25 : | | |
| Other Expenses | | |
| Rent for Office / Residential Premises | 50,57,609 | 55,96,529 |
| Equipment Lease Rentals | 1,47,309 | 2,28,706 |
| Printing and Stationery | 21,95,077 | 24,21,683 |
| Postage and Telephones | 78,60,971 | 78,95,343 |
| Royalty | 92,577 | 1,11,403 |
| Travelling and Conveyance | 1,52,01,721 | 1,68,82,626 |
| Vehicle Expenses | 26,24,782 | 34,12,114 |
| Legal and Professional Charges | 2,15,25,908 | 2,03,02,283 |
| Advertisement and Publicity | 4,98,122 | 3,45,997 |
| Commission and Discount | 26,26,068 | 4,25,975 |
| Transport Outward and Other Charges | 2,54,42,928 | 1,54,36,113 |
| Sales Tax, Purchase Tax | 3,82,855 | 4,28,384 |
| Office Maintenance Charges | 37,00,292 | 53,49,789 |
| Repairs and Maintenance | 16,30,844 | 25,28,401 |
| Miscellaneous Expenses | 23,96,397 | 22,73,752 |
| Bad Debts and other amounts written off | 40,00,846 | 26,77,784 |
| Loss on Sale of Assets | 10,16,225 | 1,32,410 |
| Total | <u>9,64,00,531</u> | <u>8,64,49,292</u> |

Notes to the Financial Statements
NOTE - 11
FIXED ASSETS

| (Amount in Rs.) | | | | | | | | | |
|--|---------------------|-------------|---|---|------------------|---------------------|-------------------------------------|-------------------------|----------------------------------|
| | As on 01.04.2013 | Additions | GROSS BLOCK Deletions/ Impairment | Acquired through business Combination | Revalu- ation | As on 31.03.2014 | DEPRECIATION Up to 01.04.2013 | Total For the Period | NET BLOCK As on 31.03.2014 |
| | | | | | | | Written back | Upto 31.03.2014 | As on 31.03.2013 |
| PRODUCTION | | | | | | | | | |
| Leasehold Land | 38,13,37,806 | - | - | - | - | 38,13,37,806 | 64,68,003 | 99,79,591 | 37,13,58,216 |
| Factory Buildings | 8,34,29,709 | - | - | - | - | 8,34,29,709 | 35,66,307 | 5,13,68,940 | 3,20,60,770 |
| Residential Premises | 4,26,570 | - | - | - | - | 4,26,570 | 7,165 | 2,90,432 | 1,36,138 |
| Office Premises | 12,74,73,624 | - | - | - | - | 12,74,73,624 | 56,57,419 | 1,99,82,658 | 10,74,90,967 |
| Plant and Machinery | 5,64,50,714 | 23,038 | 2,17,46,353 | - | - | 3,47,27,400 | 29,45,503 | 3,00,26,380 | 47,01,019 |
| Electrical Installations | 1,44,68,057 | 2,77,158 | 8,910 | - | - | 1,47,36,305 | 7,96,758 | 86,65,774 | 60,70,532 |
| Furniture and Fixtures | 6,61,46,937 | 6,76,040 | - | - | - | 6,68,22,977 | 31,38,206 | 5,12,59,426 | 1,55,63,551 |
| E.D.P. Systems/Computers | 3,30,14,295 | 8,19,982 | 32,000 | - | - | 3,38,02,277 | 7,79,417 | 3,25,40,922 | 12,61,356 |
| Vehicles | 1,56,53,975 | - | 37,14,186 | - | - | 1,19,39,789 | 7,98,903 | 96,52,933 | 22,86,856 |
| RESEARCH AND DEVELOPMENT | | | | | | | | | |
| Plant and Machinery | 48,68,785 | - | - | - | - | 48,68,785 | 22,118 | 47,49,301 | 1,19,485 |
| Electrical Installations | 91,370 | - | - | - | - | 91,370 | 32 | 91,171 | 198 |
| Furniture and Fixtures | 8,53,373 | - | - | - | - | 8,53,373 | 12,568 | 7,89,639 | 63,733 |
| E.D.P. Systems/Computers | 20,03,273 | - | - | - | - | 20,03,273 | 60,41 | 19,94,213 | 9,061 |
| TOTAL TANGIBLE Plant and Machinery (Rent) | 78,62,18,490 | 17,96,218 | 2,55,01,449 | - | - | 76,25,13,259 | 22,15,27,325 | 22,13,91,377 | 54,11,21,881 |
| Plant and Machinery (Rent) | 3,01,95,458 | 1,00,30,377 | - | - | - | 4,02,25,835 | 35,20,246 | 73,93,712 | 3,28,32,123 |
| CWIP (for P&M Rent) | 1,63,78,717 | 26,83,441 | 1,63,78,717 | - | - | 26,83,441 | - | - | 1,63,78,717 |
| TOTAL (Rent) | 4,65,74,175 | 1,27,13,818 | 1,63,78,717 | - | - | 4,29,09,276 | 35,20,246 | 73,93,712 | 3,55,15,564 |
| INTANGIBLE ASSETS | | | | | | | | | |
| Software | 64,57,650 | - | - | - | - | 64,57,650 | 1,29,314 | 62,63,678 | 1,93,972 |
| TOTAL INTANGIBLE | 64,57,650 | - | - | - | - | 64,57,650 | 1,29,314 | 62,63,678 | 1,93,972 |
| TOTAL FOR THE YEAR | 83,92,50,315 | 1,45,10,036 | 4,18,80,166 | - | - | 81,18,80,185 | 2,78,48,000 | 23,50,48,768 | 57,68,31,417 |
| Total for the Previous Year | 50,91,49,590 | 3,20,90,514 | 518,51,376 | 3,40,839 | 34,95,20,748 | 83,92,50,315 | 2,14,04,418 | 23,15,35,155 | 60,77,15,159 |

Notes to the Financial Statements
ADDITIONAL NOTES: 26
1. Auditors' Remuneration :

| Particulars | 2013 - 14 Rs. | 2012- 13 Rs. |
|---|------------------|-----------------|
| Audit Fees | 7,50,000 | 7,50,000 |
| Limited Review Corporate Governance and other certification | 50,000 | Nil |
| Total | 8,00,000 | 7,50,000 |

2. 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:-

| | | 2013 - 14 | 2012 - 13 |
|-------|---|-----------|-----------|
| (i) | The principal amount and the interest due thereon (shown separately) remaining unpaid to any supplier as at the end of each accounting year | 9,53,447 | 4,647 |
| (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 |

3. Foreign Exchange Earnings and Expenditure:

| Sr. No. | Particulars | 2013-14 Rs. | 2012-13 Rs. |
|---------|--|----------------|----------------|
| 4.1 | Value of Imports calculated on CIF basis | | |
| | Components and Spares & outsourced items | 18,15,88,451 | 7,00,48,524 |
| | Capital Goods | Nil | Nil |
| | Others | Nil | Nil |
| 4.2 | Earnings in Foreign Exchange: | | |
| | FOB Value of Exports | 7,30,99,102 | 4,84,31,582 |
| | Other charges | Nil | Nil |
| 4.3 | Expenditure in Foreign Currency: | | |
| | Travelling | Nil | 1,45,969 |
| | Subscription to Foreign Journals & Membership Fees | Nil | Nil |
| | Commission on Sales | Nil | Nil |

Notes to the Financial Statements

4. None of the items in Raw material individually accounts for 10% or more of the total value of material consumed. In the absence of verifiable records the Auditors have relied upon the management's representation to this behalf.

5. **Additional information of Note no.20:**

(i) **Value of Raw Materials and Components Consumed:**

| Particulars | 2013 - 14 | | 2012 - 13 | |
|-------------|--------------|---------|--------------|---------|
| | Rs. | Percent | Rs. | Percent |
| Imported | 10,25,50,767 | 30.81 | 4,02,79,429 | 24.10 |
| Indigenous | 23,02,45,388 | 69.19 | 12,68,42,964 | 75.90 |
| | 33,27,96,154 | 100.00 | 16,71,22,393 | 100.00 |

(ii) **Value of Stores and Spares consumed:**

| Particulars | 2013 - 14 | | 2012 - 13 | |
|-------------|-----------|---------|-------------|---------|
| | Rs. | Percent | Rs. | Percent |
| Imported | - | - | - | - |
| Indigenous | 88,95,343 | 100 | 1,06,17,575 | 100 |
| | 88,95,343 | 100 | 1,06,17,575 | 100 |

(iii) **Total value of Material Consumption:**

| Sr. No. | Particulars | 2013 - 14 | 2012 - 13 |
|---------|--------------------------------|---------------------|---------------------|
| 1. | Raw material | 33,27,96,155 | 16,71,22,393 |
| 2. | Stores & spares | 88,95,343 | 1,06,17,575 |
| 3. | Outsourced items | 15,20,75,193 | 14,49,92,130 |
| | Total Material Consumed | 49,37,66,691 | 32,27,32,098 |

6. **Contingent Liabilities:**

| Sr. No. | Particulars | 2013 - 14 | 2012 - 13 |
|---------|---|--------------|-------------|
| 1. | Disputed Tax / Duty Demands Not Provided For | 10,33,26,536 | 8,68,74,453 |
| 2. | Corporate Guarantees given to Bank on account of Subsidiary / Other Companies | Nil | 41,90,030 |
| 3. | Bank Guarantees given on behalf of Company to third parties. | 5,79,57,810 | 6,86,87,812 |

7. **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, and the same is partially funded by the Company.

Notes to the Financial Statements

| | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|------------------------|------------------------|-------------------------------|----------------------------|
| | 31/03/2014 | 31/03/2013 | 31/03/2014 | 31/03/2013 |
| | Rs. | Rs. | Rs. | Rs. |
| The major categories of plan assets as a percentage of total plan | * | * | N/A | N/A |
| Qualifying Insurance Policy No. | 611868 | 611868 | - | - |
| Changes in the present value of the obligation | | | | |
| 1 Opening Present Value of obligation | 10,80,31,115 | 10,86,28,192 | 1,00,45,965 | 1,06,89,000 |
| 2 Interest Cost | 86,46,516 | 80,02,638 | 8,03,677 | 7,88,000 |
| 3 Current Service Cost | 42,40,901 | 53,71,985 | 11,12,457 | 13,39,253 |
| 4 Past Service Cost | - | - | - | 3,95,712 |
| 5 Benefits Paid | (1,78,081) | (1,84,82,066) | - | (15,13,000) |
| 6 Actuarial (gain) / loss on Obligation | 3,00,16,465 | 46,49,746 | (42,36,020) | (16,53,000) |
| 7 Closing Present Value of obligation | 9,08,63,365 | 10,80,31,115 | 77,26,080 | 1,00,45,965 |
| Changes in the Fair Value of Assets | | | | |
| 1 Opening Fair value of plan Assets | 1,39,380 | 33,81,606 | | |
| 2 Expected Return on Plan Assets | 20,122 | 1,56,745 | | |
| 3 Contributions | 1,68,386 | 23,696 | | |
| 4 Benefits Paid | - | (33,03,682) | | |
| 5 Actuarial Gain/(Loss) | - | (1,18,985) | | |
| [Interest Credited for the year] | | | | |
| 6 Closing Fair value of plan Assets | 3,27,888 | 1,39,380 | Not applicable as unfunded | Not applicable as unfunded |
| Profit & Loss – Expenses | | | | |
| 1 Current Service Cost | 42,40,901 | 53,71,985 | 11,12,457 | 13,39,253 |
| 2 Interest Cost | 86,46,516 | 80,02,638 | 8,03,677 | 7,88,000 |
| 3 Expected Return on Plan assets | (20,122) | * | - | - |
| 4 Net Actuarial Gain/(Loss) recognized in the year | 3,00,16,465 | 46,49,746 | (42,36,020) | (16,53,000) |
| 5 Past Service Cost | - | - | - | - |
| 6 Expenses Recognized in the Profit & Loss Account | 1,71,49,170 | 2,36,86,031 | (23,19,885) | (6,43,035) |
| Actuarial Assumptions | | | | |
| 1 Discount Rate | 9% | 8% | 9% | 8% |
| 2 Expected Rate of Return on Plan Assets | 9% | 9% | N/A | N/A |
| 3 Expected Rate of Salary Increase | 6% | 6% | 6% | 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 |

* As per Actuarial Valuation Report.

iii) Actuarial assumptions for Gratuity of Past 5 years:

| Sr. No. | Particulars | 31-03-2014 | 31-03-2013 | 31-03-2012 | 31-03-2011 | 31-03-2010 |
|---------|--|------------|------------|------------|------------|------------|
| 1. | Discount Rate (p.a.) | 9% | 8% | 8% | 8% | 8% |
| 2. | Expected Rate of Return on Asset (pa.) | 9% | 9% | | | |
| 3. | Expected Rate of Salary Increase* | 6% | 6% | 4% | 4% | 4% |

Notes to the Financial Statements
iv) Defined Benefit Plan for 5 years:
Net Asset/(Liability) as per actuarial valuation given by Actuary

| Sr. No. | Particulars | 31-03-2014 | 31-03-2013 | 31-03-2012 | 31-03-2011 | 31-03-2010 |
|---|--|-------------|--------------|-------------|-------------|-------------|
| 1. | Present value of obligation as at the close of the year. | 9,08,63,365 | 10,80,31,115 | 8,94,25,796 | 9,44,74,347 | 6,51,56,918 |
| 2. | Fair value of plan asset as at the close of the year. | 3,27,888 | 1,39,380 | 33,81,606 | 2,22,09,668 | 2,97,19,845 |
| 3. | Asset/(Liability) recognized in the Balance Sheet | - | - | - | - | - |
| Change in Defined Benefit Obligation during the year ended | | | | | | |
| | Actuarial Gain/(Loss) | - | - | - | - | - |
| Change in the fair value of Plan Asset | | | | | | |
| | Actuarial Gain/(Loss) | 3,00,16,465 | (1,18,985) | 11,56,105 | 23,37,493 | 26,83,198 |

• Note: Negative Amounts are shown in bracket.

8 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.

9 Related Party Disclosures (Accounting Standard AS 18):

List of Related Parties and Relationship

Subsidiary Companies:

Sprylogic Technologies Ltd

Joint Venture

Arabian Power Electronics Company. (Joint Venture business in Saudi Arabia)

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 |
| Mrs. Amrita Deodhar | Director |

Relatives of Key Management Personnel:

Mrs. Aruna Narayanan

Notes to the Financial Statements

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. | Intel Exports Corporation |
| 3. | Telemetrics Incorporated |
| 4. | Print Quick Private Limited |
| 5. | Origin Instrumentation Private Limited |
| 6. | Contech Soft-Tech Solution Pvt. Ltd. |
| 7. | Telemetra Systems Pvt. Ltd. |
| 8. | Mitramax Energy Pvt. Ltd. |

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

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|--|-----------------------------------|---------------------------------------|---|-------------------------------------|
| Sale of Material / Finished Goods | | | | |
| Intel Instruments & Systems Ltd. | NA (12,99,423) | - | - | - |
| Sprylogic Technologies Ltd. | 2,89,847 (45,66,995) | - | - | - |
| Deodhar Electro Design Pvt. Ltd. | - | - | - | 6,69,387 (25,690) |
| Intel Exports Corporation | - | - | - | 25,300 (58,120) |
| Telemetrics Equipments Pvt. Ltd. | - | - | - | Nil (48,135) |
| Arabian Power Electronics Company | - | - | - | 47,68,113 (1,11,24,320) |
| Total | 2,89,847 (58,66,418) | - | - | 54,62,800 (1,12,56,265) |
| Purchase of Material / Finished Goods | | | | |
| Intel Instruments & Systems Ltd. | NA (1,41,67,683) | - | - | - |
| Sprylogic Technologies Ltd. | 15,26,925 (16,61,108) | - | - | - |
| Deodhar Electro Design Pvt. Ltd. | - | - | - | 1,06,73,727 (1,17,59,897) |
| Telemetrics Equipments Pvt. Ltd. | - | - | - | 1,67,04,628 (1,68,96,445) |
| Telemetra Systems Pvt. Ltd. | - | - | - | 79,13,823 (65,58,060) |
| Mitramax Energy Pvt. Ltd. | - | - | - | 2,44,380 (Nil) |
| Total | 15,26,925 (1,58,28,791) | - | - | 3,55,36,558 (3,52,14,402) |
| Rent Paid / Payable | | | | |
| Origin Instrumentation Pvt. Ltd. | - | - | - | - |
| Print Quick Pvt. Ltd. | - | - | - | 7,53,000 (7,53,000) |
| | - | - | - | 7,53,000 (7,53,000) |
| Total | - | - | - | 15,06,000 (15,06,000) |

Notes to the Financial Statements

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|--|-------------------------------------|---------------------------------------|---|-------------------------------|
| Income (Rent) | | | | |
| Sprylogic Technologies Ltd. | 14,28,000 (14,28,000) | - | - | - |
| Total | 14,28,000 (14,28,000) | - | - | - |
| Service/Labour/Royalty / Other charges Paid/Payable | | | | |
| Sprylogic Technologies Ltd. | 1,54,23,223 (1,48,55,787) | - | - | - |
| Intel Instruments & Systems Ltd. | Nil (55,731) | - | - | - |
| Telemetric Equip. Pvt. Ltd. | | | | 44,100 (Nil) |
| Telemetra Systems Pvt. Ltd. | | | | 4,800 (Nil) |
| Mitramax Energy Pvt. Ltd. | | | | 1,38,327 (Nil) |
| Total | 1,54,23,223 (1,49,11,518) | - | - | 1,87,227 (Nil) |
| Unsecured Loans | | | | |
| Mrs Amrita Deodhar | - | 11,36,00,000 (10,41,00,000) | - | - |
| Mr Nishith Deodhar | - | 29,50,000 (Nil) | - | - |
| Mr. P.S. Deodhar | - | 55,00,000 (55,00,000) | - | - |
| Total | | 12,20,50,000 (10,96,00,000) | | |
| Expenses Reimbursed | | | | |
| Telemetrics Equipments Pvt. Ltd. | - | - | - | (51,530) |
| Total | - | - | - | (51,530) |
| Investment as on 31.03.2014 | | | | |
| Sprylogic Technologies Ltd | 5,00,000 (5,00,000) | - | - | - |
| Total | 5,00,000 (5,00,000) | - | - | - |
| Interest Paid/Accrued and due on unsecured loans | | | | |
| Mrs Amrita Deodhar | | 66,70,869 (88,29,888) | - | - |
| Mr Nishith Deodhar | | 1,55,826 (13,27,913) | - | - |
| Mr. P. S. Deodhar | | 3,26,317 (Nil) | - | - |
| Total | | 71,53,012 (1,01,57,801) | | |

Notes to the Financial Statements

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|---|---------------------------|---------------------------------------|---|-----------------------------------|
| Debit Balances as on 31.03.2014 | | | | |
| Sprylogic Technologies Ltd. | Nil | - | - | |
| Deodhar Electro Design Pvt. Ltd. | (54,616) | - | - | 6,10,107 (2,01,496) |
| Telemetric Equip. Pvt. Ltd. | | - | - | 6,34,857 (Nil) |
| Intel Exports Corporation | | - | - | - (Nil) |
| Total | Nil (54,616) | - | - | 12,44,964 (2,01,496) |
| Credit Balances as on 31.03.2014 | | | | |
| Deodhar Electro Design Pvt. Ltd. | - | - | - | 1,49,046 (Nil) |
| Telemetrics Equipments Pvt. Ltd. | - | - | - | 25,20,180 (60,48,557) |
| Telemetra Systems Pvt.Ltd | - | - | - | 46,95,948 (36,45,849) |
| Sprylogic Technologies Ltd. | 40,49,478 (Nil) | - | - | 1,73,612 (Nil) |
| Intel Exports | - | - | - | 56,475 (1,69,425) |
| Origin Instruments Pvt.Ltd | - | - | - | 1,12,950 (1,69,425) |
| Print Quick Pvt. Ltd. | - | - | - | Nil (3,75,540) |
| Contech Electronics Pvt. Ltd. | - | - | - | |
| Nishith Deodhar (Rent) | - | 2,29,500 (2,29,500) | - | |
| Mr Nishith Deodhar (Loan and Interest Payable) | - | 31,05,826 (15,09,470) | - | |
| Mrs Amrita Deodhar (Loan and Interest Payable) | - | 12,02,70,869 (10,50,14,549) | - | |
| Mr. Prabhakar S. Deodhar | - | 58,26,317 (61,32,500) | - | |
| Total | 40,49,478 (Nil) | 12,94,32,512 (11,28,86,019) | | 77,08,212 (1,04,08,796) |

Previous year figures are shown in bracket

10. Earning per Share (Accounting Standard – AS 20):

| | 2013 - 14 | 2012- 13 |
|---|---|--|
| 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 Number of shares for Basic and diluted EPS as above Earning per Share Basic and Diluted (Rs.) | 58,56,465 50,00,000 1.17 | (3,67,24,807) 50,00,000 (7.34) |

Notes to the Financial Statements
11. 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:

| | 2013 - 14 | 2012 - 13 |
|-------------------------------------|---------------|---------------|
| | Rs. | Rs. |
| - Depreciation | (74,80,909) | (14,71,762) |
| - Expenditure / Provisions | (1,02,94,208) | (1,07,86,000) |
| Total | (1,77,75,118) | (1,22,57,763) |
| Unabsorbed losses and depreciation* | Nil | Nil |
| Total | (1,77,68,069) | (1,22,57,763) |

* 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.

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

| | Opening Balance as on 01.04.2013 | Provision made during the year | Provision reversed / adjusted | Closing Balance as on 31.03.2014 |
|--------------------------|--|--------------------------------------|-------------------------------------|--|
| Provision for Warranties | 1,45,75,000 | 40,00,000 | 62,75,000 | 1,23,00,000 |

13. As per the requirement of Revised Schedule VI, the company has reclassified its assets and liabilities into current and non-current based on the normal operating cycle, as determined by the management. Previous year figures have been accordingly re-grouped and re-classified.

NOTE 27
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.

Notes to the Financial Statements**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.

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. Leave Encashment is considered accrued and accounted for based on actuarial valuation report.

Signature to Notes 26 to 27

As per our report attached
For Shahade & Associates.
Chartered Accountants
(ICAI) Reg. No. 109840W)

Atul Shahade
Partner
M No. 35227
Place : Mumbai
Date : 8th May, 2014

Rajesh K. Deherkar
Company Secretary &
Finance Controller

For and on behalf of the Board

Nishith Deodhar Managing Director
DIN : 01614848
A. G. Joshi Director
DIN : 00019927

Place :Thane
Date : 8th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in Rs.)

| Particulars | 2013 - 2014 | 2012 - 2013 |
|--|----------------|----------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before Tax and Extra Ordinary Items | 58,56,465 | (3,69,46,961) |
| Adjustments For : | | |
| Depreciation | 2,78,11,999 | 2,14,54,053 |
| Provisions Written Back | (45,94,885) | (85,32,460) |
| Provisions Written back (FBT) | - | 2,22,154 |
| Interest received | (13,57,529) | (12,59,916) |
| Dividend Received | (24,010) | (12,340) |
| Profit or Loss on Sale of Assets (Net) | 10,08,240 | 95,866 |
| Operating Profit before Working Capital Changes | 2,87,00,279 | (2,49,79,604) |
| Adjustments For : | | |
| (Decrease) / Increase in Working Capital | (13,61,25,453) | (9,81,26,938) |
| | (10,74,25,173) | (12,31,06,542) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (1,18,26,595) | (1,57,40,097) |
| Capital Work in Progress | (26,83,441) | (1,63,78,717) |
| Sale of Fixed Assets | 1,65,37,541 | 6,48,011 |
| (Purchase) / Sale of Other Investments | - | 6,500 |
| Net Cash used in Investing Activities | 20,27,505 | (3,14,64,302) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net Increase / (Decrease) in Borrowings | 7,30,24,398 | 5,40,22,916 |
| Interest Received | 13,57,529 | 12,59,916 |
| Dividend Received | 24,010 | 12,340 |
| Provisions Written Back | 45,94,885 | 85,32,460 |
| Issue of Shares | - | (2,18,83,000) |
| Decrease in Capital Reserve due to Merger | - | 11,80,38,002 |
| Net Cash from Financial Activities | 7,90,00,822 | 15,99,82,634 |
| Net Increase / (Decrease) in Cash and Cash Equivalent (A+B+C) | (2,63,96,848) | 54,11,790 |
| Opening Balance of Cash and Cash Equivalent - Aplab | 3,00,07,675 | 2,41,28,736 |
| Opening Balance of Cash and Cash Equivalent - Intel | - | 4,67,149 |
| - | 3,00,07,675 | 2,45,95,885 |
| Closing Balance of Cash and Cash Equivalent | 36,10,827 | 3,00,07,675 |
| Net Increase / (Decrease) | (2,63,96,848) | 54,11,790 |

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 out flow.

As per our report attached
For Shahade & Associates.
Chartered Accountants
Reg. No. 109840W

Rajesh K. Deherkar
Company Secretary &
Finance Controller

DIN - 01614848
DIN - 00019927

For and on behalf of the Board

Nishith Deodhar
A. G. Joshi
Managing Director
Director

Atul Shahade
Partner
M No. 35227
Mumbai : 8th May, 2014

Thane : 8th May, 2014

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

| | |
|--|---|
| 1. Name of the Subsidiary Company | SPRYLOGIC TECHNOLOGIES LIMITED |
| 2. Financial year of the subsidiary ended on | 31st March, 2014 |
| 3. Date from which it became subsidiary | 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 | 50,000 Equity Shares of Rs.10/- each fully paid up. |
| 5. Net aggregate amount of the profit (loss) of the subsidiary company not dealt within the Holding Company's accounts (concerning the members of the Holding Company) | |
| a. For the current year | Profit Rs.26.17 lacs |
| b. For the previous years since it became subsidiary | Profit Rs. 47.41 lacs |
| 6. Net aggregate amount of the profit (loss) of the subsidiary company dealt within the Holding Company's account | |
| a. For the current year | Nil |
| b. For the previous years since it became subsidiary | 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. |
| 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. |

For and on behalf of the Board of Directors

Thane
8th May, 2014**Nishith Deodhar**
Managing Director

Sprylogic Technologies Ltd.

9th Annual Report 2013-2014

Board of Directors

Nishith P. Deodhar
Rajesh K. Deherkar
Kavin B. Valia

Director
Director
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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DIRECTORS' REPORT :

To
The Members,

The Directors have pleasure in submitting their 9th Annual Report together with the audited annual accounts of the Company for the year ended 31st March 2014.

| | | (Rs. in Lacs) |
|-------------------------------------|----------------------------------|--------------------------|
| | Year ended 31.03.2014 | Year ended 31.03.2013 |
| Total Revenue | 210.38 | 238.37 |
| Total Expenditure | 173.32 | 169.34 |
| PBDIT | 51.51 | 86.68 |
| Finance Cost | 0.04 | 0.09 |
| Depreciation | 9.94 | 3.09 |
| Amortisation of Product Cost | 4.47 | 14.47 |
| Profit Before Tax | 37.05 | 69.02 |
| Provision for Tax | 7.63 | 16.12 |
| Provision for Fringe Benefit Tax | - | - |
| Deferred Tax Liability/(Asset) | 3.26 | 5.50 |
| Net Profit/(Loss) | 26.17 | 47.41 |
| Amount available for appropriations | - | - |

Working Results & Operations:

Your Company achieved revenue of Rs. 210.38 Lacs during the financial year 2013 -14 against Rs. 238.37 Lacs of previous year.

The Profit after Tax for the year is Rs 26.17 Lacs as compared to Rs 47.41 Lacs in the previous year.

During the year the company has increased revenues for embedded development. Your company is looking to increase its CRM software revenue this year. The CRM software group plans to double the number of user licenses from 500 to 1000 in the current year.

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

Your company continues to derive a significant component of its revenues from software services provided to Aplab's banking and retail automation business. Your company is looking to introduce incremental innovation to its current line of self-service software, which will further garner additional business. Your company is also actively looking at developing Android app interfaces to all its enterprise software assets.

b) Opportunities and Threats

Your company continues to explore opportunities in the automation sector, for web applications and automation.

Your company continues to struggle with market acceptance because of its size. Most outsourcing software business continues to be snagged large software IT firms.

c) Company Achievements

Your company has been acquiring more banking customers for systems and application monitoring of their self-service kiosk network. Through our partners we have a large Indian bank as customer to whom we have supplied end-end monitoring, performance dashboards and central version control and patch update across 1500 devices !

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:

In accordance with the provisions of the Company Act 2013, Mr. Nishith P. Deodhar is liable to retire by rotation & being eligible offer himself for re-appointment.

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. Your company has invested in a 40 KW PV solar installation which will reduce requirement of dirty mains power to miniscule amounts.

Foreign Exchange Earnings and Outgo:

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

Directors Responsibility Statement:

Your Directors hereby state:

- a) that while preparing the annual accounts for the year ended 31st March 2014, 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: 2nd May 2014

Nishith P. Deodhar
Director

AUDITORS' REPORT

To the Members of Sprylogic Technologies Limited,

Report on the Financial Statements

We have audited the attached Financial Statements of Sprylogic Technologies Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2014, and the Statement of Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required

and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 227(3) of the Companies Act 1956, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement complies with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
2. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

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

Place: Thane
Date: 2nd May 2014

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

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in our report of even date on the accounts for the year ended 31st March 2014 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) Though the paid up capital and reserves exceed Rs.50 lakhs as at the commencement of the financial year, the Company does not have a formal internal audit system.
- 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. There are no statutory dues that are outstanding for more than six months at the end of the year.
- 14) As at the year-end, according to the records of the Company and information and explanations given to us, there are no disputed dues on account of income tax, sales tax, customs duty, excise duty, cess, wealth tax, service tax which have not been deposited with respective authorities.
- 15) 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.
- 16) 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.
- 17) 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.
- 18) The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the Company.
- 19) 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.
- 20) 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.
- 21) In our opinion and according to the information and explanations given to us, since the Company has not obtained any term loan during the year, clause (xvi) is not applicable to the Company.
- 22) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis.
- 23) The Company has not made any preferential allotment to parties covered in the Register maintained under section 301 of the Act

- 24) The Company has not issued any debentures during the year.
- 25) 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.
- 26) 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

Place: Thane
Date: 2nd May 2014

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

Balance Sheet as at 31st March 2014

(Amount in Rs.)

| | Note | As at 31.03.2014 | As at 31.03.2013 |
|---------------------------------------|------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS FUNDS | | | |
| Share Capital | 1 | 8,50,000 | 8,50,000 |
| Reserves and surplus | 2 | 92,15,772 | 65,99,123 |
| NON-CURRENT LIABILITIES | | | |
| a) Deferred tax liabilities (net) | 3 | 11,17,657 | 7,91,817 |
| b) Other long-term Liabilities (net) | 4 | 2,14,231 | 1,80,000 |
| c) Long-term provisions | 5 | 46,63,842 | 31,58,225 |
| CURRENT LIABILITIES | | | |
| a) Trade Payables | 6 | 15,86,587 | 4,64,308 |
| b) Other Current Liabilities | 7 | 11,71,163 | 13,44,921 |
| d) Short-term provisions | 8 | 7,93,280 | 16,46,565 |
| TOTAL EQUITY & LIABILITIES | | 1,96,12,534 | 1,50,34,958 |
| ASSETS | | | |
| Non current Assets | | | |
| a) Fixed Assets | | | |
| Tangible Assets | 9 | 50,09,440 | 55,49,243 |
| Intangible Assets | 10 | 5,22,647 | 6,60,760 |
| Intangible Assets under Development | | 5,88,055 | 7,24,090 |
| b) Other non-current assets | 11 | 42,27,413 | 31,71,622 |
| CURRENT ASSETS | | | |
| a) Trade receivables | 12 | 62,88,082 | 21,71,712 |
| b) Cash & Bank Balance | 13 | 7,20,031 | 1,48,322 |
| c) Other Current Assets | 14 | 22,56,864 | 26,09,211 |
| TOTAL ASSETS | | 1,96,12,534 | 1,50,34,958 |

Notes on Financial Statements 1 to 21

Significant Accounting Policies 22

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

For and on behalf of the Board

 Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

 DIN - 01614848 Nishith Deodhar
DIN - 01866631 Rajesh K. Deherkar
DIN - 00538558 Kavin B. Valia

 Director
Director
Director

 Thane : 2nd May, 2014

 Thane : 2nd May, 2014

Statement of Profit & Loss for the year ended 31 March 2014

(Amount in Rs.)

| | Note | 2013 - 2014 | 2012 - 2013 |
|---|------|--------------------|--------------------|
| INCOME | | | |
| Revenue from operations(Gross) | 15 | 2,09,40,337 | 1,90,58,399 |
| Other Income | 16 | 97,950 | 47,78,879 |
| TOTAL REVENUE | | 2,10,38,287 | 2,38,37,278 |
| EXPENSES | | | |
| Employee benefit expenses | 17 | 1,26,07,833 | 1,15,31,092 |
| Finance Costs | 18 | 4,411 | 8,739 |
| Depreciation & Amortization expenses | 19 | 14,41,165 | 17,56,662 |
| Other Expenses | 20 | 32,78,902 | 36,38,111 |
| TOTAL EXPENSES | | 1,73,32,313 | 1,69,34,603 |
| PROFIT BEFORE TAX | | 37,05,974 | 69,02,675 |
| PROVISION FOR TAXATION | | | |
| Current Tax | | 7,63,483 | 16,11,776 |
| Deferred Tax Liability / (Asset) | | 3,25,840 | 5,49,578 |
| PROFIT AFTER TAX | | 26,16,649 | 47,41,322 |
| Basic and diluted earning per share (Rupees) | | 30.78 | 55.78 |

Notes on Financial Statements 1 to 21

Significant Accounting Policies 22

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

For and on behalf of the Board

 Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

 DIN - 01614848 Nishith Deodhar
DIN - 01866631 Rajesh K. Deherkar
DIN - 00538558 Kavin B. Valia

 Director
Director
Director

 Thane : 2nd May, 2014

 Thane : 2nd May, 2014

Notes to the Financial Statements
SIGNIFICANT ACCOUNTING POLICIES Note 22
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 provisions 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 Companies 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. Gains or losses arising from the retirement or disposal of assets are determined as difference between the net disposal proceeds and carrying amount of asset and recognized as income or expense in Statement of Profit and Loss.

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.

Notes to the Financial Statements

| | | (Amount in Rs.) |
|--|-----------------------------|-----------------------------|
| | <u>As at 31.03.2014</u> | <u>As at 31.03.2013</u> |
| 1. SHARE CAPITAL | | |
| 10,00,000 (March 31, 2013: 10,00,000) Equity Shares of Rs. 10/- each | <u>1,00,00,000</u> | <u>1,00,00,000</u> |
| Issued: | | |
| 85,000 (March 31, 2013: 85,000) Equity Shares of Rs. 10/- each | <u>8,50,000</u> | <u>8,50,000</u> |
| Subscribed and Paid up | | |
| 85,000 (March 31, 2013: 85,000) Equity Shares of Rs. 10/- each. | <u>Total</u> | <u>8,50,000</u> |

a) Rights, preferences and restrictions attached to shares:

Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held.

b) Shares held by holding co and subsidiary of holding company
Equity Shares :

50000 Equity Shares (March 31, 2013 : 50000 shares)
held by Aplab Limited, India the holding company

5,00,000

5,00,000

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

| Name of Shareholder | As at 31-03-2014 No. of Shares held | As at 31-03-2014 % of Shares | As at 31-03-2013 No. of Shares held | As at 31-03-2013 % of Shares |
|---------------------------|---|------------------------------------|---|------------------------------------|
| Aplab Ltd. | 50000 | 59% | 50000 | 59% |
| Nishith Prabhakar Deodhar | - | - | 35000 | 41% |
| Amrita Prabhakar Deodhar | 35000 | 41% | - | - |

2. RESERVES & SURPLUS

| | | |
|-------------------------------------|---------------------|------------------|
| Balance as at Beginning of the year | 65,99,122 | 18,57,802 |
| Profit / (Loss) for the year | 26,16,649 | 47,41,321 |
| Balance as at end of the year | <u>Total</u> | <u>65,99,123</u> |

3. DEFERRED TAX LIABILITIES (NET)

| | | |
|--------------------------|-------------------------|-----------------|
| Deferred Tax Liabilities | | |
| Depreciation | 11,89,930 | 8,98,435 |
| Deferred Tax Assets | | |
| Other timing differences | (72,273) | (1,06,620) |
| Total | <u>11,17,657</u> | <u>7,91,817</u> |

Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

Notes to the Financial Statements

| | | (Amount in Rs.) | |
|--|--|---------------------|---------------------|
| | | As at 31.03.2014 | As at 31.03.2013 |
| 4. OTHER LONG-TERM LIABILITIES | | | |
| Advance from Customers | | 1,80,000 | 2,80,000 |
| Audit Fees Payable | | 34,231 | - |
| Total | | 2,14,231 | 2,80,000 |
| 5. LONG-TERM PROVISIONS | | | |
| Provision for Tax | | 32,89,979 | 16,78,204 |
| Provision for employees Benefits | | | |
| Gratuity Payable | | 11,69,765 | 11,69,765 |
| Leave Encashment Payable | | 2,04,098 | 3,10,257 |
| Total | | 46,63,842 | 31,58,226 |
| 6. TRADE PAYABLES | | | |
| Sundry Creditors | | 15,86,587 | 4,64,308 |
| Total | | 15,86,587 | 4,64,308 |
| 7. OTHER CURRENT LIABILITIES | | | |
| Duties & Taxes | | 1,03,172 | 45,430 |
| Audit Fees Payable | | 65,731 | 65,731 |
| Directors Commission Payable | | - | 63,553 |
| Employees Benefits Payable | | 9,23,191 | 10,61,383 |
| Statutory dues including Provident Fund and Tax Deducted at source | | 79,068 | 91,922 |
| Other current Liabilities | | - | 16,900 |
| Sub-total-current liabilities | | 11,71,163 | 13,44,921 |
| 8. SHORT TERM PROVISIONS | | | |
| Provision for Employee Benefits | | 29,797 | 34,789 |
| Provision for Leave Encashment | | 7,63,483 | 16,11,776 |
| Provision for Tax | | | |
| Total | | 7,93,280 | 16,46,565 |

Notes to the Financial Statements
9. TANGIBLE ASSETS
FIXED ASSETS

(Amount in Rs.)

| | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|---------------------|-----------------|----------------|---------------------|---------------------|-------------------|-----------------|--------------------|---------------------|---------------------|
| | As on 01.04.2013 | Additions | Dele- tions | As on 31.03.2014 | Up to 01.04.2013 | For the Period | Written back | Upto 31.03.2014 | As on 31.03.2014 | As on 31.03.2013 |
| Plant and Machinery | 54,61,427 | 1,47,009 | - | 56,08,436 | 3,47,575 | 7,29,649 | - | 10,77,225 | 45,31,210 | 51,13,851 |
| E.D.P. Systems/Computers | 20,71,127 | 3,07,308 | - | 23,78,435 | 16,58,023 | 2,60,436 | - | 19,18,459 | 4,59,975 | 4,13,103 |
| Furniture and Fixture | 38,727 | - | - | 38,727 | 16,438 | 4,034 | - | 20,472 | 18,254 | 22,288 |
| TOTAL | 75,71,281 | 4,54,317 | - | 80,25,598 | 20,22,038 | 9,94,119 | - | 30,16,158 | 50,09,440 | 55,49,242 |
| March 31, 2013 | 39,21,621 | 46,72,348 | 10,22,688 | 75,71,281 | 25,45,500 | 3,09,285 | 8,32,747 | 20,22,038 | 55,49,242 | 13,76,118 |

10. INTANGIBLE ASSETS

(Amount in Rs.)

| | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|-----------------|---------------------|-----------------|----------------|---------------------|---------------------|-------------------|-----------------|--------------------|---------------------|---------------------|
| | As on 01.04.2013 | Additions | Dele- tions | As on 31.03.2014 | Up to 01.04.2013 | For the Period | Written back | Upto 31.03.2014 | As on 31.03.2014 | As on 31.03.2013 |
| Owened Products | 1,16,85,064 | 3,08,933 | - | 1,19,93,997 | 1,10,24,304 | 4,47,045 | - | 1,14,71,349 | 5,22,647 | 6,60,759 |
| TOTAL | 1,16,85,064 | 3,08,933 | - | 1,19,93,997 | 1,10,24,304 | 4,47,045 | - | 1,14,71,349 | 5,22,647 | 6,60,759 |
| March 31, 2013 | 1,73,79,299 | 15,92,148 | 72,46,382 | 1,16,85,064 | 1,34,01,267 | 14,47,376 | 38,24,339 | 1,10,24,304 | 6,60,759 | 39,38,031 |

10. INTANGIBLE ASSETS UNDER DEVELOPMENT

(Amount in Rs.)

| | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--|---------------------|-----------|----------------|---------------------|---------------------|-------------------|-----------------|--------------------|---------------------|---------------------|
| | As on 01.04.2013 | Additions | Dele- tions | As on 31.03.2014 | Up to 01.04.2013 | For the Period | Written back | Upto 31.03.2014 | As on 31.03.2014 | As on 31.03.2013 |
| INTANGIBLE ASSETS UNDER DEVELOPMENT | 7,24,089 | 3,55,771 | 4,91,805 | 5,88,055 | | | | | 5,88,055 | 7,24,089 |
| March 31, 2013 | 17,34,337 | 6,28,981 | 16,39,229 | 7,24,089 | | | | | 7,24,089 | 17,34,338 |

NOTE : Deletion under Intangible assets under development includes Rs. 1,61,554 /- being Owened Products Capitalised and Rs. 3,30,251 being WIP

Written off

(Amount in Rs.)

| Note | As at 31.03.2014 | As at 31.03.2013 |
|------|---------------------|---------------------|
|------|---------------------|---------------------|

ASSETS
11. OTHER NON CURRENT ASSET

 Advance Income Tax
Deposit with MTNL

42,27,413

31,69,621

-

2,000

Total
42,27,413
31,71,622
CURRENT ASSETS
12. TRADE RECEIVABLES

 Unsecured, considered good
Outstanding for a period of exceeding 6
months from the date they are due for
payment
Others

4,09,541

1,44,477

58,78,541

20,27,235

Total
62,88,082
21,71,712

Notes to the Financial Statements

| | | (Amount in Rs.) | |
|---|--------------|---------------------|---------------------|
| | | As at 31-03-2014 | As at 31-03-2013 |
| 13. CASH AND BANK BALANCE | | | |
| Cash and cash equivalents | | | |
| Cash on hand | | 1,657 | 2,352 |
| Bank Balance | | | |
| In Current Account | | 6,73,299 | 1,10,505 |
| In EEFC account | | 34,012 | 25,750 |
| In saving account | | 11,062 | 9,714 |
| | Total | 7,20,031 | 1,48,322 |
| 14. OTHER CURRENT ASSETS | | | |
| TDS receivables | | 22,56,864 | 24,17,022 |
| Receivable against sale of Fixed Asset | | - | 1,92,189 |
| | Total | 22,56,864 | 26,09,211 |
| | | 2013 - 2014 | 2012 - 2013 |
| 15. REVENUE | | | |
| Sale of Service | | 2,09,40,337 | 1,90,58,399 |
| | Total | 2,09,40,337 | 1,90,58,399 |
| 16. OTHER INCOME | | | |
| Misc. Income | | 89,688 | 1,922 |
| Profit on sale of Asset | | - | 47,76,956 |
| Foreign Exchange Fluctuation Gain | | 8,262 | - |
| | Total | 97,950 | 47,78,878 |
| 17. EMPLOYEE BENEFIT EXPENSES | | | |
| Salaries, Wages & Bonus | | 1,20,03,983 | 1,07,65,947 |
| Contribution to Provident & Other Funds | | 4,35,631 | 4,88,894 |
| Gratuity | | 48,062 | 1,93,953 |
| Staff Welfare Expenses | | 41,160 | 27,296 |
| Contribution to E S I C | | 78,997 | 55,002 |
| | Total | 1,26,07,833 | 1,15,31,092 |
| 18. FINANCE COST | | | |
| Interest on Long Term Borrowings | | - | 1,624 |
| Bank Charges | | 4,411 | 7,115 |
| | Total | 4,411 | 8,739 |
| 19. DEPRECIATION AND AMORTIZATION EXPENSES | | | |
| Depreciation on Tangible Assets | | 9,94,119 | 3,09,286 |
| Amortization on Intangible Assets | | 4,47,045 | 14,47,376 |
| | Total | 14,41,165 | 17,56,662 |

Notes to the Financial Statements

| | | (Amount in Rs.) | |
|------------------------------|--|------------------|------------------|
| | | 2013 - 2014 | 2012 - 2013 |
| 20. OTHER EXPENSES | | | |
| Rent for Office Premises | | 14,28,000 | 14,28,000 |
| Printing and Stationery | | 36,507 | 26,134 |
| Postage & Telephone | | 61,363 | 63,961 |
| Travelling | | 94,523 | 2,53,203 |
| Legal & Professional Charges | | 8,07,320 | 9,99,930 |
| Payment to Auditors | | | |
| - For Audit | | 61,798 | 61,798 |
| - For Tax Audit | | 11,236 | 11,236 |
| Office Maintenance Charges | | 19,587 | 51,520 |
| Repairs and Maintenance | | 46,835 | 81,850 |
| Misc. Expenses | | - | 1,108 |
| Consumables | | 44,366 | 54,406 |
| Food Expenses | | 44,792 | 35,966 |
| Insurance | | - | 8,140 |
| Internet Exp | | 2,88,950 | 2,71,078 |
| Sundry Debtors Written off | | 3,372 | 2,42,700 |
| WIP Written off | | 3,30,251 | 47,081 |
| Total | | 32,78,902 | 36,38,110 |

ADDITIONAL NOTES : 21
1 EARNING IN FOREIGN EXCHANGE:

| | | |
|----------------------|-----|-----|
| FOB Value of Exports | NIL | NIL |
| Other Charges | NIL | NIL |

- 2 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 suppliers are Small Scale and Ancillary Industrial Undertaking, as defined by "The Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertaking Act, 1992". Hence, amounts, which were overdue and outstanding at the close of the year payable to the said Industrial Undertakings, are not ascertainable. Similarly, Suppliers / service providers covered under Micro, Small Medium Enterprises Development Act, 2006 have not furnished the information regarding filing of necessary memorandum with the appropriate authority. In view of this, information required to be disclosed u/s 22 of the said Act is not given. Accordingly, the following information is furnished:

| | | Current Year | Previous Year |
|-----|--|--------------|---------------|
| 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 | 15,86,587 /- | 4,64,307 /- |
| ii | The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | Nil | Nil |
| iii | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but with out adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006 | Nil | Nil |
| iv | The amount of interest accrued and remaining unpaid at the end of each accounting year | Nil | Nil |
| v | The amount of further interest remaining due and payable even in succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprises Development Act, 2006 | Nil | Nil |

Notes to the Financial Statements

3. I) The Company recognises its Gratuity liability on the basis of contribution to the LIC Group Gratuity Scheme.

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.

| | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|-------------------------------|------------------------|--------------------------------------|----------------------------|
| | 31/03/2014 | 31/03/2013 | 31/03/2014 | 31/03/2013 |
| | Rs. | Rs. | Rs. | Rs. |
| The major categories of plan assets as a percentage of total plan | * | * | N/A | N/A |
| Qualifying Insurance Policy No | 713000165 | 652048 | - | - |
| Changes in the present value of the obligation | | | | |
| 1 Opening Present Value of obligation | 3,69,229 | 3,53,556 | 3,45,046 | 2,59,374 |
| 2 Interest Cost | 29,538 | 28,284 | 24,986 | 15,928 |
| 3 Current Service Cost | 1,09,116 | 1,18,778 | 40,709 | 52,000 |
| 4 Past Service Cost | - | - | - | - |
| 5 Benefits Paid | -53,654 | -1,80,461 | (1,40,948) | (99,185) |
| 6 Actuarial (gain) / loss on Obligation | -33,547 | 49,072 | (35,899) | (1,16,929) |
| 7 Closing Present Value of obligation | 4,20,682 | 3,69,229 | 2,33,895 | 3,45,046 |
| Changes in the Fair Value of Assets | | | | |
| 1 Opening Fair value of plan Assets | 5,12,712 | 4,87,623 | | |
| 2 Expected Return on Plan assets | 43,504 | 34,367 | | |
| 3 Contributions | 46,105 | 1,71,183 | | |
| 4 Benefits Paid | -55,634 | -1,80,461 | | |
| 5 Actuarial Gain/(Loss) | 0 | 0 | | |
| [Interest Credited for the year] | | | | |
| 6 Closing Fair value of plan Assets | 5,48,668 | 5,12,712 | Not applicable as unfunded | Not applicable as unfunded |
| Profit & Loss – Expenses | | | | |
| 1 Current Service Cost | 1,09,116 | 1,18,778 | 40,709 | 52,000 |
| 2 Interest Cost | 29,538 | 28,284 | 24,986 | 15,928 |
| 3 Expected Return on Plan assets | (43,504) | (34,367) | - | - |
| 4 Net Actuarial gain (loss) recognized in the year | -33,547 | 49,072 | (35,899) | 1,16,929 |
| 5 Past Service Cost | - | - | - | - |
| 6 Expenses Recognized in the Profit & Loss Account | 61,603 | 1,61,767 | 29,797 | 1,78,607 |
| Actuarial Assumptions | | | | |
| 1 Discount Rate | 8% | 8% | 9.10% | 7.5% |
| 2 Expected Rate of Return on Plan Assets | * | * | N/A | N/A |
| 3 Expected Rate of Salary Increase | 5% | 5% | 6.00% | 6.25% |
| 4 Attrition Rate | 1 to 3 % | 1 to 3% | N.A. | N/A |
| 5 Mortality Post-retirement | LIC (94 - 96) Ultimate | LIC (94 - 96) Ultimate | | |

- Information to the extent made available by LIC.
- Note: Negative Amounts are shown in Bracket.

Notes to the Financial Statements
iii) Actuarial assumptions for Gratuity of Past 5 years:

| Sr. No. | Particulars | 31-03-2014 | 31-03-2013 | 31-03-2012 | 31-03-2011 | 31-03-2010 |
|---------|--|------------|------------|------------|------------|------------|
| 1. | Discount Rate (p.a.) | 8% | 8% | 8% | 8% | 8% |
| 2. | Expected Rate of Return on Asset (pa.) | | | | | |
| 3. | Expected Rate of Salary Increase | 5% | 5% | 5% | 5% | 5% |

iv) Defined Benefit Plan for 5 years:
Net Asset/(Liability) as per actuarial valuation given by L.I.C.

| Sr. No. | Particulars | 31-03-2014 | 31-03-2013 | 31-03-2012 | 31-03-2011 | 31-03-2010 |
|---|--|-----------------|------------|------------|------------|------------|
| 1. | Present value of obligation as at the close of the year. | 4,20,682 | 3,69,229 | 4,40,504 | 4,41,541 | 3,28,669 |
| 2. | Fair value of plan asset as at the close of the year. | 5,48,668 | 5,12,712 | 4,87,623 | 9,59,219 | 3,08,717 |
| 3. | Asset/(Liability) recognized in the Balance Sheet | 1,27,986 | 1,43,483 | - | - | - |
| Change in Defined Benefit Obligation during the year ended | | | | | | |
| | Actuarial Gain/(Loss) | - | - | - | - | - |
| Change in the fair value of Plan Asset | | | | | | |
| | Actuarial Gain/(Loss) | 0 | 0 | 15,289 | 4,452 | 15,671 |

4. Segment Reporting (Accounting Standard – AS 17)

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

5. Related Party Disclosures (Accounting Standard AS 18)
List of Related Parties and Relationship

- Holding Company:
Aplab Limited
- Key Management Personnel:
Mr. Nishith P. Deodhar Chairman
Mr. Rajesh K. Deherkar Director
Mr. Kavin B. Valia Director
- Relatives of Key Management Personnel
Mr. P. S. Deodhar
Mrs. Amrita P. Deodhar
- Enterprises over which key management personnel and their relatives are able to exercise significant influence
Deodhar Electro Design Ltd.

Notes to the Financial Statements

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

| Nature of Transaction | Holding company Rs. | Deodhar Electro Design Pvt. Ltd |
|-----------------------------------|------------------------------|---------------------------------|
| Sale & services of Software | 1,52,40,457 (1,65,06,336) | 3,29,485 (4,78,535) |
| Purchase of Asset | 2,89,847 (45,87,057) | — — |
| Sale of Fixed Asset | — (2,12,251) | — |
| Rent paid | 16,04,508 (16,04,508) | — — |
| Advance to Supplier (Aplab) | 55,11,187 (5,35,122) | — — |
| Rent Payable | 14,61,708 (2,43,618) | — — |
| Payable against Services Received | — (54,616) | — |
| Receivable against Sale of Asset | — (1,92,189) | — — |
| Receivable against Services | — — | 7,06,078 (5,09,541) |

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

| | | (Amount in Rs.) |
|--|------------------|-----------------|
| Profit computation for both Basic and Diluted Earning per share of Rs. 10 each | 2013-14 | 2012-13 |
| Net Profit / (Loss) after tax as per Profit and Loss Account available for Equity Share Holder | 26,16,649 | 47,41,322 |
| Number of shares for Basic EPS | 85,000 | 85,000 |
| Earning per share Basic and Diluted | Rs.30.78 | Rs.55.78 |

7. Deferred Tax Assets and Liabilities (Accounting Standard – AS 22)

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

| | | |
|--|-----------------|----------|
| Depreciation | 11,89,93 | 8,98,436 |
| - Expenditure / Provisions not allowable | 72,274 | 1,06,620 |

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

| Particulars | Opening as on 01.04.2013 | Provision made during the year | Provision reversed / adjusted | Closing as on 31.03.2014 |
|---------------|-----------------------------|-----------------------------------|----------------------------------|-----------------------------|
| Taxation | — | — | — | — |
| -- Income Tax | 31,98,208 | 7,63,483 | Nil | 39,61,691 |
| -- FBT | 91,771 | Nil | Nil | 91,771 |

Figures for the previous year have been regrouped wherever necessary.

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

Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

Thane : 2nd May, 2014

For and on behalf of the Board

| | | |
|----------------|--------------------|----------|
| DIN - 01614848 | Nishith Deodhar | Director |
| DIN - 01866631 | Rajesh K. Deherkar | Director |
| DIN - 00538558 | Kavin B. Valia | Director |

Thane : 2nd May, 2014

Cash flow statement for the year ended 31st March, 2014

(Amount in Rs.)

| Note | 2013 - 2014 | 2012 - 2013 |
|---|--------------------|-------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax and extra ordinary items | 37,05,974 | 69,02,675 |
| Adjustments For : | | |
| Depreciation | 9,94,120 | 3,09,286 |
| Amortization of Product Cost | 4,47,046 | 14,47,376 |
| | | |
| Operating Profit before working capital changes | 51,47,139 | 86,59,337 |
| Adjustments For : | | |
| (Decrease) / Increase in Working Capital | (39,48,213) | (68,72,304) |
| | 11,98,926 | 17,87,032 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase / Development of Fixed Assets | (6,27,216) | (52,54,248) |
| Sale of Fixed Assets | - | 36,11,984 |
| | | |
| Net Cash used in Investing Activities | (6,27,216) | (16,42,263) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net Increase / (Decrease) in Borrowings | - | (65,928) |
| | | |
| Net Cash from Financial Activities | - | (65,928) |
| | | |
| Net Increase / (Decrease) Increase in Cash and Cash Equivalent(A+B+C) | 5,71,711 | 78,842 |
| | | |
| Opening Balance of Cash and Cash Equivalent | 1,48,321 | 69,480 |
| Closing Balance of Cash and Cash Equivalent | 7,20,031 | 1,48,321 |
| | | |
| Net Increase / (Decrease) | 5,71,711 | 78,842 |

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

Ashish Ashok Kane
Partner
Firm Regn. No. 120215W

Thane : 2nd May, 2014

For and on behalf of the Board

| | | |
|----------------|--------------------|----------|
| DIN - 01614848 | Nishith P. Deodhar | Director |
| DIN - 01866631 | Rajesh K. Deherkar | Director |
| DIN - 00538558 | Kavin B. Valia | Director |

Thane : 2nd May, 2014

Auditors' Report On Consolidated Financial Statements**Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated Financial Statements of Aplab Limited (the " Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated Cash Flows of the Group in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the Reports of the other Auditors on the Financial Statements the aforesaid Consolidated Financial Statements of the subsidiaries and Joint Venture as noted below, the Consolidated Financial Statements give a true and fair view in conformity with the Accounting Principles generally accepted in India;

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

We did not audit the financial statements of the subsidiary, Sprylogic Technologies Ltd. whose financial statements reflect total assets of Rs. 196.13 Lacs as at March 31, 2014 and total revenue of Rs. 210.38 Lacs. These financial statements have been audited by other 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 report of the auditors of the said company.

We have relied on the Unaudited Financial Statements of Arabian Power Electronics Company (a Joint Venture Company in Saudi Arabia) as certified by its management. These have been furnished to us, however, the same have not been consolidated in the Group Accounts as share of Aplab Ltd. in this Joint Venture has gone below 20% during the year.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our opinion is not qualified in respect of other matters.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Reg. No. 109840W)

Atul Shahade
Partner
M. No. 35227

Place : Mumbai
Date : 8th May, 2014

Consolidated Balance Sheet as at 31st March, 2014

(Amount in Rs.)

| | Note | As at 31.03.2014 | As at 31.03.2013 |
|---------------------------------------|------|-----------------------|-----------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS FUNDS | | | |
| a) Share Capital | 1 | 5,00,00,000 | 5,00,00,000 |
| b) Reserves and Surplus | 2 | 22,38,19,737 | 18,43,00,689 |
| Total | | 27,38,19,737 | 23,43,00,689 |
| Minority Interest* | | 41,28,467 | 30,55,640 |
| NON-CURRENT LIABILITIES | | | |
| a) Long-Term Borrowings | 3 | 12,75,11,693 | 13,44,42,541 |
| b) Other Long-Term Liabilities (net) | 5 | 34,54,075 | 17,19,845 |
| c) Long-Term Provisions | 6 | 9,74,17,569 | 11,56,20,566 |
| Total | | 22,83,83,337 | 25,17,82,952 |
| CURRENT LIABILITIES | | | |
| a) Short-Term Borrowings | 7 | 60,37,54,716 | 54,34,28,303 |
| b) Trade Payables | 8 | 23,71,11,814 | 15,00,62,364 |
| c) Other Current Liabilities | 9 | 14,62,20,949 | 12,38,44,094 |
| d) Short-Term Provisions | 10 | 1,86,01,111 | 2,02,24,529 |
| Total | | 1,00,56,88,591 | 83,75,59,290 |
| TOTAL EQUITY & LIABILITIES | | 1,51,20,20,132 | 1,32,66,98,570 |
| ASSETS | | | |
| Non Current Assets | | | |
| a) Fixed Assets | | | |
| Tangible Assets | 11 | 58,18,40,857 | 62,89,73,595 |
| Intangible Assets | | 5,22,647 | 9,84,046 |
| Intangible Assets under Development | | 5,88,055 | 7,24,089 |
| b) Non-Current Investments | 12 | 2,21,19,150 | 2,36,150 |
| c) Other Non-Current Assets | 13 | 23,25,65,365 | 6,77,84,631 |
| d) Deferred Tax Assets (net) | 4 | 83,399 | 4,09,240 |
| Total | | 83,77,19,474 | 69,91,11,752 |
| CURRENT ASSETS | | | |
| a) Inventories | 14 | 35,89,34,945 | 43,70,21,112 |
| b) Trade Receivables | 15 | 27,38,12,627 | 13,48,92,999 |
| c) Cash & Cash Equivalents | 16 | 43,30,858 | 3,24,45,014 |
| d) Short-Term Loans & Advances | 17 | 3,72,22,228 | 2,32,27,694 |
| Total | | 67,43,00,658 | 62,75,86,819 |
| TOTAL ASSETS | | 1,51,20,20,132 | 1,32,66,98,570 |

Notes on Financial Statements 1 to 26

Significant Accounting Policies 27

As per our report attached
For Shahade & Associates
Chartered Accountants
Reg. No. 109840W

DIN - 01614848
DIN - 00019927

For and on behalf of the Board
Nishith Deodhar
A. G. Joshi
Managing Director
Director

Atul Shahade
Partner
M. No.: 35227
Mumbai : 8th May 2014

Rajesh K. Deherkar
Company Secretary &
Finance Controller

Thane : 8th May 2014

Statement of Consolidated Profit & Loss for the year ended 31st March, 2014

(Amount in Rs.)

| | Note | 2013 - 2014 | 2012 - 2013 |
|--|------|---------------------|-----------------------|
| INCOME | | | |
| Revenue from Operations | 18 | 95,52,96,856 | 71,34,09,416 |
| Other Income | 19 | 90,13,176 | 24,189,404 |
| Total | | 96,43,10,032 | 73,75,98,820 |
| EXPENDITURE | | | |
| Materials Consumed | 20 | 47,65,26,696 | 31,03,67,635 |
| Changes in Inventories | 21 | (3,98,69,378) | (64,51,209) |
| Employee Benefit Expenses | 22 | 23,34,57,366 | 25,09,16,655 |
| Manufacturing Expenses | 23 | 5,49,01,019 | 4,17,98,537 |
| Stock Written off | | - | 3,96,15,039 |
| Finance Costs | 24 | 10,22,27,292 | 9,09,89,235 |
| Other Expenses | 25 | 9,82,51,434 | 11,39,03,741 |
| Depreciation & Amortization Expenses | 11 | 2,92,89,166 | 2,44,50,060 |
| Less : Transferred to Revaluation Reserve | | 36,001 | 36,001 |
| | | 2,92,53,165 | 2,44,14,059 |
| | | 95,47,47,593 | 87,84,56,110 |
| Profit / (Loss) before Exceptional Items & Taxes | | 95,62,439 | (14,08,57,290) |
| Sale of Fuel | | - | 21,86,400 |
| Dispensing Pump Business | | - | (13,86,70,890) |
| Profit Before Tax | | 95,62,439 | (13,86,70,890) |
| PROVISION FOR TAXATION | | | |
| Tax Expenses | | | |
| Current Tax | | 7,63,483 | 16,11,776 |
| Deferred Tax | | 3,25,841 | 5,49,578 |
| Prior year Tax adjustment | | - | (2,22,154) |
| Profit / (Loss) for the Year | | 84,73,115 | (14,06,10,090) |
| EARNINGS PER EQUITY SHARE (Face Value of Rs. 10/- each) | | | |
| Basic | | 1.69 | (28.12) |
| Diluted | | 1.69 | (28.12) |

Notes on Financial Statements 1 to 26

Significant Accounting Policies 27

As per our report attached
For Shahade & Associates
Chartered Accountants
Reg. No. 109840W

DIN - 01614848
DIN - 00019927

For and on behalf of the Board
Nishith Deodhar
A. G. Joshi
Managing Director
Director

Atul Shahade
Partner
M. No.: 35227
Mumbai : 8th May 2014

Rajesh K. Deherkar
Company Secretary &
Finance Controller

Thane : 8th May 2014

Notes to the Consolidated Financial Statements

(Amount in Rs.)

NOTE 1 :
SHARE CAPITAL
Authorised :

1,00,00,000 (March 31,2013, 1,00,00,000)

Equity Share of Rs. 10 each

10,00,00,000

10,00,00,000

Issued :

50,00,000 (March 31,2013, 50,00,000)

Equity Share of Rs. 10 each

5,00,00,000

5,00,00,000

Subscribed and Paid up :

50,00,000 (March 31,2013, 50,00,000)

Equity Share of Rs. 10 each

5,00,00,000

5,00,00,000

Total
5,00,00,000

5,00,00,000

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.
Equity Shares :

| Name | As at 31-03-2014 No. of Shares held | As at 31-03-2014 % of Shares | As at 31-03-2013 No. of Shares held | As at 31-03-2013 % of Shares |
|------------------------------------|---|------------------------------------|---|------------------------------------|
| Prabhakar Shankar Deodhar | 5,60,652 | 11.21 | 5,60,652 | 11.21 |
| Amrita Prabhakar Deodhar | 3,68,314 | 7.37 | 3,68,314 | 7.37 |
| Zee Entertainment Enterprises Ltd. | 13,21,200 | 26.42 | 13,21,200 | 26.42 |
| Balram Bharwani | 2,92,161 | 5.84 | 2,22,500 | 4.45 |

NOTE 2 :
RESERVES AND SURPLUS

1. Capital Reserve:

Balance as per last Balance sheet

3,42,86,749

4,00,800

Addition during the year

-

3,38,85,948

3,42,86,749

3,42,86,748

Pursuant to Mumbai High Court Order dated 25th March 2013, the wholly owned subsidiary Intel Instruments & Systems Ltd was merged with Aplab Ltd at the closing hours off 31.03.2013. As per above order Assets & Liabilities of both the Companies are considered at fair value and difference between fair value of Assets and Liabilities of both the companies is adjusted in Capital Reserve.

2. Securities Premium Reserve:

Balance as per last Balance Sheet

12,91,81,200

12,91,81,200

3. Revaluation Reserve:

Opening Balance

3,24,012

11,69,301

Less : Amount transferred to Land Revaluation Account

-

8,09,287

Less : Amount transferred to Profit and Loss Account

36,001

36,001

2,88,011

3,24,012

4. General Reserve

Balance as per last Balance sheet

12,76,30,982

12,76,30,982

Closing Balance
29,13,86,942

29,14,22,942

Notes to the Consolidated Financial Statements

| | | (Amount in Rs.) | |
|--------------|--|----------------------|-----------------------|
| | | As At 31-3-2014 | As At 31-3-2013 |
| 5 | Surplus / Deficit as per Profit and Loss Account | | |
| | Opening Balance | (7,22,61,852) | (4,02,78,366) |
| | Add : Profit (Loss) for the year | 84,73,115 | (6,37,88,247) |
| | Minority Interest | (37,78,467) | (30,55,640) |
| | Balance as at end of the year | (6,75,67,204) | (10,71,22,253) |
| Total | | 22,38,19,737 | 18,43,00,689 |

NOTE 3 :
LONG TERM BORROWINGS
Secured
1. Term Loan

From Banks

From NBFC's

7,89,37,737

9,08,32,335

6,13,957

9,67,206

7,95,51,693

9,17,99,541

2. Unsecured :

Fixed Deposits

4,79,60,000

4,26,43,000

4,79,60,000

4,26,43,000

Total

12,75,11,693

13,44,42,541

TERM LOAN I

Term Loan from Bank of Maharashtra

4,81,22,949

4,81,22,949

a) Secured by mortgage of Land and Building, at Bhosari Pune and Building at Bangalore.

b) Payable from 28-02-2011 at Rs.10,32,000 p.m.

c) Interest to be paid as & when applied.

d) Rate of Interest at present 14.50%

TERM LOAN II

Term Loan from Bank of Maharashtra

a) Hypothecation charge on all the Assets Equipments / Machinery purchased out of this term loan.

b) Payable from 30.04.2013 at Rs. 15,00,000 p.m.

c) Interest to be paid as & when applied

d) Rate of interest at present 14.50%

Overdue installments and interest there on outstanding for both the Term Loans is Rs. 38,67,384/-

Term Loan from ICICI Bank

Secured by hypothecation of Vehicles financed by Bank

3,58,730

4,67,431

| Name of Lender | EMI Rs. | From | To | Rate of Interest p.a. |
|----------------|---------|---------------|--------------|-----------------------|
| ICICI Bank | 13,070 | 1st Jan. 2012 | 1st Nov 2016 | 11.50% |

Loan from NBFCs :

6,13,957

9,67,206

Secured by hypothecation of vehicles purchased out of these Term loans

| Name of Lender | EMI Rs. | From | To | Rate of Interest p.a. |
|------------------------------|---------|----------------|----------------|-----------------------|
| Kotak Mahindra Prime Ltd. | 7,050 | 6th Oct 2011 | 10th May 2016 | 13.35% |
| Kotak Mahindra Prime Ltd. | 17,100 | 25th Aug. 2011 | 10th Aug. 2016 | 12.73% |
| Future Capital Holdings Ltd. | 13,668 | 1st Sept. 2012 | 5th Dec. 2016 | 13.50% |

Notes to the Consolidated Financial Statements

| | (Amount in Rs.) | As At 31-3-2014 | As At 31-3-2013 |
|---|-----------------|---------------------|---------------------|
| Unsecured | | | |
| Fixed Deposits | | 4,79,60,000 | 4,26,43,000 |
| Fixed Deposits accepted from Public and Shareholders having Maturity of, Two and Three years. Interest payable as per the scheme accepted by the Fixed Deposit Holder Interest payable for two year 10.50% p.a. and for three years 11%p.a. | | | |
| Other Loans | | | |
| Unsecured Loan from NBFC | | - | 8,23,528 |
| Payable in 24 monthly EMI of Rs. 124,811 from 3.11.2011 3.10.2013 Interest @ 18% p.a. | | | |
| From Others | | - | 16,500 |
| NOTE 4 : | | | |
| Deferred Tax (Assets) (Net) | | | |
| Balance as per last Balance Sheet | | (83,399) | (4,09,240) |
| Deferred Tax Asset on unabsorbed losses will be assessed in the subsequent years and will be recongnized in conformity with AS-22 (Accounting for Taxes on Income) | | | |
| Total | | (83,399) | (4,09,240) |
| NOTE 5 : | | | |
| Other Long Term Liabilities | | | |
| Interest Accrued but not due on Fixed Deposits | | 32,74,075 | 15,39,845 |
| Advance from Customer | | 1,80,000 | 1,80,000 |
| Total | | 34,54,075 | 17,19,845 |
| NOTE 6 : | | | |
| Long Term Provisions | | | |
| Provision for Employee Benefits | | | |
| Provision for Leave Encashment | | 71,93,122 | 89,58,487 |
| Provision for Gratuity | | 7,89,34,467 | 9,66,83,875 |
| Provision for Tax | | 32,89,980 | 16,78,204 |
| Provision for Warranties | | 80,00,000 | 83,00,000 |
| Total | | 9,74,17,569 | 11,56,20,566 |
| NOTE 7 : | | | |
| Short Term Borrowings | | | |
| Secured | | | |
| Working Capital Loans repayable on Demand from banks | | 28,51,79,394 | 27,72,03,082 |
| Local Bills Discounting | | 10,98,75,852 | 10,99,32,360 |
| Packing Credit Loan | | - | 38,42,515 |
| Short Term Loan | | 5,00,00,000 | - |
| Foreign Bills Discounting | | - | 3,47,515 |
| Loan from Others | | 25,00,000 | - |
| Total | | 44,75,55,246 | 39,13,25,471 |
| 1) Cash credit cum Working Capital Demand Loan | | | |
| From Corporation Bank | | | |
| Secured by hypothecation of all stocks and book debts and further secured / to be secured by second charge on Land & Buildings at Thane, Pune & Digha and on land of Bangalore Subject to Specific prior charges. | | 28,51,79,394 | 27,72,03,082 |
| Rate of Interest Rs. 14.60% p.a. as per sanction letter | | | |

Notes to the Consolidated Financial Statements

| | As At 31-3-2014 | (Amount in Rs.) As At 31-3-2013 |
|---|----------------------------|---|
| 2) Local Bills Discounting Secured by Bills Discounted with Corporation Bank Rate of Interest Rs. 14.60% p.a. as per sanction letter | 10,98,75,852 | 10,99,32,360 |
| 3) Packing Credit Loan : Secured by Hypothecation of stock & Trade Receivables | - | 38,42,515 |
| 4) Foreign Bills Discounting Secured by Export Documents | - | 3,47,515 |
| Bank of Maharashtra | | |
| a) Secured by mortgage of Land and Building, at Bhosari Pune on Plot No. EL-15 | 5,00,00,000 | - |
| b) Payable in three installments as follows : on 30th April, 2014 - Rs. 1 crore on 31st May, 2014 - Rs 2 crore on 30th June, 2014 - Rs. 2 crore | | |
| c) Interest to be paid as & when applied | | |
| d) Rate of Interest - 14.25% p.a | | |
| e) Inter Corporate Deposits from R. B. Financial Services Pvt. Ltd. @16.75% p.a. and brokerage 2.25% p.a. | 25,00,000 | - |
| Unsecured : | | |
| Fixed Deposits | 2,04,53,000 | 2,28,74,000 |
| Other Loans : | | |
| From Directors | 12,20,50,000 | 10,96,00,000 |
| Others | - | 1,96,28,832 |
| Sundry Creditors | 1,36,96,470 | - |
| | 15,61,99,470 | 15,21,02,832 |
| Total | 60,37,54,716 | 54,34,28,303 |
| Unsecured : | | |
| Fixed Deposits : | | |
| Fixed Deposits accepted from Public and Shareholders having maturity of One year, the scheme accepted by Fixed Deposit Holder, Interest payable for one year @ 10%.p.a. (Includes deposit worth Rs. 13,13,000/- matured but unpaid as on 31st March 2014. No interest payable after maturity as per the terms of Fixed Deposits) (includes Rs. 1,24,000/- deposits matured over seven years and unpaid as on 31st March, 2014 and transferable to Investor Education and Protection Fund) | 2,04,53,000 | 2,28,74,000 |
| Other Loans :- | | |
| From Directors | | |
| Mrs. Amrita P. Deodhar | 11,36,00,000 | 10,41,00,000 |
| Mr. Nishith Deodhar | 29,50,000 | 55,00,000 |
| Mr. Prabhakar S. Deodhar | 55,00,000 | - |
| Interest Payable@11.75%p.a. | | |
| NOTE 8 : | | |
| Trade Payables | | |
| Micro Small & Medium Enterprises | 9,53,447 | 4,647 |
| Acceptances | 16,76,58,511 | 4,41,48,679 |
| Sundry Creditors | 6,84,99,856 | 10,59,09,038 |
| Total | 23,71,11,814 | 15,00,62,364 |

Notes to the Consolidated Financial Statements

(Amount in Rs.)

| | As At 31-3-2014 | As At 31-3-2013 |
|--|----------------------------|----------------------------|
| NOTE 9 : | | |
| Other Current Liabilities | | |
| Current Maturities of Long Term Debts (Secured) | | |
| Term Loans | 3,05,05,881 | 3,04,92,701 |
| From Others | 3,53,249 | 3,11,945 |
| Current Maturities of Long Term Debts (Unsecured) | | |
| Current maturities of long term borrowings from NBFC | - | 8,23,527 |
| Fixed Deposits | 55,46,000 | 43,91,000 |
| Interest Accrued and due | 98,13,815 | 1,04,33,295 |
| Unclaimed interest on Fixed Deposits* | 35,098 | 25,809 |
| Dues to Directors | 2,74,892 | 1,21,102 |
| Advances from Customers | 45,62,419 | 1,06,56,005 |
| Statutory Dues | 99,81,984 | 48,61,216 |
| Other Liabilities | 8,51,47,611 | 6,13,18,452 |
| Temporary Bank Overdraft | - | 4,09,042 |
| Total | 14,62,20,949 | 12,38,44,094 |

*(Amount over seven years is Transferable to Investor Education and Protection Fund)

| | | |
|--------------------------------|--------------------|--------------------|
| NOTE 10 : | | |
| Short Term Provisions | | |
| Provision for Leave Encashment | 7,66,853 | 14,32,524 |
| Provision for Gratuity | 1,27,70,775 | 1,25,17,005 |
| Provision for Warranties | 50,63,483 | 62,75,000 |
| Total | 1,86,01,111 | 2,02,24,529 |

NOTE 11 : See on page no. 69

| | | |
|--------------------------------|--------------------|-----------------|
| NOTE 12 : | | |
| Non Current Investments | 2,21,19,150 | 2,36,150 |
| Total | 2,21,19,150 | 2,36,150 |

Investment in Shares of Subsidiary Companies (At Cost)

- 1) Sprylogic Technologies Limited
50000 Equity Shares of Rs. 10 each fully paid
- 2) Arabian Power Electronics Company
 - i) As per the Joint Venture Agreement dated 14-11-2011 with Eram Support Services Arabia, Aplab Ltd. had invested 50% in the JV business of Arabian Power Electronics Company

| | | |
|--|-------------|-------------|
| | 2,18,83,000 | 2,18,83,000 |
|--|-------------|-------------|
 - ii) Due to change in Licensing Regulations in Saudi Arabia, for companies with foreign equity during the year, JV share was diluted to below 20% by increase in total JV share of other partner
 - iii) Diminution in the value of investment is not provided being proposed sale of joint venture share at par or more

Other Investments (Unquoted)

Notes to the Consolidated Financial Statements
NOTE - 11
FIXED ASSETS

| (Amount In Rs.) | | | | | | | | | | | | |
|-----------------------------|----------------------------|--------------|--------------------------|--|---------------------|------------------|---------------------|-------------------------|-----------------|--------------------|---------------------|---------------------|
| FIXED ASSETS | GROSS BLOCK | | | | | Revalu- ation | As on 31.03.2014 | DEPRECIATION | | | NET BLOCK | |
| | As on 01.04.2013 | Additions | Deletions/ Impairment | Acquired through business Combinations | Up to 01.04.2013 | | | Total For the Period | Written back | Upto 31.03.2014 | As on 31.03.2014 | As on 31.03.2013 |
| PRODUCTION | Leasehold Land | 38,13,37,806 | - | - | - | 38,13,37,806 | 35,11,588 | 64,68,003 | - | 99,79,591 | 37,13,58,215 | 37,78,26,219 |
| | Factory Buildings | 8,34,29,709 | - | - | - | 8,34,29,709 | 4,78,02,633 | 35,66,307 | - | 5,13,68,940 | 3,20,60,769 | 3,56,27,077 |
| | Residential Premises | 4,26,570 | - | - | - | 4,26,570 | 2,83,267 | 7,165 | - | 2,90,432 | 1,36,138 | 1,43,303 |
| | Office Premises | 12,74,73,624 | - | - | - | 12,74,73,624 | 1,43,25,239 | 56,57,419 | - | 1,99,82,658 | 10,74,90,966 | 11,31,48,386 |
| | Plant and Machinery | 6,19,12,141 | 1,70,047 | 2,17,46,353 | - | 4,03,35,835 | 4,82,88,302 | 36,75,153 | 2,08,59,849 | 3,11,03,605 | 92,32,230 | 1,36,23,839 |
| | Electrical Installations | 1,44,68,057 | 2,77,158 | 8,910 | - | 1,47,36,305 | 78,70,103 | 7,96,758 | 1,087 | 86,65,774 | 60,70,531 | 65,97,955 |
| | Furniture and Fixtures | 6,61,85,664 | 6,76,040 | - | - | 6,68,61,704 | 4,81,37,659 | 31,42,240 | - | 5,12,79,899 | 1,55,81,805 | 1,80,48,005 |
| | E.D.P. Systems/Computers | 3,50,85,422 | 11,27,290 | 32,000 | - | 3,61,80,712 | 3,34,37,400 | 10,39,853 | 17,871 | 3,44,59,382 | 17,21,330 | 16,48,023 |
| | Vehicles | 1,56,53,975 | 37,14,186 | - | - | 1,19,39,789 | 1,23,09,611 | 7,98,903 | 34,55,581 | 96,52,933 | 22,86,856 | 33,44,364 |
| | RESEARCH AND DEVELOPMENT | - | - | - | - | - | - | - | - | - | - | - |
| Plant and Machinery | Plant and Machinery | 48,68,785 | - | - | - | 48,68,785 | 47,27,183 | 22,118 | - | 47,49,301 | 1,19,484 | 1,41,603 |
| | Electrical Installations | 91,370 | - | - | - | 91,370 | 91,139 | 32 | - | 91,171 | 199 | 230 |
| | Furniture and Fixtures | 8,53,373 | - | - | - | 8,53,373 | 7,77,071 | 12,568 | - | 78,96,39 | 63,734 | 76,301 |
| | E.D.P. Systems/Computers | 20,03,273 | - | - | - | 20,03,273 | 19,88,172 | 6,041 | - | 19,94,213 | 9,060 | 15,102 |
| | Total For The Year | 79,37,89,770 | 22,50,535 | 2,55,01,449 | - | 77,05,38,856 | 22,35,49,366 | 2,51,92,560 | 2,43,34,388 | 22,44,07,538 | 54,61,31,318 | 57,02,40,407 |
| Plant and Machinery (Rent) | Plant and Machinery (Rent) | 3,01,95,458 | 1,00,30,377 | - | - | 4,02,25,835 | 38,73,466 | 35,20,246 | - | 73,93,712 | 3,28,32,123 | 2,63,21,992 |
| | CWIP (P & M Rent) | 1,63,78,717 | 1,63,78,717 | - | - | 26,83,441 | - | - | - | - | 1,63,78,717 | - |
| TOTAL | 84,03,63,945 | 1,49,64,353 | 4,18,80,166 | - | 81,34,48,132 | 22,74,22,832 | 2,87,12,806 | 2,43,34,388 | 23,18,01,250 | 58,16,46,882 | 4,27,00,709 | - |
| INTANGIBLE ASSETS | - | - | - | - | - | - | - | - | - | - | - | - |
| Software | 1,88,66,803 | 6,64,704 | 4,91,805 | - | 1,90,39,702 | 1,71,58,668 | 5,76,360 | - | 1,77,35,028 | 13,04,674 | 17,08,134 | - |
| TOTAL INTANGIBLE | 1,88,66,803 | 6,64,704 | 4,91,805 | - | 1,90,39,702 | 1,71,58,668 | 5,76,360 | - | 1,77,35,028 | 13,04,674 | 17,08,134 | - |
| TOTAL FOR THE YEAR | 85,92,30,748 | 1,56,29,057 | 4,23,71,971 | - | 83,24,87,834 | 24,45,81,501 | 2,92,89,166 | 2,43,34,388 | 24,95,36,278 | 58,29,51,559 | 61,46,49,250 | - |
| Total for the Previous Year | 53,21,44,847 | 3,89,83,991 | 6,17,59,675 | 3,40,839 | 34,95,20,748 | 87,92,11,184 | 27,17,45,007 | 24,57,84,848 | 5,03,24,588 | 48,02,51,609 | 61,46,49,250 | - |

NOTE: Pursuant to Mumbai High Court order dated 25th March 2013 the wholly owned subsidiary Intel Instruments and Systems merged with Aplab Ltd. at the closing hours of 31st March 2013 As per above order Assets and Liabilities of the Companies are considered at fair value and difference between fair value of Assets and Liabilities of both the Companies is adjusted in Capital Reserve

Notes to the Consolidated Financial Statements

| | | (Amount in Rs.) | |
|--|---|---------------------|--------------------|
| | | As At 31-3-2014 | As At 31-3-2013 |
| NOTE 12 : | | | |
| Non Current Investments | | 2,21,19,150 | 2,36,150 |
| Total | | 2,21,19,150 | 2,36,150 |
| Investment in Shares of Subsidiary Companies (At Cost) | | | |
| 1) | Sprylogic Technologies Limited 50000 Equity Shares of Rs. 10 each fully paid | | |
| 2) | Arabian Power Electronics Company | | |
| i) | As per the Joint Venture Agreement dated 14-11-2011 with Eram Support Services Arabia, Aplab Ltd. had invested 50% in the JV business of Arabian Power Electronics Company | 2,18,83,000 | 2,18,83,000 |
| ii) | During the year JV share was diluted to below 20% by increase in total JV share of other partner. | | |
| iii) | Diminution in the value of investment is not provided being proposed sale of joint venture share at par or more | | |
| Other Investments (Unquoted) | | | |
| 1) | 2000 Ordinary Shares of Rs. 10 each fully paid up of Saraswat Co-op. Bank Ltd. | 20,000 | 20,000 |
| 2) | 1001 Ordinary Share of Rs. 50 each fully paid up of The Thane Janta Sahakari Bank Ltd. | 50,050 | 50,050 |
| 3) | 50% investment in Arabian Power Electric Company | | |
| 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 31.03.2013 @ 50.90 per share.) | 1,08,100 | 1,08,100 |
| Government Securities | | | |
| | National Savings Certificate (Deposited with various Government Authorities) Out of above NSC worth Rs. 43,000 are matured : | 58,000 | 64,500 |
| NOTE 13 : | | | |
| Other Non Current Assets | | | |
| | Advance Income Tax / T.D.S. (Net) | 3,80,67,053 | 3,14,34,654 |
| | Deposits | 90,31,760 | 95,34,518 |
| | Inventories | 14,91,64,036 | |
| Dues From Others: | | | |
| | Trade Receivables | 3,04,23,976 | 2,56,39,284 |
| | Others | 58,78,540 | 11,76,176 |
| Total | | 23,25,65,365 | 6,77,84,631 |

Notes to the Consolidated Financial Statements

| | | (Amount in Rs.) | |
|---|--|---------------------|---------------------|
| | | As At 31-3-2014 | As At 31-3-2013 |
| NOTE 14 : | | | |
| Inventories | | | |
| (As per records maintained, Physically verified and valued lower of cost or market value and certified by the Management) | | | |
| Material and Components | | 17,75,43,085 | 24,53,31,283 |
| Goods in process | | 5,65,49,794 | 5,79,41,898 |
| Finished goods | | 10,52,27,716 | 12,15,92,363 |
| Material in transit and in Bonded Warehouse | | 1,16,41,594 | 41,82,812 |
| Stores and Spares | | 79,72,756 | 79,72,756 |
| Total | | 35,89,34,945 | 43,70,21,112 |
| NOTE 15 : | | | |
| Trade Receivable (Unsecured considered Good) | | | |
| Dues from others within 6 months | | 25,28,61,280 | 11,91,38,880 |
| others | | 2,09,51,347 | 1,57,54,118 |
| Total | | 27,38,12,627 | 13,48,92,999 |
| NOTE 16 : | | | |
| Cash and Cash Equivalents | | | |
| Cash on hand | | 8,69,142 | 28,77,489 |
| Balances with Banks | | | |
| In Current Accounts | | (1,33,11,263) | 1,57,85,923 |
| In Deposits Accounts | | | |
| Maturing within 12 Months | | 1,57,68,804 | 66,106 |
| Maturing after 12 Months | | 3,49,800 | 1,28,98,336 |
| In Unclaimed Dividend Accounts | | 6,54,375 | 8,17,161 |
| Total | | 43,30,858 | 3,24,45,014 |
| 1. | Balance with schedule Bank include Rs.1,61,18,604 (P.Y. Rs.1,29,64,442) representing margin money for letter of credit and bank guarantees issued | | |
| 2. | Section 205 of the Companies Act, 1956 mandates that companies transfer dividend that has been unclaimed for period of seven years from unpaid dividend account to Investor Education & Protection Fund (IEPF),. Accordingly if dividend is unclaimed for a period of seven years, it will be transferred to IEPF. | | |
| 3. | Deposits includes Rs. 3,49,800 with original maturity of 12 months and more | | |
| | | 2013 - 2014 | 2012 - 2013 |
| NOTE 17 : | | | |
| Short Term Loans and Advances | | | |
| (Unsecured considered good) | | | |
| Loans and Advances to Employees | | 28,60,971 | 22,01,064 |
| Advance to Others | | 2,87,05,606 | 1,72,65,529 |
| Amount due as Refund of Additional Duty of Customs | | 14,13,420 | 18,57,874 |
| Balance with Excise Authorities | | 42,42,231 | 19,03,226 |
| Total | | 3,72,22,228 | 2,32,27,694 |

Notes to the Consolidated Financial Statements

(Amount in Rs.)

| | <u>2013- 2014</u> | <u>2012 - 2013</u> |
|---|---------------------|---------------------|
| NOTE 18 : | | |
| Revenue from Operations | | |
| Sale of Products | 88,23,19,295 | 60,99,14,531 |
| Less : Excise Duty | 6,17,38,759 | 3,69,76,526 |
| Net Sales | 82,05,80,536 | 57,29,38,005 |
| Income from Services | 13,47,16,320 | 14,04,71,411 |
| Total | <u>95,52,96,856</u> | <u>71,34,09,416</u> |
| NOTE 19 : | | |
| Other Income | | |
| Interest on Bank Deposits | 13,38,309 | 12,59,916 |
| On Other Accounts | 19,220 | 21,574 |
| | <u>13,57,529</u> | <u>12,81,490</u> |
| Dividend | 24,010 | 12,340 |
| Provision written back | 45,94,885 | 86,23,109 |
| Miscellaneous Receipts | 5,45,215 | 70,67,209 |
| Refund of Additional Duty of Customs | 18,32,011 | 22,56,769 |
| Rent Received | 6,51,540 | 1,34,987 |
| Profit on Sale of Assets | 7,986 | 48,13,500 |
| Total | <u>90,13,176</u> | <u>2,41,89,404</u> |
| NOTE 20 : | | |
| Materials Consumed | | |
| Opening Stock | 24,53,31,283 | 26,19,57,740 |
| Add Purchases | 49,11,81,475 | 26,68,40,392 |
| Less Stock at Close | 73,65,12,758 | 52,87,98,132 |
| | <u>26,88,81,404</u> | <u>24,53,31,283</u> |
| | 46,76,31,354 | 28,34,66,849 |
| Add Consumption of Stores and Spares | 88,95,342 | 1,06,17,575 |
| Total | <u>47,65,26,696</u> | <u>31,03,67,635</u> |
| NOTE 21 : | | |
| Changes in Inventories of finished goods, Work-in-progress | | |
| Stock at Close - Finished Goods | 14,95,97,396 | 11,94,35,224 |
| Stock at Close - Work in Progress | 6,67,33,235 | 5,79,41,898 |
| | <u>21,63,30,631</u> | <u>17,73,77,122</u> |
| Opening Stock - Finished Goods | 11,85,19,355 | 12,91,97,747 |
| Opening Stock - Work in Progress | 5,79,41,898 | 5,46,30,584 |
| | <u>17,64,61,253</u> | <u>18,38,28,331</u> |
| Increase / (Decrease) in Stock | <u>3,98,69,378</u> | <u>(64,51,209)</u> |

(previous year's closing stock does not include stock of Intel Instruments & Systems Ltd., whereas on merger, the same is considered as opening stock of current year)

Notes to the Consolidated Financial Statements

(Amount in Rs.)

| | <u>2013 - 2014</u> | <u>2012 - 2013</u> |
|---|---------------------|---------------------|
| NOTE 22 : | | |
| Employee Benefit Expenses | | |
| Salaries Wages and Bonus | 20,63,56,224 | 19,96,80,888 |
| Contribution to Provident and Other Funds | 1,41,44,716 | 1,48,36,457 |
| Gratuity and Leave Encashment | 39,37,682 | 2,77,16,357 |
| Staff Welfare Expenses | 90,18,743 | 86,82,953 |
| Total | 23,34,57,365 | 25,09,16,655 |
| NOTE 23 : | | |
| Manufacturing Expenses | | |
| Labour Charges | 1,01,68,464 | 44,65,778 |
| Rates and Taxes | 1,82,79,171 | 92,75,317 |
| Power and Electricity | 84,65,826 | 80,79,742 |
| Insurance Charges | 1,60,290 | 8,64,544 |
| Repairs to Plant and Machinery | 83,701 | 1,39,407 |
| Repairs to Factory Building | 11,25,151 | 12,13,310 |
| Miscellaneous Work Expenses | 1,66,18,416 | 1,77,60,439 |
| Total | 5,49,01,019 | 4,17,98,537 |
| NOTE 24 : | | |
| Finance Cost | | |
| Interest on Fixed Period Loans | 2,64,82,976 | 1,68,12,730 |
| Interest on Other Loans / Deposits | 6,96,99,117 | 6,78,71,894 |
| Bank Charges | 82,52,123 | 57,71,150 |
| Exchange Variation Loss (net) | (22,06,924) | 5,33,462 |
| Total | 10,22,27,292 | 9,09,89,235 |
| NOTE 25 : | | |
| Other Expenses | | |
| Rent for Office / Residential Premises | 50,57,609 | 62,01,284 |
| Equipment Lease Rentals | 1,47,309 | 2,28,706 |
| Printing and Stationery | 22,31,584 | 26,43,605 |
| Postage and Telephones | 82,11,284 | 80,54,738 |
| Royalty | 92,577 | 1,11,403 |
| Travelling and Conveyance | 1,53,41,036 | 1,75,18,137 |
| Vehicle Expenses | 26,24,782 | 35,51,584 |
| Legal and Professional Charges | 2,24,06,263 | 2,23,74,182 |
| Advertisement and Publicity | 4,98,122 | 3,45,997 |
| Commission and Discount | 26,26,068 | 4,25,975 |
| Selling & Marketing Expenses | - | 17,25,865 |
| General & Administrative Expenses | - | 1,73,07,931 |
| Transport Outward and Other Charges | 2,54,42,928 | 1,64,21,542 |
| Sales Tax, Purchase Tax | 3,82,855 | 10,44,559 |
| Office Maintenance Charges | 37,19,880 | 54,01,309 |
| Repairs and Maintenance - other Assets | 16,77,679 | 26,18,404 |
| Miscellaneous Expenses | 24,40,764 | 37,25,418 |
| Loss on Sale of Assets | 10,16,225 | 1,32,410 |
| Bad Debts and other amounts written off | 43,34,469 | 40,70,692 |
| Total | 9,82,51,434 | 11,39,03,741 |

Notes to the Consolidated Financial Statements
ADDITIONAL NOTES: 26
1. Contingent Liabilities:

| Sr. No. | Particulars | 2013 - 14 | 2012 - 13 |
|---------|---|---------------------|-------------|
| 1. | Disputed Tax/Duty demands not provided for | 10,33,26,536 | 8,68,74,453 |
| 2. | Corporate Guarantees given to Banks on account of Subsidiary/Other Companies | - | 41,90,030 |
| 3. | Bank guarantees given on behalf of Company to third parties. | 5,79,57,810 | 6,86,87,812 |

2. Employee benefit:-

i) 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.

ii) The benefit of Gratuity is funded defined benefit plan. For this purpose the Company has obtained a qualifying insurance policy from LIC of India and the same is partially funded by the Company. The present value of obligation is determined based on actuarial valuation.

| | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|---------------------|---------------|-----------------------------------|----------------------------|
| | 31/03/2014 | 31/03/2013 | 31/03/2014 | 31/03/2013 |
| | Rs. | Rs. | Rs. | Rs. |
| The major categories of plan assets as a percentage of total plan | * | * | N/A | N/A |
| Qualifying Insurance Policy No | 611868 | 611868 | - | - |
| Changes in the present value of the obligation | | | | |
| 1 Opening Present Value of obligation | 10,84,00,344 | 10,89,81,748 | 1,03,91,011 | 1,09,48,374 |
| 2 Interest Cost | 86,76,054 | 80,30,922 | 8,28,663 | 8,03,928 |
| 3 Current Service Cost | 43,50,017 | 54,90,763 | 11,53,166 | 13,91,253 |
| 4 Past Service Cost | - | - | - | 3,95,712 |
| 5 Benefits Paid | (2,31,735) | (1,86,62,527) | (1,40,948) | (16,12,185) |
| 6 Actuarial (gain) / loss on Obligation | 3,00,50,012 | 46,98,818 | (42,71,919) | (15,36,071) |
| 7 Closing Present Value of obligation | 9,12,84,047 | 10,84,00,344 | 79,59,975 | 1,03,91,011 |
| Changes in the Fair Value of Assets | | | | |
| 1 Opening Fair value of Plan Assets | 6,52,092 | 38,69,229 | | |
| 2 Expected Return on Plan assets | 63,626 | 1,91,112 | | |
| 3 Contributions | 2,14,491 | 1,94,879 | | |
| 4 Benefits Paid | (2,31,735) | (34,84,143) | | |
| 5 Actuarial Gain/(Loss) | - | (1,18,985) | | |
| [Interest Credited for the year] | | | | |
| 6 Closing Fair value of plan Assets | 8,76,556 | 6,52,092 | Not applicable as unfunded | Not applicable as unfunded |
| Profit & Loss – Expenses | | | | |
| 1 Current Service Cost | 43,50,017 | 54,90,763 | 11,53,166 | 13,91,253 |
| 2 Interest Cost | 86,76,054 | 80,30,922 | 8,28,663 | 8,03,928 |
| 3 Expected Return on Plan assets | (63,626) | (34,367) | - | - |
| 4 Net Actuarial gain (loss) recognized in the year | 3,00,50,012 | 46,98,818 | (42,71,919) | (15,36,071) |
| 5 Past Service Cost | - | - | - | - |

Notes to the Consolidated Financial Statements

| | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|--------------------|------------------------|-------------------------------|------------------------|
| | 31/03/2014 | 31/03/2013 | 31/03/2014 | 31/03/2013 |
| | Rs. | Rs. | Rs. | Rs. |
| Profit & Loss – Expenses | | | | |
| 6 Expenses Recognized in the Profit & Loss Account | 1,72,10,773 | 2,38,47,798 | (22,90,088) | (8,21,642) |
| Actuarial Assumptions | | | | |
| 1 Discount Rate | 9% | 8% | 9% | 8% |
| 2 Expected Rate of Return on Plan Assets | 9% | 9% | N/A | N/A |
| 3 Expected Rate of Salary Increase | 6% | 6% | 6% | 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 |

*As per Actuarial Valuation Report.

iii) Actuarial Assumptions for Gratuity of Past 5 years:

| Sr. No. | Particulars | 31-03-2014 | 31-03-2013 | 31-03-2012 | 31-03-2011 | 31-03-2010 |
|---------|---|------------|------------|------------|------------|------------|
| 1. | Discount Rate (p.a.) | 9% | 8% | 8% | 8% | 8% |
| 2. | Expected Rate of Return on Asset (p.a.) | 9% | 9% | | | |
| 3. | Expected Rate of Salary Increase* | 6% | 6% | 4% | 4% | 4% |

iv) Defined Benefit Plan for 5 years:
Net Asset/(Liability) as per actuarial valuation given by Actuary

| Sr. No. | Particulars | 31-03-2014 | 31-03-2013 | 31-03-2012 | 31-03-2011 | 31-03-2010 |
|---|--|--------------------|--------------|-------------|-------------|-------------|
| 1. | Present value of obligation as at the close of the year. | 9,12,84,047 | 10,84,00,344 | 8,98,66,300 | 9,49,15,888 | 6,54,85,587 |
| 2. | Fair value of plan asset as at the close of the year. | 8,76,556 | 6,52,092 | 38,69,229 | 2,31,68,887 | 3,00,28,562 |
| 3. | Asset/(Liability) recognized in the Balance Sheet | - | - | - | - | - |
| Change in Defined Benefit Obligation during the year ended | | | | | | |
| | Actuarial Gain/(Loss) | | | | | |
| Change in the fair value of Plan Asset | | | | | | |
| | Actuarial Gain/(Loss) | 3,00,16,465 | (1,18,985) | 11,71,394 | 23,41,945 | 26,98,869 |

* takes into account the inflation, security, promotions & other relevant factors.

- Information to the extent made available by LIC.
- Note: Negative Amounts are shown in Bracket.

3 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.

Notes to the Consolidated Financial Statements
4 Related Party Disclosures (Accounting Standard AS 18):

List of Related Parties and Relationship

Subsidiary Companies:

Intel Instruments and Systems Limited (Merged with holding Company w.e.f. 31st March 2013)

Sprylogic Technologies Ltd

Joint Venture

Arabian Power Electronics Company (Joint Venture business in Saudi Arabia)

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 |
| Mrs. Amrita Deodhar | Director |

Relatives of Key Management Personnel:

Mrs. Aruna Narayanan

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. | Intel Exports Corporation |
| 3. | Telemetrics Equipments Pvt. Ltd. |
| 4. | Print Quick Private Limited |
| 5. | Origin Instrumentation Private Limited |
| 6. | Contech Soft-Tech Solution Pvt. Ltd. |
| 7. | Telemetra Systems Pvt. Ltd. |
| 8. | Mitramax Energy Pvt. Ltd. |

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

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|--|--------------------------------|---------------------------------------|---|--------------------------------|
| Sale of Material / Finished Goods | | | | |
| Intel Instruments & Systems Ltd. | NA (12,99,423) | - | - | - |
| Sprylogic Technologies Ltd. | 2,89,847 (45,66,995) | - | - | - |
| Deodhar Electro Design Pvt. Ltd. | | - | - | 6,69,387 (5,91,,951) |
| Intel Exports Pvt. Ltd. | | - | - | 25,300 (8,47,428) |
| Telemetrics Iquipments Pvt. Ltd | | - | - | - (48,135) |

Notes to the Consolidated Financial Statements

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|---|-------------------------------------|---------------------------------------|---|-------------------------------------|
| Arabian Power Electronic Company | | | | 47,68,113 (1,11,24,320) |
| Total | 2,89,847 (58,66,418) | | | 54,62,800 (1,26,11,834) |
| Purchase of Material / Finished Goods Intel Instruments & Systems Ltd. | NA (1,41,67,683) | - | - | |
| Sprylogic Technologies Ltd. | 15,26,925 (16,61,108) | - | - | |
| Deodhar Electro Design Pvt. Ltd. | | - | - | 1,06,73,727 (1,37,15,918) |
| Telemetrics Equipments Pvt. Ltd. | | - | - | 1,67,04,628 (1,68,96,445) |
| Telemetra Systems Pvt. Ltd. | | - | - | 79,13,823 (65,58,060) |
| Mitramax Energy Pvt. Ltd. | | | | 2,44,380 (Nil) |
| Total | 15,26,925 (1,58,28,791) | | | 3,55,36,558 (3,71,70,423) |
| Rent Paid / Payable | | | - - | - |
| Origin Instrumentation Pvt. Ltd. | | | - - | 7,53,000 (7,53,000) |
| Print Quick Pvt. Ltd. | | | - - | 7,53,000 (7,53,000) |
| Total | | | | 15,06,000 (15,06,000) |
| Service/Labour/Royalty /Other charges Paid/Payable | | | | |
| Deodhar Electro Design Pvt. Ltd. | - (Nil) | - (Nil) | - (Nil) | 3,29,485 (4,78,535) |
| Sprylogic Technologies Ltd. | 1,54,23,223 (1,48,55,787) | | | |
| Intel Instruments & Systems Ltd. | Nil | | | 44,100 (Nil) |
| Telemetric Equip. Pvt. Ltd. | (55,731) | | | 4,800 (Nil) |
| Mitramax Energy Pvt. Ltd. | | | | 1,38,327 (Nil) |
| Total | 1,54,23,223 (1,49,11,518) | | | 5,16,712 (4,78,535) |
| Unsecured Loans | | | | |
| Mrs Amrita Deodhar ** | | 11,36,00,000 (10,41,00,000) | - | - |
| Mr. Nishith Deodhar | | 29,50,000 (Nil) | | |
| Mr. P.S. Deodhar | | 55,00,000 (55,00,000) | | |
| Total | | 12,20,50,000 (10,96,00,000) | | |
| Expenses Reimbursed | | | | - |
| Telemetrics Equipments Pvt. Ltd. | - | - | - | (51,530) |
| Total | | | | - (51,530) |

Notes to the Consolidated Financial Statements

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|--|------------------------|---------------------------------------|---|-------------------------------|
| Investment as on 31.03.2014 | | | | |
| Sprylogic Technologies Ltd. | 5,00,000 (5,00,000) | - | - | - |
| Total | 5,00,000 (5,00,000) | - | - | - |
| Interest Paid/Accrued and due on unsecured Loan | | | | |
| Mrs Amrita Deodhar | | 66,70,869 (88,29,888) | | |
| Mr Nishith Deodhar | | 1,55,826 (13,27,913) | | |
| Mr. Prabhakar S. Deodhar | | 3,26,317 (Nil) | | |
| Total | | 71,53,012 (1,01,57,801) | | |
| Debit Balances as on 31.03.2014 | | | | |
| Sprylogic Technologies Ltd. | Nil (54,616) | | | |
| Deodhar Electro Design P Ltd. | | | | 13,16,185 (Nil) |
| Telemetric Equip. Pvt. Ltd. | | | | 6,34,857 (Nil) |
| Intel Exports Ltd. | | | | - (Nil) |
| Total | Nil (54,616) | | | 19,51,042 (Nil) |
| Credit Balances as on 31.03.2014 | | | | |
| Deodhar Electro Design Pvt. Ltd. | | | | 1,49,046 (Nil) |
| Telemetric Equipments Pvt. Ltd. | | | | 25,20,180 (60,48,557) |
| Telemetra Systems Pvt. Ltd. | | - | - | 46,95,948 (36,45,849) |
| Sprylogic Technologies Ltd. | 40,49,478 (Nil) | - | - | - |
| Intel Exports | - | | | 1,73,612 (Nil) |
| Origin Instruments Pvt. Ltd | | | | 56,475 (1,69,425) |
| Print Quick Pvt. Ltd | | | | 1,12,950 (1,69,425) |
| Contech Electronics Pvt. Ltd | | | | Nil (3,75,540) |
| Nishith Deodhar (Rent) | | 2,29,500 (2,29,500) | | |
| Mr Nishith Deodhar (Loan and Interest Payable) | | 31,05,826 (15,09,470) | | |
| Mrs Amrita Deodhar (Loan and Interest Payable) | | 12,02,70,869 (10,50,14,549) | | |
| Mr. Prabhakar S. Deodhar | | 58,26,317 (61,32,500) | | |
| Total | 40,49,478 (Nil) | 12,94,32,512 (11,28,86,019) | | 77,08,212 (1,04,08,796) |

(Previous year figures are shown in bracket)

** Amount Rs. 3,72,00,000/- kept as margin in the form of fixed Deposit out of money given by Mrs. Amrita Deodhar, Director for LC Amount of Rs. 3,88,25,273/- opened with Bank of Maharashtra, Wagle Estate, Thane (W).

Notes to the Consolidated Financial Statements
5. Earning per Share (Accounting Standard – AS 20):

| | 2013 - 14 | 2012 - 13 |
|--|------------------|----------------|
| 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 | 84,73,115 | (14,06,10,090) |
| Number of shares for Basic and diluted EPS as above | 50,00,000 | 50,00,000 |
| Earning per Share | | |
| Basic and Diluted (Rs.) | 1.69 | (28.12) |

6. 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:

| | 2013 - 14 | 2012 - 13 |
|-------------------------------------|----------------------|-------------|
| | Rs. | Rs. |
| - Depreciation | (86,70,840) | 15,91,775 |
| - Expenditure / Provisions | (1,03,66,482) | (20,01,014) |
| Total | (1,90,37,322) | (4,09,239) |
| Unabsorbed losses and depreciation* | 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 recognized in the absence of virtual certainty of future taxable income.

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

| Particulars | Opening Balance as on 01.04.2013 | Provision made during the year | Provision reversed / adjusted | Closing Balance as on 31.03.2014 |
|--------------------------|----------------------------------|--------------------------------|-------------------------------|----------------------------------|
| Provision for Warranties | 1,45,75,000 | 40,00,000 | 62,75,000 | 1,23,00,000 |

8. As per the requirement of Revised Schedule VI, the company has reclassified its assets and liabilities into current and non-current based on the normal operating cycle, as determined by the management. Previous year figures have been accordingly re-grouped and re-classified.

Note 27**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.

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. Leave Encashment is considered accrued and accounted for based on actuarial valuation report.

As per our report attached
For Shahade & Associates.
Chartered Accountants
Reg. No. 109840W

Atul Shahade
Partner
M. No. 35227

Mumbai : 8th May, 2014

Rajesh K. Deherkar
Company Secretary &
Finance Controller

DIN - 01614848
DIN - 00019927

For and on behalf of the Board

Nishith Deodhar
A. G. Joshi
Managing Director
Director

Thane : 8th May, 2014

Consolidated Cash Flow statement for the year ended 31st March, 2014

(Amount in Rs.)

| Particulars | 2013 - 2014 | 2012 - 2013 |
|--|----------------|----------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before Tax and Extra Ordinary Items | 95,62,439 | (13,86,70,890) |
| Adjustments For : | | |
| Depreciation | 2,88,06,119 | 2,29,66,683 |
| Provisions Written Back | (45,94,885) | (85,32,460) |
| Provisions Written Back (FBT) | - | 2,22,154 |
| Amortisation of Product Cost | 4,47,046 | 14,47,376 |
| Interest Received | (13,57,529) | (12,59,916) |
| Dividend Received | (24,010) | (12,340) |
| Profit or Loss on Sale of Assets (Net) | 10,08,239 | 95,866 |
| Operating Profit before Working Capital Changes | 3,38,47,419 | (12,37,43,527) |
| Adjustments For : | | |
| (Decrease) / Increase in Working Capital | (14,00,73,666) | (10,48,88,980) |
| | (10,62,26,246) | (22,86,32,507) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (1,24,53,812) | (3,82,30,172) |
| Capital Work in Progress | (26,83,441) | (1,63,78,717) |
| Sale of Fixed Assets | 1,65,37,539 | 42,59,995 |
| (Purchase) / Sale of Other Investments | - | 6500 |
| Net Cash used in Investing Activities | 14,00,287 | (5,03,42,394) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net Increase / (Decrease) in Borrowings | 7,30,24,398 | 5,39,56,988 |
| Interest Received | 13,57,529 | 12,59,916 |
| Dividend Received | 24,010 | 12,340 |
| Provisions written back | 45,94,885 | 85,32,460 |
| Issue of Shares | - | 2,81,33,000 |
| Decrease in Capital Reserve due to Merger | - | 19,48,59,846 |
| Net Cash from Financial Activities | 7,90,00,822 | 28,67,54,550 |
| Net Increase / (Decrease) in Cash and Cash Equivalent (A+B+C) | (2,58,25,138) | 77,79,649 |
| Opening Balance of Cash and Cash Equivalent-Aplab | 3,01,55,996 | 2,46,65,365 |
| Closing Balance of Cash and Cash Equivalent | 43,30,858 | 3,24,45,014 |
| Net Increase / (Decrease) | (2,58,25,138) | 77,79,649 |

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

As per our report attached
 For Shahade & Associates.
 Chartered Accountants
 Reg. No. 109840W

Atul Shahade
 Partner
 M. No. 35227

Rajesh K. Deherkar
 Company Secretary &
 Finance Controller

DIN - 01614848
 DIN - 00019927

For and on behalf of the Board

Nishith Deodhar
 A. G. Joshi
 Managing Director
 Director

Thane : 8th May, 2014

Mumbai : 8th May, 2014



APLAB LIMITED

(CIN:L99999MH1964PLC013018)

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

Email: shares@aplab.com ; Website: www.aplab.com; Tel: 022-67395588, Fax: 022-25823137

PROXY FORM

| |
|---------------------------------|
| Name of the member(s) _____ |
| Registered address _____ |
| E-mail ID _____ |
| Folio/DP ID-Client ID No. _____ |

I/We being the member(s) of _____ shares of the above named Company hereby appoint:

1. Name _____
Address _____
E-mail ID _____ Signature _____ or failing him/her
2. Name _____
Address _____
E-mail ID _____ Signature _____ or failing him/her
3. Name _____
Address _____
E-mail ID _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49th Annual General Meeting of the company to be held on Thursday, the 7th August, 2014 at 12.30 p.m. at Hotel Tip Top Plaza, L B S Marg, Thane – 400 604 and at any adjournment thereof in respect of such resolutions as are indicated below.

| Res. No. | Resolutions | For | Against |
|--------------------------|--|-----|---------|
| Ordinary Business | | | |
| 1. | Adoption of Financial Statements for the year ended 31 st March, 2014 | | |
| 2. | Re-appointment of Mrs. A.P. Deodhar who retires by rotation | | |
| 3. | Appointment of Auditors and fixing their remuneration | | |
| 4. | To accept fresh / renew fixed deposits from share holders | | |
| Special Business | | | |
| 5. | Appointment of Mr. A.G. Joshi as an Independent Director | | |
| 6. | Appointment of Mr. Jayant N Deo as an Independent Director | | |
| 7. | Appointment of Dr. S.K. Hajela as an Independent Director | | |
| 8. | Special Resolution for exit of JV business of APEC, Saudi Arabia | | |
| 9. | Special Resolution under Section 180 (1) (c) of the Companies Act, 2013 | | |
| 10. | Appointment of Cost Auditors for the year 2014-15 | | |

Signed this _____ day of _____, 2014

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Re. 1/-
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before commencement of the Meeting.
2. For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the 49th Annual General Meeting.
3. It is optional to put a "X" in the appropriate column against the resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.



APLAB LIMITED

(CIN:L99999MH1964PLC013018)

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

Email: shares@aplab.com ; Website: www.aplab.com; Tel: 022-67395588, Fax: 022-25823137

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 49th Annual General Meeting of the Company to be held on Thursday, 7th August 2014 at 12.30 p.m. at Hotel Tip Top Plaza, LBS Marg, Near Mulund 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.