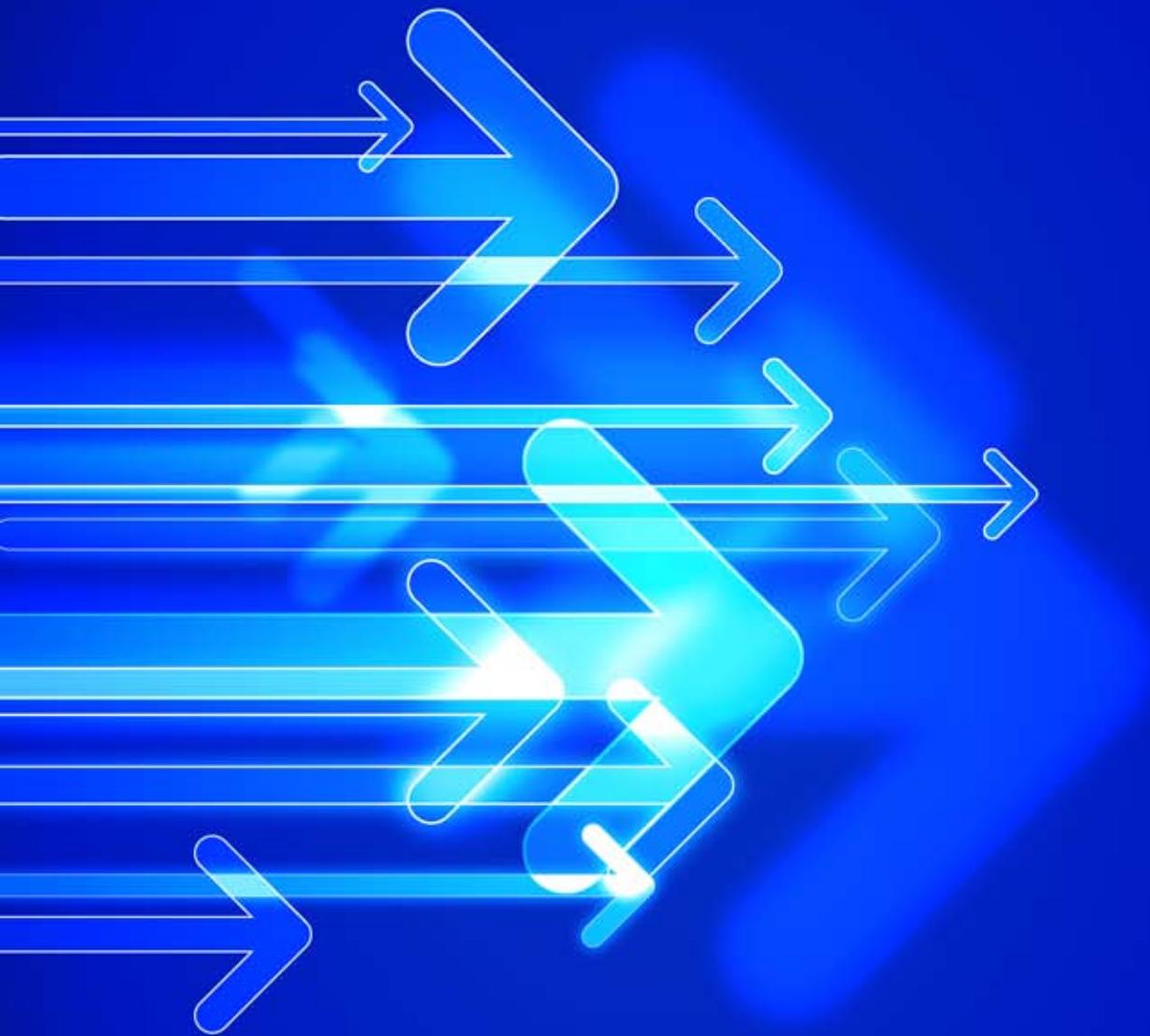


Aplab



APLAB LIMITED
50th Annual Report
2014-2015

| | |
|---|--|
| Aplab Limited 50 th Annual General Meeting | |
| Day & Date | : Thursday, 13 th August 2015 |
| Time | : 12.30 p.m. |
| Venue | : Woodland Retreat, L.B.S. Marg, Near Mulund Check Naka, Thane (W.) - 400 604. |
| Please bring this copy to the Annual General Meeting. | |

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Aplab Limited

50th Annual Report 2014-2015

CIN : L99999 MH1964 PLC 013018

Board of Directors

| | | |
|-------------------|-----------------|------------------------------|
| P. S. Deodhar | (DIN: 00393117) | Chairman & Managing Director |
| Amrita P. Deodhar | (DIN: 00538573) | Director |
| A. G. Joshi | (DIN: 00019927) | Independent Director |
| Jayant Deo | (DIN: 00568381) | Independent Director |
| S. K. Hajela | (DIN: 01001987) | Independent Director |

Company Secretary & Finance Controller

Rajesh K. Deherkar (Membership No. A10783)

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 | Guwahati | Kolkatta | Madurai | Pune | Trichy |
| Bhopal | Goa | Kannur | Mangalore | Raipur | |
| Bhubaneshwar | Hubli | Lucknow | Nagpur | Ranchi | |
| Chandigarh | Indore | Ludhiana | Nashik | Secunderabad | |

Auditors

Shahade & Associates
Chartered Accountants
Gautam, Plot No. 29,
Road No. 2, Sion (East),
Mumbai - 400 022.

Bankers

Corporation Bank,
Thane

Bank of Maharashtra,
Thane

Registrar & Transfer Agents

M/s. Adroit Corporate Services Pvt. Ltd.
17-20, 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 Fiftieth Annual General Meeting of Aplab Limited (CIN : L99999MH1964PLC013018) will be held at Woodland Retreat, L B S Marg, Near Mulund Check Naka, Thane (W) - 400 604 on Thursday, the 13th August, 2015 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, 2015 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 Firm Registration No. 109840W) as statutory auditors of the Company and to fix their remuneration.

Special Business:-

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

“RESOLVED THAT consent of the members be and is hereby accorded pursuant to the provisions of Section 196,197 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) to the appointment of Mr. P. S. Deodhar (DIN:00393117) who has completed the age of 80 years as Whole-time Director designated as Chairman & Managing Director of the Company for a period of 3 (three) years with effect from 23rd May, 2015 on the following terms and conditions:

Salary: Nil

RESOLVED FURTHER THAT Mr. P.S. Deodhar (DIN:00393117) shall be entitled to perquisites, allowance and other benefits as per the rules of the Company subject to the applicable laws and as set out in the explanatory statement.

RESOLVED FURTHER THAT, where in any financial year during his tenure of appointment, the Company incurs a loss or its profits are inadequate, the Company shall pay to P.S. Deodhar (DIN:00393117) the remuneration by way of perquisites, allowances and other benefits as specified as a minimum remuneration, subject however to the limits and conditions specified in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. P. S. Deodhar, Chairman & Managing Director (DIN:00393117) shall perform such duties as entrusted to him from time to time, subject to the supervision and control of Board of Directors.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all necessary or desirable steps to give effect to this resolution and enhance the remuneration payable to Mr. P.S. Deodhar in future on improvement of Company's performance within the permissible limits of Schedule V of the Companies Act, 2013.”

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

By Order of the Board

Rajesh K. Deherkar
Company Secretary &
Finance Controller
(Membership No. A10783)

Place : Thane

Dated : May 23, 2015

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 Thursday, the 6th August, 2015 to Thursday, the 13th August, 2015 (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. Accordingly Dividend for the year ended 31st March, 1995, 31st March, 1996, 31st March, 1997, 31st March, 2003, 31st March, 2004, 31st March, 2005, 31st March, 2006 and 31st March, 2007 have already been transferred to the Investor Education and Protection Fund of the Central Government. Shareholders, who have not encashed the dividend warrant so far for the financial year ended 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:

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 50th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 50th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM. The Company has appointed CS Rama Subramanian, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

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

- (I) The voting period begins on Monday, August 10, 2015 at 10.00 a.m. and ends on Wednesday, August 12, 2015 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. July 17, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on August 12, 2015.
- (II) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (III) The shareholders should log on to the e-voting website www.evotingindia.com.
- (IV) Click on Shareholders.
- (V) Now Enter your User ID;
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (VI) Next enter the Image Verification as displayed and Click on Login.
- (VII) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (VIII) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|--|---|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |

| | |
|--|--|
| Dividend Bank Details or Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • If the details are not recorded with the depository or company please enter the member ID/Folio number in the Dividend Bank details field as mentioned in instruction (v) |
|--|--|

- (IX) After entering these details appropriately, click on "SUBMIT" tab.
- (X) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. 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.
- (XI) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (XII) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (XIII) 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
- (XIV) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (XV) 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.
- (XVI) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (XVII) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (XVIII) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (XIX) Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in

the system for the scrutinizer to verify the same.

(XX) 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

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 No. 4

Mr. P.S. Deodhar (DIN:00393117) who has completed the age of 80 years, was appointed Whole-time Director designated of Chairman & Managing Director by the Board of Directors in their meeting held on May 23, 2015 for a period of three years with effect from 23rd May, 2015. The appointment of Mr. P.S. Deodhar (DIN:00393117) as Whole-time Director is subject to the approval of the shareholders.

The terms and conditions of his appointment are as follows:

1. Period of appointment – Three (3) years beginning from May 23, 2015 and ending on May 22, 2018, subject to the retirement policy applicable to the Board of Directors of the Company.
2. Details of remuneration
 - (i) Salary: Nil
 - (ii) Perquisites and allowances
 - a) Provision for vehicle along with driver
 - b) Re-imbursment of Telephone, Mobile, Furnishing, Gas & Electricity expenses.
 - c) Personal accident / Medical insurance: As per the rules of the Company
3. The agreement executed between the Company and Mr. P.S. Deodhar (DIN:00393117) may be terminated by either party by giving one month notice in writing of such termination.
4. Mr. P.S. Deodhar (DIN:00393117) shall perform such duties as shall from time to time be entrusted to him, subject to the superintendence, guidance and control of the Board of Directors, and he shall perform such other duties as shall from time to time be entrusted to him by the Board of Directors.
5. The Board be and is hereby authorized to enhance the remuneration payable to Mr. P.S. Deodhar in future on improvement of Company's performance within the permissible limits of Schedule V of the Companies Act, 2013."

The resolution seeks approval of the members in terms of the provisions of Section 196, 197 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, including

any statutory modification(s) or re-enactment(s) thereof, for the time being in force to the appointment of Mr. P.S. Deodhar (DIN:00393117) as Whole-time Director for a period of three (3) years commencing from May 23, 2015.

Except Mrs. Amrita P. Deodhar (DIN: 00538573) 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. 4

The Resolution at item no. 4 of the Notice is set out as a Special Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

INFORMATION AS REQUIRED IN RESPECT OF DIRECTORS BEING APPOINTED/ RE-APPOINTED

Mr. P.S. Deodhar (DIN:00393117)

Mr. P.S. Deodhar (DIN:00393117) is BE (Telecommunication), Distinguished Fellow I.E.T.E, India, Fellow I.E.E.E (USA), Fellow Indian Academy of Engineers and Hon. Fellow Broadcast Engineering Society. He is a founder member of the Company aged 81 years, and past Chairman of Electronics Commission & Advisor to Prime Minister on Electronics. He is presently the Chairman of the Company

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

He is also Director in Origin Instrumentation Pvt. Ltd., Deodhar Electro Design Pvt. Ltd., Devize (India) Pvt. Ltd. Printquick Pvt. Ltd., Contech Soft-tech Solutions Pvt. Ltd., Telemetra Systems Pvt. Ltd., Steckbeck Jewellery Pvt.Ltd

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 Sprylogic Technologies Limited, Origin Instrumentation Pvt. Ltd., Deodhar Electro Design Pvt. Ltd., Printquick Pvt, Ltd, Devize (India) Pvt. Ltd. and Intel Export Corporation.

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

By Order of the Board

Place : Thane
Dated : May 23, 2015

Rajesh K. Deherkar
Company Secretary &
Finance Controller
(Membership No. A10783)

DIRECTORS' REPORT

To the Members,

Your Directors present their 50th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015

1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous years figures are given hereunder: (Rs. in Lacs)

| Particulars | Year ended 31.03.2015 | Year ended 31.03.2014 |
|--|--------------------------|--------------------------|
| Net Sales /Income from Business Operations | 7429.37 | 9515.97 |
| Other Income | 71.15 | 103.43 |
| Total Income | 7500.52 | 9619.40 |
| Interest | 1062.58 | 1022.22 |
| Profit /(Loss) before Depreciation | (1266.72) | 336.68 |
| Depreciation | 173.43 | 278.12 |
| Profit /(Loss) after depreciation and Interest | (1440.15) | 58.56 |
| Current Income Tax | - | - |
| Deferred Tax | - | - |
| Net Profit (Loss) after Tax | (1440.15) | 58.56 |
| Dividend (including Interim if any and final) | - | - |
| Net Profit /(Loss) after dividend and Tax | (1440.15) | 58.56 |
| Amount transferred to General Reserve | - | - |
| Balance carried to Balance Sheet | (1440.15) | 58.56 |
| Earning in Rupee per share (Basic) | (28.80) | 1.17 |
| Earning in Rupee per Share(Diluted) | (28.80) | 1.17 |

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

During the year under review the Company could achieve reduced turnover of Rs. 7429.37 Lacs against Rs. 9515.97 Lacs of previous year and incurred loss of Rs.1440.15 Lacs against profit of Rs. 58.56 Lacs of previous year. The reduction in turnover of 22% of previous year is due to the continuous stress on liquidity. In the current year growth is expected in sale of banking automation, measuring instruments and power supplies.

3. DIVIDEND

No Dividend is recommended for the current financial year due to loss incurred by the Company. (Previous Year - Nil)

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, any unclaimed or unpaid Dividend relating to the financial

year 2007-08 is due for remittance to the Investor Education and Protection Fund established by the Central Government on 17/07/2015.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure to the Directors' Report and is attached to this report.

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

During the year under review your company has formed Risk Management Committee to identify and evaluate elements of business risks.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Due to the losses incurred presently during the year under review, Corporate Social Responsibility could not be implemented. However on improved performances, the same will be implemented.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, Guarantees or Investments made under Section 186 is furnished in Notes to Financial Statement no. 26 under item No. 9 and is attached to this report.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 186 is furnished in Notes to Financial Statement No. 26 and is attached to this report.

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no adverse comments, qualifications or reservations or adverse remarks by the Statutory Auditors nor practicing Company Secretary in the Secretarial Audit

Report. The Secretarial Audit Report in terms of Section 204 is annexed as Annexure-A to this report.

12. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is in process, due to inadequate profit, the present Executive Director is not drawing any remuneration.

13. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the companies (Management and administration) Rules, 2014 is furnished in Annexure-B and is attached to this Report.

14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 5 (Five) Board meetings during the financial year under review.

15. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. - Not applicable to Private Limited Company. Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

(f) 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.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The details of financial performance of Subsidiary Company Sprylogic Technologies Limited, recorded turnover of Rs. 233.68 Lacs during the year as against Rs.210.38 Lacs in the previous year. The operations during the year have resulted into a profit before tax of Rs. 26.41 Lacs as against profit before tax of Rs.37.05 Lacs during the previous year.

17. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

18. 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.

Mr. Nishith P. Deodhar, Managing Director (DIN: 01614848), Mr. Amit Goenka, Director (DIN: 00017707) and Mr. Mukund Galgali (DIN: 01998552) have resigned from the Board during the year.

Mr. P.S. Deodhar was appointed as Managing Director designated as Chairman & Managing Director during the year.

19. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

20. STATUTORY AUDITORS

The Statutory 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 re-appointment under provisions of Section 141 of the Companies Act, 2013 and expressed their willingness to be re-appointed. You are requested to appoint the Auditors for the current year and fix their remuneration.

21. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following members

- a. Mr. A.G. Joshi (DIN: 00019927)
- b. Mr. Jayant Deo (DIN: 00568381)
- c. Dr. S.K. Hajela (DIN: 01001987)

The above composition of the Audit Committee consists

of independent Directors viz., Mr. A.G. Joshi (DIN: 00019927), Mr. Jayant Deo (DIN: 00568381) and Dr. S.K. Hajela (DIN: 01001987) who form the majority.

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

22. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013)

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No sexual harassment complaints were received during the year 2014-15.

24. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

Date: May 23, 2015

P.S. Deodhar (DIN:00393117)

Place: Thane

Chairman & 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 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:

- UPS for NOVA with modular modules in 19 inch rack and very unique components for high temperature withstanding capacity. Special Rack Construction
- UPS System with MIL461E approval for Akash Project of Defence.
- Special UPS Systems for Naval Application for extreme saline environment conditions
- SNMP Network Monitoring for UPS parameters.

Expenditure on R & D

(Rs. in Lacs)

| | 2014-2015 | 2013-2014 |
|--|-----------|-----------|
| Capital Expenditure | Nil | Nil |
| Revenue Expenses | | 36.06 |
| TOTAL | | 36.06 |
| Total R & D Expenses as a percentage to turnover | | 0.38% |

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The earnings and outgo in foreign exchange are as follows:

Earnings (FOB Value) **Rs. 448.54 Lacs**

(P Y Rs.730.99 Lacs)

Outgo (CIF Value of imports plus expenses) **Rs. 1344.99 Lacs**

(P Y 1815.88 Lacs)

For and on behalf of the Board of Directors

Date: May 23, 2015

P.S. Deodhar (DIN:00393117)

Place: Thane

Chairman & Managing Director

Annexure - A

Form No. MR 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2014-2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Aplab Limited
A-5/6 Aplab House
Wagle Industrial Estate
Thane 400 604.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aplab Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Aplab Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (vi) and other applicable laws like - Factories Act, 1948, The Payment of Gratuity Act, 1972; Payment of Bonus Act and labour related laws.

During the year under review the company did not attract the provisions of:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with Bombay Stock Exchange. The company has applied to Bombay Stock Exchange for an NOC for de-listing from other regional exchanges in which the shares of the company are listed.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The company is in the process of settling outstanding gratuity of employees who have resigned/retired from the Company and the outstanding bonus due to employees.
2. The company is in the process of remitting unclaimed dividend for the year 2006-2007 to the IEPF.
3. The company is in the process of initiating steps for remittance of unclaimed deposits which have completed more than 7 years to the IEPF.
4. During the year 2014-2015 the Company sold its investment in the overseas joint venture in Saudi Arabia, viz, Arabian Power Electronics Company and is in the process of complying with filing of requisite information with the Reserve Bank of India through its Authorized Dealer.

I further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors for Board and committee Meetings. Agenda and detailed notes on agenda were sent on time and a system exists for seeking and

obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried through majority votes while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

CS Rama Subramanian
Company Secretary in Practice
Membership No 15923
Certificate of Practice No 10964

Date: May 22, 2015

Place: Thane

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members
Aplab Limited
A-5/6 Aplab House
Wagle Industrial Estate
Thane 400 604

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to

express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

CS Rama Subramanian
Company Secretary in Practice
Membership No 15923
Certificate of Practice No 10964

Date: May 22, 2015

Place: Thane

Annexure - B

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**

I REGISTRATION & OTHER DETAILS:

| | | |
|-----|---|--|
| i | CIN | L99999MH1964PLC013018 |
| ii | Registration Date | 30TH SEPTEMBER, 1964 |
| iii | Name of the Company | APLAB LIMITED |
| iv | Category/Sub-category of the Company | COMPANY LIMITED BY SHARES |
| v | Address of the Registered office & contact details | A-5, APLAB HOUSE, WAGLE ESTATE, THANE -400604 TEL. 022-67395555/67395588 FAX: 022-28523137 |
| vi | Whether listed company | LISTED |
| vii | Name , Address & contact details of the Registrar & Transfer Agent, if any. | ADROIT CORPORATE SERVICES PVT. LTD. 19/20, JAFERBHOY INDUSTRIAL ESTATE MAKWANA ROAD, MAROL NAKA ANDHERI (EAST), MUMBAI -400 059 TEL. : 022-28596060/28594442 FAX: 02228503748 |

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| SL No | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the company |
|-------|--|----------------------------------|------------------------------------|
| 1 | UNINTERRUPTED POWER SUPPLY SYSTEMS | 850440.04 | 33.01 |
| 2 | REGULATED DC POWER SUPPLY | 850440.04 | 12.14 |
| 3 | TEST & MEASURING INSTRUMENTS | 903020.00 | 8.97 |
| 4 | EDUCATION PRODUCTS | 847290.00 | 4.70 |
| 5 | CABLE ROUTE TRACERS | 903020.00 | 1.47 |
| 6 | PASSBOOK PRINTERS & MACHINES | 847290.00 | 39.71 |

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| SI No | Name & Address of the Company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|-------|--------------------------------|---------------------------|--------------------------------|------------------|--------------------|
| 1 | SPRYLOGIC TECHNOLOGIES LIMITED | U72200MH2005 PLC195869 | SUBSIDIARY | 58.82 | 2(87)(ii) |

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % change during the year | |
|---|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|--|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | | |
| A. Promoters | | | | | | | | | | |
| (1) Indian | | | | | | | | | | |
| a) Individual/HUF | 1091152 | 16000 | 1107152 | 22.14 | 1091152 | 16000 | 1107152 | 22.14 | 0 | |
| b) Central Govt.or State Govt. | | | | | | | | | | |
| c) Bodies Corporates | 1758099 | 82600 | 1840699 | 36.82 | 1758099 | 82600 | 1840699 | 36.82 | 0 | |
| d) Bank/FI | | | | | | | | | | |
| e) Any other | | | | | | | | | | |
| SUB TOTAL:(A) (1) | 2849251 | 98600 | 2947851 | 58.96 | 2849251 | 98600 | 2947851 | 58.96 | 0 | |
| (2) Foreign | | | | | | | | | | |
| a) NRI- Individuals | | | | | | | | | | |
| b) Other Individuals | | | | | | | | | | |
| c) Bodies Corp. | | | | | | | | | | |
| d) Banks/FI | | | | | | | | | | |
| e) Any other... | | | | | | | | | | |
| SUB TOTAL (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Shareholding of Promoter (A)= (A)(1)+(A)(2) | 2849251 | 98600 | 2947851 | 58.96 | 2849251 | 98600 | 2947851 | 58.96 | 0 | |
| B. PUBLIC SHAREHOLDING | | | | | | | | | | |
| (1) Institutions | | | | | | | | | | |
| a) Mutual Funds | 0 | 2300 | 2300 | 0.04 | 0 | 2300 | 2300 | 0.04 | 0 | |
| b) Banks/FI | | | | | | | | | | |
| c) Central govt | | | | | | | | | | |
| d) State Govt. | | | | | | | | | | |
| e) Venture Capital Fund | | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | | |
| g) FIIS | | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | | |
| i) Others (specify) | | | | | | | | | | |
| SUB TOTAL (B)(1): | 0 | 2300 | 2300 | 0.04 | 0 | 2300 | 2300 | 0.04 | 0 | |
| (2) Non Institutions | | | | | | | | | | |
| a) Bodies corporates | 75103 | 10701 | 85804 | 1.72 | 71252 | 10601 | 81853 | 1.64 | -0.08 | |
| i) Indian | | | | | | | | | | |
| ii) Overseas | | | | | | | | | | |
| b) Individuals | | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakhs | 986569 | 169285 | 1155854 | 23.12 | 936628 | 163085 | 1099713 | 22.00 | -1.12 | |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | 752587 | 0 | 752587 | 15.05 | 821467 | 0 | 821467 | 16.43 | 1.38 | |
| c) Others (specify) | | | | | | | | | | |
| NRI (Individuals) | 26290 | 25850 | 52140 | 1.04 | 22866 | 23850 | 46716 | 0.93 | -0.11 | |
| NRI (Corporate Bodies) | 1500 | 0 | 1500 | 0.03 | | | | | -0.03 | |
| Clearing Member | 1964 | 0 | 1964 | 0.04 | 100 | 0 | 100 | 0 | -0.04 | |
| SUB TOTAL (B)(2): | 1844013 | 205836 | 2049849 | 41.00 | 1852313 | 197536 | 2049849 | 41.00 | 0 | |
| Total Public Shareholding (B)= (B)(1)+(B)(2) | 1844013 | 208136 | 2052149 | 41.04 | 1852313 | 199836 | 2052149 | 41.04 | 0 | |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | | |
| Grand Total (A+B+C) | 4693264 | 306736 | 5000000 | 100 | 4701564 | 298436 | 5000000 | 100 | 0 | |

(ii) SHARE HOLDING OF PROMOTERS

| SI No. | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|---------------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | NO of shares | % of total shares of the company | % of shares pledged encumbered to total shares | NO of shares | % of total shares of the company | % of shares pledged encumbered to total shares | |
| 1 | AMRITA P DEODHAR | 368314 | 7.37 | 0.00 | 368314 | 7.37 | 0.00 | 0.00 |
| 2 | ARUNA NARAYANAN | 16000 | 0.32 | 0.00 | 16000 | 0.32 | 0.00 | 0.00 |
| 3 | CONTECH SOFT-TECH SOLUTIONS PVT. LTD. | 6110 | 0.12 | 0.00 | 6110 | 0.12 | 0.00 | 0.00 |
| 4 | DEODHAR ELELCTRO DESIGN (P) LTD. | 210338 | 4.21 | 1.20 | 210338 | 4.21 | 1.20 | 0.00 |
| 5 | DEVIZE (INDIA) PVT. LTD. | 220451 | 4.41 | 0.00 | 220451 | 4.41 | 0.00 | 0.00 |
| 6 | ORIGIN INSTRUMENTATION PVT LTD | 6100 | 0.12 | 0.00 | 6100 | 0.12 | 0.00 | 0.00 |
| 7 | P S DEODHAR FOUNDATION TRUST | 137803 | 2.76 | 0.00 | 137803 | 2.76 | 0.00 | 0.00 |
| 8 | PRABHAKAR S DEODHAR | 560652 | 11.21 | 0.00 | 560652 | 11.21 | 0.00 | 0.00 |
| 9 | PRINTQUICK PVT. LTD. | 76500 | 1.53 | 0.00 | 76500 | 1.53 | 0.00 | 0.00 |
| 10 | RESHAM N DEODHAR | 3050 | 0.06 | 0.00 | 3050 | 0.06 | 0.00 | 0.00 |
| 11 | SHIRISH P DEODHAR | 21333 | 0.43 | 0.00 | 21333 | 0.43 | 0.00 | 0.00 |
| 12 | ZEE ENTERTAINMENT ENTERPRISES LTD | 1321200 | 26.42 | 0.00 | 1321200 | 26.42 | 0.00 | 0.00 |
| | Total | 2947851 | 58.96 | 1.20 | 2947851 | 58.96 | 1.20 | 0.00 |

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

| SI No. | | Share holding at the beginning of the Year | | Cumulative Share holding during the year | |
|--------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | At the beginning of the year | NO CHANGE | NO CHANGE | NO CHANGE | NO CHANGE |
| | Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc) | NO CHANGE | NO CHANGE | NO CHANGE | NO CHANGE |
| | At the end of the year | NO CHANGE | NO CHANGE | NO CHANGE | NO CHANGE |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| SI No. | For Each of the Top 10 Shareholders | Folio no. | Name Of Shareholder's | No. of Shares held at | | | Cumulative | |
|------------|--|----------------------|-----------------------|-----------------------|---------------|------------|---------------|------------|
| | | | | As on DATE | No. of Shares | % of total | No. of Shares | % of total |
| 1 | At the beginning of the year Date wise Increase/Decrease in Shareholding during the financial year | IN301127 15427608 | BALRAM BHARWANI | 01/04/2014 | 292161 | 5.84 | 292161 | 5.84 |
| | | | | 04/04/2014 | 7795 | 0.16 | 299956 | 6.00 |
| | | | | 11/04/2014 | 32 | 0.00 | 299988 | 6.00 |
| | | | | 18/04/2014 | 21 | 0.00 | 300009 | 6.00 |
| | | | | 25/04/2014 | 503 | 0.01 | 300512 | 6.01 |
| | | | | 02/05/2014 | 114 | 0.00 | 300626 | 6.01 |
| | | | | 09/05/2014 | 44 | 0.00 | 300670 | 6.01 |
| | | | | 16/05/2014 | 18 | 0.00 | 300688 | 6.01 |
| | | | | 23/05/2014 | 217 | 0.00 | 300905 | 6.02 |
| | | | | 30/05/2014 | 1323 | 0.03 | 302228 | 6.04 |
| | | | | 06/06/2014 | 878 | 0.02 | 303106 | 6.06 |
| | | | | 13/06/2014 | 2579 | 0.05 | 305685 | 6.11 |
| | | | | 20/06/2014 | 15 | 0.00 | 305700 | 6.11 |
| | | | | 30/06/2014 | 2150 | 0.04 | 307850 | 6.16 |
| | | | | 04/07/2014 | 60 | 0.00 | 307910 | 6.16 |
| | | | | 11/07/2014 | 34 | 0.00 | 307944 | 6.16 |
| | | | | 18/07/2014 | 56 | 0.00 | 308000 | 6.16 |
| | | | | 25/07/2014 | 72 | 0.00 | 308072 | 6.16 |
| | | | | 31/07/2014 | 48 | 0.00 | 308120 | 6.16 |
| | | | | 01/08/2014 | 7 | 0.00 | 308127 | 6.16 |
| | | | | 08/08/2014 | 34 | 0.00 | 308161 | 6.16 |
| | | | | 15/08/2014 | 139 | 0.00 | 308300 | 6.17 |
| | | | | 22/08/2014 | 364 | 0.01 | 308664 | 6.17 |
| | | | | 29/08/2014 | 4932 | 0.10 | 313596 | 6.27 |
| | | | | 05/09/2014 | 60 | 0.00 | 313656 | 6.27 |
| | | | | 12/09/2014 | 283 | 0.01 | 313939 | 6.28 |
| | | | | 19/09/2014 | 3172 | 0.06 | 317111 | 6.34 |
| | | | | 30/09/2014 | 3791 | 0.08 | 320902 | 6.42 |
| | | | | 17/10/2014 | 6598 | 0.13 | 327500 | 6.55 |
| | | | | 24/10/2014 | 1850 | 0.04 | 329350 | 6.59 |
| | | | | 31/10/2014 | 2450 | 0.05 | 331800 | 6.64 |
| 07/11/2014 | 250 | 0.01 | 332050 | 6.64 | | | | |
| 14/11/2014 | 1350 | 0.03 | 333400 | 6.67 | | | | |
| 21/11/2014 | 793 | 0.02 | 334193 | 6.68 | | | | |
| 28/11/2014 | 2277 | 0.05 | 336470 | 6.73 | | | | |
| 05/12/2014 | 705 | 0.01 | 337175 | 6.74 | | | | |
| 12/12/2014 | 5025 | 0.10 | 342200 | 6.84 | | | | |
| 19/12/2014 | 2900 | 0.06 | 345100 | 6.90 | | | | |
| 31/12/2014 | 7785 | 0.16 | 352885 | 7.06 | | | | |
| 02/01/2015 | 15 | 0.00 | 352900 | 7.06 | | | | |
| 16/01/2015 | 1465 | 0.03 | 354365 | 7.09 | | | | |
| 30/01/2015 | 3635 | 0.07 | 358000 | 7.16 | | | | |
| 06/02/2015 | 7400 | 0.15 | 365400 | 7.31 | | | | |
| 13/02/2015 | 1300 | 0.03 | 366700 | 7.33 | | | | |
| 20/02/2015 | 1769 | 0.04 | 368469 | 7.37 | | | | |
| 27/02/2015 | 756 | 0.02 | 369225 | 7.38 | | | | |
| 06/03/2015 | 95 | 0.00 | 369320 | 7.39 | | | | |
| 13/03/2015 | 56 | 0.00 | 369376 | 7.39 | | | | |
| 20/03/2015 | 12124 | 0.24 | 381500 | 7.63 | | | | |
| 27/03/2015 | 680 | 0.01 | 382180 | 7.64 | | | | |
| 31/03/2015 | 20 | 0.00 | 382200 | 7.64 | | | | |
| 2 | At the beginning of the year Date wise Increase/Decrease in Shareholding during the financial year | IN300685 10621792 | SARJU C JHAVERI | 01/04/2014 | 98616 | 1.97 | 98616 | 1.97 |
| | | | | 20/06/2014 | -1000 | 0.02 | 97616 | 1.95 |
| | | | | 30/06/2014 | -2000 | 0.04 | 95616 | 1.91 |
| | | | | 04/07/2014 | -4000 | 0.08 | 91616 | 1.83 |
| | | | | 11/07/2014 | -2000 | 0.04 | 89616 | 1.79 |
| | | | | 25/07/2014 | -1 | 0.00 | 89615 | 1.79 |
| | | | | 01/08/2014 | -853 | 0.02 | 88762 | 1.78 |
| | | | | 08/08/2014 | -2343 | 0.05 | 86419 | 1.73 |
| | | | | 15/08/2014 | -200 | 0.00 | 86219 | 1.72 |
| | | | | | | | | |

| SI No. | For Each of the Top 10 Shareholders | Folio no. | Name Of Shareholder's | No. of Shares held at | | | Cumulative | |
|--------|---|-----------|-----------------------|-----------------------|---------------|------------|---------------|------------|
| | | | | As on DATE | No. of Shares | % of total | No. of Shares | % of total |
| | | | | 05/09/2014 | -3000 | 0.06 | 83219 | 1.66 |
| | | | | 12/09/2014 | -1500 | 0.03 | 81719 | 1.63 |
| | | | | 30/09/2014 | -2156 | 0.04 | 79563 | 1.59 |
| | | | | 10/10/2014 | -1310 | 0.03 | 78253 | 1.57 |
| | | | | 17/10/2014 | -1000 | 0.02 | 77253 | 1.55 |
| | | | | 07/11/2014 | -2000 | 0.04 | 75253 | 1.51 |
| | | | | 14/11/2014 | -1000 | 0.02 | 74253 | 1.49 |
| | | | | 05/12/2014 | -1000 | 0.02 | 73253 | 1.47 |
| | | | | 12/12/2014 | -2500 | 0.05 | 70753 | 1.42 |
| | | | | 31/12/2014 | -2165 | 0.04 | 68588 | 1.37 |
| | | | | 16/01/2015 | -3100 | 0.06 | 65488 | 1.31 |
| | | | | 30/01/2015 | -11500 | 0.23 | 53988 | 1.08 |
| | | | | 06/02/2015 | -15000 | 0.30 | 38988 | 0.78 |
| | At the End of the year | | | 31/03/2015 | 0 | 0.00 | 38988 | 0.78 |
| 3 | At the beginning of the year | IN300644 | SHARAD KANAYALAL | 01/04/2014 | 57600 | 1.15 | 57600 | 1.15 |
| | At the End of the year | 10001816 | SHAH | 31/03/2015 | 0 | 0.00 | 57600 | 1.15 |
| 4 | At the beginning of the year | IN300476 | HIRJI EDDIE | 01/04/2014 | 49171 | 0.98 | 49171 | 0.98 |
| | Date wise Increase/Decrease in Shareholding during the financial year | 40960609 | NAGARWALLA | 04/04/2014 | 500 | 0.01 | 49671 | 0.99 |
| | | | | 11/04/2014 | 215 | 0.00 | 49886 | 1.00 |
| | | | | 18/07/2014 | 100 | 0.00 | 49986 | 1.00 |
| | At the End of the year | | | 31/03/2015 | 0 | 0.00 | 49986 | 1.00 |
| 5 | At the beginning of the year | IN300476 | BEHROZ HANSOTIA | 01/04/2014 | 11117 | 0.22 | 11117 | 0.22 |
| | Date wise Increase/Decrease in Shareholding during the financial year | 41571777 | | 30/06/2014 | 5269 | 0.11 | 16386 | 0.33 |
| | | | | 04/07/2014 | 8768 | 0.18 | 25154 | 0.50 |
| | | | | 18/07/2014 | 7151 | 0.14 | 32305 | 0.65 |
| | | | | 31/07/2014 | 661 | 0.01 | 32966 | 0.66 |
| | | | | 08/08/2014 | 7052 | 0.14 | 40018 | 0.80 |
| | | | | 05/09/2014 | 6290 | 0.13 | 46308 | 0.93 |
| | | | | 12/09/2014 | 410 | 0.01 | 46718 | 0.93 |
| | | | | 19/09/2014 | 2922 | 0.06 | 49640 | 0.99 |
| | At the End of the year | | | 31/03/2015 | 0 | 0.00 | 49640 | 0.99 |
| 6 | At the beginning of the year | IN300183 | ANJANA SINHA | 01/04/2014 | 20401 | 0.41 | 20401 | 0.41 |
| | Date wise Increase/Decrease in Shareholding during the financial year | 10989444 | | 20/06/2014 | 1700 | 0.03 | 22101 | 0.44 |
| | | | | 18/07/2014 | 2100 | 0.04 | 24201 | 0.48 |
| | | | | 25/07/2014 | 1000 | 0.02 | 25201 | 0.50 |
| | | | | 30/09/2014 | 475 | 0.01 | 25676 | 0.51 |
| | | | | 17/10/2014 | 27 | 0.00 | 25703 | 0.51 |
| | | | | 24/10/2014 | 155 | 0.00 | 25858 | 0.52 |
| | | | | 16/01/2015 | 3926 | 0.08 | 29784 | 0.60 |
| | | | | 30/01/2015 | 11273 | 0.23 | 41057 | 0.82 |
| | | | | 06/02/2015 | 5200 | 0.10 | 46257 | 0.93 |
| | | | | 20/02/2015 | 150 | 0.00 | 46407 | 0.93 |
| | At the End of the year | | | 31/03/2015 | 0 | 0.00 | 46407 | 0.93 |
| 7 | At the beginning of the year | IN300351 | BALRAM THAKURDAS | 01/04/2014 | 43752 | 0.88 | 43752 | 0.88 |
| | Date wise Increase/Decrease in Shareholding during the financial year | 10046000 | BHARWANI | 20/06/2014 | -2752 | 0.06 | 41000 | 0.82 |
| | | | | 30/06/2014 | -1100 | 0.02 | 39900 | 0.80 |
| | | | | 04/07/2014 | -400 | 0.01 | 39500 | 0.79 |
| | | | | 11/07/2014 | -600 | 0.01 | 38900 | 0.78 |
| | | | | 18/07/2014 | -3800 | 0.08 | 35100 | 0.70 |
| | | | | 25/07/2014 | -2603 | 0.05 | 32497 | 0.65 |
| | | | | 31/07/2014 | -1097 | 0.02 | 31400 | 0.63 |
| | | | | 08/08/2014 | -1700 | 0.03 | 29700 | 0.59 |
| | | | | 05/09/2014 | -200 | 0.00 | 29500 | 0.59 |
| | | | | 12/09/2014 | -400 | 0.01 | 29100 | 0.58 |
| | | | | 31/10/2014 | -105 | 0.00 | 28995 | 0.58 |
| | | | | 28/11/2014 | -1595 | 0.03 | 27400 | 0.55 |
| | At the End of the year | | | 31/03/2015 | 0 | 0.00 | 27400 | 0.55 |

| SI No. | For Each of the Top 10 Shareholders | Folio no. | Name Of Shareholder's | No. of Shares held at | | | Cumulative | |
|------------------------|---|----------------------|--|------------------------|---------------|------------|---------------|------------|
| | | | | As on DATE | No. of Shares | % of total | No. of Shares | % of total |
| 8 | At the beginning of the year Date wise Increase/Decrease in Shareholding during the financial year | IN302863 10296925 | V SATYA NARAYANA | 01/04/2014 | 0 | 0.00 | 0 | 0.00 |
| | | | | 09/05/2014 | 4906 | 0.10 | 4906 | 0.10 |
| | | | | 16/05/2014 | 5094 | 0.10 | 10000 | 0.20 |
| | | | | 13/06/2014 | 4951 | 0.10 | 14951 | 0.30 |
| | | | | 20/06/2014 | 4607 | 0.09 | 19558 | 0.39 |
| | | | | 30/06/2014 | 5236 | 0.10 | 24794 | 0.50 |
| | | | | 04/07/2014 | 11683 | 0.23 | 36477 | 0.73 |
| | | | | 11/07/2014 | 4212 | 0.08 | 40689 | 0.81 |
| | | | | 18/07/2014 | 2961 | 0.06 | 43650 | 0.87 |
| | | | | 25/07/2014 | 100 | 0.00 | 43750 | 0.88 |
| | | | | 15/08/2014 | -1337 | 0.03 | 42413 | 0.85 |
| | | | | 05/09/2014 | -11813 | 0.24 | 30600 | 0.61 |
| | | | | 31/03/2015 | 0 | 0.00 | 30600 | 0.61 |
| | | | | At the End of the year | | | | |
| 9 | At the beginning of the year At the End of the year | IN300644 10001793 | MITA DIPAK SHAH | 01/04/2014 | 35000 | 0.70 | 35000 | 0.70 |
| | | | | 31/03/2015 | 0 | 0.00 | 35000 | 0.70 |
| 10 | At the beginning of the year At the End of the year | IN301225 10080178 | CHANDRAMOHAN DEWANI | 01/04/2014 | 20825 | 0.42 | 20825 | 0.42 |
| | | | | 31/03/2015 | 0 | 0.00 | 20825 | 0.42 |
| 11 | At the beginning of the year At the End of the year | IN301330 21257399 | SPRIT TEXTILES PVT LTD | 01/04/2014 | 19800 | 0.40 | 19800 | 0.40 |
| | | | | 31/03/2015 | 0 | 0.00 | 19800 | 0.40 |
| 12 | At the beginning of the year Date wise Increase/Decrease in Shareholding during the financial year | 12010900 01320629 | MOTILAL OSWAL FINANCIAL SERVICES LIMITED | 01/04/2014 | 19200 | 0.38 | 19200 | 0.38 |
| | | | | 30/05/2014 | -500 | 0.01 | 18700 | 0.37 |
| | | | | 11/07/2014 | -18700 | 0.37 | 0 | 0.00 |
| | | | | 30/01/2015 | 18700 | 0.37 | 18700 | 0.37 |
| | | | | 06/02/2015 | 25 | 0.00 | 18725 | 0.37 |
| | | | | 06/03/2015 | -25 | 0.00 | 18700 | 0.37 |
| | | | | 20/03/2015 | -12555 | 0.25 | 6145 | 0.12 |
| | | | | 31/03/2015 | 0 | 0.00 | 6145 | 0.12 |
| At the End of the year | | | | | | | | |
| 13 | At the beginning of the year At the End of the year | IN300888 13850706 | RAVI VINCENT CUNHA | 01/04/2014 | 18995 | 0.38 | 18995 | 0.38 |
| | | | | 31/03/2015 | 0 | 0.00 | 18995 | 0.38 |

(v) Shareholding of Directors & KMP

| SI No. | For Each of the Directors & KMP | Share holding at the beginning of the Year | | Cumulative Share holding during the year | |
|--------|--|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | At the beginning of the year | | 0.00 | | 0.00 |
| | Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) | NO CHANGE | NO CHANGE | NO CHANGE | NO CHANGE |
| | At the end of the year | | 0.00 | | 0.00 |

V INDEBTEDNESS

| Indebtedness of the Company including interest outstanding/accrued but not due for payment | | | | |
|--|----------------------------------|---------------------|----------------------|----------------------|
| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtness at the beginning of the financial year | | | | |
| i) Principal Amount | 55,64,00,344 | 12,20,50,000 | 7,39,59,000 | 75,24,09,343 |
| ii) Interest due but not paid | - | 71,53,012 | 7,94,421 | 79,47,433 |
| iii) Interest accrued but not due | - | - | 32,74,075 | 32,74,075 |
| Total (i+ii+iii) | 55,64,00,344 | 12,92,03,012 | 7,80,27,496 | 76,36,30,852 |
| Change in Indebtedness during the financial year | | | | |
| Additions | 97,97,55,140 | 12,22,70,473 | 42,43,000 | 1,10,62,68,613 |
| Reduction | 1,02,62,98,959 | 7,16,86,087 | 2,81,21,000 | 1,12,61,06,046 |
| Net Change | (4,65,43,819) | 5,05,84,386 | (2,38,78,000) | (1,98,37,433) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 50,98,56,525 | 17,05,37,455 | 5,00,81,000 | 73,04,74,980 |
| ii) Interest due but not paid | - | 92,49,943 | 8,07,811 | 1,00,57,754 |
| iii) Interest accrued but not due | - | - | 38,95,538 | 38,95,538 |
| Total (i+ii+iii) | 50,98,56,525 | 17,97,87,398 | 5,47,84,349 | 74,44,28,272 |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

| Sl. No. | Particulars of Remuneration | Name of the MD/WTD/Manager | | Total Amount |
|---------|--|----------------------------|--------------|--------------|
| | | N.P.DEODHAR | R.K.DEHERKAR | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. | 1580000 | 1252003 | 2832003 |
| | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 | 211290 | | 211290 |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | NIL | NIL | NIL |
| 2 | Stock option | NIL | NIL | NIL |
| 3 | Sweat Equity | NIL | NIL | NIL |
| 4 | Commission | NIL | NIL | NIL |
| | as % of profit | | | |
| | others (specify) | | | |
| 5 | Others, please specify | NIL | NIL | NIL |
| | Total (A) | 1791290 | 1252003 | 3043293 |
| | Ceiling as per the Act | | | |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of the Directors | | | Total Amount |
|---------|--|-----------------------|-----------------|---------------|-----------------|
| | | A.G.JOSHI | J.N.DEO | S.K.HAJELA | |
| 1 | Independent Directors | | | | |
| | (a) Fee for attending board committee meetings | 1,35,000 | 1,35,000 | 45,000 | 3,15,000 |
| | (b) Commission | NIL | NIL | NIL | NIL |
| | (c) Others, please specify | NIL | NIL | NIL | NIL |
| | Total (1) | 1,35,000 | 1,35,000 | 45,000 | 3,15,000 |
| 2 | Other Non Executive Directors | | | | |
| | (a) Fee for attending board committee meetings | 75,000 | 60,000 | | 1,35,000 |
| | (b) Commission | NIL | NIL | | NIL |
| | (c) Others, please specify. | NIL | NIL | | NIL |
| | Total (2) | 75,000 | 60,000 | - | 1,35,000 |
| | Total (B)=(1+2) | 21,0,000 | 1,95,000 | 45,000 | 4,50,000 |
| | Total Managerial Remuneration Overall Cieling as per the Act. | | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | | Total |
|---------|---|--------------------------|---------|-----|-------|-------|
| | | CEO Secretary | Company | CFO | Total | |
| 1 | Gross Salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | | | | | |
| 2 | Stock Option | | | | | |
| 3 | Sweat Equity | | | | | |
| 4 | Commission as % of profit others, specify | | | | | |
| 5 | Others, please specify | | | | | |
| | Total | | | | | |

N.A.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority (RD/NCLT/Court) | Appeal made if any (give details) |
|---|------------------------------|-------------------|--|---------------------------|-----------------------------------|
| A. COMPANY Penalty Punishment Compounding | | | | | |
| B. DIRECTORS Penalty Punishment Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding | | | | | |

NIL

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 six members, comprising of one Executive Director and five Non-executive Directors. No director is a member of more than ten committees or Chairman of more than five committees across all companies in which they are directors. The details are as under:

| Name | Executive/ Non Executive Independent | Number of outside Directorships | Total no. of membership In Committees | Number of Chairmanship in Committees |
|-------------------|--|---------------------------------------|---|--|
| Mr. P.S. Deodhar | Executive | - | 2 | 2 |
| Mrs. A.P. Deodhar | Non Executive | - | 2 | - |
| Mr. A.G. Joshi | Independent & Non-Executive | 4 | 3 | 2 |
| 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 8th May, 2014, 7th August, 2014, 28th August, 2014, 13th November, 2014 and 12th February, 2015 respectively.

The attendance at Board Meetings and during the Financial Year 2014-15, and at the last Annual General Meeting (AGM):

| Name | Number of Board Meetings attended | Attendance at the last Annual General Meeting |
|------------------------|--------------------------------------|--|
| Mr. P.S. Deodhar | 5 | Yes |
| Mr. Nishith Deodhar | 5 | Yes |
| Mrs. Amrita P. Deodhar | 5 | Yes |
| Mr. Amit Goenka | - | No |
| Mr. Mukund Galgali | 1 | No |
| Mr. A.G. Joshi | 5 | Yes |
| Mr. Jayant Deo | 5 | Yes |
| Dr. S.K. Hajela | 3 | 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:

- Changes in accounting policies and practices
- Major accounting entries based on exercise of judgement by management
- Qualifications in draft audit report
- Significant adjustments arising out of audit
- The going concern assumption
- Compliance with stock exchanges and legal requirements concerning financial statements
- The adequacy of internal control systems
- 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 8th May, 2014, 7th August, 2014, 13th November, 2014 and 12th February, 2015 respectively.

The attendance of each member of the Committee is given below:

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

4. Nomination and Remuneration Committee

The Nomination and 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 Nomination and 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 Nomination and Remuneration Committee was held during the year.

Remuneration Policy

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

Details of Remuneration paid/payable to Executive Directors for the financial year ended 31st March, 2015

| Name | Salary & Allowances | P F and Gratuity | Perquisites | Total |
|---------------------|---------------------|------------------|-------------|-----------|
| Mr. Nishith Deodhar | 13,80,000 | 1,44,000 | 4,11,290 | 19,35,290 |

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

(b) Non-Executive Directors

Non-Executive Directors received Sitting Fees as follows

| Name | Sitting Fees | | Total |
|-------------------|---------------|-------------------|----------|
| | Board Meeting | Committee Meeting | |
| Mr. P.S.Deodhar | 75,000 | - | 75,000 |
| Mrs. A.P. 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 | 45,000 | - | 45,000 |

5. Stakeholders Relationship Committee

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

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

During the year under review four meetings of the Committee were held i.e. on 8th May, 2014, 7th August, 2014, 13th

November, 2014 and 12th February, 2015 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. Risk Management Committee:

The Board has set up Risk Management Committee to identify and evaluate elements of business risks. Business Risk Evaluation and Management is an outgoing process within the organization. The Company has a strong risk management framework to identify, monitor and minimize risks as also identify business opportunities. The objective and scope of the Risk Management Committee broadly comprise of

1. Oversight of risk management performed by the Executive Management
2. Reviewing the policy and framework in line with legal requirements and SEBI guidelines
3. Reviewing risks and evaluate treatment including initiating mitigation actions.
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

7. Independent Directors Meeting

During the year under review, the Independent Directors met on 14th November, 2014. All the Independent Directors were present at the meeting.

8. 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 |
|----------------------|----------------------------------|------------|--|
| 49 th AGM | 7 th August, 2014 | 12.30 p.m. | Hotel Tip Top Plaza, L B S Marg, Thane |
| 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 |

During the year one resolution through Postal Ballot was passed for sale/lease/dispose off all or part of the assets.

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. 9 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.

9. 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.

10. General Shareholder Information

Annual General Meeting

The 50th Annual General Meeting of the Company will be held on Thursday the 13th August, 2015 at 12.30 p.m. at Woodland Retreat, L B S Marg, Near Mulund Check Naka, Thane - 400 604.

Financial Calendar for the year 2015- 2016 (Provisional)

| | | |
|---|---|---|
| 1 | Results for the 1 st quarter ending 30 th June, 2015 | On or before 14 th Aug., 2015 |
| 2 | Results for the 2 nd quarter ending 30 th Sept., 2015 | On or before 14 th Nov., 2015 |
| 3 | Results for the 3 rd quarter ending 31 st Dec., 2015 | On or before 14 th Feb., 2016 |
| 4 | Results for the financial year ending 31 st March, 2016 | On or before 31 st May, 2016 |
| 5 | A G M for the year ending March, 2016 | On or before 30 th Sept., 2016 |

Date of Book Closure

The Register of Members and the Share Transfer Register of the company will remain closed from Thursday, the 6th August, 2015 to Thursday, the 13th August, 2015 (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 | 517096 |
| Demat ISIN Number | INE273A01015 |

Market Price Data

The monthly high & low quotations of shares traded at Mumbai Stock Exchange during the financial year 2014-2015 are

| Period | High | Low | Monthly Turnover of shares traded |
|-----------------|-------|-------|-----------------------------------|
| April, 2014 | 38.30 | 28.60 | 24657 |
| May, 2014 | 38.00 | 31.45 | 44160 |
| June, 2014 | 41.70 | 31.10 | 61031 |
| July, 2014 | 50.90 | 40.25 | 65410 |
| August, 2014 | 47.75 | 35.60 | 26814 |
| September, 2014 | 44.25 | 35.00 | 71447 |
| October, 2014 | 38.50 | 30.95 | 26403 |
| November, 2014 | 37.50 | 33.20 | 18990 |
| December, 2014 | 37.40 | 31.35 | 17411 |
| January, 2015 | 34.65 | 30.40 | 28949 |
| February, 2015 | 35.30 | 30.00 | 25836 |
| March, 2015 | 34.45 | 30.00 | 32000 |

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., 17-20, 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 stipulated time 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 3 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, 2015

| No. of Shares | No. of Holders | % of Shareholders | No. of Shares | % of Shareholding |
|------------------|----------------|-------------------|----------------|-------------------|
| Up to – 100 | 2407 | 57.32 | 171562 | 3.43 |
| 101 – 500 | 1336 | 31.82 | 362756 | 7.26 |
| 501 – 1000 | 243 | 5.79 | 195042 | 3.90 |
| 1001 – 2000 | 96 | 2.29 | 151632 | 3.03 |
| 2001 – 3000 | 43 | 1.03 | 106206 | 2.13 |
| 3001 – 4000 | 16 | 0.38 | 56135 | 1.12 |
| 4001 – 5000 | 15 | 0.36 | 69197 | 1.38 |
| 5001 – 10000 | 17 | 0.40 | 113612 | 2.27 |
| 10001 – 20000 | 8 | 0.19 | 118621 | 2.37 |
| 20001 – 50000 | 9 | 0.21 | 320179 | 6.41 |
| 50001 & above | 9 | 0.21 | 3335058 | 66.70 |
| T O T A L | 4199 | 100.00 | 5000000 | 100.00 |

Pattern of Shareholding as on 31st March, 2015

| 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 | 46716 | 0.93 |
| Corporate Bodies | 80516 | 1.61 |
| Associate Corporate Bodies | 519499 | 10.39 |
| Mutual Funds | 2300 | 0.05 |
| Clearing Member | 100 | 0.00 |
| Corporate Bodies - Brokers | 1337 | 0.03 |
| Public | 1919130 | 38.38 |
| 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 2015, 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 (E), 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 or the year ended 31st March, 2015 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;
 - b. Significant changes in internal control over financial reporting during the year;
 - 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

P. S. Deodhar (DIN:00393117)
Chairman & Managing Director

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

We have examined the compliance of the conditions of Corporate Governance by Aplab Limited (the Company) for the year ended 31st March, 2015 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
(ICAI Firm Regn. No. 109840W)

Thane
May 23, 2015

Atul Shahade
Partner
M No. 35227

**INDEPENDENT AUDITOR'S REPORT
To the Members of Aplab Limited
Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Aplab Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 aforesaid 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, of the state of affairs of the Company as at 31st March, 2015, and its Loss and its Cash flows for the year ended on that date.

Emphasis of Matters

- a. The Company has incurred substantial cash loss during this year. The Company has accumulated losses and its net worth has been substantially eroded. During the year, Company could not repay some of the borrowings or honor LCs on its due dates. The overall debt burden has gone up during the year. These events indicate uncertainty that may cast doubt on the Company's ability to continue as a going concern considering operational inflows. Company has plans to sell some of its assets to reduce debt burden and improve its financial position.
- b. The Inventory includes Rs. 1216 lacs which is non-moving over 3 years and may include some obsolescence. The Company claims that there is no obsolescence in electronics industry and therefore valued inventory at Cost.
- c. The Receivables of Rs. 341 lacs which are overdue over one year need to be reconciled and confirmed. Some of these may have become doubtful or bad, however, the Company has not made adequate provision in the financial statements.
- d. The Company has not tested & computed Impairment of Assets as per AS 28 considering substantial cash loss during the year.

Other Matters

- a. The Company has unfunded Gratuity Policy of Rs. 1074 lacs on the Balance Sheet date.
- b. The Company also has unpaid liability of Matured Public deposits of Rs. 23 lacs and Settlements of separated employees of Rs. 241 lacs.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015

("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, we give in the Annexure a statement on the matters specified in paragraphs of the Order and as required by section 143 (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.
- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report is in agreement with the books of account.
- d. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has not provided the impact of pending litigations in its financial statements. The total value of such litigations has been given in para vii(b) of the Annexure to this report ;
- ii) The Company did not have any long-term contracts including derivative contracts in which there were any material foreseeable losses
- iii) There has been a delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

Atul Shahade
Partner
M. No. 35227

Place : Mumbai,
Date : 23rd May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
(Annexure referred to in paragraph 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 2015.)

- i. (a) The Company has maintained reasonable records showing particulars including quantitative details and situation of fixed assets.
(b) Physical verification of items of the fixed assets 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.

- 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 regional offices.
(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. However, such procedures require improvement for Inventory at Regions and Branch offices.
(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. However, there is need to improve & strengthen inventory recordkeeping at all regions and branches. 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. 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 189 of the Companies Act, 2013. Consequently, the requirements of Clause (a) and (b) are not applicable.
- 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. However, improvement is required in internal control procedures in the areas of Inventory & Service Income at the regional offices. 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 except the above.
- v. In our opinion and according to the information and explanations given to us, the Company has not fully complied with the directives issued by the Reserve Bank of India, the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public. Company has not repaid on due dates matured Public deposits worth Rs. 23 lacs, which are outstanding on report date, as these were not claimed.
- vi. 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 148 (1) of the Companies Act, 2013 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.

- vii. (a) According to the records of the Company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Wealth tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, 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, 2015 for a period of more than six months since they became payable. The Company has not transferred amount of Rs. 1.59 lacs to Investor Education and Protection Fund as on balance sheet date.
- (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 | 10.76 | 1999-00 | Appeal Pending With CESTAT |
| Excise Duty | 5.35 | 2007-08 | Appeal Pending With CESTAT |
| Excise Duty | 1.50 | 2008-09 | Appeal Pending With CESTAT |
| Excise Duty | 1.81 | 2009-10 | Appeal Pending With CESTAT |
| Excise Duty | 6.60 | 2012-13 | Appeal Pending with Commissioner of Central Excise (Appeals) CBD Belapur |
| Excise Duty | 3.53 | 2013-14 | Appeal Pending with Asst. Commissioner of Central Excise (Appeals) |
| Excise Duty | 3.81 | 2014-15 | Appeal Pending With CESTAT |
| Sales Tax | 6.11 | 2002-03 | Dy. Commissioner Appeals, New Delhi. |
| Sales Tax | 2.10 | 2003-04 | Dy. Commissioner Appeals, New Delhi. |
| Sales Tax | 2.18 | 2004-05 | Joint Commissioner Appeals, New Delhi. |
| Sales Tax | 3.48 | 2004-05 | Joint Commissioner Appeals, New Delhi. |
| 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 | 1.09 | 2007-08 | Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow) |
| Income Tax | 7.28 | 2004-05 | Additional Commissioner Grade II, Appeal filed with Tribunal Mumbai |
| Income Tax | 125.40 | 2009-10 | Additional Commissioner Circle 1, Thane |
| Income Tax | 682.31 | 2010-11 | Commissioner of IT Range 1 |
| Income Tax | 124.02 | 2011-12 | CIT II Thane |
| Total | 989.86 | | |

- viii. The Company has accumulated losses at the end of the year which is more than fifty percent of its net worth. The Company has incurred a Cash Loss during the current financial year; however, the company has not incurred a Cash Loss in the immediately preceding financial year.
- ix. 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 and such overdue amount is Rs. 142 lacs as on 31st March, 2015 for two term loans for a period of one month.
- x. 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.
- xi. 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. However, complete utilization of Term Loan availed could not be fully ascertained.
- xii. 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, save for one instance of Rs. 8.20 lacs, a forged cheque withdrawal.

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

Atul Shahade
Partner
M. No. 35227

Place : Mumbai,
Date : 23rd May, 2015

Balance Sheet as at 31st March , 2015

(Amount in Rs.)

| Particulars | Note | As at 31-03-2015 | As At 31-03-2014 |
|--|--------------|----------------------|----------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| a) Share Capital | 1 | 50,000,000 | 50,000,000 |
| b) Reserves and Surplus | 2 | 70,182,129 | 218,382,432 |
| | Total | 120,182,129 | 268,382,432 |
| Non-current liabilities | | | |
| a) Long-term Borrowings | 3 | 73,781,115 | 127,511,693 |
| b) Deferred Tax Liabilities (net) | 4 | - | - |
| c) Other Long-Term Liabilities (net) | 5 | 78,652,764 | 16,970,545 |
| d) Long-Term Provisions | 6 | 108,799,426 | 92,753,726 |
| | Total | 261,233,305 | 237,235,964 |
| Current liabilities | | | |
| a) Short-Term Borrowings | 7 | 623,109,928 | 590,058,247 |
| b) Trade Payables | 8 | 124,868,414 | 246,739,355 |
| c) Other Current Liabilities | 9 | 121,360,580 | 145,015,553 |
| d) Short-Term Provisions | 10 | 17,807,831 | 17,807,831 |
| | Total | 887,146,753 | 999,620,986 |
| TOTAL - EQUITY AND LIABILITIES | | 1,268,562,187 | 1,505,239,383 |
| ASSETS | | | |
| Non-Current Assets | | | |
| a) Fixed Assets | 11 | | |
| i) Tangible Assets | | 550,163,519 | 576,637,445 |
| ii) Intangible Assets | | 193,972 | 193,972 |
| | | 550,357,491 | 576,831,417 |
| b) Non-current Investments | 12 | 736,150 | 22,619,150 |
| c) Other Non-Current assets | 13 | 197,650,794 | 219,793,005 |
| d) Deferred Tax Assets (Net) | 4 | 1,201,057 | 1,201,057 |
| | Total | 749,945,492 | 820,444,629 |
| Current Assets | | | |
| a) Inventories | 14 | 333,431,077 | 358,934,945 |
| b) Trade Receivables | 15 | 182,871,197 | 285,026,755 |
| c) Cash and Cash Equivalents | 16 | (22,653,676) | 3,610,827 |
| d) Short-Term Loans and Advances | 17 | 24,968,097 | 37,222,227 |
| | Total | 518,616,695 | 684,794,754 |
| TOTAL - ASSETS | | 1,268,562,187 | 1,505,239,383 |
| Notes to Financial Statements | 1 to 26 | | |
| Significant Accounting Policies | 27 | | |

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

Atul Shahade
Partner
M No.35227
Mumbai : 23rd May, 2015

Rajesh K Deherkar
Company Secretary &
Finance Controller
Membership No. A10783

For and on behalf of the Board

P. S. Deodhar
Chairman & Managing Director
DIN : 00393117

Thane : 23rd May, 2015

A.G.Joshi
Director
DIN : 00019927

Statement of Profit and Loss for the year ended 31st March, 2015

(Amount in Rs.)

| Particulars | Note | 2014-15 | 2013-14 |
|---|------|----------------------|--------------|
| INCOME | | | |
| Revenue from Operations | 18 | 742,937,544 | 951,596,514 |
| Other Income | 19 | 7,114,782 | 10,343,226 |
| Total Revenue | | 750,052,326 | 961,939,740 |
| EXPENDITURE | | | |
| Materials Consumed | 20 | 431,513,330 | 493,766,691 |
| Changes in Inventories | 21 | 14,764,393 | (39,869,378) |
| Employee Benefit Expenses | 22 | 190,470,307 | 220,849,532 |
| Manufacturing Expenses | 23 | 53,382,942 | 54,901,019 |
| Finance Costs | 24 | 106,257,615 | 102,222,881 |
| Other Expenses | 25 | 80,335,508 | 96,400,531 |
| Depreciation & Amortization expenses | 11 | 17,645,045 | 27,848,000 |
| Less : Transferred to Revaluation Reserve | | 36,000 | 36,001 |
| | | 17,609,045 | 27,811,999 |
| Total Expenses | | 894,333,140 | 956,083,275 |
| Profit /(Loss) before Exceptional Items & Taxes | | (144,280,814) | 5,856,465 |
| Profit Before Tax | | (144,280,814) | 5,856,465 |
| Provision for Taxation | | | |
| Tax Expenses | | | |
| Current Tax | | - | - |
| Deferred Tax | | - | - |
| Prior Year Tax Adjustment | | - | - |
| PROFIT / (LOSS) FOR THE YEAR | | (144,280,814) | 5,856,465 |
| EARNING PER EQUITY SHARE (Face value of Rs.10/- each.) | | | |
| Basic | | (28.86) | 1.17 |
| Diluted | | (28.86) | 1.17 |

 Notes to Financial Statements
 Significant Accounting Policies

 1 to 26
 27

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

 Atul Shahade
 Partner
 M No.35227
 Mumbai : 23rd May, 2015

 Rajesh K Deherkar
 Company Secretary &
 Finance Controller
 Membership No. A10783

For and on behalf of the Board

 P. S. Deodhar
 Chairman & Managing Director
 DIN : 00393117

Thane : 23rd May, 2015

 A.G.Joshi
 Director
 DIN : 00019927

Notes to Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|--|---------------------|---------------------|
| NOTE 1: | | |
| SHARE CAPITAL | | |
| Authorised: | | |
| 100,00,000 Equity Shares of Rs,10 each | 100,000,000 | 100,000,000 |
| Issued: | | |
| 50,00,000 Equity Shares of Rs,10 each | 50,000,000 | 50,000,000 |
| Subscribed and Paid up: | | |
| 50,00,000 Equity Shares of Rs,10 each | 50,000,000 | 50,000,000 |
| Total | 50,000,000 | 50,000,000 |

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 31-03-2015 No of shares held | As at 31-03-2015 % of shares | As at 31-03-2014 No of shares held | As at 31-03-2014 % of shares |
|------------------------------------|--|------------------------------------|--|------------------------------------|
| Prabhakar Shankar Deodhar | 560,652 | 11.21 | 560,652 | 11.21 |
| Amrita Prabhakar Deodhar | 368,314 | 7.37 | 368,314 | 7.37 |
| Zee Entertainment Enterprises Ltd. | 1,321,200 | 26.42 | 1,321,200 | 26.42 |
| Balram Bharwani | 382,200 | 7.64 | 292,161 | 5.84 |

| | As at 31-03-2015 | As at 31-03-2014 |
|---|----------------------|---------------------|
| NOTE 2: | | |
| RESERVES AND SURPLUS | | |
| 1. Capital Reserve: | | |
| Balance as per last Balance sheet | 34,286,749 | 34,286,749 |
| Addition during the year | - | - |
| | 34,286,749 | 34,286,749 |
| 2. Securities Premium Reserve: | | |
| Balance as per last Balance sheet | 129,181,200 | 129,181,200 |
| 3. Revaluation Reserve: | | |
| Opening Balance | 288,011 | 324,012 |
| Less : Amount transferred to Profit and Loss Account | 36,000 | 36,001 |
| | 252,011 | 288,011 |
| 4. General Reserve | | |
| Balance as per last Balance sheet | 127,630,982 | 127,630,982 |
| 5. Surplus/(Deficit) as per Profit and Loss Account | | |
| Opening Balance | (73,004,510) | (78,860,975) |
| Add : Profit/(Loss) for the year | (144,280,814) | 5,856,465 |
| Add : Depreciation adjustment for prior years as per sch II | (3,883,489) | - |
| Balance as at end of the year | (221,168,813) | (73,004,510) |
| Total | 70,182,129 | 218,382,431 |

Notes to Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|-----------------------------|---------------------|---------------------|
| NOTE 3: | | |
| Long Term Borrowings | | |
| 1. Secured | | |
| Term Loan: | | |
| From Banks | 47,885,192 | 78,937,737 |
| From NBFCs | 213,924 | 613,956 |
| | 48,099,115 | 79,551,693 |
| 2. Unsecured: | | |
| Fixed Deposits | 25,682,000 | 47,960,000 |
| | 25,682,000 | 47,960,000 |
| Total | 73,781,115 | 127,511,693 |

TERM LOAN

| | | |
|---|------------|------------|
| Term Loan I - Bank of Maharashtra | 10,284,999 | 23,200,891 |
| 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 14.25% 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. | 37,500,001 | 55,499,996 |
| c) Interest to be paid as & when applied. | | |
| d) Rate of Interest at present 14.25% p.a. | | |
| Overdue installments and interest thereon outstanding for all the Term Loans is Rs.1,62,03,202/- | | |
| Term Loans from ICICI Bank | 100,192 | 236,849 |
| 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: | 213,924 | 613,956 |
| 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 | 30th Jun 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% |

Unsecured

| | | |
|--|------------|------------|
| Fixed Deposits | 25,682,000 | 47,960,000 |
| 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 years 10.50% p.a. and for three years 11% p.a. | | |

Notes to Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|--|---------------------|---------------------|
| NOTE 4: | | |
| Deferred Tax (Asset)/Liabilities (Net) | | |
| Balance as per last Balance Sheet | (1,201,057) | (1,201,057) |
| 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) | | |
| Total | (1,201,057) | (1,201,057) |
| NOTE 5: | | |
| Other Long Term Liabilities | | |
| Interest Accrued but not due on Fixed Deposits | 3,895,538 | 3,274,075 |
| Trade Payables | 74,757,226 | 13,696,470 |
| Total | 78,652,764 | 16,970,545 |
| NOTE 6: | | |
| Long Term Provisions | | |
| Provision for Leave Encashment | 8,459,457 | 6,989,024 |
| Provision for Warranties | 5,700,000 | 8,000,000 |
| Provision for Gratuity | 94,639,969 | 77,764,702 |
| Total | 108,799,426 | 92,753,726 |
| NOTE 7: | | |
| Short Term Borrowings | | |
| Secured | | |
| Working Capital Loans repayable on Demand from banks | 264,690,464 | 285,179,394 |
| Local Bills Discounting | 114,137,079 | 109,875,852 |
| BOM - Short Term Loan | 51,651,930 | 50,000,000 |
| Loan from Others | - | 2,500,000 |
| Total | 430,479,473 | 447,555,247 |
| Secured | | |
| Cash credit cum Working Capital Demand Loan | | |
| 1) From Corporation Bank | 264,690,464 | 285,179,394 |
| 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. Rate of Interest 14.60%p.a. as per sanction letter | | |
| 2) Local Bills Discounting | 114,137,079 | 109,875,852 |
| Secured by Bills discounted with Corporation Bank Rate of Interest 14.60%p.a. as per sanction letter | | |
| Bank of Maharashtra | | |
| a) Secured by mortgage of Land and Building, at Bhosari Pune on plot no.EL-15 | 51,651,930 | 50,000,000 |
| b) Payable in four installments as follows: on 31 st March 2015 Rs.12700000/- on 30 th April 2015 Rs.12700000/- on 31 st May,2015 – Rs.12700000/- on 30 th June,2015 – Rs.12700000/- | | |
| c) Rate of Interest -14.25% p.a. | | |

Notes to Financial Statements

(Amount in Rs.)

| | <u>As at 31-03-2015</u> | <u>As at 31-03-2014</u> |
|--|-----------------------------|-----------------------------|
| Unsecured | | |
| Fixed Deposits (Repayable within one year) | 22,093,000 | 20,453,000 |
| Other Loans:- | | |
| From Directors | 170,537,455 | 122,050,000 |
| | 192,630,455 | 142,503,000 |
| Total | 623,109,928 | 590,058,247 |
| Unsecured: | | |
| 1) 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.23,06,000/- matured but unpaid as on 31st March,2015. No interest payable after maturity as per the terms of Fixed Deposits) | 22,093,000 | 20,453,000 |
| (includes Rs.2,24,000/- deposits matured over seven years and unpaid as on 31st March,2015 and transferable to Investor Education and Protection Fund) | | |
| Other Loans:- | | |
| From Directors | | |
| Mrs. Amrita P Deodhar | 159,537,455 | 113,600,000 |
| Mr. Nishith Deodhar | - | 2,950,000 |
| Mr. Prabhakar S Deodhar | 11,000,000 | 5,500,000 |
| Interest Payable @10% p.a. to 11.35% p.a. | | |
| NOTE 8: | | |
| Trade Payables | | |
| (Unsecured and subject to confirmations) | | |
| Micro Small & Medium Enterprises | - | 953,447 |
| Acceptances | 81,137,625 | 167,658,511 |
| Sundry Creditors | 43,730,789 | 78,127,397 |
| Total | 124,868,414 | 246,739,355 |
| NOTE 9: | | |
| Other Current Liabilities | | |
| Current maturities of Long Term Debts (Secured) | | |
| Term Loans | 30,520,658 | 30,505,881 |
| From Others | 400,033 | 353,249 |
| Current maturities of Long Term borrowings from NBFC (Unsecured) | | |
| Other Deposits | - | 5,546,000 |
| Fixed Deposits Matured but unpaid | 2,306,000 | - |
| Interest Accrued and due | 11,028,956 | 9,813,815 |
| Dues to Directors | - | 274,892 |
| Advances from Customers | 15,482,081 | 4,562,419 |
| Statutory Dues | 8,908,098 | 9,799,743 |
| Other Liabilities | 52,714,754 | 84,159,556 |
| Total | 121,360,580 | 145,015,553 |

*(Amount Over Seven Years is Transferable to Investor Education and Protection Fund)

Notes to Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|--|---------------------|---------------------|
| NOTE 10: | | |
| Short Term Provisions | | |
| Provision for Leave Encashment | 737,056 | 737,056 |
| Provision for Warranties | 4,300,000 | 4,300,000 |
| Provision for Gratuity | 12,770,775 | 12,770,775 |
| Total | 17,807,831 | 17,807,831 |
| NOTE 11: | | |
| Please see Page No. 38 | | |
| NOTE 12: | | |
| Non Current Investments | 736,150 | 22,619,150 |
| Total | 736,150 | 22,619,150 |
| Investment in Shares of Subsidiary Companies (At Cost) | | |
| 1) Sprylogic Technologies Limited 50000 Equity shares of Rs.10 each fully paid | 500,000 | 500,000 |
| 2) Arabian Power Electronics Company During F.Y. 2014-15, Investment was sold & Rs.2,44,62,650/- was realised . Rs. 72,29,664/- is due from Arabian Power Electronics Company as on 31-03-2015 in the ordinary course of Business towards Goods sold on various occasions. Out of this , Rs.9,20,465/- was received before Reporting Date. | - | 21,883,000 |
| 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 Janata 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 31.03.2015 @37.10 per share.) | 108,100 | 108,100 |
| 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) | 34,686,088 | 31,582,774 |
| Deposits | 7,317,967 | 9,031,760 |
| Inventories | 121,558,592 | 149,164,036 |
| Dues from Others: | | |
| Trade Receivables | 34,088,147 | 30,014,435 |
| Total | 197,650,794 | 219,793,005 |

Notes to Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|---|-----------------------------|-----------------------------|
| 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 | 175,243,376 | 177,543,085 |
| Goods in process | 32,300,145 | 56,549,794 |
| Finished goods | 117,914,800 | 105,227,716 |
| Material in transit and in Bonded Warehouse | - | 11,641,594 |
| Stores and Spares | 7,972,756 | 7,972,756 |
| Total | 333,431,077 | 358,934,945 |
| NOTE 15: | | |
| Trade Receivables | | |
| (Unsecured, considered good and subject to confirmations) | | |
| Dues from Subsidiary | | |
| Within 6 months | | |
| Sprylogic Technologies Ltd | 15,415 | 2,759 |
| | 15,415 | 2,759 |
| Dues from others | | |
| within 6 months | 161,891,237 | 264,072,649 |
| others | 20,964,545 | 20,951,348 |
| | 182,855,782 | 285,023,997 |
| Total | 182,871,197 | 285,026,755 |
| NOTE 16: | | |
| Cash and Bank Balances | | |
| Cash in hand | 469,227 | 867,484 |
| Balances with Banks | | |
| In Current Accounts | (38,293,904) | (14,029,636) |
| In Deposits Accounts | | |
| Maturing within 12 Months | 14,708,996 | 15,768,804 |
| Maturing after 12 Months | - | 349,800 |
| In Unclaimed Dividend Accounts | 462,005 | 654,375 |
| Total | (22,653,676) | 3,610,827 |
| 1. Balance with schedule Bank include Rs.1,47,08,996 (P.Y. Rs.1,61,18,604) representing margin money for letter of credit and bank guarantees issued | | |
| 2. The Companies Act 2013 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.1,41,08,996 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 | 1,319,211 | 2,860,971 |
| Advance to others | 8,151,823 | 28,705,605 |
| Amount due as Refund of Additional Duty of Customs | 1,916,555 | 1,413,420 |
| Balance with Excise Authorities | 13,580,508 | 4,242,231 |
| Total | 24,968,097 | 37,222,227 |

Notes to Financial Statements

(Amount in Rs.)

| | 2014-2015 | 2013-2014 |
|--|---------------------|--------------------|
| NOTE 18: | | |
| Revenue from Operations | | |
| Sale of Products | 655,054,477 | 882,609,142 |
| Less : Excise Duty | 27,219,910 | 61,738,759 |
| Net Sales | 627,834,566 | 820,870,383 |
| Income from Services | 115,102,977 | 130,726,131 |
| Total | 742,937,544 | 951,596,514 |
| NOTE 19: | | |
| Other Income | | |
| Interest on Bank Deposits | 1,649,604 | 1,338,309 |
| Other Interest | 10,527 | 19,220 |
| | 1,660,131 | 1,357,529 |
| Dividend | 8,500 | 24,010 |
| Provisions written back | 2,300,000 | 4,594,885 |
| Miscellaneous Receipts | 262,208 | 447,265 |
| Refund of Additional Duty of Customs | 871,963 | 1,832,011 |
| Rent Received | 2,011,980 | 2,079,540 |
| Profit on Sale of Assets | - | 7,986 |
| Total | 7,114,782 | 10,343,226 |
| NOTE 20: | | |
| Materials Consumed | | |
| Opening Stock | 268,881,405 | 245,331,283 |
| Add Purchases | 398,369,035 | 508,421,470 |
| | 667,250,440 | 753,752,753 |
| Less Stock at Close | 239,842,330 | 268,881,405 |
| | 427,408,110 | 484,871,348 |
| Add Consumption of Stores and Spares | 4,105,220 | 8,895,343 |
| Total | 431,513,330 | 493,766,691 |
| NOTE 21: | | |
| Changes in Inventories of Finished Goods & Work-in-Progress | | |
| Stock at Close - Finished Goods | 155,795,285 | 149,597,396 |
| Stock at Close - Work in Progress | 45,770,954 | 66,733,235 |
| | 201,566,238 | 216,330,631 |
| Opening Stock - Finished Goods | 149,597,396 | 118,519,355 |
| Opening Stock - Work in Progress | 66,733,235 | 57,941,898 |
| | 216,330,631 | 176,461,253 |
| Total | (14,764,393) | 39,869,378 |

Notes to Financial Statements

(Amount in Rs.)

| | 2014-2015 | 2013-2014 |
|---|--------------------|--------------------|
| NOTE 22: | | |
| Employee Benefit Expenses | | |
| Salaries, Wages and Bonus | 151,098,373 | 181,092,691 |
| Contribution to Provident and Other Funds | 11,705,556 | 13,630,088 |
| Gratuity | 19,953,504 | 17,149,170 |
| Staff Welfare Expenses | 7,712,874 | 8,977,583 |
| Total | 190,470,307 | 220,849,532 |
| NOTE 23: | | |
| Manufacturing Expenses | | |
| Labour Charges | 17,367,344 | 10,168,464 |
| Rates and Taxes | 7,891,400 | 18,279,171 |
| Power and Electricity | 8,149,554 | 8,465,826 |
| Insurance Charges | 676,976 | 160,290 |
| Repairs to Plant and Machinery | 75,987 | 83,701 |
| Repairs to Factory Building | 519,361 | 1,125,151 |
| Miscellaneous Work Expenses | 18,702,320 | 16,618,416 |
| Total | 53,382,942 | 54,901,019 |
| NOTE 24: | | |
| Finance Cost | | |
| Interest on Fixed Period Loans | 28,149,124 | 26,482,976 |
| Interest on Other Loans/Deposits | 74,075,404 | 69,699,117 |
| Bank Charges | 5,901,174 | 8,247,711 |
| Exchange Variation (gain) / Loss - net | (1,868,087) | (2,206,923) |
| Total | 106,257,615 | 102,222,881 |
| NOTE 25: | | |
| Other Expenses | | |
| Rent for Office/Residential Premises | 5,578,071 | 5,057,609 |
| Equipment Lease Rentals | 100,567 | 147,309 |
| Printing and Stationery | 2,291,698 | 2,195,077 |
| Postage and Telephones | 6,832,212 | 7,860,971 |
| Travelling and Conveyance | 15,343,025 | 15,201,721 |
| Vehicle Expenses | 1,643,330 | 2,624,783 |
| Legal and Professional Charges | 25,700,770 | 21,525,908 |
| Commission and Discount | (44,216) | 2,626,068 |
| Transport Outward and Other Charges | 15,583,201 | 25,442,928 |
| Sales Tax, Purchase Tax | 1,224,832 | 382,855 |
| Office Maintenance Charges | 2,696,737 | 3,700,292 |
| Repairs and Maintenance - Other Assets | 900,456 | 1,630,844 |
| Miscellaneous Expenses | 2,027,446 | 2,987,095 |
| Bad Debts and Other amounts written off | 445,227 | 4,000,846 |
| Loss on sale of Assets | 12,152 | 1,016,225 |
| Total | 80,335,508 | 96,400,531 |

Notes to Financial Statements (Amount in Rs.)

**NOTE 11:
FIXED ASSETS**

| | GROSS BLOCK | | DEPRECIATION | | NET BLOCK | | |
|--|---------------------|---|---------------------|---|---------------------|---------------------|---------------------|
| | As on 01.04.2014 | As on Additions Deletions 31.03-2015 | Up to 01.04.2014 | FOR THE Year Dep. Adj as per Sch II Written Back | Up to 31.03-2015 | As on 31.03-2015 | As on 31.03.2014 |
| Production | | | | | | | |
| Leasehold Land | 381,337,806 | - | 9,979,591 | 6,580,156 | - | 16,559,747 | 364,778,060 |
| Factory Buildings | 83,429,709 | - | 51,368,940 | 1,249,979 | - | 52,618,919 | 30,810,791 |
| Residential Premises | 426,570 | - | 290,432 | 1,627 | - | 292,059 | 134,511 |
| Office Premises | 127,475,424 | - | 19,982,658 | 1,782,069 | - | 21,764,727 | 105,710,697 |
| Plant and Machinery | 79,822,020 | 7,524,781 | 42,169,392 | 2,348,986 | 1,031,829 | 43,275,378 | 29,021,860 |
| Electrical Installations | 14,827,675 | 840,577 | 8,756,946 | 1,231,612 | 107,798 | 10,096,356 | 5,571,896 |
| Furniture and Fixtures | 70,359,791 | 2,190,282 | 52,049,066 | 3,601,561 | 2,334,838 | 57,985,464 | 11,881,167 |
| E.D.P.Systems/Computers | 35,805,550 | 28,830 | 34,535,134 | 359,800 | 404,810 | 35,299,744 | 534,637 |
| Vehicles | 11,939,789 | - | 9,652,933 | 489,254 | 4,217 | 9,808,194 | 1,719,900 |
| Total for the Year (Tangible Assets) | 805,424,335 | 3,059,689 | 228,785,090 | 17,645,045 | 3,883,492 | 247,700,587 | 550,163,519 |
| Software | 6,457,650 | - | 6,263,678 | - | - | 6,263,678 | 193,972 |
| Total for the Year (Intangible Assets) | 6,457,650 | - | 6,263,678 | - | - | 6,263,678 | 193,972 |
| Total For The Year | 811,881,985 | 3,059,689 | 235,048,768 | 17,645,045 | 3,883,492 | 253,964,265 | 550,357,491 |
| Total for the Previous Year | 839,250,315 | 14,510,036 | 231,535,155 | 27,848,000 | 24,334,388 | 235,048,768 | 576,831,417 |

Note : - The Impact due to change in Depreciation methodology has not been worked out

Notes to Financial Statements

(Amount in Rs.)

ADDITIONAL NOTES: 26
1. Auditors' Remuneration:

| Particulars | 2014-15 Rs. | 2013-14 Rs. |
|--|-----------------|-----------------|
| Audit fees | 7,50,000 | 7,50,000 |
| Limited Review, Corporate Governance and other certification | 50,000 | 50,000 |
| Total | 8,00,000 | 8,00,000 |

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:-

| Sr. No. | Particulars | 2014-15 Rs. | 2013-14 Rs. |
|---------|---|----------------|----------------|
| (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 | Nil | 9,53,447 |
| (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 | 2014-15 Rs. | 2013-14 Rs. |
|---------|---|---------------------|----------------|
| a. | Value of Imports calculated on CIF basis Components and Spares & outsourced items | 13,46,00,754 | 18,15,88,451 |
| | Capital Goods | Nil | Nil |
| | Others | Nil | Nil |
| b. | Earnings in Foreign Exchange: | | |
| | FOB Value of Exports | 3,48,54,139 | 7,30,99,102 |
| | Other charges | Nil | Nil |
| c. | Expenditure in Foreign Currency: | | |
| | Travelling | Nil | Nil |
| | Subscription to Foreign Journals & Membership Fees | Nil | Nil |
| | Commission on Sales | Nil | Nil |

Notes to Financial Statements

(Amount in Rs.)

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 Material and Components consumed:

| Particulars | 2014-15 | | 2013-14 | |
|--------------|---------------------|---------------|---------------------|---------------|
| | Rs. | Percent | Rs. | Percent |
| Imported | 7,14,56,843 | 27.71 | 10,25,50,766 | 30.81 |
| Indigenous | 18,64,52,700 | 72.29 | 23,02,45,388 | 69.19 |
| Total | 25,79,09,543 | 100.00 | 33,27,96,154 | 100.00 |

(ii) Value of Stores and Spares consumed:

| Particulars | 2014-15 | | 2013-14 | |
|--------------|------------------|------------|------------------|------------|
| | Rs. | Percent | Rs. | Percent |
| Imported | - | - | - | - |
| Indigenous | 41,05,220 | 100 | 88,95,343 | 100 |
| Total | 41,05,220 | 100 | 88,95,343 | 100 |

(iii) Total value of Material consumption:

| Sr. No. | Particulars | 2014-15 Rs. | 2013-14 Rs. |
|---------|-----------------------------------|---------------------|---------------------|
| 1. | Raw Material | 25,79,09,543 | 33,27,96,155 |
| 2. | Stores & Spares | 41,05,220 | 88,95,343 |
| 3. | Outsourced Items | 16,94,98,567 | 15,20,75,193 |
| | Total Material Consumption | 43,15,13,330 | 49,37,66,691 |

6. Contingent Liabilities:

| Sr. No. | Particulars | 2014-15 Rs. | 2013-14 Rs. |
|---------|--|----------------|----------------|
| 1. | Disputed Tax/Duty demands not provided for | 9,89,86,032 | 10,33,26,536 |
| 2. | Bank guarantees given on behalf of Company to third parties. | 7,31,96,352 | 5,79,57,810 |

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 not funded by the Company.

Notes to Financial Statements

(Amount in Rs.)

| Particulars | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|---|-------------------------|---|-----------------------------------|
| | 31/03/2015 Rs. | 31/03/2014 Rs. | 31/03/2015 Rs. | 31/03/2014 Rs. |
| The major categories of plan assets as a percentage of total plan | | | | |
| Qualifying Insurance Policy No | 611868 | 611868 | - | - |
| Changes in the present value of the obligation * | | | | |
| 1 Opening Present Value of obligation | 9,08,63,365 | 10,80,31,115 | 77,26,080 | 1,00,45,965 |
| 2 Interest Cost | 68,61,186 | 86,46,516 | 6,62,180 | 8,03,677 |
| 3 Current Service Cost | 45,80,173 | 42,40,901 | 12,12,578 | 11,12,457 |
| 4 Past Service Cost | - | - | - | - |
| 5 Benefits Paid | -30,78,237 | -1,78,081 | -23,93,474 | - |
| 6 Actuarial (gain) / loss on Obligation | 86,63,874 | (3,00,16,465) | 19,89,149 | (42,36,020) |
| 7 Closing Present Value of obligation | 10,77,75,122 | 9,08,63,365 | 91,96,513 | 77,26,080 |
| Changes in the Fair Value of Assets (LIC Policy) | | | | |
| 1 Opening Fair value of plan Assets | 3,27,888 | 1,39,380 | | |
| 2 Expected Return on Plan assets | 1,45,326 | 20,122 | | |
| 3 Contributions | - | 1,68,386 | | |
| 4 Benefits Paid | - | - | | |
| 5 Actuarial Gain/(Loss) [Interest Credited for the year] | (1,15,240) | - | | |
| 6 Closing Fair value of plan Assets | 3,64,378 | 3,27,888 | Not applicable as unfunded | Not applicable as unfunded |
| Profit & Loss - Expenses * | | | | |
| 1 Current Service Cost | 45,80,173 | 42,40,901 | 12,12,578 | 11,12,457 |
| 2 Interest Cost | 68,61,186 | 86,46,516 | 6,62,180 | 8,03,677 |
| 3 Expected Return on Plan assets | (1,45,326) | (20,122) | - | - |
| 4 Net Actuarial gain (loss) recognized in the year | (86,63,874) | 3,00,16,465 | (19,89,149) | 42,36,020 |
| 5 Past Service Cost | - | - | - | - |
| 6 Expenses Recognized in the Profit & Loss Account | (1,99,59,908) | 1,71,49,170 | 38,63,907 | (23,19,885) |
| Actuarial Assumptions * | | | | |
| 1 Discount Rate | 7.80% | 9.00% | 7.80% | 9.00% |
| 2 Expected Rate of Return on Plan Assets | 9.00% | 9.00% | N/A | N/A |
| 3 Expected Rate of Salary Increase | 6.00% | 6.00% | 6.00% | 6.00% |
| 4 Attrition Rate | | 1 to 3% | - | - |
| 5 Mortality Post-retirement | Indian Assured Lives Mortality (2006-08) | LIC (94-96) Ultimate | Indian Assured Lives Mortality (2006-08) | LIC (94-96) Ultimate |

* As per Actuarial Valuation Report.

Actuarial Assumptions for Gratuity of Past 5 years:

| Sr. No. | Particulars | 31/03/2015 | 31/03/2014 | 31/03/2013 | 31/03/2012 | 31/03/2011 |
|---------|---|------------|------------|------------|------------|------------|
| 1. | Discount rate (p.a.) | 7.80% | 9.00% | 8.00% | 8.00% | 8.00% |
| 2. | Expected rate of return on Asset (p.a.) | 9.00% | 9.00% | 9.00% | | |
| 3. | Expected Rate of Salary Increase* | 6.00% | 6.00% | 6.00% | 4.00% | 4.00% |

Notes to Financial Statements

(Amount in Rs.)

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

| Sr. No. | Particulars | 31/03/2015 | 31/03/2014 | 31/03/2013 | 31/03/2012 | 31/03/2011 |
|---|--|--------------|-------------|--------------|-------------|-------------|
| 1. | Present value of obligation as at the close of the year. | 10,77,75,122 | 9,08,63,365 | 10,80,31,115 | 8,94,25,796 | 9,44,74,347 |
| 2. | Fair value of plan asset as at the close of the year. | 3,64,378 | 3,27,888 | 1,39,380 | 33,81,606 | 2,22,09,668 |
| 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) | (86,63,874) | 3,00,16,465 | (1,18,985) | 11,56,105 | 23,37,493 |

• 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 Company :

Spylogic 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 & Managing Director |
| Mr. Nishith Deodhar | Former Managing Director |
| Mrs. Amrita Deodhar | Director |
| Mr. Rajesh Deherkar | Company Secretary and Finance Controller |

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 | Telemetric Equipments Pvt.Ltd. |
| 4 | Print Quick Private Limited |
| 5 | Origin Instrumentation Private Limited |
| 6 | Contech Soft-Tech Solution Pvt. Ltd |
| 7 | Telematra Systems Pvt. Ltd. |
| 8 | Mitramax Energy Pvt. Ltd. |

Notes to Financial Statements

(Amount in Rs.)

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 | | | | |
| Spylogic Technologies Ltd. | Nil | - | - | - |
| | (2,89,847) | | | |
| Deodhar Electro Design Pvt. Ltd | | - | - | 3,92,098 |
| | | | | (6,69,387) |
| Intel Exports Pvt. Ltd. | | - | - | 19,25,707 |
| | | | | (25,300) |
| Arabian Power Electronic Company (Former Joint Venture) | | | | 57,76,045 |
| | | | | (47,68,113) |
| Total | Nil | - | - | 80,93,849 |
| | (2,89,847) | | | (54,62,800) |
| Purchase of Material / Finished Goods | | | | |
| Spylogic Technologies Ltd | 1,18,40,320 | - | - | - |
| | (15,26,925) | | | |
| Deodhar Electro Design Pvt. Ltd | | - | - | 21,08,275 |
| | | | | (1,06,73,727) |
| Telemetric Equipments Pvt.Ltd. | | - | - | 37,36,598 |
| | | | | (1,67,04,628) |
| Telemetry Systems Pvt. Ltd. | | - | - | 17,88,272 |
| | | | | (79,13,823) |
| Intel Export Corporation | | | | 1,73,612 |
| | | | | (Nil) |
| Mitramax Energy Pvt. Ltd. | | | | NIL |
| | | | | (2,44,380) |
| Total | 1,18,40,320 | - | - | 78,06,757 |
| | (15,26,925) | | | (3,55,36,558) |
| 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) |
| Rent Received / Receivable | | | | |
| Spylogic Technologies Ltd. | 14,28,000 | - | - | - |
| | (14,28,000) | | | |
| Total | 14,28,000 | - | - | - |
| | (14,28,000) | | | |
| Service / Labour / Royalty / Other charges Paid / Payable | | | | |
| Spylogic Technologies Ltd | 96,43,062 | - | - | - |
| | (1,54,23,223) | | | |
| Telemetric Equip. Pvt. Ltd. | | | | 31,930 |
| | | | | (44,100) |
| Telemetry Systems Pvt. Ltd. | | | | Nil |
| | | | | (4,800) |
| Mitramax Energy Pvt. Ltd. | | | | NIL |
| | | | | (1,38,327) |
| Deodhar Electro Design Pvt. Ltd | | | | 10,14,600 |
| | | | | (Nil) |
| Total | 96,43,062 | - | - | 10,46,530 |
| | (1,54,23,223) | | | (1,87,227) |

Notes to Financial Statements

(Amount in Rs.)

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|---|---------------------|---------------------------------------|---|-------------------------------|
| Unsecured Loans | | | | |
| Mrs Amrita Deodhar ** | | 15,95,37,455 | | |
| Mr. Nishith P.Deodhar | | (11,36,00,000) | | |
| Mr. P. S. Deodhar | | Nil | | |
| | | (29,50,000) | | |
| | | 1,10,00,000 | | |
| | | (55,00,000) | | |
| Total | | 17,05,37,455 | | |
| | | (12,20,50,000) | | |
| Investment as on 31.03.2015 | | | | |
| Spylogic Technologies Ltd | 5,00,000 | - | - | - |
| | (5,00,000) | | | |
| Total | 5,00,000 | - | - | - |
| | (5,00,000) | | | |
| Interest on Loans and Fixed Deposits | | | | |
| Mrs. Amrita Deodhar | | 1,42,75,857 | | |
| Mr. Nishith Deodhar | | (1,34,13,078) | | |
| Mr. P. S. Deodhar | | 3,31,402 | | |
| | | (1,75,473) | | |
| | | 25,34,109 | | |
| | | (19,49,497) | | |
| Total | | 1,71,41,368 | | |
| | | (1,55,38,048) | | |
| Salary & Perquisites | | | | |
| Mr. Nishith Deodhar | | 17,91,290 | | |
| Mr. Rajesh Deherkar | | (16,72,750) | | |
| | | 1252003 | | |
| | | (1300702) | | |
| Total | | 3043293 | | |
| | | (2973452) | | |
| Interest on loans and deposits outstanding at year end | | | | |
| Mrs. Amrita Deodhar | | 91,49,494 | | |
| Mr. Nishith Deodhar | | (66,70,869) | | |
| Mr. P. S. Deodhar | | Nil | | |
| | | (1,55,826) | | |
| | | 1,00,449 | | |
| | | (3,26,317) | | |
| Total | | 92,49,943 | | |
| | | (71,53,012) | | |
| Debit Balances as on 31.03.2015 | | | | |
| Spylogic Technologies Ltd. | 2,759 | - | - | - |
| | (Nil) | | | |
| Deodhar Electro Design Pvt. Ltd | | | | 10,02,205 |
| Telemetric Equip.Pvt.Ltd. | | | | (6,10,107) |
| Intel Exports Ltd | | | | Nil |
| Arabian Power Electronic Company (Former Joint Venture) | | | | (6,34,857) |
| | | | | - |
| | | | | (Nil) |
| | | | | 72,29,664 |
| | | | | (65,77,221) |
| Total | 2,759 | - | - | 82,31,869 |
| | (Nil) | | | (78,22,185) |

Notes to Financial Statements

(Amount in Rs.)

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|---|---------------------------------|---------------------------------------|---|-------------------------------|
| Credit Balances as on 31.03.2015 | | | | |
| Deodhar Electro Design Pvt. Ltd. | | | | 8,01,696 |
| Telemetric Equipments Pvt.Ltd. | | | | (1,49,046) |
| Telemetra Systems Pvt..Ltd | | | | -26,67,157 |
| Sprylogic Technologies Ltd. | 52,07,066 | | - | (25,20,180) |
| Intel Exports | (40,49,478) | | - | 7,13,038 |
| Origin Instruments Pvt.Ltd | | | | (46,95,948) |
| Print Quick Pvt.Ltd | | | | - |
| Contech Electronics Pvt.Ltd. | | | | 1,73,612 |
| Nishith Deodhar (Rent) | | | | (1,73,612) |
| Mr. Nishith Deodhar (Loan and Interest Payable) | | Nil | | Nil |
| Mrs. Amrita Deodhar (Loan and Interest Payable) | | (2,29,500) | | (56,475) |
| Mr. Prabhakar S Deodhar | | Nil | | Nil |
| | | (31,05,826) | | (1,12,950) |
| | | 16,86,86,949 | | Nil |
| | | (12,02,70,869) | | (Nil) |
| | | 1,11,00,449 | | |
| | | (58,26,317) | | |
| Total | 52,07,066 (40,49,478) | 17,97,87,398 (12,94,32,512) | | -9,78,811 (77,08,211) |

Previous year figures are shown in bracket

** Amount Rs. 70,00,000/- kept as margin in the form of Fixed Deposits out of money given by Mrs.Amrita Deodhar, Director for LC amount of Rs. 62,88,500/- opened with Saraswat Coop. Bank Ltd., Jambhli Naka, Thane

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

| | 2014-15 | 2013-14 |
|--|----------------|-----------|
| 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 | (14,42,80,814) | 58,56,465 |
| Number of shares for Basic and diluted EPS as above | 50,00,000 | 50,00,000 |
| Earning per Share: | | |
| Basic and Diluted (Rs.) | -28.86 | 1.17 |

11. Taxes on Income (Accounting Standard - AS 22):

- No provision is made for current tax in view of the business loss during current year and unabsorbed business loss of previous year
- Deferred Tax Liability / (Asset) at the year end comprises timing difference on account of:

| | 2014-15 | 2013-14 |
|-------------------------------------|---------|---------------|
| - Depreciation | | (74,80,909) |
| - Expenditure / Provisions | | (1,02,94,208) |
| Total | | (1,77,75,118) |
| Unabsorbed losses and depreciation* | | Nil |
| Total | | (1,77,75,118) |

- Deferred tax asset on carried forward unabsorbed business loss 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.

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

| Particulars | Opening Balance as on 01.04.2014 | Provision made during the year | Provision reversed / adjusted | Closing Balance as on 31.03.2015 |
|--------------------------|----------------------------------|--------------------------------|-------------------------------|----------------------------------|
| Provision for Warranties | 1,23,00,000 | 60,00,000 | 83,00,000 | 1,00,00,000 |

13. Previous year figures have been re-grouped and re-classified wherever necessary

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 Act and the relevant provisions to the Companies Act, 2013.

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 as per Useful Life stated in the Schedule II of the Companies Act, 2013. Leasehold Lands are amortized over the Period of Lease.

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

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 & 27

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

Atul Shahade
Partner
M No.35227
Mumbai : 23rd May, 2015

Rajesh K Deherkar
Company Secretary &
Finance Controller
Membership No. A10783

For and on behalf of the Board

P. S. Deodhar
Chairman & Managing Director
DIN : 00393117

Thane : 23rd May, 2015

A.G.Joshi
Director
DIN : 00019927

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in Rs.)

| Particulars | 2014-15 | 2013-2014 |
|--|---------------|---------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax and extra ordinary items | (144,280,814) | 5,856,464 |
| Adjustments For : | | |
| Depreciation | 17,609,045 | 27,811,999 |
| Provisions written back | (2,300,000) | (4,594,885) |
| Interest received | (1,660,131) | (1,357,529) |
| Dividend Received | (8,500) | (24,010) |
| Profit or Loss on Sale of Assets (Net) | 12,152 | 1,008,240 |
| Operating Profit before working capital changes | (130,628,248) | 28,700,279 |
| Adjustments for : | | |
| (Decrease) / Increase in Working Capital | 94,257,771 | (122,428,984) |
| | (36,370,477) | (93,728,705) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (3,059,689) | (11,826,595) |
| Capital Work in Progress | - | (2,683,441) |
| Reduction in fixed assets value on computation of Schedule-II (Purchase) / Sale of Other Investments | 7,992,927 | 16,537,541 |
| | 21,883,000 | - |
| Net Cash used in Investing Activities | 26,816,238 | 2,027,506 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net Increase / (Decrease) in Borrowings | (20,678,897) | 59,327,928 |
| Interest received | 1,660,131 | 1,357,529 |
| Dividend Received | 8,500 | 24,010 |
| Provisions written back | 2,300,000 | 4,594,885 |
| Net Cash from Financial Activities | (16,710,266) | 65,304,352 |
| Net Increase / (Decrease) Increase in Cash and Cash Equivalent (A+B+C) | (26,264,503) | (26,396,848) |
| Opening Balance of Cash and Cash Equivalent - Aplab | 3,610,827 | 30,007,675 |
| | 3,610,827 | 30,007,675 |
| Closing Balance of Cash and Cash Equivalent | (22,653,676) | 3,610,827 |
| Net Increase / (Decrease) | (26,264,503) | (26,396,848) |

Notes:

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

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

Atul Shahade
Partner
M No.35227
Mumbai : 23rd May, 2015

Rajesh K Deherkar
Company Secretary &
Finance Controller
Membership No. A10783

For and on behalf of the Board

P. S. Deodhar
Chairman & Managing Director
DIN : 00393117

Thane : 23rd May, 2015

A.G.Joshi
Director
DIN : 00019927

Sprylogic Technologies Ltd.

10th Annual Report 2014-2015

Board of Directors

| | | |
|--------------------|-----------------|----------|
| Amrita P. Deodhar | (DIN: 00538573) | Director |
| Rajesh K. Deherkar | (DIN: 01866631) | Director |
| Kavin B. Valia | (DIN: 00538558) | 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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| Statement of Profit & Loss | 60 |
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| Cash Flow | 69 |

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in submitting their 10th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015

1. FINANCIAL RESULTS

The Company's financial performance for the year under review alongwith previous year's figures are given hereunder:

| | (Rs. In Lacs) | |
|---|--|---------------------------------|
| | <u>Year ended</u> 31.03.2015 | <u>Year ended</u> 31.03.2014 |
| Net Sales /Income from Business Operations | 219.06 | 209.40 |
| Other Income | 14.62 | 00.97 |
| Total Income | 233.68 | 210.38 |
| Less Interest | 0.03 | 0.04 |
| Profit before Depreciation | 50.98 | 51.47 |
| Less Depreciation | 24.57 | 14.41 |
| Profit after depreciation and Interest | 26.41 | 37.05 |
| Less Current Income Tax | 7.53 | 7.63 |
| Less Deferred Tax | (2.99) | 3.26 |
| Net Profit after Tax | 21.88 | 26.17 |
| Dividend (including Interim if any and final) | - | - |
| Net Profit after dividend and Tax | 21.88 | 26.17 |
| Amount transferred to General Reserve | - | - |
| Balance carried to Balance Sheet | - | - |
| Earning per share (Basic) | 25.74 | 30.78 |
| Earning per Share(Diluted) | 25.74 | 30.78 |

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year. Your Company achieved revenue of Rs. 233.68 Lacs during the financial year 2014 -15 against Rs. 210.38 Lacs of previous year. The Profit after Tax for the year is Rs 21.88 Lacs as compared to Rs 26.17 Lacs in the previous year.

During the year Company has increased revenues from Banking Automation Sector. Your Company is looking to increase revenue from Solar Home UPS & Cable Route Tracer in the current year.

3. DIVIDEND

No Dividend was declared for the current financial year due to conservation of Profit by the Company.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid during previous years, the provisions of Section 125 of the Companies Act, 2013 do not apply.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's earning of Income does not involve much use of machinery, hence power requirements are very low. Consumption of electricity is controlled by use of Solar Energy.

The Company is switching over its lighting needs to energy efficient CFL & LED Lights.

Your Company focused on digital Controllers, modernization of Testing & Measurement Instruments and new Medical Instruments.

Earnings (FOB) : Rs. NIL

Outgo (CIF Value) : Rs. 62,182.00

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

During the year under review, your Company has formed Risk Management Committee to identify & evaluate elements of Business Risk.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

Due to Smaller Profit, monitory help could not be given, however attempt were made to impart training to college students.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

| Nature of Transaction | Holding company | Deodhar Electro Design Ltd. |
|--------------------------------------|--------------------|-----------------------------|
| Sale & services of Software | 191.20 (152.40) | 0.94 (3.29) |
| Purchase of Asset | - (2.89) | - |
| Rent paid | 16.04 (16.04) | - |
| Consumable Purchases | 0.13 (00) | - |
| Advance to Supplier (Aplab) | 59.35 (55.11) | - |
| Rent Payable | 7.30 (14.61) | - |
| Payable against Consumable Purchases | 0.13 (00) | - |
| Receivable against Services | - | 5.51 (7.06) |

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

12. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. However appointment of Directors is based on the technical competence and other relevant strength.

13. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with rule 12 of the Companies (Management & administration) Rule, 2014 is furnished in Annexure is attached to this Report.

14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had Four Board meetings during the financial year under review.

15. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of

the Companies Act, 2013 the Board hereby submit its responsibility Statement:-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. - Not applicable to Private Limited Company.

Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

- 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.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

17. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

18. DIRECTORS

Mr. Kavin B. Valia (DIN - 00538558) retire at this Annual General Meeting and being eligible offer himself for re-appointment.

During the year Mrs. Amrita P. Deodhar was appointed as an additional director (DIN : 00538573) and Mr. Nishith P. Deodhar (DIN - 01614848) has resigned during the year.

19. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

20. STATUTORY AUDITORS

M/s. Puranik Kane & Co., Chartered Accountants, (ICAI Registration No. 120215W) were appointed as Statutory Auditors for a period of Five years in the Annual General Meeting held on 30th September 2014. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

21. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

22. SHARES**a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

23. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For Sprylogic Technologies Limited

Place: Thane

Kavin B. Valia (DIN No. - 00538558)

Date: 23rd May 2015

Director

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

| | | |
|-----|---|--|
| i | CIN | U72200MH2005PLC195869 |
| ii | Registration Date | 16TH AUGUST 2005 |
| iii | Name of the Company | SPRYLOGIC TECHNOLOGIES LIMITED |
| iv | Category/Sub-category of the Company | COMPANY LIMITED BY SHARES |
| v | Address of the Registered office & contact details | A -1, APLAB HOUSE, WAGLE ESTATE, THANE -400604 TEL. 022-25835515 FAX: 022-28523137 |
| vi | Whether listed company | NO |
| vii | Name , Address & contact details of the Registrar & Transfer Agent, if any. | NOT APPLICABLE |

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| SL No | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the company |
|-------|---|----------------------------------|------------------------------------|
| 1 | Software Design, Development, Testing, Maintainance KIOSK AND KIOSK Management Services | 8523.8 | 100 |

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| SI No | Name & Address of the Company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|-------|-------------------------------|---------------------------|--------------------------------|------------------|--------------------|
| 1 | APLAB LIMITED | L99999MH1964 PLC013018 | Holding Co. | 58.82 | 2(46) |

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % change during the year | |
|---|---|----------|-------|-------------------|---|----------|-------|-------------------|--------------------------|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | | |
| A. Promoters | | | | | | | | | | |
| (1) Indian | | | | | | | | | | |
| a) Individual/HUF | 0 | 35000 | 35000 | 41.18 | 0 | 35000 | 35000 | 41.18 | | 0 |
| b) Central Govt.or State Govt. | | | | | | | | | | |
| c) Bodies Corporates | 0 | 50000 | 50000 | 58.82 | 0 | 50000 | 50000 | 58.82 | | 0 |
| d) Bank/FI | | | | | | | | | | |
| e) Any other | | | | | | | | | | |
| SUB TOTAL:(A) (1) | 0 | 85000 | 85000 | 100 | 0 | 85000 | 85000 | 100 | | 0 |
| (2) Foreign | | | | | | | | | | |
| a) NRI- Individuals | | | | | | | | | | |
| b) Other Individuals | | | | | | | | | | |
| c) Bodies Corp. | | | | | | | | | | |
| d) Banks/FI | | | | | | | | | | |
| e) Any other... | | | | | | | | | | |
| SUB TOTAL (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Shareholding of Promoter (A)= (A)(1)+(A)(2) | 0 | 85000 | 85000 | 100 | 0 | 85000 | 85000 | 100 | 0 | |
| B. PUBLIC SHAREHOLDING | | | | | | | | | | |
| (1) Institutions | | | | | | | | | | |
| a) Mutual Funds | 0 | | | | | | | | | |
| b) Banks/FI | | | | | | | | | | |
| c) Cenrral govt | | | | | | | | | | |
| d) State Govt. | | | | | | | | | | |
| e) Venture Capital Fund | | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | | |
| g) FIIS | | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | | |
| i) Others (specify) | | | | | | | | | | |
| SUB TOTAL (B)(1): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (2) Non Institutions | | | | | | | | | | |
| a) Bodies corporates | | | | | | | | | | |
| i) Indian | | | | | | | | | | |
| ii) Overseas | | | | | | | | | | |
| b) Individuals | | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakhs | | | | | | | | | | |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | | | | | | | | | | |
| c) Others (specify) | | | | | | | | | | |
| NRI (Individuals) | | | | | | | | | | |
| NRI (Corporate Bodies) | | | | | | | | | | |
| Clearing Member | | | | | | | | | | |
| SUB TOTAL (B)(2): | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 | 0 |
| Total Public Shareholding (B)= (B)(1)+(B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | | |
| Grand Total (A+B+C) | 0 | 85000 | 85000 | 100 | 0 | 85000 | 85000 | 100 | 0 | 0 |

(ii) SHARE HOLDING OF PROMOTERS

| SI No. | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|-------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | NO of shares | % of total shares of the company | % of shares pledged encumbered to total shares | NO of shares | % of total shares of the company | % of shares pledged encumbered to total shares | |
| 1 | Aplab Limited | 50000 | 59.00 | | 50000 | 59.00 | | 59.00 |
| 2 | Amrita P. Deodhar | 35000 | 41.00 | 0.00 | 35000 | 41.00 | 0.00 | 41.00 |
| | Total | 85000 | 100.00 | 0.00 | 85000 | 100.00 | 0.00 | 100.00 |

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

| SI. No. | | Share holding at the beginning of the Year | | Cumulative Share holding during the year | |
|---------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | At the beginning of the year | NO CHANGE | NO CHANGE | NO CHANGE | NO CHANGE |
| | Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc) | NO CHANGE | NO CHANGE | NO CHANGE | NO CHANGE |
| | At the end of the year | NO CHANGE | NO CHANGE | NO CHANGE | NO CHANGE |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

| SI. No. | | Share holding at the beginning of the Year | | Cumulative Share holding during the year | |
|---------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | Shareholding at the end of the year | | | | |
| | At the beginning of the year | | | | |
| | Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc) | | | | |
| | At the end of the year (or on the date of separation, if separated during the year) | | | | |

(v) Shareholding of Directors & KMP

| SI. No. | | Share holding at the beginning of the Year | | Cumulative Share holding during the year | |
|---------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No of shares | % of total shares of the company |
| | For Each of the Directors & KMP | | | | |
| | At the beginning of the year | | | | |
| | Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc) | | | | |
| | At the end of the year | | | | |

V INDEBTEDNESS

| Indebtedness of the Company including interest outstanding/accrued but not due for payment | | | | |
|--|----------------------------------|-----------------|----------|--------------------|
| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtness at the beginning of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | | | | |
| Additions | | | | |
| Reduction | | | | |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

| Sl. No. | Particulars of Remuneration | Name of the MD/WTD/Manager | Total Amount |
|---------|--|----------------------------|--------------|
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. | | |
| | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 | | |
| | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | | |
| 2 | Stock option | | |
| 3 | Sweat Equity | | |
| 4 | Commission as % of profit | | |
| 5 | Others (specify) | | |
| | Others, please specify | | |
| | Total (A) | | |
| | Ceiling as per the Act | | |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of the Directors | Total Amount |
|---------|--|-----------------------|--------------|
| 1 | Independent Directors | | |
| | (a) Fee for attending board committee meetings | | |
| | (b) Commission | | |
| | (c) Others, please specify | | |
| | Total (1) | | |
| 2 | Other Non Executive Directors | | |
| | (a) Fee for attending board committee meetings | | |
| | (b) Commission | | |
| | (c) Others, please specify. | | |
| | Total (2) | | |
| | Total (B)=(1+2) | | |
| | Total Managerial Remuneration | | |
| | Overall Cieling as per the Act. | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | | Total |
|---------|---|--------------------------|---------|-----|-------|-------|
| | | CEO Secretary | Company | CFO | Total | |
| 1 | Gross Salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | | | | | |
| 2 | Stock Option | | | | | |
| 3 | Sweat Equity | | | | | |
| 4 | Commission as % of profit others, specify | | | | | |
| 5 | Others, please specify | | | | | |
| | Total | | | | | |

N.A.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority (RD/NCLT/Court) | Appeal made if any (give details) |
|---|------------------------------|-------------------|--|---------------------------|-----------------------------------|
| A. COMPANY Penalty Punishment Compounding | | | | | |
| B. DIRECTORS Penalty Punishment Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding | | | | | |

NIL

Independent Auditors' Report

To the Members of Spylogic Technologies Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Spylogic Technologies Limited ("the company") which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, 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

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 mis-statement.

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 financial control relevant to the Company's preparation of the financial statements that give 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 Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2015;
- 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 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, the 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies(Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India, 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
 Firm Regn No.: 120215W

Ashish Ashok Kane

Date: 23-5-2015

Place: Thane

Partner

Membership No. 104076

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in our report of even date on the accounts for the year ended 31st March 2015 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) 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 3 (ii) of the Companies (Auditor's Report) Order, 2015 are not applicable.
- 4) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 5) 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.
- 6) In our opinion and according to the information and explanations given to us, the provisions of Section 73 and 76 of the Companies Act, 2013 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.

- 7) The Central Government has not prescribed the maintenance of cost records under Section 148(1) (d) of the Companies Act, 2013, for any of the products of the Company.
- 8) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income tax, Sales tax, wealth tax, Service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no statutory dues that are outstanding for more than six months at the end of the year.
- 9) 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, wealth tax, customs duty, excise duty, cess, value added tax, service tax which have not been deposited with respective authorities.
- 10) The company is not required to transfer any amount to investor and protection fund in accordance with the relevant provisions of the Companies Act 1956 and rules made thereunder.
- 11) 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.
- 12) 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.
- 13) The Company has not given guarantee for loans taken by others from bank or financial institutions.
- 14) The company has not taken any term loans during the year and hence the question of whether it is applied for the purpose it was taken does not arise.
- 15) 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
 Firm Regn No.: 120215W

Ashish Ashok Kane

Date: 23-5-2015

Place: Thane

Partner

Membership No. 104076

Balance Sheet as at 31st March 2015

| (Amount in Rs.) | | | |
|--|----------------|---------------------|---------------------|
| | Note | As At 31-03-2015 | As At 31-03-2014 |
| Equity and Liability | | | |
| SHAREHOLDERS' Funds | | | |
| Share Capital | 1 | 8,50,000 | 8,50,000 |
| Reserves & Surplus | 2 | 1,14,03,402 | 92,15,772 |
| Non-current liabilities | | | |
| a) Deferred tax liabilities (net) | 3 | 8,18,535 | 11,17,657 |
| b) Other long-term liabilities (net) | 4 | 35,731 | 2,14,231 |
| c) Long-term provisions | 5 | 43,44,809 | 46,63,843 |
| Current liabilities | | | |
| a) Trade Payables | 6 | 18,62,101 | 15,86,587 |
| b) Other current liabilities | 7 | 14,16,950 | 11,71,163 |
| c) Short-term provisions | 8 | 7,68,415 | 7,93,280 |
| TOTAL - EQUITY AND LIABILITIES | | 2,14,99,943 | 1,96,12,533 |
| ASSETS | | | |
| Non-current assets | | | |
| a) Fixed Assets | | | |
| Tangible Assets | 9 | 37,21,561 | 50,09,440 |
| Intangible Assets | 10 | 18,14,255 | 5,22,647 |
| Intangible Assets under Development | 10 | 30,41,281 | 5,88,055 |
| b) Other Non Current assets | 11 | 41,64,888 | 42,27,413 |
| Current Assets | | | |
| a) Trade receivables | 12 | 64,99,408 | 62,88,082 |
| b) Cash and Bank Balance | 13 | 49,145 | 7,20,031 |
| c) Other current assets | 14 | 22,09,405 | 22,56,865 |
| TOTAL - ASSETS | | 2,14,99,943 | 1,96,12,533 |
| 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 |
| | Rajesh K. Deherkar DIN No. - 01866631 Director |
| Ashish Ashok Kane Partner | Kavin B. Valia DIN No. - 00538558 Director |
| Thane 23 rd May, 2015 | Thane 23 rd May, 2015 |

Statement of Profit & Loss for the year ended 31st March 2015

| (Amount in Rs.) | | | |
|---|------|--------------------|--------------------|
| | Note | 2014 - 2015 | 2013 - 2014 |
| Revenue from Operation (Gross) | 15 | 2,19,05,996 | 2,09,40,337 |
| Other Income | 16 | 14,62,091 | 97,950 |
| Total Revenue | | 2,33,68,087 | 2,10,38,287 |
| Expenses | | | |
| Employee Benefit Expenses | 17 | 1,39,33,900 | 1,26,07,834 |
| Finance Cost | 18 | 2,799 | 4,411 |
| Depreciation and Amortization Expenses | 19 | 24,57,088 | 14,41,165 |
| Other Expenses | 20 | 43,33,073 | 32,78,903 |
| Total Expenses | | 2,07,26,860 | 1,73,32,313 |
| PROFIT BEFORE TAX | | 26,41,227 | 37,05,974 |
| PROVISION FOR TAXATION | | | |
| Current Tax | | 7,52,720 | 7,63,483 |
| Fringe Benefit Tax | | | |
| Deferred Tax Liability / (Asset) | | (2,99,122) | 3,25,841 |
| PROFIT AFTER TAX | | 21,87,630 | 26,16,650 |
| Basic and diluted Earning per share (Rupees) | | 25.74 | 30.78 |

| | |
|---------------------------------|----------------|
| 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 |
| | Rajesh K. Deherkar DIN No. - 01866631 Director |
| Ashish Ashok Kane Partner | Kavin B. Valia DIN No. - 00538558 Director |
| Thane 23 rd May, 2015 | Thane 23 rd May, 2015 |

Notes to Financial Statements

(Amount in Rs.)

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 Accountants of India and relevant provisions of Companies Act, 2013.

Financial Statements are based on historical cost convention, on the basis of going concern and on accrual method of accounting, in accordance with provision of Companies Act, 2013 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, 2013, except for the items mentioned below. All the individual items costing Rs. 5,000/- or less have been fully written off.

Useful life of assets are in accordance with Schedule II to the Company Act, 2013 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 Financial Statements

(Amount in Rs.)

| | <u>As at 31-03-2015</u> | <u>As at 31-03-2014</u> | | |
|--|-------------------------------|-----------------------------|-------------------------------|-------------------------|
| 1. Share Capital | | | | |
| 10,00,000 (March 31, 2014: 10,00,000) Equity Shares of Rs. 10/- each | 1,00,00,000.00 | 1,00,00,000.00 | | |
| Issued: | | | | |
| 85,000 (March 31, 2014: 85,000) Equity Shares of Rs. 10/- each | | | | |
| Subscribed and Paid up | | | | |
| 85,000 (March 31, 2014: 85,000) Equity Shares of Rs. 10/- each | 8,50,000.00 | 8,50,000.00 | | |
| 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, 2014: 50000 shares) held by Aplab Limited, India the holding Company | 5,00,000.00 | 5,00,000.00 | | |
| c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company | | | | |
| | As at 31.03.2015 | As at 31.03.2015 | As at 31.03.2014 | As at 31.03.2014 |
| Name of Shareholder | No. of Shares held | % of Shares | No. of Shares held | % of Shares |
| Aplab Limited, India Holding Company | 50,000 | 59% | 50,000 | 59% |
| Mrs. Amrita P. Deodhar | 35,000 | 41% | 35,000 | 41% |
| 2. Reserves & Surplus | | | | |
| Surplus in Statement of Profit & Loss | | | | |
| Balance as at Beginning of the year | | | 92,15,772.00 | 65,99,122.00 |
| Profit / (Loss) for the year | | | 21,87,630.00 | 26,16,650.00 |
| Balance as at end of the year | | | 1,14,03,402.00 | 92,15,772.00 |
| 3. Deferred Tax Liabilities (Net) | | | | |
| Deferred Tax Liabilities | | | | |
| Depreciation | | | 9,13,411.00 | 11,89,931.00 |
| Deferred Tax Assets | | | | |
| Other timing differences | | | (94,876.00) | (72,274.00) |
| Total | | | 8,18,535.00 | 11,17,657.00 |
| Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws. | | | | |
| 4. Other long-term Liabilities | | | | |
| Advance from Customers | | | - | 1,80,000.00 |
| Audit Fees Payable | | | 35,731.00 | 34,231.00 |
| Total | | | 35,731.00 | 2,14,231.00 |
| 5. Long-term Provisions | | | | |
| Provision for Tax | | | 40,53,463.00 | 32,89,980.00 |
| Provision for employees Benefits | | | | |
| Gratuity Payable | | | - | 11,69,765.00 |
| Leave Encashment Payable | | | 2,91,346.00 | 2,04,098.00 |
| Total | | | 43,44,809.00 | 46,63,843.00 |

Notes to Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|--|-----------------------------|-----------------------------|
| 6. Trade Payables | | |
| Sundry Creditors | 18,62,101.00 | 15,86,587.00 |
| Total | 18,62,101.00 | 15,86,587.00 |
| 7. Other Current Liabilities | | |
| Duties & Taxes | 99,235.00 | 1,03,173.00 |
| Audit Fees Payable | 65,731.00 | 65,731.00 |
| Employees Benefits Payable | 11,04,574.00 | 9,23,192.00 |
| Statutory dues including Provident Fund and Tax Deducted at source | 1,18,347.00 | 79,068.00 |
| Other Current Liabilities | 29,063.00 | |
| Sub-total-Current liabilities | 14,16,950.00 | 11,71,163.00 |
| 8. Short Term Provisions | | |
| Provision for Employee Benefits | | 29,797.00 |
| Provision for Leave Encashment | 15,695.00 | |
| Provision for Tax | 7,52,720.00 | 7,63,483.00 |
| Total | 7,68,415.00 | 7,93,280.00 |

9. TANGIBLE ASSETS

| | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|----------------------------|---------------------|--------------------|--------------------------|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | As on 01.04.2014 | Additions | Deletions /Impairment | Gross Block As on 31.03.2015 | Up to 01.04.2014 | For the Period | Written Back | Up to 31.03.2015 | As on 31.03.2015 | As on 31.03.2014 |
| Production | | | | | | | | | | |
| Plant and Machinery | 56,08,436.00 | 18,000.00 | 6,48,558 | 49,77,878.00 | 10,77,225.00 | 13,21,491.00 | 648,558 | 17,50,158.00 | 32,27,720.00 | 45,31,211.00 |
| E. D. P. Systems/Computers | 23,78,435.00 | 3,06,342.00 | 17,08,720 | 9,76,057.00 | 19,18,460.00 | 287,963.00 | 1,708,720 | 4,97,703.00 | 4,78,354.00 | 4,59,975.00 |
| Furniture and Fixture | 38,727.00 | - | - | 38,727.00 | 20,473.00 | 2,767.00 | - | 23,240.00 | 15,487.00 | 18,254.00 |
| Total | 80,25,598.00 | 3,24,342.00 | 23,57,279.00 | 59,92,662.00 | 30,16,158.00 | 16,12,221.00 | 23,57,279.00 | 22,71,101.00 | 37,21,561.00 | 50,09,440.00 |
| March 31, 2014 | 75,71,281.00 | 4,54,317.00 | - | 80,25,598.00 | 20,22,038.00 | 9,94,120.00 | - | 30,16,158.00 | 50,09,440.00 | 55,49,243.00 |

10. INTANGIBLE ASSETS

| | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|-----------------------|----------------------|---------------------|-----------|-----------------------|----------------------|--------------------|-----------------|-----------------------|---------------------|---------------------|
| | As on 01.04.2014 | Additions | Deletions | As on 31.03.2015 | Up to 01.04.2014 | For the Period | Written Back | Up to 31.03.2015 | As on 31.03.2015 | As on 31.03.2014 |
| Owned Products | | | | | | | | | | |
| Owned Products | 119,93,997.00 | 21,36,474.00 | - | 1,41,30,471.00 | 114,71,350.00 | 8,44,867.00 | - | 1,23,16,216.00 | 18,14,255.00 | 5,22,647.00 |
| Total | 119,93,997.00 | 21,36,474.00 | - | 1,41,30,471.00 | 114,71,350.00 | 8,44,867.00 | - | 1,23,16,216.00 | 18,14,255.00 | 5,22,647.00 |
| March 31, 2014 | 116,85,064.00 | 3,08,933.00 | - | 1,19,93,997.00 | 110,24,304.00 | 4,47,046.00 | - | 1,14,71,350.00 | 5,22,647.00 | 6,60,760.00 |

10. INTANGIBLE ASSETS UNDER DEVELOPMENT

| | As on 01.04.2014 | Additions | *Deletions | As on 31.03.2015 | Up to 01.04.2014 | For the Period | Written Back | Up to 31.03.2015 | As on 31.03.2015 | As on 31.03.2014 |
|----------------|--|---------------------|--------------------|---------------------|---------------------|-------------------|-----------------|---------------------|---------------------|---------------------|
| | INTANGIBLE ASSETS UNDER DEVELOPMENT | 5,88,055.00 | 27,78,290.00 | 3,25,064.00 | 30,41,281.00 | - | - | - | - | 30,41,281.00 |
| Total | 5,88,055.00 | 27,78,290.00 | 3,25,064.00 | 30,41,281.00 | - | - | - | - | 30,41,281.00 | 5,88,055.00 |
| March 31, 2014 | 7,24,089.00 | 3,55,771.00 | 4,91,805.00 | 5,88,055.00 | - | - | - | - | 5,88,055.00 | 7,24,089.00 |

11. Other Non Current Asset

Advance Income Tax

| | | |
|--------------|---------------------|--------------|
| Total | 41,64,888.00 | 42,27,414.00 |
| | 41,64,888.00 | 42,27,414.00 |

Notes to Financial Statements

(Amount in Rs.)

| | <u>As at 31-03-2015</u> | <u>As at 31-03-2014</u> |
|--|-----------------------------|-----------------------------|
| Current Assets | | |
| 12. Trade Receivables | | |
| Unsecured, considered good | | |
| Outstanding for a period of exceeding 6 months from the date they are due for payment | 4,56,078.00 | 4,09,541.00 |
| Others | 60,43,330.00 | 58,78,541.00 |
| Total | <u>64,99,408.00</u> | <u>62,88,082.00</u> |
| 13. Cash and Bank Balance | | |
| Cash and cash equivalents | | |
| Cash on hand | 2,097.00 | 1,658.00 |
| Bank Balance | | |
| In current accounts | 35,541.00 | 6,73,300.00 |
| In EEFC account | - | 34,012.00 |
| In saving account | 11,508.00 | 11,062.00 |
| Total | <u>49,145.00</u> | <u>7,20,031.00</u> |
| 14. Other Current Assets | | |
| TDS receivables | 22,05,897.00 | 22,56,865.00 |
| Advance Paid to Gratuity Fund | 3,508.00 | - |
| Total | <u>22,09,405.00</u> | <u>22,56,865.00</u> |
| | <u>2014-2015</u> | <u>2013-2014</u> |
| 15. Revenue | | |
| Sale of Service | 2,19,05,996.00 | 2,09,40,337.00 |
| Total | <u>2,19,05,996.00</u> | <u>2,09,40,337.00</u> |
| 16. Other Income | | |
| Excess Gratuity Provision written back | 11,69,765.00 | - |
| Advance from Debtors forfeited | 1,80,000.00 | - |
| Misc. Income | 1,12,326.00 | 89,688.00 |
| Foreign Exchange Fluctuation Gain | - | 8,262.00 |
| Total | <u>14,62,091.00</u> | <u>97,950.00</u> |
| 17. Employee Benefit Expenses | | |
| Salaries, Wages & Bonus | 1,32,17,454.00 | 1,20,03,984.00 |
| Contribution to Provident & Other Funds | 5,23,123.00 | 4,35,631.00 |
| Gratuity | 1,13,077.00 | 48,062.00 |
| Staff Welfare Expenses | - | 41,160.00 |
| Contribution to E S I C | 80,246.00 | 78,997.00 |
| Total | <u>1,39,33,900.00</u> | <u>1,26,07,834.00</u> |
| 18. Finance Cost | | |
| Bank Charges | 2,799.00 | 4,411.00 |
| Total | <u>2,799.00</u> | <u>4,411.00</u> |
| 19. Depreciation and Amortization Expenses | | |
| Depreciation on Tangible Assets | 16,12,221.00 | 9,94,120.00 |
| Amortization on Intangible Assets | 8,44,867.00 | 4,47,046.00 |
| Total | <u>24,57,088.00</u> | <u>14,41,165.00</u> |

Notes to Financial Statements

(Amount in Rs.)

| | 2014-2015 | 2013-2014 |
|------------------------------|---------------------|--------------|
| 20. Other Expenses | | |
| Rent for Office Premises | 14,28,000.00 | 14,28,000.00 |
| Printing and Stationary | 18,526.00 | 36,507.00 |
| Postage & Telephone | 91,028.00 | 61,364.00 |
| Travelling | 2,13,702.00 | 94,523.00 |
| Legal & Professional Charges | 13,68,715.00 | 8,07,321.00 |
| Payment to Auditors | | |
| - For Audit | 61,798.00 | 61,798.00 |
| - For Tax Audit | 11,236.00 | 11,236.00 |
| Office Maintenance Charges | 36,107.00 | 19,587.00 |
| Repairs and Maintenance | 6,76,385.00 | 46,835.00 |
| Consumables | 1,05,693.00 | 44,367.00 |
| Food Expenses | 34,325.00 | 44,792.00 |
| Foreign Bank Charges | 2,024.00 | 0 |
| Internet Exp | 2,85,534.00 | 2,88,950.00 |
| Sundry Debtors Written off | - | 3,372.00 |
| WIP Written off | - | 3,30,251.00 |
| | 43,33,073.00 | 32,78,903.00 |

21. Additional Notes:

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 | 18,62,101 | 15,86,587 |
| ii | The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | Nil | Nil |
| iii | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006 | Nil | Nil |
| iv | The amount of interest accrued and remaining unpaid at the end of each accounting year | Nil | Nil |
| V | The amount of further interest remaining due and payable even in succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprises Development Act, 2006 | Nil | Nil |

Notes to Financial Statements

(Amount in Rs.)

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.

| Particulars | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|--|--|--|--|
| | 31/03/2015 Rs. | 31/03/2014 Rs. | 31/03/2015 Rs. | 31/03/2014 Rs. |
| The major categories of plan assets as a percentage of total plan | * | * | N/A | N/A |
| Qualifying Insurance Policy No | 713000165 | 713000165 | - | - |
| Changes in the present value of the Obligation | | | | |
| 1 Opening Present Value of obligation | 4,23,118 | 3,69,229 | 2,33,895 | 3,45,046 |
| 2 Interest Cost | 37,756 | 27,392 | 20,639 | 24,986 |
| 3 Current Service Cost | 1,08,027 | 99,263 | 44,414 | 40,709 |
| 4 Past Service Cost | - | - | - | - |
| 5 Benefits Paid | - | -53,654 | (1,07,336) | (1,40,948) |
| 6 Actuarial (gain) / loss on Obligation | 1,20,998 | -19,112 | 1,15,429 | (35,899) |
| 7 Closing Present Value of obligation | 6,89,898 | 4,23,118 | 3,07,041 | 2,33,895 |
| Changes in the Fair Value of Assets | | | | |
| 1 Opening Fair value of plan Assets | 5,48,668 | 5,12,712 | - | - |
| 2 Expected Return on Plan assets | 53,024 | 45,892 | - | - |
| 3 Contributions | 94,806 | 48,062 | - | - |
| 4 Benefits Paid | 0 | -53,654 | - | - |
| 5 Actuarial Gain/(Loss) | -3091 | -4345 | - | - |
| 6 Closing Fair value of plan Assets | 6,93,407 | 5,48,668 | Not applicable as unfunded | Not applicable as unfunded |
| Profit & Loss – Expenses | | | | |
| 1 Current Service Cost | 1,08,027 | 99,263 | 44,414 | 40,709 |
| 2 Interest Cost | 37,756 | 27,392 | 20,639 | 24,986 |
| 3 Expected Return on Plan assets | -53,024 | -45,892 | - | - |
| 4 Net Actuarial (gain) loss recognized in the year | 1,24,089 | -14,767 | 1,15,429 | (35,899) |
| 5 Past Service Cost | - | - | - | - |
| 6 Expenses Recognized in the Profit & Loss Account | 2,16,846 | 65,996 | 1,80,482 | 29,797 |
| Actuarial Assumptions | | | | |
| 1 Discount Rate | 7.70 | 9.1% | 7.70% | 9.10% |
| 2 Expected Rate of Return on Plan Assets | 8% | 9% | N. A. | N.A |
| 3 Expected Rate of Salary Increase | 6% | 6% | 6.00% | 6.00% |
| 4 Attrition Rate | N. A. | N.A. | N. A. | N.A. |
| 5 Mortality Post-retirement | Indian Assured Lives Mortality (2006-08) |

- Information to the extent made available by Actuary.
- Negative Amounts are shown in Bracket.
- Till last year the company obtained Actuarial Valuation Certificate for Gratuity benefits from LIC of India. However in the current year, the company obtained Actuarial Valuation Certificate from new actuary. Hence some previous year's figures have undergone minor change based on the certificate given by the new actuary.

Notes to Financial Statements

(Amount in Rs.)

 iii) **Actuarial assumptions for Gratuity of Past 5 years:**

| Sr. No. | Particulars | 31/03/2015 | 31/03/2014 | 31/03/2013 | 31/03/2012 | 31/03/2011 |
|---------|---|------------|------------|------------|------------|------------|
| 1. | Discount rate (p.a.) | 7.70% | 8% | 8% | 8% | 8% |
| 2. | Expected rate of return on Asset (p.a.) | 8% | 9% | | | |
| 3. | Expected Rate of Salary Increase* | 6% | 6% | 5% | 5% | 5% |

 iv) **Defined Benefit Plan for 5 years:**
Net Asset/ (Liability) as per actuary

(Amount in Rs.)

| Sr. No. | Particulars | 31/03/2015 | 31/03/2014 | 31/03/2013 | 31/03/2012 | 31/03/2011 |
|---|--|-------------------|------------|------------|------------|------------|
| 1. | Present value of obligation as at the close of the year. | 6,89,898 | 4,23,118 | 3,69,229 | 4,40,504 | 4,41,541 |
| 2. | Fair value of plan asset as at the close of the year. | 6,93,407 | 5,48,668 | 5,12,712 | 4,87,623 | 9,59,219 |
| 3. | Asset/(Liability) recognized in the Balance Sheet | 3,508 | 1,25,549 | 1,43,483 | - | - |
| Change in Defined Benefit Obligation during the year ended | | | | | | |
| | Actuarial Gain/(Loss) | (1,20,998) | 19,112 | - | - | - |
| Change in the fair value of Plan Asset | | | | | | |
| | Actuarial Gain/(Loss) | (3,091) | (4,345) | 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. Rakesh J. Gajjar – Technical 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 Financial Statements

(Amount in Rs.)

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

| Nature of Transaction | Holding company | Deodhar Electro Design Ltd. |
|--------------------------------------|------------------------------|-----------------------------|
| Sale & services of Software | 1,91,20,133 (1,52,40,457) | 94,744 (3,29,485) |
| Purchase of Asset | - (2,89,847) | - |
| Rent paid | 16,04,508 (16,04,508) | - |
| Consumable Purchases | 12,656 (00) | - |
| Advance to Supplier (Aplab) | 59,35,161 (55,11,187) | - |
| Rent Payable | 7,30,854 (14,61,708) | - |
| Payable against Consumable Purchases | 12,656 (00) | - |
| Receivable against Services | - | 5,51,887 (7,06,078) |

6. Earnings Per share (Accounting Standard - AS 20)

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

| | 2014-15 | 2013-14 |
|--|------------------|-----------|
| Net Profit / (Loss) after tax as per Profit and Loss Account available for Equity Share Holder | 21,87,630 | 26,16,650 |
| Number of shares for Basic EPS | 85,000 | 85,000 |
| Earning per share Basic and Diluted | Rs. 25.74 | Rs. 30.78 |

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

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

| Particulars | 2014-15 | 2013-14 |
|--|-----------------|-----------|
| - Depreciation | 9,13,411 | 11,89,931 |
| - Expenditure / Provisions not allowable | 94,876 | 72,274 |

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

| Particulars | Opening as on 01.04.2014 | Provision made during the year | Provision reversed / adjusted | Closing as on 31.03.2015 |
|---------------|--------------------------|--------------------------------|-------------------------------|--------------------------|
| Taxation | | | | |
| -- Income Tax | 39,61,692 | 7,52,720 | Nil | 47,14,412 |
| -- 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
 Thane : 23rd May, 2015

For and on behalf of the Board

 Rajesh K. Deherkar
 Director
 DIN No. - 01866631

 Kavin B. Valia
 Director
 Thane : 23rd May, 2015
 DIN No. - 00538558

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | 2014-2015 | 2013-2014 |
|---|--------------------|-------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax and extra ordinary items | 26,41,227 | 3,705,974 |
| Adjustments For : | | |
| Depreciation | 16,12,221 | 9,94,120 |
| Amortization of Product Cost | 8,44,867 | 4,47,046 |
| Operating Profit before working capital changes | 50,98,315 | 51,47,139 |
| Adjustments For : | | |
| (Decrease) / Increase in Working Capital | (8,55,159) | (39,48,213) |
| | <u>42,43,156</u> | <u>11,98,926</u> |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase / Development of Fixed Assets | (49,14,042) | (6,27,216) |
| Sale of Fixed Assets/ Transfer to P & L | - | - |
| Issue of Equity Share Capital | - | - |
| Net Cash used in Investing Activities | <u>(49,14,042)</u> | <u>(6,27,216)</u> |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net Increase / (Decrease) in Borrowings | - | - |
| Interest received | - | - |
| Dividend Received | - | - |
| Provisions written back | - | - |
| Preliminary and Preoperative Expenses | - | - |
| Net Cash from Financial Activities | <u>-</u> | <u>-</u> |
| Net Increase / (Decrease) Increase in Cash and Cash Equivalent(A+B+C) | <u>(6,70,885)</u> | <u>5,71,711</u> |
| Opening Balance of Cash and Cash Equivalent | 7,20,031 | 1,48,321 |
| Closing Balance of Cash and Cash Equivalent | 49,145 | 7,20,031 |
| Net Increase / (Decrease) | <u>(6,70,885)</u> | <u>5,71,711</u> |

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

Ashish Ashok Kane
Partner
Thane : 23rd May, 2015

For and on behalf of the Board

Rajesh K. Deherkar DIN No. - 01866631
Director

Kavin B. Valia DIN No. - 00538558
Director
Thane : 23rd May, 2015

Independent Auditors' Report to the Members of Aplab Ltd.**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of APLAB LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. 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 the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated Loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

- a. The Holding Company has incurred substantial cash loss during this year. The Holding Company has accumulated losses and its net worth has been substantially eroded. During the year, Holding Company could not repay some of the borrowings or honor LCs on its due dates. The overall debt burden of the Holding Company has gone up during the year. These events indicate uncertainty that may cast doubt on the Holding Company's ability to continue as a going concern considering operational inflows. The Holding Company has plans to sell some of its assets to reduce debt burden and improve its financial position.
- b. The Inventory of the Holding Company includes Rs. 1216 lacs which is non-moving over 3 years and may include some obsolescence. The Company claims that there is no obsolescence in electronics industry and therefore valued inventory at Cost.
- c. The Receivables of Rs. 341 lacs which are overdue over one year need to be reconciled and confirmed. Some of these may have become doubtful or bad; however, the

Holding Company has not made adequate provision in the financial statements.

- d. The Holding Company has not tested & computed Impairment of Assets as per AS 28 considering substantial cash loss during the year.

Other Matters

We did not audit the financial statements of subsidiary Sprylogic Technologies Ltd. whose financial statements reflect total assets of Rs. 206.81 lacs as at 31st March, 2015, total revenues of Rs. 233.68 lacs and net cash flows amounting to Rs. 6.71 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditors. The other matters regarding the Group are:

- a. The Group has unfunded Gratuity Policy of Rs. 1074 lacs on the Balance Sheet date.
 b. The Group also has unpaid liability of Matured Public deposits of Rs. 23 lacs and Settlements of separated employees of Rs. 241 lacs.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the

consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group has not provided the impact of pending litigations in its financial statements. The total value of such litigation has been given in para vii(b) of the Annexure to this report ;
 - ii) The Group did not have any long-term contracts including derivative contracts in which there were any material foreseeable losses;
 - iii) There has been a delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

Atul Shahade
Partner
M. No. 35227

Place: Mumbai,
Date: 23rd May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the Consolidated Financial Statements of Aplab Limited (Holding Company) for the year ended on 31st March 2015.)

Our reporting on the CARO 2015 includes one subsidiary company incorporated in India, to which CARO 2015 is applicable, which have been audited by other auditors and our report in respect of this entity is based solely on the report of the other auditors, to the extent considered applicable for reporting under CARO 2015 in the case of the consolidated financial statements.

- i. (a) The Holding Company and its subsidiary have maintained reasonable records showing particulars including quantitative details and situation of fixed assets.
 (b) Physical verification of items of the fixed assets 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.

- 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 regional offices.
 - (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 Group and the nature of its business. However, such procedures require improvement for Inventory at Regions and Branch offices.
 - (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 Holding Company and its subsidiary are maintaining proper records of inventory at all manufacturing locations. However, there is need to improve & strengthen inventory recordkeeping at all regions and branches. 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. According to the information and explanations given to us, the Holding Company and its subsidiary have not granted any loan to the parties listed in the Register maintained under Section 189 of the Companies Act, 2013. Consequently, the requirements of Clause (a) and (b) are not applicable.
 - iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size and nature of its business with regard to the purchase of inventory and fixed assets, and with regard to the sale of goods. However, improvement is required in internal control procedures in the areas of Inventory & Service Income at the regional offices. 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 except the above.
 - v. In our opinion and according to the information and explanations given to us, the Company has not fully complied with the directives issued by the Reserve Bank of India, the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public. The Holding Company has not repaid on due dates matured Public deposits worth Rs. 23 lacs, which are outstanding on report date, as these were not claimed.
 - vi. We have broadly reviewed the cost records maintained by

the Holding Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central government u/s 148 (1) of the Companies Act, 2013 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.

- vii. (a) According to the records of the Holding Company and its subsidiary and information and explanations given to us, it has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Wealth tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, 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, 2015 for a period of more than six months since they became payable. It has not transferred amount of Rs. 1.59 lacs to Investor Education and Protection Fund as on balance sheet date.
- (b) As at the year-end, according to the records 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 | 10.76 | 1999-00 | Appeal Pending With CESTAT |
| Excise Duty | 5.35 | 2007-08 | Appeal Pending With CESTAT |
| Excise Duty | 1.50 | 2008-09 | Appeal Pending With CESTAT |
| Excise Duty | 1.81 | 2009-10 | Appeal Pending With CESTAT |
| Excise Duty | 6.60 | 2012-13 | Appeal Pending with Commissioner of Central Excise (Appeals) CBD Belapur |
| Excise Duty | 3.53 | 2013-14 | Appeal Pending with Asst. Commissioner of Central Excise (Appeals) |
| Excise Duty | 3.81 | 2014-15 | Appeal Pending With CESTAT |
| Sales Tax | 6.11 | 2002-03 | Dy. Commissioner Appeals, New Delhi. |
| Sales Tax | 2.10 | 2003-04 | Dy. Commissioner Appeals, New Delhi. |
| Sales Tax | 2.18 | 2004-05 | Joint Commissioner Appeals, New Delhi. |
| Sales Tax | 3.48 | 2004-05 | Joint Commissioner Appeals, New Delhi. |
| 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 | 1.09 | 2007-08 | Additional Commissioner Grade II, Appeal III, Commercial Taxes (Lucknow) |
| Income Tax | 7.28 | 2004-05 | Additional Commissioner Grade II, Appeal filed with Tribunal Mumbai |
| Income Tax | 125.40 | 2009-10 | Additional Commissioner Circle 1, Thane |
| Income Tax | 682.31 | 2010-11 | Commissioner of IT Range 1 |
| Income Tax | 124.02 | 2011-12 | CIT II Thane |
| Total | 989.86 | | |

- viii. The Holding Company and its subsidiary have accumulated losses at the end of the year which is more than fifty percent of its net worth. It has incurred a Cash Loss during the current financial year, however, the Holding Company and its subsidiary has not incurred a Cash Loss in the immediately preceding financial year.
- ix. 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 and such overdue amount is Rs. 142 lacs as on 31st March, 2015 for two term loans for a period of one month.

- x. According to the information and explanations given to us, the Holding Company and its subsidiary have not given any guarantee for loans taken by others from a bank.
- xi. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Holding Company and its subsidiary were, prima facie, applied for the purposes for which the loans were obtained. However, complete utilization of Term Loan availed could not be fully ascertained.

- xii. Based on information and the explanations furnished by the management, which have been relied upon by us, there were no frauds noticed or reported during the year, save for one instance of Rs. 8.20 lacs, a forged cheque withdrawal.

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

Place: Mumbai,
Date: 23rd May, 2015

Atul Shahade
Partner
M. No. 35227

Consolidated Balance Sheet as at 31st March, 2015

(Amount in Rs.)

| Particulars | Note | As at | |
|--|------|----------------------|----------------------|
| | | 31-03-2015 | 31-03-2014 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| a) Share Capital | 1 | 50,000,000 | 50,000,000 |
| b) Reserves and Surplus | 2 | 76,910,136 | 223,823,333 |
| Total | | 126,910,136 | 273,823,333 |
| Minority Interest * | | | |
| | | 5,025,395 | 4,128,467 |
| Non-Current Liabilities | | | |
| a) Long-Term Borrowings | 3 | 73,781,115 | 127,511,693 |
| b) Other Long-Term Liabilities (net) | 5 | 78,652,764 | 17,150,545 |
| c) Long-Term Provisions | 6 | 113,144,235 | 97,417,569 |
| d) Deferred Tax Liabilities (net) | 4 | - | - |
| Total | | 265,578,114 | 242,079,807 |
| Current liabilities | | | |
| a) Short-Term Borrowings | 7 | 623,109,928 | 590,058,246 |
| b) Trade Payables | 8 | 121,508,035 | 237,111,814 |
| c) Other Current Liabilities | 9 | 122,813,260 | 146,220,953 |
| d) Short-Term Provisions | 10 | 18,576,246 | 18,601,111 |
| Total | | 886,007,469 | 991,992,124 |
| TOTAL - EQUITY AND LIABILITIES | | 1,283,521,114 | 1,512,023,731 |
| ASSETS | | | |
| Non-Current Assets | | | |
| a) Fixed Assets | | | |
| Tangible Assets | 11 | 553,885,080 | 581,844,456 |
| Intangible Assets | | 2,008,227 | 522,647 |
| Intangible Assets under Development | | 3,041,281 | 588,055 |
| b) Non-Current Investments | 12 | 236,150 | 22,119,150 |
| c) Other Non-Current Assets | 13 | 210,524,496 | 232,565,366 |
| Deferred Tax Assets (net) | 4 | 382,521 | 83,399 |
| Total | | 770,077,755 | 837,723,073 |
| Current Assets | | | |
| a) Inventories | 14 | 333,431,077 | 358,934,945 |
| b) Trade Receivables | 15 | 177,648,716 | 273,812,627 |
| c) Cash and Cash Equivalents | 16 | (22,604,531) | 4,330,858 |
| d) Short-Term Loans and Advances | 17 | 24,968,097 | 37,222,228 |
| Total | | 513,443,359 | 674,300,658 |
| TOTAL - ASSETS | | 1,283,521,114 | 1,512,023,731 |

Notes on Financial Statements 1 to 26
Significant Accounting Policies 27

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

Atul Shahade
Partner
Mumbai, 23rd May, 2015
M.No.35227

Rajesh K Deherkar
Company Secretary &
Finance Controller
Thane 23rd May, 2015

For and on behalf of the Board

P. S. Deodhar
Managing Director
DIN : 00393117

A.G.Joshi
Director
DIN : 00019927
Thane 23rd May, 2015

Statement of Consolidated Profit and Loss for the year ended 31st March, 2015

(Amount in Rs.)

| Particulars | Note | 2014-2015 | | 2013-2014 |
|--|------|----------------------|--------------------|--------------------|
| | | 2014-2015 | 2013-2014 | 2013-2014 |
| INCOME | | | | |
| Revenue from Operations | 18 | 745,723,407 | 955,296,856 | 955,296,856 |
| Other Income | 19 | 7,148,872 | 9,013,176 | 9,013,176 |
| Total Revenue | | 752,872,279 | 964,310,032 | 964,310,032 |
| Expenditure | | | | |
| Materials Consumed | 20 | 412,393,197 | 476,526,696 | 476,526,696 |
| Changes in Inventories | 21 | 14,764,393 | (39,869,378) | (39,869,378) |
| Employee Benefit Expenses | 22 | 204,404,207 | 233,457,366 | 233,457,366 |
| Manufacturing Expenses | 23 | 53,382,942 | 54,901,019 | 54,901,019 |
| Finance Costs | 24 | 106,260,414 | 102,227,292 | 102,227,292 |
| Other Expenses | 25 | 83,240,580 | 98,251,433 | 98,251,433 |
| Depreciation & Amortization expenses | 11 | 20,102,133 | 29,289,166 | 29,289,166 |
| Less : Transferred to Revaluation Reserve | | 36,000 | 36,001 | 36,001 |
| | | 20,066,133 | 29,253,165 | 29,253,165 |
| | | 894,511,866 | 954,747,593 | 954,747,593 |
| Profit/ (Loss) before Exceptional Items and Taxes | | (141,639,586) | 9,562,439 | 9,562,439 |
| Profit Before Tax | | (141,639,586) | 9,562,439 | 9,562,439 |
| PROVISION FOR TAXATION | | | | |
| Tax Expenses | | | | |
| Current Tax | | 752,720 | 763,483 | 763,483 |
| Deferred Tax | | (299,122) | 325,841 | 325,841 |
| Prior year Tax adjustment | | - | - | - |
| Profit (Loss) for the year | | (142,093,184) | 8,473,115 | 8,473,115 |
| Profit / (Loss) for the year | | (142,093,184) | 8,473,115 | 8,473,115 |
| Earnings per equity share (Face value of Rs.10/- each) | | | | |
| Basic | | (28.42) | 1.69 | 1.69 |
| Diluted | | (28.42) | 1.69 | 1.69 |

Notes on Financial Statements 1 to 26
Significant Accounting Policies 27

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

Atul Shahade
Partner
Mumbai, 23rd May, 2015
M.No.35227

Rajesh K Deherkar
Company Secretary &
Finance Controller
Thane 23rd May, 2015

For and on behalf of the Board

P. S. Deodhar
Managing Director
DIN : 00393117

A.G.Joshi
Director
DIN : 00019927
Thane 23rd May, 2015

Notes to Consolidated Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|--|-----------------------------|-----------------------------|
| NOTE 1: | | |
| SHARE CAPITAL | | |
| Authorised | | |
| 100,00,000 Equity Shares of Rs,10 each | 100,000,000 | 100,000,000 |
| Issued: | | |
| 50,00,000 Equity Shares of Rs,10 each | 50,000,000 | 50,000,000 |
| Subscribed and Paid up: | | |
| 50,00,000 Equity Shares of Rs,10 each | 50,000,000 | 50,000,000 |
| Total | 50,000,000 | 50,000,000 |

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.

| Name of Shareholder | As at 31-03-2015 No of shares held | As at 31-03-2015 % of shares | As at 31-03-2014 No of shares held | As at 31-03-2014 % of shares |
|------------------------------------|--|------------------------------------|--|------------------------------------|
| Prabhakar Shankar Deodhar | 560,652 | 11.21 | 560,652 | 11.21 |
| Amrita Prabhakar Deodhar | 368,314 | 7.37 | 368,314 | 7.37 |
| Zee Entertainment Enterprises Ltd. | 1,321,200 | 26.42 | 1,321,200 | 26.42 |
| Balram Bharwani | 382,200 | 7.64 | 292,161 | 5.84 |

NOTE 2:
RESERVES AND SURPLUS

| | | |
|---|----------------------|--------------|
| 1 Capital Reserve | | |
| Balance as per last Balance Sheet | 34,286,749 | 34,286,749 |
| Addition during the year | - | - |
| | 34,286,749 | 34,286,749 |
| 2 Securities Premium Reserve | | |
| Balance as per last Balance Sheet | 129,181,200 | 129,181,200 |
| 3 Revaluation Reserve | | |
| Opening Balance | 288,011 | 324,012 |
| Less : Amount transferred to Profit and Loss Account | 36,000 | 36,001 |
| | 252,011 | 288,011 |
| 4 General Reserve | | |
| Balance as per last Balance Sheet | 12,76,30,982 | 127,630,982 |
| | 29,13,50,942 | 291,386,942 |
| 5 Surplus/Deficit as per Profit and Loss Account | | |
| Opening Balance | (63,788,738) | (72,261,852) |
| Add : Profit / (Loss) for the year | (142,093,184) | 8,476,710 |
| Add : Depreciation adjustment for prior years as per sch II | (3,883,489) | - |
| Minority Interest | (4,675,395) | (3,778,467) |
| Balance as at end of the year | (214,440,806) | (67,563,609) |
| Total | 7,69,10,136 | 223,823,333 |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|-----------------------------|---------------------|---------------------|
| NOTE 3: | | |
| LONG TERM BORROWINGS | | |
| 1. Secured | | |
| Term Loan: | | |
| From Banks | 47,885,192 | 78,937,737 |
| From NBFC's | 213,924 | 613,957 |
| | 48,099,115 | 79,551,693 |
| 2 Unsecured | | |
| Fixed Deposits | 25,682,000 | 47,960,000 |
| | 25,682,000 | 47,960,000 |
| Total | 73,781,115 | 127,511,693 |

Term Loan

Term Loan I
Bank of Maharashtra

- 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 14.25% 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.
c) Interest to be paid as & when applied.
d) Rate of Interest at present 14.25% p.a.

Overdue installments and interest thereon outstanding for all the Term Loans is Rs.1,62,03,202/-

Term Loans from ICICI Bank
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 :

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 Consolidated Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|---|---------------------|---------------------|
| Unsecured | | |
| Fixed Deposits | 25,682,000.00 | 47,960,000 |
| 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. | | |
| NOTE 4: | | |
| Deferred Tax (Asset) Liabilities (Net) | | |
| Balance as per last Balance Sheet | (382,521) | (83,399) |
| 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) | | |
| Total | (382,521) | (83,399) |
| NOTE 5: | | |
| Other Long Term Liabilities | | |
| Interest Accrued but not due on Fixed Deposits | 3,895,538 | 3,274,075 |
| Trade Payables | 74,757,226 | 13,696,470 |
| Advance from Customer | - | 180,000 |
| Total | 78,652,764 | 17,150,545 |
| NOTE 6: | | |
| Long Term Provisions | | |
| Provision for Employee Benefits | | |
| Provision for Leave Encashment | 8,750,803 | 7,193,122 |
| Provision for Gratuity | 94,639,969 | 78,934,467 |
| Provision for Tax | 4,053,463 | 3,289,980 |
| Provision for Warranties | 5,700,000 | 8,000,000 |
| Total | 113,144,235 | 97,417,569 |
| NOTE 7: | | |
| Short Term Borrowings | | |
| Secured | | |
| Working Capital Loans repayable on Demand from banks | 264,690,464 | 285,179,394 |
| Local Bills Discounting | 114,137,079 | 109,875,852 |
| BOM - Short Term Loan | 51,651,930 | 50,000,000 |
| Loan from Others | - | 2,500,000 |
| Total | 430,479,473 | 447,555,246 |
| 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. Rate of Interest Rs.14.60% p.a. as per sanction letter | 264,690,464 | 285,179,394 |
| 2. Bill Discounting Secured by Bills Discounted with Corporation Bank Rate of Interest Rs.14.60% p.a. as per sanction letter | 114,137,079 | 109,875,852 |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|---|---------------------------|---------------------------|
| 3. Bank of Maharashtra | 51,651,930 | 50,000,000 |
| a) Secured by mortgage of Land and Building, at Bhosari Pune on plot no.EL-15 | | |
| b) Payable in four installments as follows: | | |
| on 31 st March 2015 - Rs.12700000/- | | |
| on 30 th April 2015 - Rs.12700000/- | | |
| on 31 st May,2015 - Rs.12700000/- | | |
| on 30 th June,2015 - Rs.12700000/- | | |
| c) Rate of Interest -14.25% p.a. | | |
| d) Inter Corporate Deposits from R.B. Financial Services Pvt. Ltd. @ 16.75% p.a. and brokerage 2.25% p.a. | - | 2,500,000 |
| Unsecured | | |
| Fixed Deposits (Repayable within one year) | 22,093,000 | 20,453,000 |
| Other Loans: | | |
| From Directors | 170,537,455 | 122,050,000 |
| Others | | |
| | <u>192,630,455</u> | <u>142,503,000</u> |
| Total | <u><u>623,109,928</u></u> | <u><u>590,058,246</u></u> |
| Unsecured: | | |
| 1) 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.23,06,000/- matured but unpaid as on 31st March,2015. No interest payable after maturity as per the terms of Fixed Deposits) (includes Rs.2,24,000/- deposits matured over seven years and unpaid as on 31st March,2015 and transferable to Investor Education and Protection Fund) | 22,093,000 | 20,453,000 |
| Other Loans : - | | |
| From Directors | | |
| Mrs. Amrita P Deodhar | 159,537,455 | 113,600,000 |
| Mr. Nishith Deodhar | - | 2,950,000 |
| Mr.Prabhakar S Deodhar | 11,000,000 | 5,500,000 |
| Interest Payable @10% p.a. to 11.35% p.a. | | |
| NOTE 8: | | |
| Trade Payables | | |
| Micro Small & Medium Enterprises | - | 953,447 |
| Acceptances | 81,137,625 | 167,658,511 |
| Sundry Creditors | 40,370,410 | 68,499,856 |
| Total | <u><u>121,508,035</u></u> | <u><u>237,111,814</u></u> |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|---|---------------------|---------------------|
| NOTE 9: | | |
| Other Current Liabilities | | |
| Current maturities of Long Term Debts (Secured) | | |
| Term Loans | 30,520,658 | 30,505,881 |
| From Others | 400,033 | 353,249 |
| Current maturities of Long Term Debts (Unsecured) | | |
| Current maturities of long term borrowings from NBFC | - | - |
| Other Deposits | | 5,546,000 |
| Fixed Deposits | 2,306,000 | - |
| Interest Accrued and due | 11,028,956 | 9,813,815 |
| Dues to Directors | - | 274,892 |
| Advances from Customers | 15,482,081 | 4,562,419 |
| Statutory Dues | 9,125,681 | 9,981,984 |
| Other Liabilities | 53,949,851 | 85,182,713 |
| Total | 122,813,260 | 146,220,953 |

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

NOTE 10:

Short Term Provisions

| | | |
|--------------------------------|-------------------|-------------------|
| Provision for Leave Encashment | 752,751 | 766,853 |
| Provision for Gratuity | 12,770,775 | 12,770,775 |
| Provision for Warranties | 4,300,000 | 5,063,483 |
| Provision for Tax | 752,720 | - |
| Total | 18,576,246 | 18,601,111 |

NOTE 11:

Please see Page No. 80

NOTE 12:

Non Current Investments

| | | |
|---|----------------|-------------------|
| Total | 236,150 | 22,119,150 |
| Investment in Shares of Subsidiary Companies (At Cost) | | |
| 1) Sprylic Technologies Limited | - | - |
| 50000 Equity shares of Rs.10 each fully paid | | |
| 2) Arabian Power Electronics Company | | |
| During F.Y. 2014-15, Investment was sold & Rs.2,44,62,650/- was realised. | | |
| Rs. 72,29,664/- is due from Arabian Power Electronics Company as on | | |
| 31-03-2015 in the ordinary course of Business towards Goods sold on | | |
| various occasions. Out of this , Rs.9,20,465/- was received | - | 21,883,000 |
| before Reporting Date. | | |
| Other Investments (Unquoted) | | |
| 1) 2000 Ordinary Shares of Rs.10 each fully paid up of | 20,000 | 20,000 |
| Saraswat Co-Op Bank Ltd. | | |
| 2) 1001 Ordinary share of Rs. 50 each fully paid up of | 50,050 | 50,050 |
| The Thane Janata Sahakari Bank Ltd. | | |
| Other Investments (Quoted) | | |
| 4700 Ordinary Shares of Rs.10 each fully paid up of | 108,100 | 108,100 |
| Bank of Maharashtra at premium of Rs.13 per share | | |
| (Market value as on 31.03.2015 @37.10 per share.) | | |
| Government Securities | | |
| National Savings Certificate | 58,000 | 58,000 |
| (Deposited with various Government Authorities) | | |
| Out of above NSC worth Rs.43,000/- are matured | | |

Notes to Consolidated Financial Statements

(Amount in Rs.)

**NOTE 11:
FIXED ASSETS**

| | GROSS BLOCK | | DEPRECIATION | | NET BLOCK | |
|--|---------------------|---------------------|-------------------|---------------------------|---------------------|---------------------|
| | As on 01.04.2014 | As on 31.03.2015 | FOR THE Year | Dep. Adj as per Sch II | Up to 01.04.2014 | Up to 31.03.2015 |
| Production | | | | | | |
| Leasehold Land | 381,337,806 | - | 6,580,156 | - | 9,979,591 | 16,559,747 |
| Factory Buildings | 83,429,709 | - | 1,249,979 | - | 51,368,940 | 52,618,919 |
| Residential Premises | 426,570 | - | 1,627 | - | 290,432 | 292,059 |
| Office Premises | 127,473,624 | - | 1,782,069 | - | 19,982,658 | 21,764,727 |
| Plant and Machinery | 85,430,456 | 18,000 | 3,670,477 | 1,031,829 | 43,246,618 | 45,025,536 |
| Electrical Installations | 14,827,675 | 840,577 | 1,231,612 | 107,798 | 8,756,946 | 10,096,356 |
| Furniture and Fixtures | 70,398,518 | 2,190,282 | 3,604,327 | 2,334,838 | 52,069,539 | 58,008,704 |
| E.D.P.Systems/Computers | 38,183,986 | 335,172 | 647,763 | 404,810 | 36,453,594 | 35,797,447 |
| Vehicles | 11,939,789 | - | 489,254 | 4,217 | 9,652,933 | 9,808,194 |
| Total for the Year (Tangible Assets) | 813,448,133 | 3,384,031 | 19,257,266 | 3,883,492 | 231,801,248 | 249,971,688 |
| Software | 19,039,702 | 4,914,764 | 844,867 | - | 17,735,028 | 18,579,894 |
| Total for the Year (Intangible Assets) | 19,039,702 | 4,914,764 | 844,867 | - | 17,735,028 | 18,579,894 |
| Total For The Year | 832,487,835 | 8,298,795 | 20,102,132 | 3,883,492 | 249,536,276 | 268,551,582 |
| Total for the Previous Year | 859,230,749 | 15,629,057 | 29,289,165 | 24,334,388 | 244,581,498 | 249,536,276 |

Note : - The Impact due to change in Depreciation methodology has not been worked out

Notes to Consolidated Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|--|---------------------|---------------------|
| NOTE 13: | | |
| Other Non Current Assets | | |
| Advance Income Tax / TDS (Net) | 41,060,382 | 38,067,053 |
| Deposits | 7,317,967 | 9,031,760 |
| Inventories | 121,558,593 | 149,164,036 |
| Dues From Others: | | |
| Trade Receivables | 34,544,225 | 30,423,976 |
| Others | 6,043,330 | 5,878,541 |
| Total | 210,524,496 | 232,565,366 |
| NOTE 14: | | |
| Inventories | | |
| (As per records maintained, physically verified and valued lower of cost or market and certified by the Management) | | |
| Material and Components | 175,243,377 | 177,543,085 |
| Goods in process | 32,300,145 | 56,549,794 |
| Finished goods | 117,914,800 | 105,227,716 |
| Material in transit and in Bonded Warehouse | - | 11,641,594 |
| Stores and Spares | 7,972,756 | 7,972,756 |
| Total | 333,431,077 | 358,934,945 |
| NOTE 15: | | |
| Trade Receivables | | |
| (Unsecured, considered good and subject to confirmations) | | |
| Dues from Subsidiary within 6 months | | |
| Sprylogic Technologies Ltd | 12,656 | - |
| | 12,656 | - |
| Dues from others within 6 months | 156,671,515 | 252,861,280 |
| others | 20,964,545 | 20,951,348 |
| | 177,636,060 | 273,812,627 |
| Total | 177,648,716 | 273,812,627 |
| NOTE 16: | | |
| Cash and Cash Equivalents | | |
| Cash on hand | 471,324 | 869,142 |
| Balances with Banks | | |
| In Current Accounts | (38,246,855) | (13,311,262) |
| In Deposits Accounts | | |
| Maturing within 12 months | 14,708,996 | 15,768,804 |
| Maturing after 12 months | - | 349,800 |
| In Unclaimed Dividend Accounts | 462,005 | 654,375 |
| Total | (22,604,531) | 4,330,858 |

- Balance with schedule Bank include Rs.1,47,08,996 (P.Y. Rs.1,61,18,604) representing margin money for letter of credit and bank guarantees issued
- The Companies Act 2013 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.
- Deposits includes Rs.1,41,08,996 with original maturity of 12 months and more.

Notes to Consolidated Financial Statements

(Amount in Rs.)

| | As at 31-03-2015 | As at 31-03-2014 |
|---|---------------------|---------------------|
| NOTE 17: | | |
| Short Term Loans and Advances | | |
| (Unsecured, considered good and subject to confirmations) | | |
| Loans and Advances to Employees | 1,319,211 | 2,860,971 |
| Advance to others | 8,151,823 | 28,705,606 |
| Amount due as Refund of Additional Duty of Customs | 1,916,555 | 1,413,420 |
| Balance with Excise Authorities | 13,580,508 | 4,242,231 |
| Total | 24,968,097 | 37,222,228 |
| | 2014-2015 | 2013-2014 |
| NOTE 18: | | |
| Revenue from Operations | | |
| Sale of Products | 655,054,477 | 882,319,295 |
| Less : Excise Duty | 27,219,910 | 61,738,759 |
| Net Sales | 627,834,566 | 820,580,536 |
| Income from Services | 117,888,840 | 134,716,320 |
| Total | 745,723,407 | 955,296,856 |
| NOTE 19: | | |
| Other Income | | |
| Interest on Bank Deposits | 1,649,604 | 1,338,309 |
| On Other Accounts | 10,527 | 19,220 |
| | 1,660,131 | 1,357,529 |
| Dividend | 8,500 | 24,010 |
| Insurance Claims | | - |
| Provisions Written back | 3,469,765 | 4,594,885 |
| Miscellaneous Receipts | 554,534 | 545,215 |
| Refund of Additional Duty of Customs | 871,962 | 1,832,011 |
| Rent Received | 583,980 | 651,540 |
| Profit on Sale of Assets | | 7,986 |
| Total | 7,148,872 | 9,013,176 |
| NOTE 20: | | |
| Materials Consumed | | |
| Opening Stock | 268,881,405 | 245,331,283 |
| Add Purchases | 379,248,902 | 491,181,474 |
| | 648,130,307 | 736,512,758 |
| Less Stock at Close | 239,842,330 | 268,881,404 |
| | 408,287,977 | 467,631,353 |
| Add Consumption of Stores and Spares | 4,105,220 | 8,895,343 |
| Total | 412,393,197 | 476,526,696 |
| NOTE 21: | | |
| Changes in Inventories of finished goods, Work-in-Progress | | |
| Stock at Close - Finished Goods | 155,795,285 | 149,597,396 |
| Stock at Close - Work in Progress | 45,770,954 | 66,733,235 |
| | 201,566,238 | 216,330,631 |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| | <u>2014-2015</u> | <u>2013-2014</u> |
|---|----------------------------------|--------------------|
| Opening Stock - Finished Goods | 149,597,396 | 118,519,355 |
| Opening Stock - Work in Progress | 66,733,235 | 57,941,898 |
| | <u>216,330,631</u> | <u>176,461,253</u> |
| Increase / (Decrease) in stock | Total <u>(14,764,393)</u> | <u>39,869,378</u> |
| NOTE 22: | | |
| Employee Benefit Expenses | | |
| Salaries, Wages and Bonus | 164,315,827 | 193,096,674 |
| Contribution to Provident and Other Funds | 12,308,925 | 14,144,716 |
| Gratuity | 20,066,581 | 17,197,232 |
| Staff Welfare Expenses | 7,712,874 | 9,018,743 |
| | Total <u>204,404,207</u> | <u>233,457,366</u> |
| NOTE 23: | | |
| Manufacturing Expenses | | |
| Labour Charges | 17,367,344 | 10,168,464 |
| Rates and Taxes | 7,891,400 | 18,279,171 |
| Power and Electricity | 8,149,554 | 8,465,826 |
| Insurance Charges | 676,976 | 160,290 |
| Repairs to Plant and Machinery | 75,987 | 83,701 |
| Repairs to Factory Building | 519,361 | 1,125,151 |
| Miscellaneous Work Expenses | 18,702,320 | 16,618,416 |
| | Total <u>53,382,942</u> | <u>54,901,019</u> |
| NOTE 24: | | |
| Finance Cost | | |
| Interest on Fixed Period Loans | 28,149,124 | 26,482,976 |
| Interest on Other Loans/Deposits | 74,075,404 | 69,699,117 |
| Bank Charges | 5,903,973 | 8,252,122 |
| Exchange Variation Loss (net) | (1,868,087) | (2,206,924) |
| | Total <u>106,260,414</u> | <u>102,227,292</u> |
| NOTE 25: | | |
| Other Expenses | | |
| Rent for Office/Residential Premises | 5,578,071 | 5,057,609 |
| Equipment Lease Rentals | 100,567 | 147,309 |
| Printing and Stationery | 2,310,224 | 2,231,584 |
| Postage and Telephones | 7,208,774 | 8,211,285 |
| Traveling and Conveyance | 15,591,052 | 15,341,036 |
| Vehicle Expenses | 1,643,330 | 2,624,782 |
| Legal and Professional Charges | 27,142,519 | 22,406,263 |
| Commission and Discount | (44,216) | 2,626,068 |
| Transport Outward and Other Charges | 15,583,201 | 25,442,928 |
| Sales Tax, Purchase Tax | 1,224,832 | 382,855 |
| Office Maintenance Charges | 2,732,844 | 3,719,880 |
| Repairs and Maintenance - Other Assets | 1,576,841 | 1,677,679 |
| Miscellaneous Expenses | 2,135,164 | 3,031,461 |
| Loss on Sale of Assets | 12,152 | 1,016,225 |
| Bad Debts and Other amounts written off | 445,227 | 4,334,469 |
| | Total <u>83,240,580</u> | <u>98,251,433</u> |

Notes to Consolidated Financial Statements

(Amount in Rs.)

ADDITIONAL NOTES: 26

1. Contingent Liabilities:

| Sr. No. | Particulars | 2014-15 | 2013-14 |
|---------|--|---------------------|--------------|
| 1. | Disputed Tax/Duty demands not provided for | 14,37,83,005 | 10,33,26,536 |
| 2. | Corporate Guarantees given to Banks on account of Subsidiary/Other Companies | Nil | Nil |
| 3. | Bank guarantees given on behalf of Company to third parties. | 7,31,96,352 | 5,79,57,810 |

2 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 not funded by the Company.

| Particulars | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|---------------------|-------------------|-------------------------------|----------------------------|
| | 31/03/2015 Rs. | 31/03/2014 Rs. | 31/03/2015 Rs. | 31/03/2014 Rs. |
| The major categories of plan assets as a percentage of total plan | | * | | N/A |
| Qualifying Insurance Policy No | 611868 | 611868 | | - |
| Changes in the present value of the obligation * | | | | |
| 1 Opening Present Value of obligation | 9,12,86,483 | 10,84,00,344 | 79,59,975 | 1,03,91,011 |
| 2 Interest Cost | 68,98,942 | 86,76,054 | 6,82,819 | 8,28,663 |
| 3 Current Service Cost | 46,88,200 | 43,50,017 | 12,56,992 | 11,53,166 |
| 4 Past Service Cost | - | - | - | - |
| 5 Benefits Paid | (30,78,237) | (2,31,735) | (25,00,810) | (1,40,948) |
| 6 Actuarial (gain) / loss on Obligation | 87,84,872 | 3,00,50,012 | 21,04,578 | (42,71,919) |
| 7 Closing Present Value of obligation | 10,84,65,020 | 9,12,84,047 | 95,03,554 | 79,59,975 |
| Changes in the Fair Value of Assets (LIC Policy) | | | | |
| 1 Opening Fair value of plan Assets | 8,76,556 | 6,52,092 | - | - |
| 2 Expected Return on Plan assets | 1,98,350 | 63,626 | - | - |
| 3 Contributions | 94,806 | 2,14,491 | - | - |
| 4 Benefits Paid | Nil | (2,31,735) | - | - |
| 5 Actuarial Gain/(Loss) [Interest Credited for the year] | (1,18,331) | - | - | - |
| 6 Closing Fair value of plan Assets | 10,57,785 | 8,76,556 | Not applicable as unfunded | Not applicable as unfunded |
| Profit & Loss – Expenses * | | | | |
| 1 Current Service Cost | 46,88,200 | 43,50,017 | 12,56,992 | 11,53,166 |
| 2 Interest Cost | 68,98,942 | 86,76,054 | 6,82,819 | 8,28,663 |
| 3 Expected Return on Plan assets | (1,98,350) | (63,626) | - | - |
| 4 Net Actuarial gain (loss) recognized in the year | (85,39,785) | 3,00,50,012 | (18,73,720) | (42,71,919) |
| 5 Past Service Cost | - | - | - | - |
| 6 Expenses Recognized in the Profit & Loss Account | (197,43,062) | 1,72,10,773 | 40,44,389 | (22,90,088) |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| Particulars | Gratuity (Funded) | | Leave Encashment (Non Funded) | |
|--|--|-------------------------|--|-------------------------|
| | 31/03/2015 Rs. | 31/03/2014 Rs. | 31/03/2015 Rs. | 31/03/2014 Rs. |
| Actuarial Assumptions * | | | | |
| 1 Discount Rate | 7.80% | 9% | 7.80% | 9% |
| 2 Expected Rate of Return on Plan Assets | 9% | 9% | N/A | N/A |
| 3 Expected Rate of Salary Increase | 6% | 6% | 6% | 6% |
| 4 Attrition Rate | 1 to 3% | 1 to 3% | - | - |
| 5 Mortality Post-retirement | Indian Assured Lives Mortality (2006-08) | LIC (94-96) Ultimate | Indian Assured Lives Mortality (2006-08) | LIC (94-96) Ultimate |

* As per Actuarial Valuation Report.

Actuarial Assumptions for Gratuity of Past 5 years:

| Sr. No. | Particulars | 31/03/15 | 31/03/14 | 31/03/13 | 31/03/12 | 31/03/11 |
|---------|---|----------|----------|----------|----------|----------|
| 1. | Discount rate (p.a.) | 7.80% | 9% | 8% | 8% | 8% |
| 2. | Expected rate of return on Asset (p.a.) | 9.00% | 9% | 9% | | |
| 3. | Expected Rate of Salary Increase* | 6.00% | 6% | 6% | 4% | 4% |

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

| Sr. No. | Particulars | 31/03/2015 | 31/03/2014 | 31/03/2013 | 31/03/2012 | 31/03/2011 |
|---|--|--------------|-------------|--------------|-------------|-------------|
| 1. | Present value of obligation as at the close of the year. | 10,84,65,020 | 9,12,84,047 | 10,84,00,344 | 8,98,66,300 | 9,49,15,888 |
| 2. | Fair value of plan asset as at the close of the year. | 10,57,785 | 8,76,556 | 6,52,092 | 38,69,229 | 2,31,68,887 |
| 3. | Asset/(Liability) recognized in the Balance Sheet | 3,508 | 1,25,549 | 1,43,483 | - | - |
| Change in Defined Benefit Obligation during the year ended | | | | | | |
| | Actuarial Gain/(Loss) | (1,20,998) | 19,112 | - | - | - |
| Change in the fair value of Plan Asset | | | | | | |
| | Actuarial Gain/(Loss) | (86,66,965) | 3,00,12,120 | (1,03,696) | 11,60,557 | 23,53,164 |

* 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 Consolidated Financial Statements

(Amount in Rs.)

4. Related Party Disclosures (Accounting Standard AS 18):

List of Related Parties and Relationship

Holding Company :

Aplab Ltd

Subsidiary Company :

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 & Managing Director |
| Mr. Nishith Deodhar | Former Managing Director |
| Mrs. Amrita Deodhar | Director |
| Mr. Rajesh Deherkar | Company Secretary and Finance Controller |

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 | Telemetric Equipments Pvt.Ltd. |
| 4 | Print Quick Private Limited |
| 5 | Origin Instrumentation Private Limited |
| 6 | Contech Soft-Tech Solution Pvt. Ltd |
| 7 | Telematra 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 | | | | |
| Sprylogic Technologies Ltd. | Nil | - | - | - |
| Deodhar Electro Design Pvt. Ltd. | (2,89,847) | - | - | 4,86,842 |
| Intel Exports Pvt. Ltd. | | - | - | (9,98,872) |
| Arabian Power Electronic Company | | - | - | 19,25,707 |
| | | | | (25,300) |
| | | | | 57,76,045 |
| | | | | (47,68,113) |
| Total | Nil | - | - | 81,88,594 |
| | (2,89,847) | - | - | (57,92,285) |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|--|---------------------|---------------------------------------|---|-------------------------------|
| Purchase of Material / Finished Goods | | | | |
| Spylogic Technologies Ltd | 1,18,40,320 | - | - | - |
| | (15,26,925) | | | |
| Deodhar Electro Design Pvt. Ltd. | | - | - | 21,08,275 |
| | | | | (1,06,73,727) |
| Telemetric Equipments Pvt.Ltd. | | - | - | 37,36,598 |
| | | | | (1,67,04,628) |
| Telemetra Systems Pvt. Ltd. | | - | - | 17,88,272 |
| | | | | (79,13,823) |
| Intel Export Corporation | | | | 1,73,612 |
| | | | | (Nil) |
| Mitramax Energy Pvt. Ltd. | | | | NIL |
| | | | | (2,44,380) |
| Total | 1,18,40,320 | - | | 78,06,757 |
| | (15,26,925) | | | (3,55,36,558) |
| Rent Paid / Payable | | | | |
| Nishith Deodhar | - | - | - | - |
| | - | - | - | - |
| 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. | - | - | - | 10,14,600 |
| | (Nil) | (Nil) | (Nil) | (Nil) |
| Spylogic Technologies Ltd | 96,43,062 | - | - | - |
| | (1,54,23,223) | | | |
| Telemetric Equip.Pvt.Ltd. | | | | 31,930 |
| | | | | (44,100) |
| Telemetra Systems Pvt.Ltd. | | | | Nil |
| | | | | (4,800) |
| Mitramax Energy Pvt. Ltd. | | | | NIL |
| | | | | (1,38,327) |
| Total | 96,43,062 | - | | 10,46,530 |
| | (1,54,23,223) | | | (1,87,227) |
| Unsecured Loans | | | | |
| Mrs Amrita Deodhar** | | 15,95,37,455 | | |
| | | (11,36,00,000) | | |
| Mr. Nishith Deodhar | | Nil | | |
| | | (29,50,000) | | |
| Mr. P. S. Deodhar | | 1,10,00,000 | | |
| | | (55,00,000) | | |
| Total | | 17,05,37,455 | | |
| | | (12,20,50,000) | | |
| Investment as on 31.03.2015 | | | | |
| Spylogic Technologies Ltd | | - | - | - |
| | (5,00,000) | | | |
| Total | | - | - | - |
| | (5,00,000) | | | |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|--|-------------------------------------|---------------------------------------|---|---------------------------------|
| Interest on Loans and Fixed Deposits | | | | |
| Mrs. Amrita Deodhar | 1,42,75,857 (1,34,13,078) | | | |
| Mr. Nishith Deodhar | 3,31,402 (1,75,473) | | | |
| Mr. P. S. Deodhar | 25,34,109 (19,49,497) | | | |
| Total | 1,71,41,368 (1,55,38,048) | | | |
| Salary & Perquisites | | | | |
| Mr. Nishith Deodhar | 17,91,290 (16,72,750) | | | |
| Mr. Rajesh Deherkar | 12,52,003 (13,00,702) | | | |
| Total | 30,43,293 (29,73,452) | | | |
| Interest Paid/Accrued and due on unsecured loans | | | | |
| Mrs. Amrita Deodhar | 91,49,494 (66,70,869) | | | |
| Mr. Nishith Deodhar | Nil (1,55,826) | | | |
| Mr. P. S. Deodhar | 1,00,449 (3,26,317) | | | |
| Total | 92,49,943 (71,53,012) | | | |
| Debit Balances as on 31.03.2015 | | | | |
| Sprylogic Technologies Ltd. | 2,759 (Nil) | - | - | - |
| Deodhar Electro Design Pvt. Ltd. | | | | 15,54,092 (13,16,185) |
| Telemetric Equip.Pvt.Ltd. | | | | Nil (6,34,857) |
| Intel Exports Ltd | | | | - (Nil) |
| Arabian Power Electronic Company (Former Joint Venture) | | | | 72,29,664 (65,77,221) |
| Total | 2,759 (Nil) | - | - | 87,83,756 (85,28,263) |
| Credit Balances as on 31.03.2015 | | | | |
| Deodhar Electro Design Pvt. Ltd. | | | | 8,01,696 (1,49,046) |
| Telemetric Equipments Pvt.Ltd. | | | | -26,67,157 (25,20,180) |
| Telemetra Systems Pvt..Ltd | | | | 7,13,038 (46,95,948) |
| Sprylogic Technologies Ltd. | 52,07,066 (40,49,478) | | - | - |
| Intel Exports | - | - | - | 1,73,612 (1,73,612) |
| Origin Instruments Pvt.Ltd | | | | Nil (56,475) |

Notes to Consolidated Financial Statements

(Amount in Rs.)

| Nature of Transaction | Subsidiaries Rs. | Key Management Personnel Rs. | Relative of Management personnel Rs. | Related Enterprises Rs. |
|--|---------------------------------|---------------------------------------|---|---------------------------------|
| Print Quick Pvt.Ltd | | | | Nil (1,12,950) |
| Contech Electronics Pvt.Ltd. | | | | Nil (Nil) |
| Nishith Deodhar (Rent) | | Nil (2,29,500) | | |
| Mr. Nishith Deodhar (Loan and Interest Payable | | Nil (31,05,826) | | |
| Mrs. Amrita Deodhar (Loan and Interest Payable | | 16,86,86,949 (12,02,70,869) | | |
| Mr. Prabhakar S Deodhar | | 1,11,00,449 (58,26,317) | | |
| Total | 52,07,066 (40,49,478) | 17,97,87,398 (12,94,32,512) | | -9,78,811 (77,08,211) |

Previous year figures are shown in bracket

** Amount Rs.70,00,000/- kept as margin in the form of Fixed Deposits out of money given by Mrs.Amrita Deodhar,Director for LC amount of Rs.62,88,500/- opened with Saraswat Coop. Bank Ltd.,Jambhli Naka,Thane

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

| | 2014-15 | 2013-14 |
|--|-----------------------|-----------|
| 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 | (14,20,93,184) | 84,73,115 |
| Number of shares for Basic and diluted EPS as above | 50,00,000 | 50,00,000 |
| Earning per Share: | | |
| Basic and Diluted (Rs.) | 28.42 | 1.69 |

6. Taxes on Income (Accounting Standard – AS 22):

(i) No provision is made for current tax in view of the business loss during current year and unabsorbed business loss of previous year

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

| | 2014-15 | 2013-14 |
|-------------------------------------|------------------|---------------|
| - Depreciation | 9,13,411 | (86,70,840) |
| - Expenditure / Provisions | 94,876 | (1,03,66,482) |
| Total | 10,08,287 | (1,90,37,322) |
| Unabsorbed losses and depreciation* | Nil | Nil |

- Deferred tax asset on carried forward unabsorbed business loss 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.

Notes to Consolidated Financial Statements

(Amount in Rs.)

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

| Particulars | Opening Balance as on 01.04.2014 | Provision made during the year | Provision reversed / adjusted | Closing Balance as on 31.03.2015 |
|--------------------------|----------------------------------|--------------------------------|-------------------------------|----------------------------------|
| Provision for Warranties | 12300000 | 60,00,000 | 83,00,000 | 1,00,00,000 |

8. Previous year figures have been re-grouped and re-classified wherever necessary

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 Act and the relevant provisions to the Companies Act, 2013.

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 as per Useful Life stated in the Schedule II of the Companies Act, 2013. Leasehold Lands are amortized over the Period of Lease.

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

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.

Notes to Consolidated Financial Statements

(Amount in Rs.)

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 & 27

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

Atul Shahade
Partner
M No.35227
Mumbai : 23rd May, 2015

Rajesh K Deherkar
Company Secretary &
Finance Controller
Membership No. A10783

For and on behalf of the Board

P. S. Deodhar
Chairman & Managing Director
DIN : 00393117

Thane : 23rd May, 2015

A.G.Joshi
Director
DIN : 00019927

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in Rs.)

| Particulars | 2014-2015 | 2013-2014 |
|--|----------------------|----------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax and extra ordinary items | (141,639,586) | 9,566,035 |
| Adjustments For : | | |
| Depreciation | 19,221,266 | 28,802,520 |
| Provisions written back | (2,300,000) | (4,594,885) |
| Provisions written back (FBT) | - | - |
| Amortisation of Product Cost | 844,867 | 447,046 |
| Interest received | (1,660,131) | (1,357,529) |
| Dividend Received | (8,500) | (24,010) |
| Profit or Loss on Sale of Assets (Net) | 12,152 | 1,008,239 |
| Operating Profit before working capital changes | (125,529,933) | 33,847,416 |
| (Decrease) / Increase in Working Capital | 93,402,612 | (140,073,663) |
| Prior Year Tax Adjustment | | |
| | (32,127,321) | (106,226,247) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (7,973,731) | (12,453,812) |
| Capital Work in Progress | - | (2,683,441) |
| Reduction in fixed assets value on computation of Schedule-II | 7,992,927 | 16,537,539 |
| (Purchase) / Sale of Other Investments | 21,883,000 | - |
| Net Cash used in Investing Activities | 21,902,196 | 1,400,287 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net Increase / (Decrease) in Borrowings | (20,678,897) | 73,024,398 |
| Interest received | 1,660,131 | 1,357,529 |
| Dividend Received | 8,500 | 24,010 |
| Provisions written back | 2,300,000 | 4,594,885 |
| Issue of Shares | - | - |
| Decrease in Capital Reserve due to Merger | - | - |
| Net Cash from Financial Activities | (16,710,266) | 79,000,822 |
| Net Increase / (Decrease) Increase in Cash and Cash Equivalent (A+B+C) | (26,935,389) | (25,825,139) |
| Opening Balance of Cash and Cash Equivalent - Aplab | 4,330,858 | 30,155,996 |
| Opening Balance of Cash and Cash Equivalent - Intel | - | - |
| | 4,330,858 | 30,155,996 |
| Closing Balance of Cash and Cash Equivalent | (22,604,531) | 4,330,857 |
| Net Increase / (Decrease) | (26,935,389) | (25,825,139) |

Notes:

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

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

Atul Shahade
Partner
M No.35227
Mumbai : 23rd May, 2015

Rajesh K Deherkar
Company Secretary &
Finance Controller
Membership No. A10783

For and on behalf of the Board

P. S. Deodhar
Chairman & Managing Director
DIN : 00393117

Thane : 23rd May, 2015

A.G.Joshi
Director
DIN : 00019927



FORM NO. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 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:

- Name _____
Address _____
E-mail ID _____ Signature _____ or failing him/her
- Name _____
Address _____
E-mail ID _____ Signature _____ or failing him/her
- 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 50th Annual General Meeting of the company to be held on Thursday, the 13th August, 2015 at 12.30 p.m. at Woodland Retreat, L B S Marg, Near Mulund Checknaka, Thane (West) – 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, 2015 | | |
| 2 | Re-appointment of Mrs. Amrita P. Deodhar who retires by rotation | | |
| 3 | Appointment of Auditors and fixing their remuneration | | |
| Special Business | | | |
| 4 | Appointment of Mr. P.S. Deodhar as Chairman & Managing Director | | |

Signed this _____ day of _____ 2015

Signature of shareholder _____

Signature of Proxy holder(s) _____



Notes:

- 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.
- For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the 50th Annual General Meeting.
- 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.
- 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 50th Annual General Meeting of the Company to be held on Thursday, 13th August 2015 at 12.30 p.m. at Woodland Retreat, L.B.S. Marg, Near Mulund Check Naka, Thane (W.) - 400 604.

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.