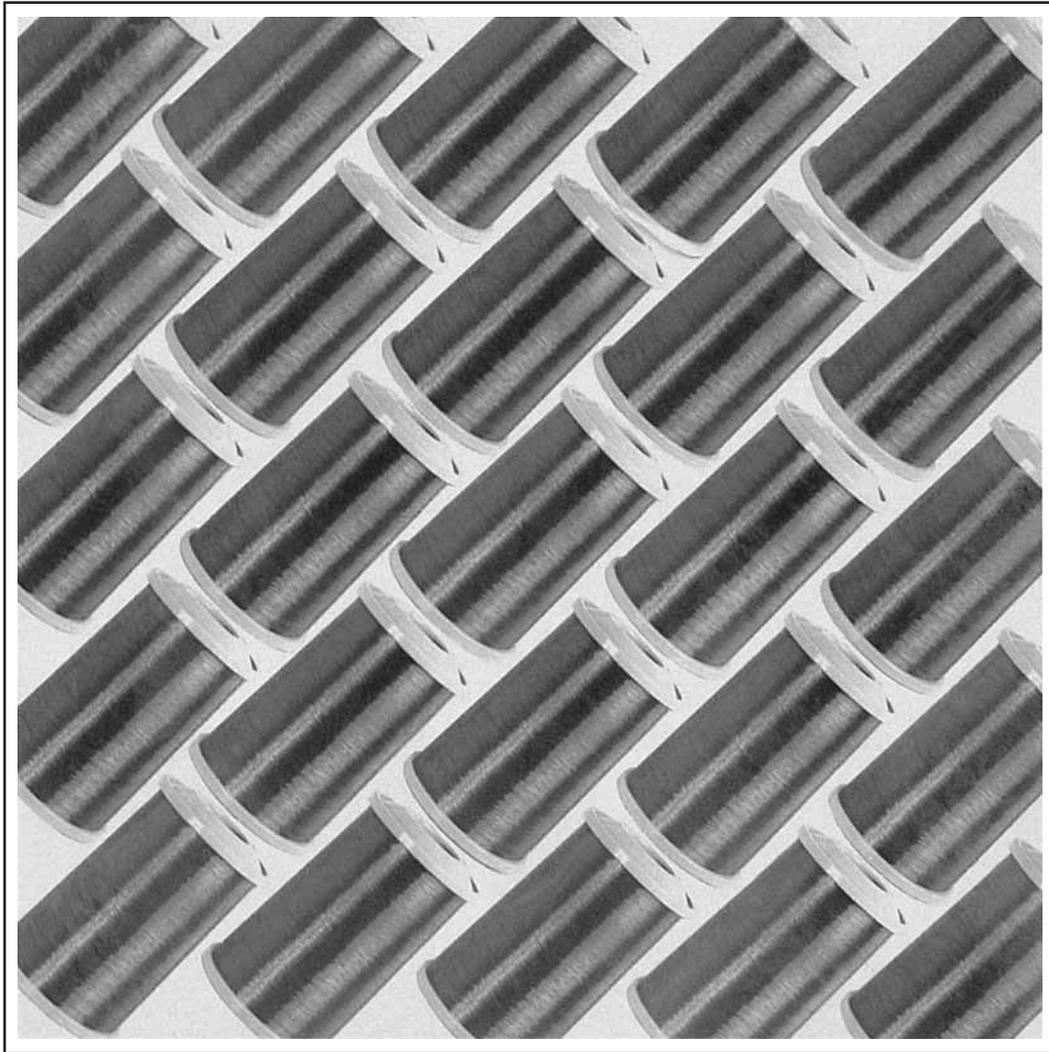


23rd

Annual Report
2011-2012



PRECISION WIRES INDIA LIMITED

Financial Highlights

Rupees in Lacs

	2011/12	2010/11	2009/10	2008/09	2007/08	
Equity Share Capital (Paid up)	1156.36	1156.36	1156.36	1156.36	1156.36	
Reserves & Surplus	17992.69	16982.86	14690.29	13023.26	13015.32	
Provision for Deferred Tax for the year - Expense/(Income)	111.13	44.75	149.02	74.63	200.97	
Current Assets	30122.38	32631.37	21849.16	16263.92	22037.92	
Current Liabilities	23885.44	20543.93	11806.35	7704.37	11868.96	
Inventories	7610.71	4876.66	2871.95	4247.26	5430.45	
Sundry Debtors	16834.52	19187.81	13742.37	7865.63	11546.42	
Creditors	15317.87	14878.18	10194.97	6938.09	11352.26	
Secured Loans	5226.70	5448.51	5408.71	6024.97	7338.04	
Financial Charges	595.32	477.04	463.22	398.42	463.19	
Depreciation	1293.52	1224.74	1087.82	1032.22	900.25	
Income Tax	549.78	1556.53	929.60	15.60	722.23	
Dividend paid	Rs. Per Equity Share	@ 3.00	6.00	4.40	0.80	3.60
Book Value of Shares	Rs.	165.59	156.86	137.04	122.62	122.55
E.P.S.	Rs.	12.23	26.81	19.56	1.00	15.16
No. of Shareholders		8988	9191	8378	7952	7884

© Proposed



PRECISION WIRES INDIA LIMITED

BOARD OF DIRECTORS :

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

*Independent & Non-Executive Directors.

** Additional Independent & Non-Executive Director (Appointed on 14th November, 2011 by the Board).

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

WORKS :

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

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

REGISTRARS AND TRANSFER AGENTS :

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

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

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

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

NOTICE TO MEMBERS

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of Precision Wires India Limited will be held on 9th August, 2012, at 2.30 p.m. at the Hall of The Mysore Association, 1st Floor, 393, Bhau Daji Road, Maheshwari Udyan (King Circle), Matunga (Central Railway) Mumbai - 400 019, to transact the following businesses:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri Vijay M. Crishna who retires by rotation under Article 128 of Articles of Association of the Company and is eligible for re-appointment.
4. To appoint a Director in place of Shri Ashwin P. Kothari who retires by rotation under Article 128 of Articles of Association of the Company and is eligible for re-appointment.
5. To appoint a Director in place of Shri Pradip Roy, who was appointed as an Additional Director of the Company by the Board of Directors of the Company on 14th November, 2011, pursuant to Article 113 of the Articles of Association of the Company who holds office upto the date of the 23rd Annual General Meeting by reason of Section 260 of the Companies Act, 1956 and is eligible for re-appointment and in respect of whom the Company has received a notice in writing along with a deposit of Rs. 500/- (Rupees Five Hundred Only) from a member proposing his candidature for the office of Director.
6. To appoint S. R. Divatia & Co., Chartered Accountants, as the Auditors of the Company and fix their remuneration.

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

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

Special Business:

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

RESOLVED THAT pursuant to and in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956 or any statutory amendments or modifications thereto and subject to such sanctions and approvals as may be necessary in law, the Company hereby approves the re-appointment of Shri Milan M. Mehta as Vice Chairman & Managing Director of the Company for a period of Three years with effect from 1st April, 2012 to 31st March, 2015, on remuneration and

the terms and conditions as set out in the Letter of Appointment dated 8th February, 2012, a copy whereof initialed by the Chairman for the purpose of identification has been placed before the Meeting, which Letter of Appointment dated 8th February, 2012, is hereby specifically approved and sanctioned with the liberty to the Board of Directors (which term shall be deemed to include the Remuneration-Cum-Selection Committee constituted by the Board) to alter, vary and modify the terms and conditions of the said appointment and/or remuneration including commission, perquisites and other allowances and/or the letter of appointment in such manner as may be agreed to between the Board of Directors and Shri Milan M. Mehta within and in accordance with and subject to the limits and conditions prescribed in Schedule XIII to the Companies Act, 1956, or any statutory amendments and modifications thereto, and if necessary as may be stipulated by the Central Government and as may be agreed to accordingly between Board of Directors and Shri Milan M. Mehta.

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

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

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

By Order of the Board

Rajni M Lalwani
Company Secretary

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

Mumbai
28th May, 2012.

**NOTICE TO MEMBERS****Notes :-**

- 1) Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 ('the Act') in respect of Item No. 5 & 7 is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
- 3) The Register of Members and the Share Transfer Books of the Company will remain closed from 4th August, 2012 to 9th August, 2012 (both days inclusive) for payment of Dividend.
- 4) Members are requested to advise, indicating their folio number, the change of their addresses, if any, to Sharepro Services (India) Private Ltd., Samhita Warehousing Complex, Warehouse No. 52 & 53, Plot No.13AB, 2nd Floor, Sakinaka, Mumbai - 400072, the Registrar and Share Transfer Agents of the Company.
- 5) The Dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid to those share holders whose names stand on the Register of Members as on 9th August, 2012.
- 6) Members are requested to note that Dividends not encashed or remaining unclaimed within a period of seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred under Section 205 A of the Companies Act, 1956 to the Investors Education and Protection Fund (IEPF) established under Section 205 C of the said Act. Accordingly, Dividend for the Financial Year ended up to 31.03.2004 has been transferred to IEPF of the Central Government. Final Dividend for financial year ended 31.3.2005 declared on 28.07.2005 is due for such transfer to IEPF on or about 27.8.2012. Vide Notification No. GSR 352[E] dated 10th May, 2012, the Ministry of Corporate Affairs has mandated filing of information regarding unpaid/ unclaimed Dividend Amounts on the website of the Ministry of Corporate Affairs and of the Company. This will be complied within the prescribed time limit, after which Members would be able to access this information on the above referred websites. It may be noted that once unclaimed dividend is transferred to the Central Government, no claim shall lie in respect thereof.

7) Important Communication to Members - Green Initiative in the Corporate Governance :

The Ministry of Corporate Affairs (MCA) has taken Green Initiative in the Corporate Governance by allowing paperless compliances by the Companies and has issued Circular stating that service of all documents including Annual Reports can be made by e-mail to all members of a Company. Your Company believes that this is a remarkable and necessitated initiative by MCA and requests all Members of the Company to support this noble cause.

We therefore propose to send documents including Annual Reports in electronic form to the Members on the e-mail address provided by them to the Company / Share Transfer Agent / The Depositories.

The Members who hold shares in physical form are requested to intimate / update their e-mail address to the Company / Share Transfer Agent in this behalf at :

a) precisionwires@shareproservices.com

and / or

b) bhandarkar@pwil.net

While Members holding shares in demat form can intimate / update their e-mail address to their respective Depository Participants.

Members are requested to further note they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

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

NAME OF THE DIRECTOR	Shri Vijay M. Crishna	Shri Ashwin P. Kothari
DATE OF BIRTH & AGE	8 th March, 1945, AGE: 67 Years	14 th September, 1942 AGE: 70 Years
DATE OF APPOINTMENT	Appointed as Additional Director on 11.9.91 and as Director on 25.9.92 at the Annual General Meeting and thereafter re-appointed on retirement by rotation from time to time, the last such re-appointment being at the AGM held on 23.07.2010.	Appointed as Additional Director on 28.10.1998 and as Director on 23.07.1999 at the Annual General Meeting and thereafter re-appointed on retirement by rotation from time to time, the last such re-appointment being at the AGM held on 23.07.2010.
EXPERTISE IN SPECIFIC FUNCTION	Expertise in Engineering and I.T. Industry and extensive managerial experience	Expertise in Ferrous and Non Ferrous Metal & Chemical Industries.
QUALIFICATIONS	B.A.(Economics)	S.B.(MIT)

NOTICE TO MEMBERS

LIST OF OTHER COMPANIES IN WHICH DIRECTORSHIP HELD	(a) Godrej Industries Ltd. (b) Godrej & Boyce Mfg. Co.Ltd. (c) Godrej Agrovet Ltd. (d) Naoroji Godrej Centre for Plant Research.	(a) GeeCee Ventures Limited (b) Five Star Trading & Investment Co. Ltd. (c) Park Avenue Engineering Ltd. (d) Meenakshi Steel Industries Ltd. (e) Jatayu Textiles & Industries Ltd. (f) Essel Mining & Industries Ltd. (g) Aditya Birla Health Services Ltd. (h) Four Dimensions Capital Markets Pvt. Ltd. (i) New Method Agriplant Pvt. Ltd. (j) Riverend Agro Pvt. Ltd. (k) Fresh Water Farms Pvt.Ltd. (l) Vaibhav Medical & Education Foundation (m) G. D. Birla Medical Research & Education Foundation
CHAIRMAN / MEMBER OF THE COMMITTEES OF THE BOARD OF THE COMPANIES ON WHICH HE IS A DIRECTOR	NIL	NIL
Shareholding in the Company	NIL	NIL

Shri Vijay M. Crishna and Shri A. P. Kothari are interested in their own re-appointments and none of other Directors are in any way concerned or interested in the said re-appointments.

Your Directors commend your approval to the re-appointments of Shri Vijay M. Crishna and Shri A. P. Kothari.

9. Brief note on the background and functional experience of Shri Pradip Roy, Additional Independent Directors proposed to be appointed as Director at the ensuing Annual General Meeting as per Item No. 5 of this Notice, pursuant to Clause 49 of the Listing Agreement:

Please refer to the Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, for Agenda Item No. 5, attached to this Notice.

10. The Securities and Exchange Board of India (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 shall submit their PAN details to the Company / Registrars and Transfer Agents.



NOTICE TO MEMBERS

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 [The Act].**Agenda Item No. 5: Appointment of Shri Pradip Roy as Director of the Company.**

Shri Pradip Roy [64 Years, Date of Birth - 12th August, 1948] was appointed as an Additional Director on 14th November, 2011 by the Board of Directors of the Company. Pursuant to the provisions of Section 260 of the Act read with Article 113 of the Articles of Association of the Company, Shri Pradip Roy will hold office as a Director only upto the date of the 23rd Annual General Meeting of the Company.

The Company has received a notice in writing along with the requisite Deposit of Rs. Five Hundred under Section 257 of the Act, from a Member signifying his intention to propose Shri Pradip Roy as a candidate for the office of Director.

The relevant particulars about Shri Pradip Roy are as under:

EXPERTISE IN SPECIFIC FUNCTION & EXPERIENCE	Shri Pradip Roy has been appointed as an Additional Director on 14 th November, 2011 by the Board of Directors and holds office until the ensuing Annual General Meeting. Besides being a Graduate Engineer from Indian School of Mines, Dhanbad, and a MBA from Delhi University, Shri Roy is qualified CAIIB, a successful Banker and retired as Executive Director of IDBI Bank Ltd. He is also on the Board of eminent Companies. He has been associated with various Committees constituted by Government / Industry Association on Policy formation etc in Infrastructure field. He was nominated by the Government of India to represent Financial Sector on Ports and Roads set up by Planning Commission, under the Chairmanship of Ex Dy Governor of Reserve Bank of India.
QUALIFICATIONS	Graduate Engineer from Indian School of Mines, Dhanbad, MBA from University of Delhi and CAIIB. He has also successfully completed a graded programme on Investment Appraisal and Management conducted by Harvard University, Cambridge, USA.
LIST OF OTHER COMPANIES IN WHICH DIRECTORSHIP HELD	(a) Phillips Carbon Black Limited. (b) Noida Power Company Limited. (c) L & T Mutual Fund Trustee Limited. (d) GVK Industries Limited.
CHAIRMAN / MEMBER OF THE COMMITTEES OF THE BOARD OF THE COMPANIES ON WHICH HE IS A DIRECTOR	None
SHAREHOLDING IN THE COMPANY.	NIL

MEMORANDUM OF CONCERN OR INTEREST IN ITEM NUMBER 5 OF THE NOTICE OF THE MEETING:

Shri Pradip Roy is interested in the Ordinary Resolution at item No. 5 of the accompanying notice, as it relates to his own appointments and none of other Directors are in any way concerned or interested in this Resolution. Your Directors commend your approval to the appointment of Shri Pradip Roy.

Agenda Item No. 7 : Re-Appointment of Shri Milan M. Mehta, Vice Chairman & Managing Director.

The resolution at Item No. 7 of the Notice seeks approval of the Members in respect of the re-appointment and payment of remuneration to Shri Milan M. Mehta as Vice Chairman & Managing Director of the Company. The present Term of Office of Shri Milan M. Mehta as Vice Chairman & Managing Director expired on 31st March, 2012. The Board of Directors of the Company at its Meeting held on 8th February, 2012, has subject to the approval of the Members of the Company in General Meeting and any other approvals as may be necessary, re-appointed Shri Milan M. Mehta, as Vice Chairman & Managing Director vide letter of appointment dated 8th February, 2012, for a further period of Three Years with effect from 01-04-2012 to 31-03-2015.

The Principal Terms and Conditions as contained in the said Letter of Appointment dated 8th February, 2012 are as under:

Period:

For 3 Years with effect from 01-04-2012 up to 31-03-2015.

Salary per month (p.m.):

Rs. 5,50,000 /- (Rupees Five Lacs Fifty Thousand only) per month from April 2012 to March 2013 with increase to,

Rs. 6,10,000/- (Rupees Six Lacs Ten Thousand only) per month from April 2013 to March 2014 with increase to,

Rs. 6,50,000/- (Rupees Six Lacs Fifty Thousand only) per month from April 2014 to March 2015.

Commission :

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

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

Perquisites

- Housing:**
Rent free furnished residential accommodation. In case no residential accommodation is provided by the Company the Vice Chairman & Managing Director shall be entitled to house rent allowance as may be approved by the Board of Directors.
- Medical Re-imbusement:**
Reimbursement of medical expenses incurred for Shri Milan M. Mehta and family.
- Reimbursement of gas, electricity, water charges and furnishings.**

NOTICE TO MEMBERS

Explanatory Statement to Item No. 7 of the Notice, (Continued)

4. Leave travel concession for Shri Milan M. Mehta and family once in a year not exceeding one month's salary for each year. In case leave travel concession is not availed in any year, the same shall be allowed to be accumulated subject to a maximum of three years.
5. Fees of clubs subject to a maximum of two clubs.
6. Personal accident insurance subject to a maximum premium of Rs. 10,000/- per annum and third party insurance for a maximum of Rs. 50,00,000/-.
7. Provision of car for business as well as for personal purposes with driver.
8. Telephone & Internet connection at the residence for business as well as personal use.
9. Provision of services of two domestic servants at his residence or reimbursement of expenses incurred on such two servants at his residence.
10. Earned / Privilege Leave on full pay and allowances : As per Rules of the Company but not more than one month's leave for every eleven months of service shall be allowed.

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

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

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

Other terms

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

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

- (i) Remuneration-Cum- Selection Committee of the Board has approved the terms of remuneration payable to Shri Milan M. Mehta, as mentioned hereinabove at its meeting held on 8th February, 2012, which are in accordance with the provisions of Schedule XIII to the Companies Act, 1956.

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

- (iii) The appointment of Shri Milan M. Mehta as Vice Chairman & Managing Director of the Company with effect from 1st April, 2012 is being proposed to be made by a Special Resolution of the Company at its ensuing Annual General Meeting to be held on 9th August, 2012, for payment of remuneration for a period not exceeding three years.

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

(iv) I : GENERAL INFORMATION:

- [1] Nature of Industry : The Company is engaged in manufacture of winding wires of copper.
- [2] Date of commencement of commercial production: 31.12.1992.
- [3] In case of new companies, expected date of commencement of activities - not applicable.
- [4] Financial Performance based on given indicators:

	2011-12 (Rs./Lacs)	2010-11 (Rs./Lacs)
Effective Capital	19428.62	17766.61
Net Profit after Tax	1414.51	3100.03

- [5] Export Performance & foreign exchange outgo:

Exports (FOB)	6760.23	3860.90
Foreign Exchange Outgo [net]	14820.66	15401.00

- [6] Foreign Investments & Collaborations if any:

No. Foreign Investments.

Technology Transfer Agreement with an Italian Technocrat with long experience in the Industry.

(iv) II : INFORMATION ABOUT THE APPOINTEE:

Shri Milan M. Mehta:

- [1] Background Details: Shri Milan M. Mehta holds B.S.(E.E.) qualifications from an American University and was Technical Director of erstwhile Atlas Wires Ltd., prior to joining the Company as Managing Director in April, 1996. He has contributed immensely to the performance of the company over the years and played pivotal part in successful implementation of Expansion Project undertaken and growth of the Company.

- [2] Past Remuneration: Shri Milan M. Mehta was paid the following remuneration:

	2011-12 (Rs./Lacs)	2010-11 (Rs./Lacs)
Salary	48.00	48.00
Perquisites	14.75	21.66
Commission	18.54	49.83
Contribution to Provident Fund & Provision for Gratuity	8.07	8.07
Total	89.36	127.56



NOTICE TO MEMBERS

Explanatory Statement to Item No. 7 of the Notice, (Continued)

- [3] Recognition or awards : The Company has no information about it.
- [4] Job Profile and his suitability : Having regard to the vast experience as Technical Director of Atlas Wires Ltd., and Managing Director of the Company since 1996, the Board of Directors is of the opinion that Shri Milan M. Mehta is eminently suitable to hold the position and the proposed remuneration is reasonable.
- [5] Remuneration Proposed : As per the above explanatory statement, for a period of three years from 1-04-2012 to 31-03-2015
- [6] Comparative remuneration profile with respect to industry, size of the company, profile of the position and person :
The company has no information to offer, but having regard to the versatile experience and responsibility of the position held by him, the Board of Directors is of the opinion that the proposed remuneration is reasonable.
- [7] Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel :
Shri Milan M. Mehta is a promoter of the Company holding fully paid Equity Shares of Rs. 10/- each, amounting to 6.81% of the paid up capital of the Company. He is related to Shri Mahendra R. Mehta, CMD and Shri Deepak M. Mehta, Whole-time Director.

(iv) III : OTHER INFORMATION:

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

(iv) IV : DISCLOSURES:

- [1] The Remuneration package of the Managerial Personnel for the year 1.4.2011 to 31.3.2012, is given in the explanatory statement above.
- [2] The following information has been disclosed in the Board of Directors' Report under the heading "Corporate Governance" attached to the annual report for the year 2011-12:
- [i] All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of all the directors;
- [ii] Details of fixed component and performance linked incentives along with the performance criteria;

- [iii] Service contracts, notice period, severance fees;
- [iv] Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

LIST OF OTHER COMPANIES IN WHICH DIRECTORSHIP HELD	GeeCee Ventures Ltd.
CHAIRMAN / MEMBER OF THE COMMITTEES OF THE BOARD OF THE COMPANIES ON WHICH HE IS A DIRECTOR	None

Your Directors commend the proposed Resolutions at item Nos. 7 of the Agenda as Special Resolutions for your approval.

MEMORANDUM OF CONCERN OR INTEREST IN ITEM NUMBER 7 OF THE NOTICE OF THE MEETING:

Shri Milan M. Mehta, is concerned with and interested in the Special Resolutions at item No. 7 as also in his Letter of Appointment dated 8th February, 2012 referred in the said item aforesaid as they relate to the terms of his own Re-appointment and Remuneration.

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

Save as aforesaid, no Directors are in any way concerned or interested in the Resolution at item no. 7 of the accompanying Notice of Meeting of shareholders to be held on 9th August, 2012.

DOCUMENTS OPEN FOR INSPECTION:

- In respect of Ordinary Resolution referred in the item No.5 of Agenda of the accompanying Notice relating to Shri Pradip Roy:
 - Letter of Consent dated 2nd November, 2011 for joining the Board of Precision Wires India Ltd and
 - Notice dated 18th May, 2012 from a member proposing appointment of Shri Pradip Roy as an Independent Director of the Company.
- In respect of Special Resolution referred in the item No.7 of Agenda of the accompanying Notice relating to Shri Milan M. Mehta:
 - The Copy of the Letter of appointment dated 8th February, 2012, issued to Shri Milan M. Mehta.

All the above documents are open for inspection by the Members at the Registered Office of the Company between 11.00 AM and 1.00 PM on any working day of the Company, except Saturday.

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

By Order of the Board

Rajni M Lalwani
Company Secretary

Dated : 28th May, 2012

TO THE MEMBERS

The Directors hereby present the Twenty Third Annual Report of your Company, together with the Audited Accounts for the year ended 31st March, 2012.

1. Financial Results :

	(Rupees in Lacs)	
	2011-12	2010-11
Sales (including Excise Duty)	104706.14	97618.24
Less : Excise Duty	<u>(11527.51)</u>	(10254.49)
Sales (Net of Excise Duty)	<u>93178.63</u>	<u>87363.75</u>
Operating Profit	3776.78	6278.37
Add : Other Income	<u>76.35</u>	127.50
Profit before Financial Charges, Depreciation & Taxes	3853.13	6405.87
Financial Charges	<u>(595.33)</u>	(479.82)
Depreciation	<u>(1293.52)</u>	<u>(1224.74)</u>
Profit before Taxes & Extra-ordinary Items	1964.28	4701.31
Extra-ordinary Items	—	—
Profit before Taxes	<u>1964.28</u>	4701.31
Less:		
Provision for Income Tax	<u>(549.78)</u>	(1601.28)
Profit after Tax	<u>1414.50</u>	<u>3100.03</u>
Add : Balance brought forward from last Account	352.22	359.66
Balance available : (A)	<u>1766.72</u>	<u>3459.69</u>
Which the Board of Directors have appropriated as under :		
(i) Transfer to General Reserve	1000.00	2300.00
(ii) Proposed Total Dividend @ Rs. 3.00 for the year (Previous year @ Rs. 6.00), which includes Interim Dividend @ Rs. 1.80 (Rs. 2.40), per equity share.	346.91	693.82
(iii) Corporate Tax on Dividend	<u>56.28</u>	113.65
(B)	<u>1403.19</u>	3107.47
Balance carried forwarded in Profit & Loss Account (A) – (B)	<u><u>363.53</u></u>	<u><u>352.22</u></u>

2. Dividend

At the Meeting held on 8th February, 2012, the Directors had recommended an interim dividend @ Rs. 1.80 (18%) per equity share of Rs. 10/- each, fully paid, for the financial year 2011-12, since paid. The Directors are pleased to recommend final dividend @ Rs. 1.20 (12%) per equity share for the year ended 31st March, 2012, making total dividend recommended of Rs. 3/- (30%) per equity share of Rs. 10/- each, fully paid, subject to the approval of Shareholders at the ensuing Annual General Meeting.

3. Operations

During the fiscal the overall economic and Industrial climate was unfortunately sluggish. The growth in the production of domestic Electrical Equipment Industry was lower. The financial crisis in Western Europe has also cast negative effect on manufacturing sector and economy in general in India.

High rate of interest, inflation, increase in the cost of our primary inputs, power and fuel, substantial volatility in the foreign exchange and increase in cost all around has resulted in the contraction by more than 20% of the production of Capital-Goods-sector impacting our operations.

Despite such adverse economic climate in the Country, your Company has performed reasonably well during the year under review.

The total production during the year was 24862 M Tons [25832 MT], marginal decrease of about 4%. The overall gross sales income was Rs. 1047 Cr. [976 Cr] and income net of taxes Rs. 932 [874] Cr. The increase in the sales income, despite marginal fall in production, is due to increase in the cost of primary raw materials consumed, besides more production on own account and less production on job work account.

For the year, the PBDIT is 3853.13, PBDT 3257.80, PBT 1964.28 and PAT 1414.51 lacs. Our Reserve and Surplus are Rs 17992.69 (16982.86) lacs at the end of March 2012.

Though prices of copper, our principal input remained volatile during the year, your company has generally preferred to have back to back procurement of input to avoid pricing mismatch of the sale of finished goods.

Your company continues to be the market-leader in the field of Winding Wires in India. Export efforts continue.

The Company has successfully executed an Order for 765 KV Continuously Transposed Conductors and the EHV Power Transformer made therefrom by a renowned Domestic Transformer Manufacturer are satisfactorily working in the field since quiet some time.

Addition in the plant and machinery and civil work during the year is about Rs. 12 Crores.

Notwithstanding whatever has been stated in the foregoing paragraphs about the sluggishness in the Capital-Goods-sector in our Country during the year, your company continues to be optimistic about future growth in the sector. India being a power-deficit-country, the long term prospects of the Electrical Equipment Manufacturing Industry is bright. Our Government is aware of constraints such as availability of proper grade coal for the thermal plants and has initiated actions in right direction. Our Winding Wires, as you are aware, are used in the manufacture of Electrical Equipment, which again depend on the development of Electrical Power sector. Our Company is looking forward to the future with optimism.

Your Company has discharged all financial obligations in time, without delay or default and continues to remain a Dividend paying Company since long time and has low-debt-gearing.

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

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

The Equity Shares of the Company are compulsorily traded in dematerialized form as prescribed by SEBI. The same



DIRECTORS' REPORT

are registered with both National Securities Depository Ltd., Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, and Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400 023, Under ISIN No.INE372C01011 common for both.

5. Particulars of Employees:

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

6. Disclosure of particulars in the Directors' Report:

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

7. Auditors:

The Auditors, M/s. S. R. Divatia & Company, Chartered Accountants, Mumbai, who have been Statutory Auditors of the Company, hold office until the ensuing Annual General Meeting. Subject to the approval of the Members, it is proposed to re-appoint them for the Financial Year 2012-13. The Auditors have furnished, u/s 224 (1B) of the Companies Act 1956, Certificate of Eligibility for reappointment.

8. Corporate Governance:

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

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

9. Directors' Responsibility Statement:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company based on the representations received from the operating management confirms:

- i. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of financial year ended 31st March, 2012 and of the profit of the Company for that period;

- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. that the directors had prepared the annual accounts for the year ended 31st March, 2012, on a going concern basis.

10. Directors:

The term of appointment of Shri Milan M. Mehta, Vice Chairman & Managing Director, expired on 31st March, 2012. On the recommendation of its Remuneration-Cum-Selection Committee, the Board of Directors have, at their meeting held on 8th February, 2012, re-appointed Shri Milan M. Mehta as Vice Chairman & Managing Director for a further period of three years from 1st April, 2012 subject to the approval of the Members of the Company at the ensuing Annual General Meeting and any other statutory approval required, if any.

Shri Pradip Roy has been appointed as an Additional Director on 14th November, 2011 by the Board of Directors and holds office until the ensuing Annual General Meeting. Besides being a Graduate Engineer from Indian School of Mines, Dhanbad, and a MBA from Delhi University, Shri Roy is qualified CAIIB, a successful Banker and retired as Executive Director of IDBI Bank Ltd. He is also on the Board of eminent Companies. He has been associated with various Committees constituted by Government / Industry Association on Policy formation etc in Infrastructure field. He was nominated by the Government of India to represent Financial Sector on Ports and Roads set up by Planning Commission, under the Chairmanship of Ex Dy Governor of Reserve Bank of India.

The Company has received Notice, along with the requisite Deposit of Rupees Five Hundred, from a Member proposing the appointment of Shri Pradip Roy as a Director of the Company, at the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Shri Vijay M. Crishna and Shri Ashwin P. Kothari retire by rotation and are eligible for re-appointment.

11. Acknowledgements

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

For and on behalf of the Board

Mahendra R. Mehta
Chairman and Managing Director

Mumbai,
Dated 28th May, 2012

DIRECTORS' REPORT

ANNEXURE I TO DIRECTORS' REPORT

Particulars of Employees as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2012.

Name	Age (Years)	Qualifications	Designation	Date of Commencement of Employment	Experience (Years)	Remuneration (Gross) Rs.	Last Employment and position held
Shri Mahendra R. Mehta	83	–	Chairman & Managing Director	June 1975	60	7,189,131	Chairman & M.D of Erstwhile Atlas Wires Ltd.
Shri Milan M. Mehta	49	B.S.(E.E.)	Vice Chairman & Managing Director	April 1996	27	8,936,072	Technical Director of Erstwhile Atlas Wires Ltd.
Shri Deepak M. Mehta	55	B.Com	Whole-time Director	January 1989	32	5,708,259	Whole time Director of Erstwhile Atlas Wires Ltd.

Notes :

- (1) All the above persons are relatives of each other
- (2) The above employments are contractual in nature.
- (3) Remuneration (Gross) includes Salary, Commission, taxable value of perquisites, Company's contribution to Provident Fund and provision for the year for Retirement Gratuity in case of Shri Mahendra R. Mehta and Shri Milan M. Mehta, Managing Directors, who each beneficially own more than 5% of the Paid-up Share Capital of the Company, and are ineligible on this ground for entitlement to retirement gratuity payment through the Trust created. Gratuity provision in the current year, therefore, has been made at Rs. 876,924/- for Shri Mahendra R. Mehta and Rs. 230,770/- for Shri Milan M. Mehta. Shri Deepak M. Mehta is entitled for payment of gratuity through the Trust but since a separate computation of gratuity liability for the year is not available from actuarial valuation in this regard, the same has not been included in his gross remuneration.

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

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

2. Technology Absorption

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

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

- | | |
|--|---|
| 1) Special areas in which R & D Carried out by the Company | For the manufacture of CTC required for EHV Transformers. |
| 2) Benefits derived as a result of the above R & D | Produced successfully CTC for 765 KV Power Transformers. |
| 3) Future plan of action | Energy conservation. |
| 4) Expenditure on R & D | – |

Technology Absorption, Adaptation and Innovation :

- | | |
|---|--------------------------------------|
| 1. Efforts in brief made towards technology absorption and innovation | For Insulating Varnish. |
| 2. Benefits derived as a result of the above efforts. | Compliance of customer requirements. |
| 3. Information about Imported Technology | – |

3. Foreign Exchange Earnings and Outgo :

Earnings	Rs. 6760.23 (Rs. 3860.90) Lacs
Outgoings	Rs. 14820.66 (Rs. 15401.00) Lacs

Declaration on Compliance of the Company's Code of Conduct

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

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

Mumbai,
Dated 28th May, 2012

Mahendra R. Mehta
Chairman & CEO



**CORPORATE GOVERNANCE REPORT FOR THE YEAR 1ST APRIL, 2011 TO 31ST MARCH, 2012
(ANNEXURE III TO THE DIRECTORS' REPORT)**

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

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

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

2. Board of Directors:

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

Composition and category of Directors			Member of other Boards or Other Board Committees		Attendance		
Name of Director	Designation	Category	Number of Directorship in other companies*	Number of Board Committee membership held in other companies	Meeting of Board of Directors		AGM
					Held	Attended	Attended
Shri Mahendra R. Mehta	Chairman and Managing Director	Promoter, Executive	-	-	4	4	Yes
Shri Milan M. Mehta	Vice-Chairman and Managing Director	Promoter, Executive	1	-	4	4	Yes
Shri Deepak M. Mehta	Whole-time Director	Promoter, Executive	-	-	4	4	Yes
Shri Vijay M. Crishna	Director	Non-Executive, Independent	3	-	4	1	No
Shri P. N. Vencatesan	Director	Non-Executive, Independent	-	-	4	3	Yes
Shri P. R. Merchant	Director	Non-Executive, Independent	4	C = 3 M = 5	4	4	Yes
Shri A. P. Kothari	Director	Non-Executive, Independent	7	-	4	3	No
Shri Pradip Roy	Additional Director w.e.f.14/11/2011	Non-Executive, Independent	4	-	4	1	N.A.

C = Chairman of Board Committee in other companies

M = Member of Board Committee in other companies

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

Number of Board Meetings held and dates on which held:

Four Meetings of the Board of Directors were held, on 16-05-2011, 11-08-2011, 14-11-2011 and 08-02-2012 and the gap between two meetings did not exceed four months.

Annual General Meeting (AGM) of the company was held on 03-08-2011.

3. Audit Committee:

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

Brief Description of Terms of Reference are as under:

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

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

During the year, 4 Meetings of the Audit Committee of the Board of Directors were held, on 16-05-2011, 11-08-2011, 14-11-2011 and 08-02-2012.

Name of the Members	Category	Audit Committee Meeting	
		Held	Attended
Shri P. N. Vencatesan, Chairman (Chartered Accountant)	Independent, Non-Executive	4	3
Shri P. R. Merchant (Retired Senior Banker)	Independent, Non-Executive	4	4
Shri A. P. Kothari (Technocrat-Entrepreneur)	Independent, Non-Executive	4	3
Shri. Pradip Roy	Independent, Non-Executive w.e.f. 14/11/2011	4	1

4. Remuneration-Cum-Selection Committee:

Brief description of Terms of Reference:

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

Composition, name of members, Chairperson and attendance :

The Remuneration-Cum-Selection Committee comprises of Four Independent & Non-Executive Directors - Shri P. N. Vencatesan (Chairman), Shri P. R. Merchant (Member), Shri A. P. Kothari (Member) and Shri Pradip Roy (Member). During the year 2 (Two) meeting of the Remuneration-Cum- Selection Committee was held, on 16-05-2011 and 08-02-2012.

Shri P. N. Vencatesan, Shri P. R. Merchant & Shri A. P. Kothari attended the Meeting of Remuneration-Cum-Selection Committee held, on 16.05.2011 and 08-02-2012 and Shri Pradip Roy attended the Meeting of Remuneration-Cum-Selection Committee held, on 08-02-2012.

Remuneration Policy:

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

Details of remuneration to all the Directors are as under:

[i] Gross Remuneration paid / payable to Executive Directors for financial year 2011-12.

Name of Director and Service Contract	Salary Rs.	Commission Rs.	Perquisites # Rs.	Contribution to PF & Provision for Gratuity Rs.	Total Rs.
Shri Mahendra R. Mehta (Re-appointed w. e. f. 01.10.2011 for 3 years)	29,10,000	18,54,150	11,98,857	* 12,26,124	71,89,131
Shri Milan M. Mehta (Re-appointed w. e. f. 01.04.2012 for 3 years)	48,00,000	18,54,150	14,75,152	** 8,06,770	89,36,072
Shri Deepak M. Mehta (Re-appointed w. e. f. 01.08.2010 for 3 years)	27,88,000	18,54,150	7,31,550	3,34,560	57,08,259

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

* Includes Provision for Gratuity of Rs. 8,76,924/-

** Includes Provision for Gratuity of Rs. 2,30,770/-

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

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

[ii] Remuneration paid to Non-Executive Directors for financial year 2011-12.

	Shri P N Vencatesan	Shri P R Merchant	Shri A P Kothari	Shri V M Crishna	Shri Pradip Roy
Sitting Fees for attending Board and Committee Meetings.	Rs.56000	Rs. 78000	Rs. 61000	Rs. 22000	Rs. 22000
Non-executive Directors are not paid any other remuneration.					

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

Name of non-executive director heading the committee : Shri P. N. Vencatesan
 Name and designation of compliance officer : Ms. Rajni M. Lalwani, Company Secretary
 Number of complaints received up to 31.3.2012 : 06 (Six)
 Number not solved to the satisfaction of shareholders as on 31.03.2012 : NIL
 Number of pending complaints : NIL

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

**6. General Body Meetings :**

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

Financial Year	Date	Time	Location	No. of Special Resolutions passed at the AGMs
2010-2011	03-08-2011	02.30 p.m.	Hall of Mysore Association, 1 st Floor, 393 Bhau Daji Road, Maheswari Udyan (KingCircle), Matunga (Central Railway), Mumbai-400019.	ONE
2009-2010	23-07-2010	02.30 p.m.		TWO
2008-2009	19-09-2009	02.30 p.m.		FOUR

- ii. Resolutions by Postal Ballots, etc.:

Special Resolutions passed by Postal Ballot during the year-NIL.

7. Disclosures :

- i. Materially significant related party transactions:

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

- ii. No penalties have been imposed and no strictures have been passed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years and there are no instances of non-compliance of relevant regulatory requirements by the Company.

- iii. As a matter of policy, all employees of the company have free access to all executive and non-executive directors of the company, including the Audit Committee, and are encouraged to report any ultra virus acts or omissions.

- iv. The Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreements Regarding the status of the compliance with the Non-mandatory requirements of the said Clause, the Company has constituted a Remuneration-Cum-Selection Committee comprising of Non-Executive & Independent Directors.

8. Means of communication :

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

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

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

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web based application designed by NSE for Corporates. The Shareholding Pattern and Corporate Governance Report are also filed electronically on NEAPS.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

9. General Shareholder Information :

- i. **Annual General Meeting**

Day, Date, month & Time : Thursday, 9th August, 2012 at 02.30 P.M.

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

- ii. **Financial Calender (Tentative)**

Financial Year 1st April, 2012 to 31st March, 2013.

Quarterly Results:

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

- iii. **Date of Book closure** : From 4th August, 2012 to 9th August, 2012 (both days inclusive).

iv. **Dividend payment date :**

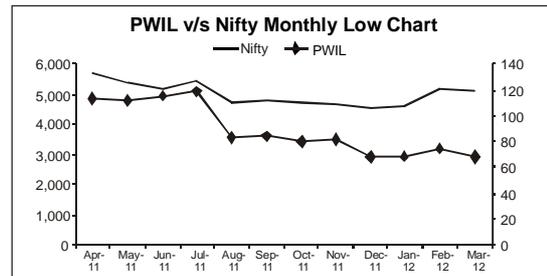
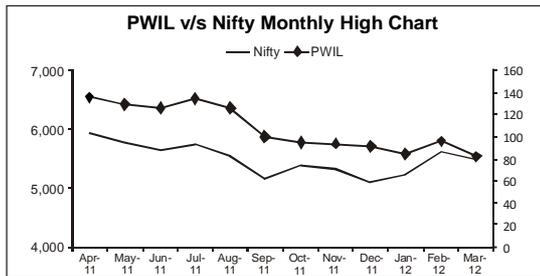
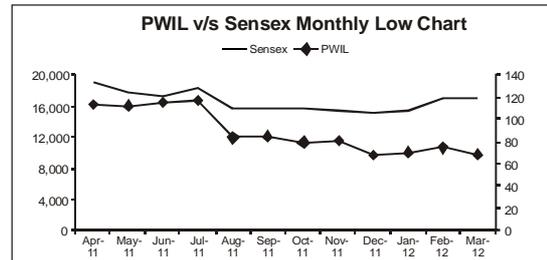
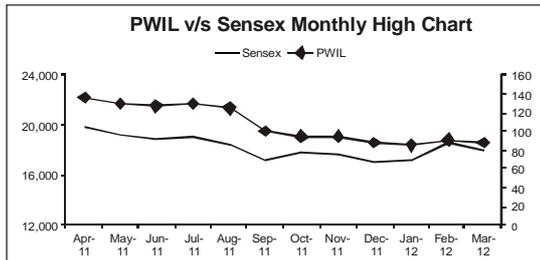
Final Dividend on Equity shares, subject to the approval of Members at the ensuing Annual General Meeting, @ Rs. 1.20 per fully paid equity share of Rs. 10/- each shall be paid on or before 08.09.2012.

v. **Listing on Stock Exchanges :**

The Equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2012-13. The Company's shares are regularly traded on the Stock Exchange, Mumbai and National Stock Exchange of India Ltd.

vi. **Stock Code :** BSE - 523539, NSE SYMBOL - PRECWIREvii. **Market Price Data - High, Low during each month in financial year 2011-12 :**

Month & Year	PWIL @ BSE		SENSEX		PWIL @ NSE		NIFTY	
	High	Low	High	Low	High	Low	High	Low
Apr-11	135.80	113.90	19811	18976	135.50	113.50	5944	5693
May-11	130.00	112.10	19254	17786	130.00	112.00	5775	5329
Jun-11	126.70	115.00	18873	17314	126.00	115.00	5658	5196
Jul-11	130.00	117.00	19132	18132	134.90	118.50	5740	5454
Aug-11	125.00	83.70	18440	15766	126.00	83.10	5552	4720
Sep-11	101.00	85.00	17212	15801	99.75	84.00	5169	4759
Oct-11	95.00	80.10	17908	15745	94.95	80.10	5400	4728
Nov-11	94.95	81.00	17702	15479	94.50	81.05	5326	4639
Dec-11	88.00	68.10	17004	15136	92.00	68.00	5099	4531
Jan-12	84.95	70.50	17259	15358	84.75	69.10	5217	4588
Feb-12	91.00	74.60	18524	17062	95.95	74.55	5630	5159
Mar-12	87.85	69.10	18041	16921	81.95	68.30	5499	5136

viii. **Registrar and Transfer Agents:**

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

ix. **Share Transfer System :**

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

x. **Distribution of holding as on 31.03.2012:**

No. of Shares		No. of Shareholders		No. of Shares	
From	To	Number	%	Number	%
Less than 501		8084	89.93	1037257	8.97
501 -	1000	421	4.68	342403	2.96
1001 -	2000	200	2.24	305878	2.65
2001 -	3000	88	0.98	222460	1.93
3001 -	4000	42	0.47	150723	1.30
4001 -	5000	37	0.41	173443	1.50
5001 -	10000	44	0.49	311318	2.69
10001 & above		72	0.80	9020141	78.00
Total		8988	100.00	11563623	100.00

	<u>Number of Shares</u>	<u>%</u>
Promoters Shareholding :	6897283	59.65
Public Shareholding :	4666340	40.35
	-----	-----
Total	11563623	100.00
	=====	=====

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

The Equity Shares of the Company are in compulsory demat segment. The same are registered with both National Securities Depository Ltd., Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 and Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai 400 023, under ISIN No. INE372C01011, common for both. 95.86% of Company's Share Capital is dematerialised as on 31.03.2012.

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

The Company has not issued any GDRs or ADRs.

xiii. **Plant Locations :**

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

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

xiv. **Address for correspondence:**

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

Mahendra R. Mehta
Chairman & CEO

Mumbai,
Dated 28th May, 2012

a) Industry Structure & Development:

The Company produces Winding Wires made of Copper which are used in the manufacture of both rotating and static electrical equipments. Though there are number of players in the Industry including many in SSI sector, due to quality of our products and loyalty of OEM customers, we continue to remain Industry-Leader despite adverse operational conditions having prevailed during the year.

The overall capacity utilization of the Industry in the Country is either static or marginally lower. This is due to the sluggish demand from Electrical Equipment Manufacturing Sector which did not have adequate orders from Electric-Power-Sector. The competition may continue to be intense. Both Industrial & economic structure of the Industry has been affected due to high Cost of input, inflation, substantial volatility in Forex and overall increase in the Cost. Your Company continues to cater to the OEM sector. Due to cumbersome procedural framework coupled with delayed payments from EOU and SEZ Sector, we have reduced our supply to the same for the time being. Emphasis on direct physical export abroad continues and we performed well. We have developed CTC required for EHV 765KV Transformers and such Transformers produced and supplied by a prominent equipment manufacturer to Utility undertaking are in operation since last year.

b) Opportunities & Threats

As ours is a power-deficit country, massive investment in the power sector, regardless of any change in the political system, is likely to continue. Government has ambitious plans for increasing installed capacity for electric power generation. Large Private Sector Firms are also implementing at present electric power generation projects.

However, due to economic downturn at home and in the West and inadequate availability of proper grade coal required for thermal power generating Stations, implementation of such undertaking by large Private Sector firms has been delayed. Foreign Direct Investment (FDI), as expected has also slowed down considerably.

As India continues to remain a massive Power-Deficit-Country regardless of adverse development at home or abroad, the investment and the growth in the power sector on the long run are bound to continue. There may be some factors which may temporarily not be conducive to the fast track growth but ultimately the universal fact regarding demand and supply shall prevail.

The living standard of the people in the country is generally improving so also the Industrial Development & combined effect thereof, will anyhow, force the accelerated growth of Electric-Power-Sector and consequently that of Electricity Equipment Manufacturing and Winding Wire Sector.

Due to economic downturn, production of Capital Goods including electrical equipments has gone down and imports thereof at soft terms from China have increased. It is likely that the Government may intervene. Reforms in respect of Policy of Power Sector, particularly about transmission and distribution, are overdue so that Private

Sector once again can plan and invest. Though the Government is seized of the issues, some genuine constraints for time being have delayed the process of decision making. High rate of interest, inflation and volatility in the Foreign Exchange have impacted the cost of input and operations.

Your Company is hopeful about the future growth.

c) Segment-wise or Product-wise performance:

The Company's core activity is production and sale of only one product i.e. Winding Wires made of Copper. During the year under review, the production of your Company marginally reduced by about 4% due to the reason discussed in the foregoing paragraphs.

The energy cost and other administrative expenditure being disproportionate at Palej Plant, which was temporarily revived for production of winding Wire for small quantity has been closed down. Its contribution to the production last year was hardly 2% of the total production of the Company.

However our division at Palej producing Insulating Varnish continues operation satisfactorily and provides important contribution to the quality of our finished product.

d) Outlook:

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

e) Risks and concerns:

Please refer to foregoing paragraphs.

f) Internal control systems and their adequacy:

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

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

During the year under review, Net Sale Income was higher at 93179 [87364] despite marginally 4% lower production. This was due to more production on our own account and lower quantity of Job Work production undertaken. Packing material consumed 721 [648] is higher due to increased costs and exports. Outflow for power & fuel has been higher at 1748 (1458) due to public sector utility of Dadra and Nagar Haveli at Silvassa has levied from August 2011 onwards till the end of the Year additional Surcharge 262 (Nil). Marginal increase in freight and transportation 835 (805) due to higher cost of fuel and exports and provision for employees has increased to 1156 (1095) due to rising cost and inflation. Discount charges higher at 298 (160) due to high rate of interest. Rupee having depreciated substantially, Foreign Exchange loss is 406 (44.11) due to equipment imported in 2009-10 and 2010-11 and import of raw material during the year under Buyers' Credit in forex currency. Other expenses higher at 810(766) includes increase in factory Security expenses, Bank charges and freight on return of empty spools etc. Premium on forward foreign exchange contracts is 160 (56) due to higher imports.



MANAGEMENT DISCUSSION AND ANALYSIS

Reserve and surplus is 17993 (16983) as at 31st March, 2012. The Debt Equity Ratio of your Company continues to be healthy at less than 0.40 and the same provides us an opportunity for future growth and economic capability and options to negotiate successfully temporary down turn. Outstanding secured fixed loan 526 (49) is due to the plant and machinery purchased earlier on which the term loan was disbursed in the current year. Short term borrowings 5807 (6912) includes 2407 (2447) Term Loan payable within one year and Working Capital borrowing from the banks 3400 (4909). Trade Payables are 15318 (14531) and Othr Current Liabilities are lower at 2333 (5844).

Inventory has increased to 7611(4877) mainly due to increase in stock of raw material in transit 507, finished goods 1339 and Raw Material 813. The higher inventory was planned due to likely change in policy by the primary copper producers, Hindalco/Sterlite. Trade Receivables have decreased to 16835 (19188). Current assets comprising Cash and Bank balances, loans and advances and other current assets are reduced to 5677 (8567).

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

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

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

Industrial relations during the year were generally satisfactory and new wage agreements with the labour at Silvassa Plants are under negotiation.

i) Cautionary Statements:

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

Mahendra R. Mehta
Chairman & CEO

Mumbai

Dated : 28th May, 2012.

To the Members of
PRECISION WIRES INDIA LIMITED

1. We have audited the attached Balance Sheet of Precision Wires India Limited, as at 31st March 2012, the related Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating, the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (the "Act") and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of the written representations received from the directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Accounting Policies and Notes forming part of the accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and
 - (ii) in so far as it relates to the Profit and Loss account, of the profit of the Company for the year ended on that date.
 - (iii) in the case of the Cash Flow statement of the cash flows for the year ended on that date.

FOR S.R. DIVATIA & CO.

Chartered Accountants

S.R. Divatia

Partner

Membership No. 4193

Firm Registration Number : 102646W

Mumbai,

Dated : 28th May, 2012



AUDITORS' REPORT

ANNEXURE TO THE AUDITORS' REPORT

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

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its business. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The inventory (except Returnable Plastic Spools lying with Customers) of the Company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted/taken any loans secured or unsecured, to/from parties listed in the registers maintained under Section 301 of the Companies Act, 1956, clauses iii(b), iii(c), iii(d), iii (e), iii (f) & iii(g) of paragraph 4 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in the internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts / arrangements that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us each of the transactions in excess of Rs. 5 lakhs in respect of any party has been made at prices, which are prima facie reasonable having regard to the prevailing market prices, of such goods, materials or services at the relevant time.
- (vi) The Company has not accepted deposits from the public. Hence the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant Provisions of the Act and the rules framed thereunder are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed accounts and records have been maintained and made up. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess as applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2012 for a period of more than 6 months from the date of becoming payable.
- (b) According to the records of the Company, the dues outstanding of income tax, sales tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute are as follows:

Nature of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Central Excise Act	Excise Duty	1983-84	4,55,000/-	CEGAT, Delhi

- (x) The Company does not have accumulated losses as at 31st March 2012. The Company has not incurred any cash loss during the financial year covered by the audit or in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the basis of the information and explanations given to us, by the management we are of the opinion that the Company has not defaulted in repayment of its dues to any financial institution, bank or to debenture holders during the year.

AUDITORS' REPORT

- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Accordingly in our opinion the provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanation given to us the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet and cashflow statement of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- (xix) The Company has not issued any secured debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

FOR S. R. DIVATIA & CO.

Chartered Accountants

S.R. Divatia

Partner

Membership No. 4193

Firm Registration Number : 102646W

Mumbai,

Dated : 28th May, 2012



AUDITORS' REPORT

S.R. DIVATIA & CO.
CHARTERED ACCOUNTANTS

To the Members of
Precision Wires India Limited

We have examined the compliance of conditions of corporate governance by Precision Wires India Limited ("the Company") for the year ended 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchanges.

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

Based on the aforesaid examination, in our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement. We have to state that the records of investor grievances are maintained by the Registrar and Transfer Agents appointed by the Company. The Registrar and Transfer Agents have certified that during the year under review there were no investor grievances pending/unattended to for more than 30 days.

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

FOR S. R. DIVATIA & CO.
Chartered Accountants

S.R. Divatia
Partner
Membership No. 4193
Firm Registration Number : 102646W

Mumbai,
Dated : 28th May, 2012

221, Avon Arcade, D.J. Road, Near Rly Station, Vile Parle (W), Mumbai - 400 056
Tel. (O) : 2616 0791 / 2663 1923 (R) : 2671 4708 Fax : 2610 4926 Email : mail@srdivatia.com

BALANCE SHEET AS AT 31ST MARCH, 2012

	Note	Rupees	As at 31/03/2012 Rupees	Rupees	As at 31/03/2011 Rupees
<u>EQUITY AND LIABILITIES</u>					
SHAREHOLDERS' FUNDS					
Share Capital	1	115,644,230		115,644,230	
Reserves and Surplus	2	1,799,268,878	1,914,913,108	1,698,285,744	1,813,929,974
NON-CURRENT LIABILITIES					
Long-Term Borrowings	3	52,640,000		4,939,568	
Deferred Tax Liabilities (Net)	4	167,298,440		178,411,230	
Other Long-Term Liabilities	5	200,000	220,138,440	200,000	183,550,798
CURRENT LIABILITIES					
Short-Term Borrowings	6	580,734,644		691,215,088	
Trade Payables	7	1,531,786,888		1,453,149,386	
Other Current Liabilities	8	233,279,769		584,443,217	
Short-Term Provisions	9	42,742,987	2,388,544,288	71,289,002	2,800,096,693
TOTAL			4,523,595,836		4,797,577,465
<u>ASSETS</u>					
NON-CURRENT ASSETS					
Fixed Assets	10				
Tangible Assets		1,454,695,784		1,441,421,554	
Intangible Assets		19,670,064		36,931,881	
Capital Work-in-Progress		26,232,329	1,500,598,177	50,817,894	1,529,171,329
Non-Current Investments	11	5,013,522		5,016,522	
Other Non-Current Assets	12	5,746,602	10,760,124	5,211,747	10,228,269
CURRENT ASSETS					
Inventories	13	761,070,830		487,666,204	
Trade Receivables	14	1,683,451,822		1,918,780,821	
Cash and Cash-equivalents	15	270,786,528		279,902,183	
Short Term Loans and Advances	16	245,143,082		545,741,675	
Other Current Assets	17	51,785,273	3,012,237,535	26,086,984	3,258,177,867
TOTAL			4,523,595,836		4,797,577,465
Significant Accounting Policies and Notes on Accounts	25				

As per our report of even date.

For S.R. Divatia & Co.
Chartered Accountants

S.R. Divatia
Partner
Membership No. 4193
Firm Registration No. 102646W

Mumbai,
Dated : 28th May, 2012

For and on behalf of the Board

Mahendra R. Mehta
Chairman, Managing Director & CEO

Rajni M. Lalwani
Company Secretary

Milan M. Mehta
Vice Chairman & Managing Director

C. Mohandas Pai
Chief Financial Officer

Mumbai,
Dated : 28th May, 2012



**PROFIT AND LOSS ACCOUNT FOR
THE YEAR ENDED ON 31ST MARCH, 2012**

	Note	2011/12 Rupees	2010/11 Rupees
INCOME			
Revenue from Operations (Gross)	18	10,470,614,554	9,761,824,334
Less : Excise Duty		(1,152,750,924)	(1,025,449,355)
Revenue from Operations (Net)		<u>9,317,863,630</u>	<u>8,736,374,979</u>
Other Income	19	7,635,335	12,749,715
TOTAL REVENUE		<u>9,325,498,965</u>	<u>8,749,124,694</u>
EXPENSES			
Cost of Raw Material consumed	20	8,377,837,614	7,667,343,149
Purchase of Stock-in-Trade		5,486,154	2,590,331
Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade	21	(136,365,344)	(190,687,884)
Employee Benefits Expense	22	115,643,508	109,544,862
Finance Cost	23	59,532,534	47,981,713
Depreciation & Amortisation Expenses	10	129,351,629	122,473,768
Other Expenses	24	577,584,429	519,747,993
TOTAL		<u>9,129,070,524</u>	<u>8,278,993,932</u>
Profit before Exceptional & Extraordinary Items and Taxes		196,428,441	470,130,762
Exceptional and Extraordinary Item		-	-
Profit before Taxes		196,428,441	470,130,762
Tax Expenses :			
Current Tax :			
Provision for Income Tax		(69,800,000)	(150,800,000)
Provision for Wealth Tax		(50,000)	(38,100)
Income Tax Adjustments (Net)		<u>3,759,436</u>	<u>(4,815,183)</u>
Provision for Deferred Tax		11,112,790	(4,474,836)
Profit after Taxes from continuing operations		<u>141,450,667</u>	<u>310,002,643</u>
Earnings per Share of Rs.10/- each (in Rs.)			
Basic & Diluted EPS before Extra Ordinary Items		12.23	26.81
Basic & Diluted EPS after Extra Ordinary Items (Refer Clause B-12 of Note 25)		12.23	26.81
Significant Accounting Policies and Notes on Accounts			
	25		

As per our report of even date.

For S.R. Divatia & Co.
Chartered Accountants

S.R. Divatia
Partner
Membership No. 4193
Firm Registration No. 102646W

Mumbai,
Dated : 28th May, 2012

For and on behalf of the Board

Mahendra R. Mehta
Chairman, Managing Director & CEO

Rajni M. Lalwani
Company Secretary

Milan M. Mehta
Vice Chairman & Managing Director

C. Mohandas Pai
Chief Financial Officer

Mumbai,
Dated : 28th May, 2012

NOTES TO BALANCE SHEET

	As at 31/03/2012 Rupees	As at 31/03/2011 Rupees			
NOTE 1 : SHARE CAPITAL					
AUTHORISED :					
12,000,000 (12,000,000) Equity Shares of Rs. 10/- each.	120,000,000	120,000,000			
3,000,000 (3,000,000) Unclassified Shares of Rs. 10/- each.	30,000,000	30,000,000			
	<u>150,000,000</u>	<u>150,000,000</u>			
ISSUED :					
11,565,223 (11,565,223) Equity shares of Rs. 10/- each.	115,652,230	115,652,230			
SUBSCRIBED AND PAID-UP:					
11,563,623 (11,563,623) Equity shares fully paid-up	115,636,230	115,636,230			
Add : Forfeiture of 1,600 (1,600) Equity shares (Amount originally paid-up)	8,000	8,000			
TOTAL	<u>115,644,230</u>	<u>115,644,230</u>			
1.1	1,100,000 Shares out of the issued, subscribed and paid up share capital were allotted on conversion of Debentures, in May, 2007.				
1.2	The details of Shareholders holding more than 5% shares :				
	Name of the Shareholder				
	As at 31 st March, 2012		As at 31 st March, 2011		
	No. of Shares held	% held	No. of Shares held	% held	
	Galvawire Agencies Pvt. Ltd.	1,734,668	15	1,734,668	15
	Mr. Mahendra R. Mehta	1,551,635	13	1,551,635	13
	Mrs. Sharda M. Mehta	812,453	7	812,453	7
	Mr. Milan M. Mehta (including as Karta of HUF)	787,948	7	787,948	7
1.3	The reconciliation of the number of shares outstanding is set out below :				
	As at 31 st March, 2012		As at 31 st March, 2011		
	No. of Shares held		No. of Shares held		
	Equity Shares at the beginning of the year	11,563,623	11,563,623	11,563,623	
	Equity Shares at the end of the year	11,563,623	11,563,623	11,563,623	
NOTE 2 : RESERVES AND SURPLUS					
Central and State Government Subsidies	2,000,000	2,000,000			
Capital Redemption Reserve	11,698,500	11,698,500			
Share Premium	183,865,000	183,865,000			
Hedging Reserve					
Balance as per last Balance Sheet	-	-			
Add : Effect of Foreign Exchange Rate Variation on Hedging Instruments outstanding at the year end	(148,937)	-			
	(148,937)	-			
General Reserve :					
Balance as per last Balance Sheet	1,465,500,000	1,235,500,000			
Add : Transfer from Profit and Loss Account	100,000,000	230,000,000			
	1,565,500,000	1,465,500,000			
Surplus :					
Balance as per last Balance Sheet	35,222,244	35,965,886			
Add :					
Net Profit after tax for the year	141,450,667	310,002,643			
Less :					
Transfer to General Reserve	(100,000,000)	(230,000,000)			
Interim Dividend					
[@ Rs 1.80 (Rs. 2.40) per Equity Share]	(20,814,521)	(27,752,696)			
Corporate Tax on Interim Dividend	(3,376,636)	(4,611,275)			
Provision for					
Final Dividend [@Rs. 1.20 (Rs. 3.60) per Equity Share]	(13,876,348)	(41,629,043)			
Corporate Tax on Final Dividend	(2,251,091)	(6,753,271)			
	36,354,315	35,222,244			
TOTAL	<u>1,799,268,878</u>	<u>1,698,285,744</u>			



NOTES TO BALANCE SHEET

	As at 31/03/2012 Rupees	As at 31/03/2011 Rupees			
NOTE 3 : LONG-TERM BORROWINGS					
Secured Loans from Banks	<u>52,640,000</u>	<u>4,939,568</u>			
TOTAL	<u>52,640,000</u>	<u>4,939,568</u>			
3.1 Maturity Profile of Secured Term Loans are as set out below :					
F.Y.	2012-13	2013-14	2014-15	2015-16	2016-17
Rs.	8,699,568	15,040,000	15,040,000	15,040,000	7,520,000
(Refer Clause B-3(a) of Note 25)					
NOTE 4 : DEFERRED TAX LIABILITY (NET)					
Deferred Tax Liability arising on account of Depreciation	<u>174,421,225</u>	<u>185,256,946</u>			
LESS :					
Deferred Tax Assets arising on account of:					
Unamortized/ Unpaid Expenditure	<u>(37,277)</u>	<u>(38,164)</u>			
Retirement benefits	<u>(7,085,508)</u>	<u>(6,807,552)</u>			
TOTAL	<u>(7,122,785)</u>	<u>(6,845,716)</u>			
	<u>167,298,440</u>	<u>178,411,230</u>			
NOTE 5 : OTHER LONG-TERM LIABILITIES					
Security Deposits	<u>200,000</u>	<u>200,000</u>			
TOTAL	<u>200,000</u>	<u>200,000</u>			
NOTE 6 : SHORT-TERM BORROWINGS					
Secured :					
Foreign Currency Loans - Buyers Credit (from Bank)	240,748,508	244,659,437			
Working Capital Borrowings (from Bank)	229,281,471	240,563,648			
Unsecured :-					
Foreign Currency Loans - Buyers Credit (from Banks)	110,704,665	205,992,003			
(Refer Clause B - 3(a) and 3(b) of Note 25)					
TOTAL	<u>580,734,644</u>	<u>691,215,088</u>			
NOTE 7 : TRADE PAYABLES					
Sundry Creditors					
Micro / Small and medium scale industrial undertakings	4,584,349	5,458,953			
Others	1,527,202,539	1,447,690,433			
TOTAL	<u>1,531,786,888</u>	<u>1,453,149,386</u>			
NOTE 8 : OTHER CURRENT LIABILITIES					
Current maturities of Long Term Debts	8,699,568	54,161,926			
Interest accrued and due to Bank	-	526,657			
Unclaimed Dividend *	3,298,360	2,814,243			
Creditors for Capital Expenditure	5,288,812	34,668,826			
Other Liabilities	215,993,029	492,271,565			
TOTAL	<u>233,279,769</u>	<u>584,443,217</u>			
* There is no amount, due and outstanding, to be credited to the Investor Education and Protection Fund.					
NOTE 9 : SHORT-TERM PROVISIONS					
Provision for Leave Encashment	4,330,288	5,095,473			
Provision for Gratuity payable	9,242,310	8,134,616			
Provision for Wealth Tax	50,000	38,100			
Proposed Dividend	13,876,348	41,629,043			
Provision for Corporate Tax on Dividend	2,251,091	6,753,271			
Other Provisions	12,992,950	9,638,499			
TOTAL	<u>42,742,987</u>	<u>71,289,002</u>			

NOTES TO BALANCE SHEET

NOTE 10 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK				
	As at 01.04.2011	Additions	Sale / Adjustment	As at 31.03.2012	Upto 31.03.2011	For the Year	On Sale / Adjustment	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011			
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			
1) Tangible Assets :													
Land - Free Hold	60,748,467	-	-	60,748,467	-	-	-	-	60,748,467	60,748,467			
Buildings *	299,898,055	23,640,420	-	323,538,475	60,401,587	9,900,078	-	70,301,665	253,236,810	239,496,468			
Plant and Machinery	1,759,976,528	97,269,039	(9,747,968)	1,847,497,599	632,861,153	96,892,898	(2,444,048)	727,310,003	1,120,187,596	1,127,115,375			
Vehicles	10,601,676	1,621,403	(1,404,588)	10,818,491	4,193,250	989,292	(974,420)	4,208,122	6,610,369	6,408,426			
Office Equipments	24,798,493	9,793,614	(19,588)	34,572,519	21,568,862	2,442,859	(19,588)	23,982,133	10,590,386	3,239,631			
Furniture and Fixtures	20,869,288	773,654	-	21,642,942	16,456,101	1,864,685	-	18,320,786	3,322,156	4,413,187			
	2,176,892,507	133,098,130	(11,172,144)	2,298,818,493	735,470,953	112,089,812	(3,438,056)	844,122,709	1,454,695,784	1,441,421,554			
2) Intangible Assets :													
Technology Transfer Cost	115,450,651	-	-	115,450,651	78,518,770	17,261,817	-	95,780,587	19,670,064	36,931,881			
	115,450,651	-	-	115,450,651	78,518,770	17,261,817	-	95,780,587	19,670,064	36,931,881			
TOTAL	2,292,343,158	133,098,130	(11,172,144)	2,414,269,144	813,989,723	129,351,629	(3,438,056)	939,903,296	1,474,365,848	1,478,353,435			
Previous Year	(1,976,732,969)	(342,976,669)	(27,366,480)	(2,292,343,158)	(702,145,199)	(122,473,768)	(14,465,255)	(813,989,723)	(1,478,353,435)	(1,274,587,770)			
3) Capital Work in Progress (Including Advances on Capital Account)									26,232,329	50,817,894			
									1,500,598,177	1,529,171,329			

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

* Excluding cost of Shares held in Co-operative Housing Society disclosed under Investments.



NOTES TO BALANCE SHEET

	As at 31/03/2012 Rupees	As at 31/03/2011 Rupees
NOTE 11 : NON-CURRENT INVESTMENTS		
(Long Term, other than Trade Investments, at cost, unless otherwise stated)		
LONG TERM :		
UNQUOTED		
Government Securities -		
6 years National Savings Certificates (deposited with Government Authorities)	6,000	9,000
Other Investments :		
500 (500) Non-Convertible Redeemable Taxable Bonds in the Nature of Debentures of Rs.10000/- each of "Rural Electrification Corporation Ltd" (Repurchase Value Rs. NIL (NIL)) (u/s 54 EC of Income Tax Act, 1961)	5,000,000	5,000,000
100 (100) Equity Shares of Rs. 10/- each of Mogaveera Co-Op Bank Ltd, fully paid	1,000	1,000
100 (100) Equity Shares of Rs. 10/- each of Jankalyan Co-Op Bank Ltd, fully paid	1,000	1,000
110 (110) Equity Shares of Rs. 50/- each of Basera Co-Op Hsg. Soc. Ltd, fully paid (Relating to Residential Flats owned by the Company and shown under the Note 10 - Fixed Assets)	5,522	5,522
TOTAL	5,013,522	5,016,522
NOTE 12 : OTHER NON-CURRENT ASSETS		
Deposits	5,746,602	4,959,431
Miscellaneous Expenses (to the extent not Written-off)		
Pre-Operative Expenses	-	252,316
TOTAL	5,746,602	5,211,747
NOTE 13 : INVENTORIES		
INVENTORIES (At lower of cost or net realisable value)		
Raw Materials in Transit	50,753,375	-
Raw Materials	143,564,232	62,277,017
Work in Progress	221,930,577	211,027,885
Finished Goods	279,392,417	145,443,214
Copper Scrap	1,684,710	4,864,505
Stores, Spares and Consumables	43,655,912	43,078,234
Reels and Packing Material	20,089,607	20,975,349
TOTAL	761,070,830	487,666,204
NOTE 14 : TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Outstanding overdue for a period exceeding six months	5,211,056	1,753,548
Others	1,678,240,766	1,917,027,273
TOTAL	1,683,451,822	1,918,780,821

NOTES TO BALANCE SHEET

	As at 31/03/2012 Rupees	As at 31/03/2011 Rupees
NOTE 15 : CASH AND CASH - EQUIVALENTS		
Balances with Banks		
– In Current Accounts	264,850,635	270,126,664
– In Term Deposits	97,000	4,189,784
Cheques in hand	1,432,121	1,874,875
Cash on hand	793,409	807,813
Balance in Margin Money Accounts	315,000	88,804
Balance in Dividend Accounts	3,298,363	2,814,243
TOTAL	<u>270,786,528</u>	<u>279,902,183</u>
NOTE 16 : SHORT-TERM LOANS AND ADVANCES		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances Recoverable in Cash or in kind or for value to be received	189,630,038	476,659,800
Advance Payment of Taxes (net)	20,605,231	51,347,360
Balance with Customs and Central Excise Authorities	34,907,813	17,734,515
TOTAL	<u>245,143,082</u>	<u>545,741,675</u>
NOTE 17 : OTHER CURRENT ASSETS		
Interest accrued but not due	303,054	431,738
Export benefits accrued	51,482,219	25,655,246
TOTAL	<u>51,785,273</u>	<u>26,086,984</u>



NOTES TO PROFIT AND LOSS STATEMENT

	2011/12 Rupees	2010/11 Rupees
NOTE 18 : REVENUE FROM OPERATIONS (GROSS)		
Sale and Processing Income of Products		
Finished Goods (Own + Jobwork)	9,849,557,921	9,294,548,699
Traded Goods	11,651,386	8,928,086
Other Operating Revenue		
Scrap Sales	609,388,002	458,338,613
Other Sales	17,245	8,936
Revenue from Operations (gross)	10,470,614,554	9,761,824,334
NOTE 19 : OTHER INCOME		
Interest	4,075,841	11,089,036
Miscellaneous Receipts	3,559,494	1,452,647
Profit on sale of assets (Net)	-	208,032
TOTAL	7,635,335	12,749,715
NOTE 20 : COST OF RAW MATERIAL CONSUMED		
Stock at commencement		
Copper Wire Rods	5,625,411	-
Enamels & Chemicals	48,026,613	43,019,971
Others	8,624,993	8,517,526
	<u>62,277,017</u>	<u>51,537,497</u>
Add : Purchases		
Copper Wire Rods @ **	8,190,254,649	7,385,309,450
Enamels & Chemicals	293,125,533	270,483,584
Others	26,498,022	22,289,635
	<u>8,509,878,204</u>	<u>7,678,082,669</u>
Less : Stock at close		
Copper Wire Rods @	(132,040,990)	(5,625,411)
Enamels & Chemicals	(52,272,573)	(48,026,613)
Others	(10,004,044)	(8,624,993)
	<u>(194,317,607)</u>	<u>(62,277,017)</u>
Total Cost of Raw Material Consumed	8,377,837,614	7,667,343,149
<p>@ Includes Material in Transit of 96 MTs (Nil) amounting to Rs. 5,07,53,375/- (Rs. Nil). ** Refer Clause B-10 of Note 25</p>		
NOTE 21 : CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Stock at close		
Finished Goods	(264,718,579)	(136,011,243)
Copper Scrap	(1,684,710)	(4,864,505)
Work-in-progress	(221,930,577)	(211,027,885)
Wire Enamels	(14,673,838)	(9,431,971)
	<u>(503,007,704)</u>	<u>(361,335,604)</u>
LESS :		
Stock at commencement		
Finished Goods	136,011,243	94,909,837
Copper Scrap	4,864,505	1,728,529
Work-in-progress	211,027,885	65,424,906
Wire Enamels	9,431,971	5,319,470
	<u>361,335,604</u>	<u>167,382,742</u>
(ACCRETION) / DECRETION IN INVENTORY	(141,672,100)	(193,952,862)
(Accretion) / Decretion in Excise Duty on Inventory of Finished Goods & Copper Scrap	5,306,756	3,264,978
TOTAL	(136,365,344)	(190,687,884)

NOTES TO PROFIT AND LOSS STATEMENT

	2011/12 Rupees	2010/11 Rupees
NOTE 22 : EMPLOYEE BENEFITS EXPENSE		
Salary, Wages & Bonus etc.	106,362,513	99,075,780
Contributions to Provident and Other Funds	6,700,459	8,296,945
Staff and Labour Welfare	2,580,536	2,172,137
TOTAL	<u>115,643,508</u>	<u>109,544,862</u>
NOTE 23 : FINANCE COSTS		
Interest on Term Loans	14,190,660	18,125,299
Other Interest (Bank & Others)	11,888,446	13,574,757
Discounting Charges	29,773,445	16,004,299
Applicable loss on foreign currency transactions and translation #	3,679,983	277,358
TOTAL	<u>59,532,534</u>	<u>47,981,713</u>
# Refer Clause A-11 of Note 25		
NOTE 24 : OTHER EXPENSES		
Packing Material Consumed	72,122,062	64,773,113
Stores and Spares	32,983,345	46,960,274
Power and Fuel	174,812,783	145,821,429
Repairs and Maintenance		
Building	3,661,744	3,672,346
Machineries	33,478,936	38,245,183
Other Assets	4,595,214	2,615,786
Directors' Sitting Fees	239,000	219,000
Rent	11,991,929	11,053,122
Rates and Taxes	1,820,218	925,777
Travelling Expenses	5,046,517	6,169,076
Insurance	6,954,960	7,194,209
Freight and Transportation	83,468,012	80,456,989
Commission on Sales	9,577,665	11,963,594
Cash Discount	-	444,201
Bad Debts Written Off	130,199	2,567,883
Other Expenses	80,981,389	76,689,419
Sundry Balance Written Off	113,186	2,414,274
Prior Period Expenses	(43,778)	928,336
Loss on Sale of Assets (net)	22,353	-
Provision for loss on Fixed Assets scrapped/discarded/Impaired	-	3,836,011
Insurance Claims Written Off	2,651,604	3,104,480
Foreign Exchange Loss (net)	36,970,628	4,134,574
Premium on forward exchange contracts #	16,006,463	5,558,917
TOTAL	<u>577,584,429</u>	<u>519,747,993</u>
# Refer Clause A-11 of Note 25		



**NOTE 25 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

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

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

2. Use of Estimates :

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

3. Fixed Assets and Depreciation :

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

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

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

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

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

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

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

4. Impairment of Assets :

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

5. Investments :

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

6. Inventories :

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

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

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

7. Excise duty / Service Tax :

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

8. Income and Expenditure :

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

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

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

iv. Interest income is recognised on time proportion basis.

v. Dividend on Investments is accounted when received.

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

**NOTE 25 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

9. Foreign Currency Transactions :

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

10. Forward Contracts :

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

11. Future Contracts:

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitment contracts and highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.

In accordance with Accounting Standard 11 ["Effects of changes in Foreign Exchange Rates"] and Accounting Standard 30 ["Financial Instruments – Recognition and Management"] as also Accounting Standard 16 ["Borrowing Costs"] issued by the Institute of Chartered Accountants of India, on the Buyers Credits in Foreign Currency availed from time to time up to the time of their settlement or up to the time of creating hedge thereagainst, the Foreign Exchange Gain / Loss applicable on the amount of difference in borrowing cost in Indian Currency and borrowing cost of Buyers' Credits in Foreign Currency is accounted as "Applicable loss on foreign currency transactions and translations" under Finance Cost in the Profit and Loss Account.

12. Employees Benefits :

- i. Gratuity Benefits are accounted for on the basis of amount determined by actuarial valuation made by Life Insurance Corporation of India (LIC) using the Projected Unit Credit Method and are funded accordingly by the approved Trust. Contribution made to LIC is charged to Profit and Loss Account. Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the Profit and Loss in the period in which they arise.
- ii. The Company's provident fund and pension scheme are in form of defined contribution plans where contribution is made to funds / Government managed schemes. These are accounted on accrual basis and charged to the Profit and Loss Account of the year in which the employee renders the related service.
- iii. The monetary value of leave encashment benefit is provided on the basis of actuarial valuation.

13. Taxes on Income :

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

14. Provisions, Contingent liabilities and Contingent Assets:

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

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

Contingent liability is disclosed in case of

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

Contingent Assets are neither recognised, nor disclosed.

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



NOTE 25 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B. NOTES TO ACCOUNTS

	<u>Rs. Lakhs</u> <u>2011-12</u>	<u>Rs. Lakhs</u> <u>2010-11</u>
1. A. Contingent Liabilities :		
a. Guarantees given by Bank to third parties	1040.94	834.22
b. Disputed Income Tax Demands (not acknowledged) against which Company / Department has preferred an appeal	-	2.70
c. Disputed Wealth Tax Demands (not acknowledged) against which Company / Department has preferred an appeal	3.40	3.40
d. Disputed demands of Central Excise against erstwhile Atlas Wires Limited pending in Appeal	4.55	4.55
e. Disputed demand of Service Tax Credit on Sales Commission against which Company has preferred appeal After the above demands have been raised, CBEC, vide Circular No. 943/04/2011 - CX dated 29.4.2011 has clarified that Cenvat Credit on Service Tax paid on Sales Commission is allowable.	-	4.07
f. Disputed demand of Service Tax distributed by Input Service provider against which Appeal has been filed.	1.12	1.12
g. Disputed demand of Delhi VAT Department	32.00	-
1. B. Estimated amount of Contracts remaining to be executed on Capital Account (net of advances paid) and not provided for	81.09	267.80
2. Information pursuant to part II of Schedule VI.	2011-12	2010-11
2. (A) Value of Imports calculated on CIF Basis. (Including Material in Transit)	<u>Rs.</u>	<u>Rs.</u>
1. Raw Materials	1,423,676,709	1,330,289,881
2. Consumable Stores & Spares, Packing Material & Repairs to Plant	7,125,574	8,280,951
3. Capital Goods	35,125,166	190,535,524
2. (B) Value of Raw Materials and Stores & Spares consumed:	<u>Percentage</u>	<u>Rs.</u>
a. Raw Materials		
Imported	14 (18)	1,212,421,493 (1,351,650,809)
Indigenous	86 (82)	7,165,416,121 (6,315,692,340)
Total	100 (100)	8,377,837,614 (7,667,343,149)
b. Stores & Spares :	<u>Percentage</u>	<u>Rs.</u>
Imported	27 (44)	9,052,986 (20,892,076)
Indigenous	73 (56)	23,930,359 (26,068,198)
Total	100 (100)	32,983,345 (46,960,274)
	2011-12	2010-11
	<u>Rs.</u>	<u>Rs.</u>
2. (C) Expenditure in foreign Currency : (Other than Imports, on Accrual basis)		
Technology Transfer Cost	-	1,304,089
Testing/Membership Fees	195,490	177,149
Professional Fees	191,672	147,960
Travelling	604,447	2,187,952
Interest on Buyers Credit	12,039,250	4,108,095
Commission on Sales	1,416,303	1,230,642
Exhibition Expenses	390,358	1,837,857
Repairs to Imported Equipment	1,301,511	-

**NOTE 25 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)**2. (D) REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND :**

The Company has paid dividend in respect of shares held by Non-Residents on repatriation basis. This inter-alia includes investment where the amount is also credited to Non-Resident External Account (NRE A/c.). The exact amount of dividend remitted in foreign currency cannot be ascertained. The total amount remittable in this respect is given herein below :-

	2011-12	2010-11
INTERIM DIVIDEND		
(a) Number of Non-Resident Shareholders	50	53
(b) Number of Equity Shares held by them	78733	87288
(c) (i) Amount of Dividend Paid (Gross) (in Rupees)	188959	209491
(ii) Tax Deducted at Source	-	-
(iii) Year to which dividend relates	2011-12	2010-11
FINAL DIVIDEND		
(a) Number of Non-Resident Shareholders	50	53
(b) Number of Equity Shares held by them	84889	213589
(c) (i) Amount of Dividend Paid (Gross) (in Rupees)	305600	427178
(ii) Tax Deducted at Source	-	-
(iii) Year to which dividend relates	2010-11	2009-10

2. (E) Earnings in Foreign Exchange :

Export of Goods on FOB Basis	676,022,778	386,089,846
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2. (F) Employee benefits :

1. As per Accounting Standard 15 "Employee Benefits", the disclosure as defined in the Accounting Standard are given below :

A. Defined Contribution Plan :

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

	2011-12	2010-11
	Rs.	Rs.
Employers Contribution to Provident Fund	4,414,333	4,128,138
Employers Contribution to Employees Pension Scheme 1995	2,461,650	1,977,969
TOTAL	6,875,983	6,106,107

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

B. Defined Benefit Plan :

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

I. Reconciliation of Opening and closing Balances of Defined Benefit Obligation	Gratuity (Funded)	Gratuity (Un-Funded)	Gratuity (Funded)	Gratuity (Un-Funded)
	2011-12	2011-12	2010-11	2010-11
	Rs.	Rs.	Rs.	Rs.
Present Value of Defined Benefit Obligation as at beginning of the year	15,138,743	8,134,616	11,526,496	7,774,039
Adjustments	-	-	939,567	-
Interest Cost	1,211,099	-	997,285	-
Current Service Cost	1,234,998	1,107,694	1,096,390	360,577
Benefits Paid	(438,770)	-	(444,454)	-
Actuarial (Gain)/Loss	(1,261,305)	-	1,023,459	-
Present Value of Defined Benefit Obligation as at end of the year	15,884,765	9,242,310	15,138,743	8,134,616
II. Reconciliation of Opening and closing Balances of Fair Value of Plan Assets				
Fair Value of Plan assets at beginning of the year	16,220,721	-	11,966,015	-
Expected Return on Plan assets	1,500,417	-	1,106,856	-
Employers Contribution	2,584,789	-	3,617,182	-
Benefits Paid	(438,770)	-	(444,454)	-
Actuarial (Gain)/Loss	(9,374)	-	(24,878)	-
Fair Value of Plan assets at end of the year	19,857,783	-	16,220,721	-
Actual return on plan assets	1,491,043	-	1,081,978	-



NOTE 25 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B. NOTES TO ACCOUNTS (Contd.)

	Gratuity (Funded) 2011-12 Rs.	Gratuity (Un-Funded) 2011-12 Rs.	Gratuity (Funded) 2010-11 Rs.	Gratuity (Un-Funded) 2010-11 Rs.
III. Reconciliation of fair value of assets and obligations				
Fair Value of Plan assets at end of the year	19,857,783	-	16,220,721	-
Present Value of Defined Benefit Obligation as at end of the year	15,884,765	-	15,138,743	-
Net Liability/(Asset) Recognised in the Balance Sheet	(3,973,018)	-	(1,081,978)	-
IV. Expenses Recognised During the year				
Current Service Cost	1,234,998	-	1,096,390	-
Interest Cost	1,211,099	-	997,285	-
Expected Return on Plan assets	(1,500,417)	-	(1,106,856)	-
Net Actuarial (Gain) / Loss	(1,270,679)	-	998,581	-
Expenses Recognised During the year in Profit & Loss Account	(324,999)	-	1,985,399	-
V. Actuarial Assumptions				
Mortality Table (LIC)	1994-96 (Ultimate)		1994-96 (Ultimate)	
Discount Rate (Per Annum)	8%		8%	
Expected rate of Return on Plan assets	9.25%		9.25%	
Rate of Escalation in Salary (Per Annum)	4%		4%	

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

	2011-12 Rs.	2010-11 Rs.
2. (G) Remuneration to Auditors (exluding Service Tax) :		
Remuneration to Auditors		
(a) Audit Fees	700,000	700,000
(b) Tax Audit Fees	100,000	100,000
(c) Certification Fees	60,975	102,750
(d) Taxation Matters	0	20,000
(e) Others	350,000	25,000
TOTAL	1,210,975	947,750

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

	2011-12 Rs.	2010-11 Rs.
2. (H) Expenses/Debits and (Income / Credits) pertaining to previous year(s) :		
Manufacturing	196,336	(154,006)
Administration & Selling Expenses	(240,114)	1,082,342
TOTAL	(43,778)	928,336

**NOTE 25 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)

3. a) Bank borrowings from Bank of Baroda (Term Loan and Working Capital facilities) are secured by a first charge on Hypothecation of Machinery, Stock-in-Trade, Book debts and Equitable Mortgage of Land, Factory & Residential Buildings of the Company and in addition, are guaranteed by Executive Directors.
- b) Unsecured Working capital facilities from ING Vysya Bank, Barclays Bank, BNP Paribas and Yes Bank are guaranteed by Executive Directors.

4. Forward Contracts :

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

- A. Details of derivative instruments (forward contract) outstanding (for hedged transactions mentioned below) as on 31.03.2012 :

Purpose of Hedge, Buyers Credit on Import of Capital Goods & Raw Materials	Amount in Foreign Currency	Equivalent Amount (Rs.)
Capital Goods	€ 1,477,000 (€ 2,080,000)	100,242,196 (131,539,200)
Capital Goods	– (£140,000)	– (10,070,046)
Raw Materials	\$565,756 (\$5,605,696)	28,906,106 (250,294,343)
Sundry Creditors	\$412,553 (\$48,610)	20,990,687 (2,170,437)
Sundry Creditors	€ 171,320 (–)	11,656,996 (–)

- B. Details of foreign currency exposure that are not hedged by derivative instrument or otherwise as on 31.03.2012 - Figures mentioned in Table below for Sundry Creditors are in respect of Import of Plant & Machinery / Raw Material.

Particulars	Amount in Foreign Currency	Equivalent Amount (Rs.)
Sundry Creditors	– (€ 424,298)	– (26,832,581)
Sundry Debtors - Export	\$ 1,583,732 (\$ 1,348,878)	81,292,961 (60,227,410)
Sundry Debtors - Export	€ 1,260,694 (€ 463,612)	85,768,636 (29,318,813)
Advances from Customers - Export	– (\$ 12,186)	– (544,105)
Other Advances against Purchase of Plant & Machinery, Raw Material etc.	€ 16,365 (€ 24,133)	1,111,003 (1,526,171)
Other Advances against Purchase of Plant & Machinery, Raw Material etc.	\$ 37,000 (\$ 87,574)	1,882,560 (3,910,174)
Buyers' credit - Raw material	– (\$ 680)	– (30,362)
Buyers' credit - Capital Goods	– (€ 140,000)	– (10,070,046)
Buyers' credit - Capital Goods	€ 2,068,000 (€ 780,170)	140,506,313 (49,337,951)
Other Advances against Purchase of Plant & Machinery, Raw Material etc.	– (\$ 2,781,345)	– (125,549,913)



NOTE 25 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B. NOTES TO ACCOUNTS (Contd.)

5. In accordance with ASI 14 (Revised) on 'Disclosure of Revenue from Sales Transactions' issued by Institute of Chartered Accountants of India, excise duty on sales amounting to Rs. 115,27,50,924/- (Rs.102,54,49,355/-) has been reduced from sales in Profit and Loss account and [Accretion]/Decretion of Excise Duty on Inventory of Finished Goods amounting to Rs. 53,06,756/- (Rs. 32,64,978/-) has been accounted in the profit and loss account under Note 21 - "Changes in Inventory of Finished Goods, Work-in-Progress and Stock-In-Trade".
6. As the Company operates in the single business segment of Winding Wires made of Copper, there are no reportable segments of business as defined under the Accounting Standard AS 17-Segment Reporting issued by The Institute of Chartered Accountants of India.
7. Disclosure of Transactions with related parties as required under Accounting Standard AS 18 on Related Party disclosures issued by The Institute of Chartered Accountants of India are given below :

a) **Key Management personnel and their relatives :**

Chairman & Managing Director Shri Mahendra R. Mehta	Managing Director Shri Milan M. Mehta	Whole Time Director Shri Deepak M. Mehta
Relative Mrs. S. M. Mehta, Wife	Relatives Mrs. G. M. Mehta, Wife Master A. M. Mehta, Son Miss M. M. Mehta, Daughter Milan Mahendra Mehta (HUF)	Relatives Mrs. S. D. Mehta - Wife Mr. N. D. Mehta, Son Deepak Mahendra Mehta (HUF)

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

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

Nature of Transaction	2011-12 Rs.	2010-11 Rs.	Related party
Rent Paid	6,282,720	6,295,763	Key Management Personnel and Relatives
Interest on Fixed Deposits	-	2,296,917	Relatives
Remuneration	21,833,462	29,477,979	Key Management Personnel
Fixed Deposits repaid	-	25,000,000	Relatives

c) The Company does not have any subsidiary Company.

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

	2011-12 Rs.	2010-11 Rs.
1. Sales / Purchase & Processing Income etc.		
- Copper Wire Rods	3,023,329	-
- Enamels, Chemicals etc.	103,305,965	104,023,188
- Stores, Spares & Packing Material	3,249,027	4,140,142
- Copper Wire Rods Conversion Chgs.	3,782,907	4,100,440
2. Other Income / Other Expenses	-	73,478

b) The profit arising on transfer of material by one Unit to another and in Stock as at 31st March, 2012 has been excluded from the valuation of relevant closing stock in the accounts of the Company.

9. (a) Amounts Due to Small Scale Industrial Undertakings, outstanding for a period exceeding 30 days are : G.S. Dies Rs. 36,482/- (Rs.14,033/-), Andhra Carbon Products Rs.38,909/- (Rs.38,909/-).

**NOTE 25 : SIGNIFICANT ACCOUNTING
POLICIES AND NOTES ON ACCOUNTS**

B. NOTES TO ACCOUNTS (Contd.)

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

	2011-12 Rs.	2010-11 Rs.
i) The Principal Amount and Interest due thereon remaining unpaid due to supplier		
– Principal Amount outstanding	8,103	533,506
– Interest	–	–
ii) The amount of Interest paid by the Company alongwith the amounts of the payment made to supplier beyond the appointed date for the year ending 31 st March, 2012	–	–
iii) The amount of Interest due and payable for the period of delay for making payment (beyond the appointing date during the year)	–	–
iv) The amount of Interest accrued and remaining unpaid for the year ending 31 st March, 2012	–	–
v) The amount of further interest remaining due and payable for the earlier years	–	–

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

10. Interest paid to Suppliers/Bank Discounting Charges in relation to purchase of Copper of Rs. 1381.56 Lacs (Rs.752.31 Lacs) is grouped with the cost of Raw Material (Copper).

11. Future obligations in case of lease agreements:

	2011-12 Rs.	2010-11 Rs.
Within one year	9,364,046	9,930,930
Later than one year and not later than five years	2,983,528	10,491,878
Later than five years	–	–
Total	12,347,574	20,422,808

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

	2011-12 Rs.	2010-11 Rs.
a. Profit after tax	141,450,667	310,002,643
b. Weighted Average Number of Shares	11,563,623	11,563,623
c. Basic & Diluted EPS before Extra Ordinary Items	12.23	26.81
d. Basic & Diluted EPS after Extra Ordinary Items	12.23	26.81
e. Face value per share	10.00	10.00

13. Figures in brackets pertain to the previous year.

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

As per our report of even date.

For S.R. Divatia & Co.
Chartered Accountants

S.R. Divatia
Partner
Membership No. 4193
Firm Registration No. 102646W

Mumbai,
Dated : 28th May, 2012

For and on behalf of the Board

Mahendra R. Mehta
Chairman, Managing Director & CEO

Rajni M. Lalwani
Company Secretary

Milan M. Mehta
Vice Chairman & Managing Director

C. Mohandas Pai
Chief Financial Officer

Mumbai,
Dated : 28th May, 2012



**CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST MARCH, 2012**

	Rupees in Lacs		
	31/03/2012		31/03/2011
A. Cash Flow From Operating Activities			
Net profit before tax and extraordinary items	1,964.28		4,701.32
Add / (Deduct) : Adjustments for			
Financial Charges	595.32	479.81	
Depreciation (net)	1,293.52	1,224.74	
Insurance Spares Issued	64.47	118.74	
(Profit) / Loss on sale of assets	0.22	(2.08)	
Provision for Loss on Fixed Assets Scrapped / Discarded	-	38.36	
Preliminary Expenses / Deferred Revenue Written off	2.52	-	
Provision for insurance Claim W/off	26.52	31.04	
Bad Debts Written Off	1.30	-	
Income from investments	(3.00)	(1.75)	1,888.86
Operating Profit before working capital changes	3,945.15		6,590.18
Add / (Deduct) Adjustments for :			
Trade and Other Receivables	2,353.29	(5,476.48)	
Inventories	(2,734.05)	(2,004.71)	
Trade and Other Payables	(2,238.51)	8,524.21	
Other Current Assets	(264.86)	(5.76)	1,037.26
Cash generated from operations	1,061.02		7,627.44
Direct Taxes paid (net of refunds)	(357.56)		(1,124.97)
Cash flow before extra-ordinary items	703.46		6,502.47
Extraordinary items	-		-
Net cash from operating activities	703.46		6,502.47
B. CASH FLOW FROM INVESTING ACTIVITIES - Inflow / (Outflow)			
Purchase of fixed assets (including Capital Work In Progress)	(1,085.12)	(3,484.03)	
Proceeds from Sale of Fixed assets	13.40	11.83	
Purchase of Investment	-	(50.00)	
Loan and Advances	2,682.42	(3,846.56)	
Income from Investments	3.00	1.75	
Net cash generated / (used) in investing activities	1,613.70		(7,367.01)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Short Term Borrowings	(1,104.80)	1,038.62	
Proceeds from Long Term Borrowings	22.38	811.11	
Financial Charges Paid	(595.32)	(479.81)	
Dividends paid	(730.58)	(594.33)	
Net cash generated/(used) in financing activities	(2,408.32)		775.59
Net increase/(decrease) in cash equivalents	(91.16)		(88.95)
Cash and cash equivalents as at 1st April	2,799.02		2,887.97
Cash and cash equivalents as at 31st March	2,707.86		2,799.02

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

As per our report of even date.

For and on behalf of the Board

For S.R. Divatia & Co.
Chartered Accountants

Mahendra R. Mehta
Chairman, Managing Director & CEO

Milan M. Mehta
Vice Chairman & Managing Director

S.R. Divatia
Partner
Membership No. 4193
Firm Registration No. 102646W

Rajni M. Lalwani
Company Secretary

C. Mohandas Pai
Chief Financial Officer

Mumbai,
Dated : 28th May, 2012

Mumbai,
Dated : 28th May, 2012



PRECISION WIRES INDIA LIMITED

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

23RD ANNUAL GENERAL MEETING 2011-2012

PROXY FORM

I/We _____ of _____ in the district
of _____ being a Member/Members of PRECISION WIRES INDIA LIMITED
hereby appoint _____ of _____
in the district of _____ or failing him
_____ of _____ in the
district of _____ as my/our Proxy to vote for me/us on my/our behalf at the **23rd Annual General Meeting**
of the Company to be held on **Thursday, 9th day of August, 2012** at 02.30 p.m. and any adjournment thereof.

Signed this _____ day of _____ 2012.

*DP ID : _____ *Client ID : _____

Reg. Folio No. : _____

Signature _____

*Please
affix
Revenue
Stamp*

No. of Shares held : _____

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

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

PRECISION WIRES INDIA LIMITED

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

ATTENDANCE SLIP

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

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

No. of Shares held : _____

I hereby record my presence at the **TWENTY THIRD ANNUAL GENERAL MEETING** of the Company to be held on **Thursday, 9th August, 2012** at the Hall of The Mysore Association, 1st Floor, 393 Bhaudaji Road, Maheshwari Udyan (Kings' Circle), Matunga (Central Railway), Mumbai - 400 019.

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

Signature of the Shareholder / Proxy _____

* APPLICABLE FOR MEMBERS HOLDING SHARES IN ELECTRONIC FORM.

BOOK-POST



If undelivered, please return to :

PRECISION WIRES INDIA LTD.
Saiman House, J.A. Raul Street,
Off Sayani Road, Prabhadevi, Mumbai - 400 025.