



GUJARAT POLY-AVX ELECTRONICS LIMITED

TWENTY FIRST ANNUAL REPORT 2009-2010

ANNUAL GENERAL MEETING

On Saturday, the 31st July, 2010
at B-17/18, Gandhinagar Electronic Estate,
Gandhinagar, Gujarat at 1.00 p.m.

As a measure of economy, copies of the
Annual Report will not be distributed at the Annual
General Meeting. Shareholders are requested
to kindly bring their copies to the meeting.

Board of Directors

Mr. T. R. Kilachand (*Chairman*)

Mr. P. T. Kilachand

Mr. A. H. Mehta (*Executive Director-Finance & Legal*)

Mr. Chandrakant Khushaldas

Brig. K. Balasubramaniam

Mr. A.B.Shah (*GIIC Nominee*)

Mr. R. K. Jani (*GIIC Nominee*)

Company Secretary

Mr. J. M. Shah

Bankers

Bank of Baroda

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Auditors

Messrs. C. C. Chokshi & Co.
(*Chartered Accountants*)

Solicitors and Legal Advisers

Crawford Bayley & Co.

Registered Office and Works

B-17/18, Gandhinagar Electronic Estate,
Gandhinagar 382 024, Gujarat.

Corporate Office

7, Jamshedji Tata Road
Churchgate Reclamation
Mumbai 400 020.

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Members of GUJARAT POLY-AVX ELECTRONICS LIMITED will be held at B-17/18, Gandhinagar Electronic Estate, Gandhinagar, Gujarat on Saturday, the 31st July, 2010 at 1.00 p.m. to transact the following business:

1. To receive, consider and adopt the Directors' Report and Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended 31st March, 2010.
2. To appoint a Director in place of Mr. Tanil R. Kilachand who retires by rotation, but being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. A.B.Shah who retires by rotation, but being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification/s, the following resolution as an Ordinary Resolution for appointing Auditors for the current year.

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, Messrs. C.C.Chokshi & Company, Chartered Accountants, Ahmedabad, be and are hereby appointed as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company.

Further Resolved that the Board of Directors be and is hereby authorised to fix the remuneration of the Auditors and reimbursement of travelling and all other out of pocket expenses incurred in connection with the audit.

By Order of the Board of Directors
J.M.SHAH
Company Secretary

Registered Office:
Plot No. B-17/18,
Gandhinagar Electronic Estate
Gandhinagar 382024
Gujarat.
Dated: 29th May, 2010

NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. The Proxies to be effective, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- (b) The Register of Members and the Share Transfer Books of the Company has remained closed from Tuesday, 18th May, 2010 to Tuesday, 25th May, 2010 (both days inclusive).
- (c) Members holding shares in the dematerialized mode are requested to intimate changes in their address, if any, to their Depository Participants and Members holding shares in physical form are requested to intimate the change of address, if any, immediately to the Registrar & Share Transfer Agents at Sharepro Services (India) Pvt. Ltd., 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072.
Telephone: 022-28215168 / 022-67720300
Fax : 022-28375646
Email : sharepro@vsnl.com

(d) The Company's securities are listed on the following Stock Exchange :

Name & Address of the Stock Exchange	Nature of Security
Bombay Stock Exchange Limited Jeejeebhoy Towers Dalal Street Mumbai 400 023.	85,50,000 Equity Shares of Rs.10/- each

The Company has paid Annual Listing fees for 2009-10 to the above Stock Exchange.

(e) Members who have not yet exchanged the Share Certificates, are requested to exchange their Old Share Certificates with New Share Certificates, with the Company.

Information as required under Clause49(IV)(G)(i) of the Listing Agreement, in respect of Directors being re-appointed/appointed.

Name of Director	Mr. Tanil.R.Kilachand	Mr.A.B.Shah
Age	73 years	51 years
Qualification	B.A from Cambridge University in History and Law M.B.A in Business Administration from Harvard Business School	B.E Mechanical
Date of Appointment	11.03.1992	31.10.2002
Expertise	He has over 46 years of experience in industry, management, implementation of projects etc. He has been associated with various Chambers of Commerce and was the President of Indian Merchants' Chamber. He has been associated with various Charitable trusts and is Director/ Chairman of several Companies	Working with Financial institution since 1983. Appraising and analysing projects technically and financially. He has vast experience in the field of engineering.
Other Directorship in Public Companies (excluding Private Companies) as on 31st March, 2010.	Polychem Ltd. & Ginners and Pressers Limited	Gujarat State Machine Tools Corp. Ltd, Gujarat Thermis Biosyn Ltd, Gujarat Lease Financing Ltd and Gujarat Gold Coin Ceramics Ltd
No of equity shares held	49,602	—

By Order of the Board of Directors

J.M.SHAH
Company Secretary

Registered Office:
Plot No. B-17/18,
Gandhinagar Electronic Estate
Gandhinagar 382024, Gujarat.
Dated : 29th May, 2010



DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Twenty First Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2010.

1. PRODUCTION ACTIVITIES

During the Financial Year 2009-10 your Company recorded a Production of 1372.13 Lac pcs in comparison to 967.15 Lac pcs in Financial Year 2008-09, an increase of 42 %.

2. SALES

The total sales during the Financial Year 2009-10 is Rs.757.49 Lacs against sales of Rs. 681.64.Lacs in last Financial Year , an increase of 11%. The market slow down was dominant in the first 3 Quarters and signs of improvement have been observed in Quarter –IV. Due to change in product Mix the Average Selling Price recorded were lower than last year. Major sales recorded were in the Industrial & Instrumentation, Telecommunication & Automotive segments.

3. FINANCIAL RESULTS

The Company's operations for the year has resulted into profit of Rs. 2841.47 Lacs after interest write back of Rs. 2893.19 Lacs (Previous year loss of Rs.40.62 Lacs). Before interest and depreciation & tax there is surplus of Rs.100.49 Lacs (Previous year : Rs.134.65 Lacs).

In view of the accumulated loss, your Directors have not been able to recommend any Dividend for the year 2009-10.

4. FINANCE

The Company has not received any additional loans from the financial institutions during the year ended 31st March, 2010.

5. FIXED DEPOSITS

The Company has not received any deposits from Public during the year.

6. PARTICULARS OF EMPLOYEES

Provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company.

7. PROCEEDINGS BEFORE THE AAIFR / BIFR

In compliance with the Order of the Appellate Authority for Industrial & Financial Reconstruction (AAIFR) dated 27th March, 2002, the Company has substantially fulfilled its obligations as per the directions of AAIFR, as depicted hereunder:

- 1) The company has converted Rs.75 lacs into equity shares of cash value of Rs.10/- each.
- 2) The company also converted Rs.981.50 lacs into 0.5% non-cumulative preference shares;
- 3) And balance dues of Rs.861.41 lacs under One Time Settlement (OTS) to term lenders has been already paid in full.

However, the company has still to pay to Bank of Baroda balance towards FITL – I Rs.28 lacs and towards FITL – II Rs.59 lacs.

The Board for Industrial & Financial Reconstruction (BIFR) vide its Order dated 28.04.2009 had directed that the Company shall implement the provision of Sanctioned Scheme and redeem the non-cumulative Preference shares. The Company thereafter, as legally advised, filed an appeal before AAIFR, against the said Order, inter alia praying for stay in respect of the same which was granted vide AAIFR order dated 23.07.2009. Next hearing in the said appeal is scheduled on 23.07.2010.

The BIFR vide their order dated 28.04.2010, has directed the Company to inform them the development in appeal pending in AAIFR against BIFR order dated 28.04.2009, with a copy to ICICI (MA). The BIFR has fixed the next hearing on 1.09.2010.

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

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1968, the Report of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo etc. is given in Annexure-I forming part of this report.

9. DIRECTORS

Mr. Tanil R. Kilachand and Mr. A.B.Shah retire from office by rotation but being eligible, offer themselves for reappointment.

10. AUDIT COMMITTEE

Your Company has set-up an Audit Committee of Directors as mandated by section 292(A) of the Companies Act, 1956 as amended. Mr.Chandrakant Khushaldas,Brig.K.Balasubramaniam and Mr.T.R.Kilachand are the members of the Audit Committee.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that :

- (i) in the preparation of the annual accounts, applicable accounting standards have been followed, with proper disclosure of any departures;
- (ii) the accounting policies are consistently applied and reasonable, prudent judgement and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

12. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a separate report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

13. AUDITORS' REMARKS

As regards the remarks in the Auditors' Report, please refer to the Notes on Accounts which are self-explanatory.

14. APPOINTMENT OF AUDITORS

You are requested to appoint Auditors. The retiring Auditors M/s.C.C.Chokshi & Co., Chartered Accountants, Ahmedabad are eligible for re-appointment.

15. ACKNOWLEDGEMENT

Your Directors express their sincere thanks to the Central and State Government authorities, including Gujarat Industrial Investment Corporation Ltd., Bank and Financial Institutions and the Collaborators Kyocera-AVX Corpn of USA.

Sincere thanks are also due to the Management team, the staff and workers for their valuable contribution during this critical period of the Company.

On behalf of the Board of Directors,

T. R. KILACHAND
Chairman

Registered Office :
Plot No. B-17/18
Gandhinagar Electronic Estate
Gandhinagar 382 024
GUJARAT.

Dated : 29th May, 2010.

ANNEXURE I

A. CONSERVATION OF ENERGY

- a) Energy conservation steps taken :
 - i) Preventive maintenance programme has led to reduction of energy consumption with better productivity.
 - ii) Effective supervision and control for optimum energy usage in plant.
- b) Additional Investments & Proposals being implemented
 - i) Maintenance schedule monitoring for effective use of the machinery.
 - ii) Monitoring the effective use of utilities.
- c) Impact of measures at (a) & (b) above:
The above implementation have resulted to achieve better productivity and reduced energy cost.
- d) Power & Fuel Consumption : Not Applicable

**B. TECHNOLOGY ABSORPTION
FORM - B**

1. SPECIFIC AREAS IN WHICH R & D CARRIED OUT BY THE COMPANY

- i) Effective control of manufacturing processes to reduce the consumption of Raw materials .
- ii) Continuous development of jigs and fixtures/tools locally.
- iii) Continued development of imported spares

2. BENEFITS DERIVED AS A RESULT OF ABOVE R & D

- i) As a result of above improved the process and reduced down time of m/cs.
- ii) Consistent manufacturing process

3. FUTURE PLAN OF ACTION

- i) Continuous indigenization of machine toolings, jigs & fixtures and raw materials.
- ii) To develop jigs & fixtures to increase the product range.
- iii) Continue the development of products similar to our present range of products.

4. EXPENDITURE OF R & D

Negligible

TECHNOLOGY-ABSORPTION, ADAPTATION & INNOVATION

- (1) (a) Technology Absorption
Technology Absorption is complete in the areas commissioned
- (b) Adaptation
As part of continuous quality improvement, alteration of process conditions and parameters are being undertaken on a regular basis.
- (c) Innovation

Systems adopted have led to improvement in the process

(2) BENEFITS

- i) Increase in product range .
- ii) Reduction in down time and improve the processes of the equipment.

(3) IMPORTED TECHNOLOGY

No additional import of Technology in the Financial Year 2009-10.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) Total Foreign Exchange used : Refer note 17(f) of Schedule 15 (B)
- ii) Total Foreign Exchange earned : Rs. NIL



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

Your Company was established in the year 1989 in collaboration with AVX LTD,USA, a world leader in passive components to manufacture Multilayer Ceramic Capacitors in Radial, Axial, Surface Mount Devices (SMD's) Configuration & subsequently Singlelayer (Disc) Ceramic Capacitors. This state of the art facility was set up in the Electronic Estate in GANDHINAGAR, GUJARAT & is now one of the largest manufacturer of Ceramic Capacitors in India.

Industrial Structure and Development

Ceramic Capacitors are classified under Passive Electronic Components which are the basic building blocks of any Electronic System. These parts are supplied to a cross section of Original Equipments Manufacturers (OEM's) in the following segments.

- (1) Computer & Computer Peripherals
- (2) Instrumentation and Industrial Electronics
- (3) Consumer Electronics
- (4) Defence
- (5) Telecommunications
- (6) Dealers
- (7) Electronic Manufacturing Services (EMS)

Ceramic Capacitors manufactured, by your Company, are supplied to Original Equipment Manufacturers(OEM's) in the rapidly growing electronic industry.

Opportunities and Threats

- Due to their wide range and miniature size Ceramic Capacitors are the most commonly used component.
- The Electronic Industry as a whole is one of the fastest growing industry in India where our Capacitors find applications.
- These capacitors find large scale usage by the EMS industry employing automatic and sophisticated Assemble lines.
- Our capacitors are also marketed through a wide Dealer Network
- Of late your Company has also started Trading in other types of Capacitors used by our existing customers.
- The volatility in the metal prices as well as in other raw materials have a major impact on the bottom lines.
- Our products are fiercely competitive particularly against the imported Chinese products.
- It is very easy to import components as the customs duty is NIL

Risks & Concerns

- With the advent of EMS has led to competitive pricing as customers have access to global sourcing.
- Kit culture continues to be popular in India particularly in the new Technology areas.
- The overall market slow down was dominant in the first 3 Quarters of the Financial Year 2009-10 and has shown signs of revival in Quarter IV effecting our growth plans.

Performance by Sector and Products

As discussed about the advent of EMS has led to Automation in volumes leading to change in our product mix from Leaded Devices to SMDs. This change in product mix has resulted in low ASP's overall during the Financial Year 2009-10. Due to Market slowdown we have, for the first time in many years, recorded a decline in the Instrumentation and Industrial Electronics Segment. However a positive growth is particularly evident in the Automotive & Telecommunication segments.

Accordingly, the sales recorded during the Financial Year 2009-10 was Rs.757.49 Lacs against Rs.681.64 Lacs in the previous year and the production recorded was 1372.13 Lacs pcs against 967.15 Lacs pcs previous year an increase of 42%.

Outlook

With the above possibilities, the Directors are hopeful of increasing the Sales Turnover of the Company.

The Company is cautiously optimistic about the growth prospects for the current Financial Year.

Internal Control System and their Adequacy

Gujarat Poly-AVX Electronics Ltd has adequate system of internal controls to ensure all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.

Your Company has nominated Internal Auditors who evaluate all financial and operating system control of the company. The Internal Auditors also review the internal controls to ensure Accounts of the Company are maintained and transactions are in accordance with the prevailing laws and regulations.

Internal Audit findings and recommendations are reviewed by the top management and the Audit Committee of the Board. The Committee reviews the quarterly, half yearly and annual financial statements before these are submitted to the Board and ensures compliance of internal control system.

FINANCIAL PERFORMANCE

Reserves & Surplus

During the year under review there has been no changes in the capital reserves of the company which stands at Rs.29,75,000/-

Secured Loans

As per Appellate Authority for Industrial & Financial Reconstruction (AAIFR) Order dated 27th March, 2002, the Company has paid in full one time settlement (OTS) dues including interest to Term Lenders including Bank of Baroda. Board for Industrial & Financial Reconstruction has approved restructured payment of Funded Interest Term Loan – I and Funded Interest Term Loan – II of Bank of Baroda.

Fixed Assets (Net Block)

The Net Block as on 31.3.2010 is Rs.362 Lacs compared to Rs.487 Lacs for previous year. The net block has gone down due to depreciation / adjustment for the year.

Investments

The Company has not made any investments during the year.

Net Current Assets

The net current assets of the Company have decreased from Rs.423.31 Lacs to Rs.359.20 Lacs.

Results of operations

The revenue during the year has increased from Rs. 681.64 Lacs to Rs. 757.49 Lacs mainly due to growth in the sale to Automotive, Telecom etc. There is a profit of Rs.2841.47 Lacs after write back of Rs.2893.19 lacs for the year against loss of Rs.40.62 Lacs in the previous year. Provisions for the interest and financial charges are Rs. 24.44 lacs compared to Rs.45.23 Lacs during the previous year.

Payment to and provision for employees amounts to 17.80 % of sales compared to 17.94 % in the previous year. Depreciation amounts to 16.87% of sales during the year compared to 18.86% in the previous year.

The Company cannot recommend dividend due to accumulated losses.

Material Development in Human Resources

Your company's strength lies in our human resources and total employee involvement and has played a very important role in our company's growth. Emphasis is placed on effective communication, continuous on going training and regular upgradation of each individual's performance / skills. The company empower every employee to be leader in its stride towards total quality.

CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India (SEBI) ushered in a formal code of corporate governance (hereafter the code) through clause 49 in the listing agreement executed by the Company with a stock exchange. Clause 49 lays down several corporate governance practices which listed companies are required to adopt. The code has been periodically upgraded to ensure the adoption of best corporate governance practices by the corporates. While most of the practices laid down in clause 49 require mandatory compliance, few are recommendatory in nature. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in clause 49, for the financial year 2009-2010.

Company’s Philosophy on Corporate Governance:

The Philosophy on Corporate Governance aims at attainment of the highest level of transparency, accountability and equity in the functioning of the Company vis-à-vis interactions with employees, shareholders, creditors and customers. The objective of the Company is not only to meet the statutory requirements of the code but also go well beyond it by instituting such systems and procedures as are required in accordance with the latest global trend of making management completely transparent and institutionally sound.

1. Board of Directors

The Company has 7 Directors including a Non-Executive Chairman. There are 6 Non-Executive Directors out of which 2 are Independent Directors. Board of Directors is responsible for management of the Company’s business. The Board’s role, functions, responsibility and accountability are clearly defined.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Chairmanships/Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India. Chairmanship/Membership of Board Committees includes only Audit and Shareholders’/Investors’ Grievance Committees.

The table below provides the composition of the Board of Directors as on 31.03.2010.

FY 2009-10 (April '09 to March '10)

Name of the Director	Attendance Particulars			Sitting fees Rs.	No. of other Directorship and Committee Membership/ Chairmanship	
	Category	Board Meetings	Last AGM held on 3.08.09		Other Directorship in Public Limited Companies	Committee Membership/ Chairmanship
Mr. T.R.Kilachand	Chairman NED	3	No	6,000/-	2	2
Mr. P.T.Kilachand	NED	2	Yes	4,000/-	3	1
Brig.K.Balasubramaniam	NED(I)	3	Yes	6,000/-	—	—
Mr.C.Khushaldas	NED(I)	4	Yes	8,000/-	1	—
Mr. A.B.Shah (Nominee of GIIC)	NED	1	Yes	2,000/-	4	2
Mr. R.K.Jani (Nominee of GIIC)	NED	3	No	6,000/-	—	—
Mr. A.H.Mehta	ED	3	No	—	—	—

Notes:

1. NED – Non-Executive Director.
2. NED (I) – Non-Executive and Independent Director.
3. ED – Executive Director
4. Mr.Tanil R. Kilachand and Mr.Parthiv T. Kilachand, are related. No other directors are related

Number of Board Meetings held and dates on which held

Four Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

29th May, 2009, 3rd August, 2009, 30th October, 2009 and 27th January, 2010.



2. Audit Committee

- i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292A of the Companies Act, 1956. Terms of reference of the Audit Committee are broadly include overseeing financial report processes, reviewing with the management the financial statements and adequacy of internal control systems, reviewing the adequacy of internal audit function and discussion with internal auditors on any significant findings and follow-up thereon.
- ii. Minutes of meetings of the Audit Committee are circulated to members of the Committee and the Board is kept apprised.
- iii. Composition and Attendance

During the year under review, Four meetings of the Audit Committee were held on the following dates and the attendance of each member of the Committee is given below:

- 29th May, 2009, 3rd August, 2009, 30th October, 2009 and 27th January, 2010

Name of the Director	Designation	Category	Committee Meetings	
			Held during the tenure	Attended
Mr. Chandrakant Khushaldas	Chairman	Non-Executive Independent Director	4	4
Brig. K.Balasubramaniam	Member	Non-Executive Independent Director	4	3
Mr.T.R.Kilachand	Member	Non-Executive	4	3

The majority of the members of the Audit Committee are independent and have knowledge of finance, accounts, company law and telecom industry as a whole. The quorum for audit committee meeting is minimum of two members.

The Company Secretary acts as the Secretary to the Committee.

Details of number of Shares and Convertible instruments held by Non-Executive Directors

Except Mr.T.R.Kilachand and Mr.P.T.Kilachand who hold 49,602 and 17,682 Equity Shares of Rs.10/- each of the Company respectively, no other Non-Executive Director holds any shares or Convertible instruments of the Company.

3. Adoption of Non-mandatory requirement of Clause 49

The Company complies with the following non-mandatory requirements stipulated under Clause 49.

Remuneration Committee:

Terms of reference

The Terms of Reference of Remuneration Committee include recommending to the Board of Directors specific remuneration packages for Executive Director and management staff.

The composition of the remuneration committee as on 31st March, 2010 was as under:

Sr.No.	Name of the Director	Designation
1.	Mr. Chandrakant Khushaldas	Chairman
2.	Brig. K.Balasubramaniam	Member
3.	Mr. P.T.Kilachand	Member

All the above Directors are Non-Executive and the Chairman is an Independent Director.

No Remuneration Committee meeting was held during the year 1.04.2009 to 31.03.2010.

4. Shareholders'/Investors' Grievance Committee

The following Directors are the members of the said Committee:-

Sr.No.	Name of the Director	No. of Meeting(s)	
		Held	Attended
1.	Mr. T.R.Kilachand - Chairman	18	17
2.	Mr. P.T.Kilachand - Non-Executive Director	18	18
3.	Mr. A.H.Mehta - Executive Director	18	17

The Committee would look into the redressal of the shareholders' complaints in respect of all matters including transfer or credit of shares to demat accounts, non-receipt of Notices/Annual Reports, non-receipt of Share Certificates etc.

Share Transfer formalities are attended to at least once a fortnight.

Mr. J.M.Shah, Company Secretary provided secretarial support to the Committee and was also the designated Compliance Officer of the Company.

Twelve complaints were received during the year and were solved. There are no complaints pending from the shareholders as on 31.3.2010.

5. CEO/CFO Certification

Mr. A.H.Mehta, Executive Director (Finance & Legal) and Mr. Harshad H. Jani, Assistant General Manager (Accounts and Finance) of the Company have certified to the Board that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:-
 - 1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
 - 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b). There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c). They accept responsibility for establishing and maintaining internal controls for financial reportings and that they have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit ommittee those deficiencies of which they are aware, in the design or operation of such internal control and that they have taken the required steps to rectify these deficiencies.
- (d). They further certify that they have indicated to the auditors and Audit Committee -
 - (i) there have been no significant changes in internal control over financial reporting during the year.
 - (ii) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
 - (iii) there have been no instances of significant fraud of which they have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control system over financial reporting.

6. Code of Conduct

The Company has framed and adopted a Code of Conduct, which is applicable to all the directors and members of the senior management in terms of Clause 49 V of the Listing Agreement. The said code, which came into effect from January 1, 2006, lays the general principles designed to guide all directors and members of the senior management in making ethical decisions.

All Directors and members of the senior management have confirmed their adherence to the provisions of the said code.

Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, we confirm that the Board Members and Senior Management of the Company have confirmed compliance with the Code for the year ended 31.03.2010.

For Gujarat Poly AVX Electronics Limited
A.H.Mehta
Executive Director, Finance & Legal

7. Remuneration to Directors

The Company pays Fees to all Directors excluding the Executive Director of the Company for attendance during the meeting. The Executive Director is paid remuneration of Rs.9,57,838/-during the year, details are disclosed in note no.6 in Schedule 15 (B) of the financial statements.

8. Means of Communications

The annual, half-yearly and quarterly results, as required under clause 41 of the listing agreement are published in two newspapers at Ahmedabad. The Management Discussion and Analysis (MD&A) is part of the Annual Report.

9. Disclosure

Mr.V.K.Puniani, Senior General Manager (Plant) constitutes 'management' and has no personal interest in any transaction that may have a potential conflict with the interest of the company at large.

10. Related Party Transactions

The Company has not entered into any transaction of material nature with the promoters, the Directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interests of the Company.

There were no instances of non-compliance and no strictures or penalties imposed on the Company either by SEBI, Stock Exchange or any statutory authorities on any matter related to capital markets during the last three years.

11. General Shareholder Information

AGM:	Date	Saturday, 31st July, 2010
	Time	1.00 p.m.
	Venue	At: B-17/18, Gandhinagar Electronic Estate, Gandhinagar, Gujarat.
Financial Year	April 2009 to March 2010	
Dates of Book Closure	Tuesday, 18-05-2010 to Tuesday, 25-05-2010	

GUJARAT POLY-AVX ELECTRONICS LIMITED


Dividend Payment Date
 Listing on Stock Exchange
 Stock Code
 Demat ISIN Number in NSDL &
 CDSL for Equity Shares
 Market Price Data : High, Low during
 each month in the financial year 2009-2010
 Registrar and Share Transfer Agents

N. A.
 Bombay Stock Exchange Ltd.
 517288 – Bombay Stock Exchange Ltd.
 NSDL)
 CDSL) INE541F01022

See Table No.1 below
 M/s. Sharepro Services (India) Pvt.Ltd.
 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange
 Lane, Off. Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072.
 Telephone: 022-28511872, 67720300 Fax: 022-28591568
 Email : sharepro@vsnl.com

Share Transfer System

The shares are traded compulsorily in the Demat form effective 6.12.2002.
 Shares sent for transfer are registered and returned within 30 days from the date of
 receipt, if the documents are clear in all respects.

Distribution of shareholding
 & Category-wise distribution

See table No.2 & 3

Dematerialisation of shares

See table No. 4

Plant Location

B-17/18, Gandhinagar Electronic Estate, Gandhinagar-382024 (Gujarat)
 Telephone : 079-23287162/63 Fax : 079-23287161
 Email : vkp@polyavx.com

Listing fees as applicable have been paid.

Table 1 – Market Price Data

High, Low (based on closing prices) and number of shares traded during each month in the last financial year on The Bombay Stock Exchange Ltd. are summarized as herein below.

Month	Bombay Stock Exchange Limited		
	High (Rs.)	Low (Rs.)	Total Number of Shares traded
April - 2009	3.15	2.86	816
May - 2009	2.86	2.48	52,846
June - 2009	3.50	2.47	56,397
July - 2009	3.50	2.86	15,640
August - 2009	3.40	3.00	20,612
September - 2009	3.97	2.72	40,624
October - 2009	5.32	3.69	57,986
November - 2009	5.85	3.76	28,213
December - 2009	5.22	3.73	35,800
January - 2010	5.40	3.92	52,427
February - 2010	5.85	4.10	48,116
March - 2010	5.20	3.80	28,564

Table 2
Distribution of shareholding as on 31.03.2010

No. of Equity Shares	No. of shares held	% of total shares	No. of Shareholders	% of total shareholders
1 to 100	12,11,715	14.17	20,228	84.98
101 to 500	6,00,372	7.02	2,934	12.33
501 to 1000	2,73,999	3.21	365	1.53
1001 to 5000	4,88,944	5.72	229	0.96
5001 to 10000	1,83,291	2.14	26	0.11
10001 to 100000	3,95,967	4.63	17	0.07
100001 and above	53,95,712	63.11	4	0.02
Total	85,50,000	100.00	23,803	100.00

Table 3
Category-wise distribution of shareholding as on 31.03.2010

Sr. No.	Category	No. of shareholders	No. of shares held	% of total shares
1.	Promoters	3	51,57,554	60.32
2.	Public Financial Institutions & Banks	4	3,27,259	3.83
3.	Mutual Funds	—	—	—
4.	Bodies Corporate	125	1,06,223	1.24
5.	Resident Individuals	23,650	29,34,918	34.33
6.	FII & OCBs	—	-	-
7.	Non-Resident Individuals	21	24,046	0.28
8.	State Government	—	—	—
	Total	23,803	85,50,000	100.00

Table 4
Break-up of shares in physical & electronic mode as on 31.03.2010

Mode	No. of shareholders	% of total shareholders	No. of shares	% of total shares
Physical	19,742	82.94	33,28,370	38.93
Electronic	4,061	17.06	52,21,630	61.07
Total	23,803	100.00	85,50,000	100.00

12. Details of Directors appointed and re-appointed during the year

During the year Mr. Chandrakant Khushaldas and Mr. R.K.Jani retired by rotation and were re-appointed at the last Annual General Meeting.

The details of other Directors being appointed and re-appointed in the ensuing Annual General Meeting have been given in the "Notice calling the Twenty First Annual General Meeting of the Company".

13. General body Meetings

The particulars of Annual General Meetings of the Company held in the last 3 years are as under. The shareholders passed all the resolutions set out in the respective notices.

Financial Year	AGM	Location	Date	Time	No. of Special Resolution passed
2006-07	AGM	Gandhinagar Electronic Estate, Gandhinagar ,Gujarat	14.09.2007	1.00 p.m.	—
2007-08	AGM	—Do—	05.08.2008	1.00 p.m.	—
2008-09	AGM	—Do—	03.08.2009	1.00 p.m.	1

No Extra Ordinary General Meetings (EGM) held during the last 3 years.

The Company has not passed any shareholders' resolution through postal ballot during the year under reference.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE
TO THE MEMBERS OF
GUJARAT POLY-AVX ELECTRONICS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Gujarat Poly-AVX Electronics Limited**, for the year ended on 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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 for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

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

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

For **C. C. Chokshi & Co.**
Chartered Accountants
(Registration No. 101876W)
H. P. SHAH
Partner
Membership No. 33331

Place : Ahmedabad
Date : 29th May, 2010



AUDITORS' REPORT TO THE MEMBERS OF GUJARAT POLY-AVX ELECTRONICS LIMITED

1. We have audited the attached Balance Sheet of **Gujarat Poly-AVX Electronics Limited** ("the Company") as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

- (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
- (e) **Attention is invited to Note 2 in Schedule 15(B) regarding accounts of the Company prepared on a going concern basis as explained in the note.**
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said 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 the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2010 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For C.C. CHOKSHI & CO.
Chartered Accountants
(Registration No. 101876W)

H.P. SHAH
Partner

Ahmedabad.
Date: 29th May, 2010

Membership No.33331

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's activities, clauses (xiii) and (xiv) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) There was no substantial disposal of fixed assets during the year.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) 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.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) There are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lacs in respect of any party during the year.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

- (ix) The maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for the product manufactured by the Company for the year under review.
- (x) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2010 on account of any disputes.
- (xi) The accumulated losses of the Company at the end of the financial year are not less than fifty percent of its net worth and the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has been generally regular in the repayment of dues to banks and financial institutions except that Funded Interest Term Loan of Rs. 38,00,000 from Bank of Baroda due on 31st March, 2010 remain unpaid.**
- (xiii) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xv) The Company has not raised any term loan during the year under review.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xvii) According to the information and explanation given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xviii) The Company has not issued any secured debentures during the year.
- (xix) The Company has not raised any money by public issue during the year.
- (xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For C.C. CHOKSHI & CO.
Chartered Accountants
(Registration No. 101876W)

H. P. SHAH
Partner

Ahmedabad.
Date: 29th May, 2010

Membership No.33331



BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	Schedules	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
I SOURCES OF FUNDS			
1. Shareholders' Funds			
Share Capital	1	183,650,000	183,650,000
Reserves & Surplus	2	2,975,000	2,975,000
2. Loan Funds			
Secured	3	30,111,456	333,227,773
TOTAL		<u>216,736,456</u>	<u>519,852,773</u>
II APPLICATION OF FUNDS			
1. Fixed Assets			
Gross Block	4	249,412,826	249,198,870
Less: Depreciation		213,231,574	200,460,097
Net Block		<u>36,181,252</u>	<u>48,738,773</u>
2. CURRENT ASSETS ,LOANS AND ADVANCES			
Inventories	5	28,263,978	30,006,114
Sundry Debtors	6	23,375,232	19,117,719
Cash & Bank Balances	7	1,172,623	1,694,207
Loans & Advances	8	1,391,513	1,465,886
		<u>54,203,346</u>	<u>52,283,926</u>
Less: Current Liabilities & Provisions	9	18,283,621	9,952,580
Net Current Assets		<u>35,919,725</u>	<u>42,331,346</u>
3. Debit Balance of Profit & Loss Account		<u>144,635,479</u>	<u>428,782,654</u>
TOTAL		<u>216,736,456</u>	<u>519,852,773</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	15		

Schedules 1 to 15 form an integral part of these accounts.

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

For C. C. Chokshi & Co.,
Chartered Accountants

H.P.Shah
Partner

T.R.Kilachand
Chairman
A.H.Mehta
Executive Director - Finance & Legal

J.M.Shah
Company Secretary

Ahmedabad 29th May, 2010

For and on behalf of the Board

P.T.Kilachand
Brig. K.Balasubramaniam
Chandrakant Khushaldas
R.K.Jani } Directors

Mumbai 28th May, 2010

TWENTY FIRST ANNUAL REPORT 2009-10

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	Schedules	For the year ended 31.3.2010 Rs.	For the year ended 31.3.2009 Rs.
INCOME			
Sales		81,715,543	76,286,890
Less : Excise Duty		5,966,449	8,122,893
Sales (Net)		75,749,094	68,163,997
Other Income	10	1,532,820	612,231
	TOTAL	77,281,914	68,776,228
EXPENDITURE			
(Increase)/Decrease in stocks	11	(257,351)	910,066
Purchase of Trading Goods		3,498,949	2,350,665
Raw Materials Consumed		35,488,425	29,365,758
Payments to and provisions for employees	12	13,479,893	12,227,978
Operation and Other Expenses	13	15,023,192	10,475,781
Interest and Finance Charges	14	2,443,572	4,522,762
Depreciation	4	12,776,693	12,854,448
	TOTAL	82,453,373	72,707,458
Loss before Exceptional Items & Tax		(5,171,459)	(3,931,229)
Exceptional Items [Refer Note 1 of Schedule 15 (B)]		289,318,634	-
Profit/(loss) before taxes		284,147,175	(3,931,229)
Provision for tax :			
Fringe Benefit Tax		-	(149,627)
Excess provision of earlier years		-	18,949
Profit/(loss) after tax		284,147,175	(4,061,907)
Deficit brought forward from previous year		(428,782,654)	(424,720,747)
Deficit carried to Balance sheet		(144,635,479)	(428,782,654)
Earning Per Share [Basic and diluted Refer Note 14 of Schedule 15(B)]		33.23	(0.48)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

15

Schedule 1 to 15 form an integral part of these accounts.

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

For C. C. Chokshi & Co.,
Chartered Accountants

H.P.Shah
Partner

T.R.Kilachand
Chairman
A.H.Mehta
Executive Director - Finance & Legal

J.M.Shah
Company Secretary

For and on behalf of the Board

P.T.Kilachand
Brig. K.Balasubramaniam
Chandrakant Khushaldas
R.K.Jani } Directors

Ahmedabad 29th May, 2010

Mumbai 28th May, 2010



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

		<u>2009-2010</u>	<u>2008-2009</u>
		Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net (loss) before tax and Exceptional items		(5,171,459)	(3,931,229)
Adjustments for:			
Depreciation	12,776,693	12,854,448	
(Profit) on sale of assets	(1,216)	-	
Provision write back	(4,756)	-	
Interest Expenses	2,443,572	4,522,762	
Foreign Exchange Fluctuation- (Gain)/Loss	(207,332)	103,497	
		<u>15,006,961</u>	<u>17,480,707</u>
Operating profit before working capital changes		<u>9,835,502</u>	<u>13,549,479</u>
Adjustment for:			
Trade and other receivables	(4,122,254)	(1,465,079)	
Inventory	1,742,136	1,505,607	
Trade Payables	3,032,792	(641,736)	
		<u>6,52,675</u>	<u>(601,208)</u>
Cash Generated from operation		<u>10,488,176</u>	<u>12,948,271</u>
Tax paid	(56,130)	(56,130)	(191,419)
Cash flow from operating activities (A)		<u><u>10,432,046</u></u>	<u><u>12,756,851</u></u>
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(220,956)	(157,616)	
Sale of Fixed assets	3,000	-	
Net cash used in investing activities (B)		<u><u>(217,956)</u></u>	<u><u>(157,616)</u></u>
C. CASH FLOW FROM FINANCING ACTIVITIES			
Bank of Baroda (Cash Credit)	(17,231)	182,099	
Interest Paid	(6,218,443)	(13,179,258)	
Repayment of borrowing	(4,500,000)	-	
Cash from Finance Activities (C)		<u><u>(10,735,674)</u></u>	<u><u>(12,997,159)</u></u>
Net (decrease) in Cash & Cash Equivalents (A+B+C)		<u><u>(521,584)</u></u>	<u><u>(397,923)</u></u>
Cash & Cash Equivalents at beginning of year		<u>1,694,207</u>	<u>2,092,130</u>
Cash & Cash Equivalents at the end of the year		<u><u>1,172,623</u></u>	<u><u>1,694,207</u></u>

Notes to Cashflow Statement:

- Cash and cash equivalents include :
Cash on hand 101,767 130,337
With Schedule Banks:
Current Accounts 1,070,856 1,563,870
1,172,623 1,694,207
- The above cash flow statement has been prepared under the ' Indirect Method ' set out in the Accounting standard-3 on Cash flow statements, Issued by the Institute of Chartered Accountants of India.
- Figures in bracket represents outflows

As per our attached report of even date

For C. C. Chokshi & Co.,
Chartered Accountants

H.P.Shah
Partner

T.R.Kilachand
Chairman
A.H.Mehta
Executive Director - Finance & Legal

For and on behalf of the Board

P.T.Kilachand
Brig. K.Balasubramaniam
Chandrakant Khushaldas
R.K.Jani } Directors

J.M.Shah
Company Secretary

Ahmedabad 29th May, 2010

Mumbai 28th May, 2010

TWENTY FIRST ANNUAL REPORT 2009-10

PARTICULARS	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULES TO BALANCE SHEET		
SCHEDULE 1		
SHARE CAPITAL		
<u>Authorised</u>		
1,20,00,000 Equity Shares of Rs.10/-each	120,000,000	120,000,000
10,00,000 1/2 % Non-cumulative Redeemable Preference shares of Rs.100/-each	100,000,000	10,00,00,000
TOTAL	220,000,000	220,000,000
<u>Issued,Subscribed and paid up</u>		
85,50,000 Equity Shares of Rs.10/-each fully paid up	85,500,000	85,500,000
9,81,500 1/2 % Non-cumulative Redeemable Preference shares of Rs.100/-each	98,150,000	98,150,000
TOTAL	183,650,000	183,650,000

NOTES:

1. Out of above equity shares :
 - (a) 7,50,000 Shares of Rs.10 each have been allotted as Fully paid-up to Term Lenders and Bank as per AAIFR order.
 - (b) 8,00,000 Shares of Rs.10 each have been allotted as fully paid-up against unsecured loan as per AAIFR order.
2. 9,81,500 1/2% Non-cumulative Redeemable Preference shares of Rs. 100 each fully paid up have been allotted to term lenders as per AAIFR order without payment being received in cash, out of which 4,90,750 shares were redeemable on 31st March 2008 and balance on 31st March 2009

**SCHEDULE 2
RESERVES AND SURPLUS
CAPITAL RESERVE**

State Government Subsidy on Capital Investment	2,975,000	2,975,000
TOTAL	2,975,000	2,975,000

**SCHEDULE 3
SECURED LOANS**

1. Loans From Bank		
(i) Funded Interest Term Loans (refer note 2 below)	10,120,000	14,620,000
(ii) Cash Credit Account	7,627,160	7,644,390
	17,747,160	22,264,390
2. Interest Accrued & due		
	12,364,296	310,963,383
TOTAL	30,111,456	333,227,773

Notes:

1. Loans from bank are Secured by hypothecation of stocks of Raw Material, Stock in process, Finished Goods, Stores, Spares and assignment of Book Debts and by way of second charge on Fixed Assets.
2. In respect of term Loan payable to Bank of Baroda, Rs.1,01,20,000/- (Previous year Rs. 1,46,20,000), is payable within one year out of which Rs.38,00,000/- was due for payment on or before 31st March, 2010



**SCHEDULE 4
FIXED ASSETS**

Assets	GROSS BLOCK (AT COST)			DEPRECIATION-AMORTISATION			NET BLOCK			
	As at 1st April 2009	Additions	Deductions	As at 31st March 2010	Upto 1st, April 2009	For the Year	Deductions	As at 31st March 2010	As at 31st March 2010	As at 31st March 2009
Tangible Assets										
Land (Lease Hold)	3,289,596	-	-	3,289,596	577,505	34,212	-	611,717	2,677,879	2,712,091
Building	19,400,091	-	-	19,400,091	10,270,460	647,964	-	10,918,424	8,481,667	9,129,631
Furniture & Fixture	1,197,058	1,000	-	1,198,058	1,061,654	15,950	-	1,077,604	120,454	135,404
Plant & Machinery	197,406,755	-	-	197,406,755	166,906,324	10,573,212	-	177,479,536	19,927,219	31,378,832
Electrical Installation	5,880,263	-	-	5,880,263	4,915,670	289,704	-	5,205,374	674,889	964,593
Office Equipments	1,180,027	26,400	7,000	1,199,427	775,435	55,779	5,216	825,998	373,429	404,592
Computers & Peripherals	1,419,477	142,247	-	1,561,724	1,186,375	82,679	-	1,269,054	292,670	233,102
Vehicles	1,667,037	51,309	-	1,718,346	747,393	159,049	-	906,442	811,904	919,644
Air Conditioning Plant	5,915,110	-	-	5,915,110	4,317,225	280,968	-	4,598,193	1,316,917	1,597,885
Intangible asset										
Technical Know-How	11,843,456	-	-	11,843,456	9,702,056	637,176	-	10,339,232	1,504,224	2,141,400
GRAND TOTAL	249,198,870	220,956	7,000	249,412,826	200,460,097	12,776,693	5,216	213,231,574	36,181,252	49,617,174
PREVIOUS YEAR	248,162,853	157,616	-	249,198,870	187,605,648	12,854,448	-	200,460,097	48,738,773	60,557,204

PARTICULARS	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
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**SCHEDULE 5
INVENTORIES**

Stores & Spares	7,988,814	10,698,200
Stock-in-Trade		
Raw Materials	8,432,238	7,732,964
Packing Materials	50,554	39,929
Finished Goods	10,515,041	9,821,474
Trading Goods	348,824	859,986
Work-in-progress	928,507	853,561
TOTAL	28,263,978	30,006,114

**SCHEDULE 6
SUNDRY DEBTORS**

(Unsecured)		
Debtors over six months		
Considered good	660,030	1,639,170
Considered Doubtful	576,130	1,005,066
Less:Provision	576,130	1,005,066
	660,030	1,639,170
Other Debts-Considered good	22,715,202	17,478,549
TOTAL	23,375,232	19,117,719

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PARTICULARS	As at	
	31.03.2010	31.03.2009
	Rs.	Rs.
SCHEDULE 7		
CASH & BANK BALANCES		
Cash on hand	101,767	130,337
Bank Balances with Schedule Banks - in current accounts	1,070,856	1,563,870
TOTAL	1,172,623	1,694,207
SCHEDULE 8		
LOANS & ADVANCES		
(Unsecured and considered good)		
Interest Receivable	11,019	8,701
Advances recoverable in cash or in kind or for value to be received	530,149	682,664
Balance with Excise Department	102,347	82,653
Advanced Tax & Tax deducted at source	190,098	133,968
Deposits	557,900	557,900
TOTAL	1,391,513	1,465,886
SCHEDULE 9		
CURRENT LIABILITIES AND PROVISIONS		
LIABILITIES		
Sundry Creditors		
Micro and Small Enterprises	-	-
[Refer Note 8 of the Schedule 15 (B)]		
Others	9,138,597	6,522,065
Other Liabilities	443,061	565,336
Interest Accrued But not due	7,405,881	1,900,300
	16,987,539	8,987,701
PROVISIONS		
Employee Benefits	1,296,082	964,879
TOTAL	18,283,621	9,952,580

PARTICULARS	For the year ended	
	on 31.03.2010	on 31.03.2009
	Rs.	Rs.
SCHEDULE 10		
OTHER INCOME		
Interest [TDS Rs. 1,911./-(Previous year Rs.2,549/-)]	11,250	13,902
Excess Provision for Expenses no longer required.	4,756	12,477
Profit on sale of assets	1,216	-
Miscellaneous Income	1,515,598	585,852
TOTAL	1,532,820	612,231



PARTICULARS	For the year ended		For the year ended
	Rs.	Rs.	Rs.
SCHEDULE 11			
(INCREASE)DECREASE IN STOCKS			
Opening Stock			
Finished goods	9,821,474		10,901,884
Work-in-progress	853,561		812,968
Trading Goods	859,986		730,235
		11,535,021	12,445,087
Less : Closing Stock			
Finished goods	10,515,041		9,821,474
Work-in-progress	928,507		853,561
Trading Goods	348,824		859,986
		11,792,372	11,535,021
TOTAL		(257,351)	910,066
SCHEDULE 12			
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
Salaries,Wages and Bonus		11,226,479	10,125,472
Contribution to Provident and other funds		1,302,850	1,141,450
Welfare Expenses		950,564	961,056
TOTAL		13,479,893	12,227,978
SCHEDULE 13			
OPERATION AND OTHER EXPENSES			
Stores and Spares consumed		2,715,507	125,913
Power & Fuel		1,782,932	1,586,204
Packing Materials Consumed		173,328	124,866
REPAIRS			
Plant & Machinery	168,396		148,264
Others	406,880		375,974
		575,276	524,238
Rent		613,608	581,077
Rates & Taxes		344,499	688,390
Insurance Premium		185,586	196,327
Labour Charges		1,315,349	978,651
Advertisement,Selling & Distribution expenses		198,995	248,829
Printing & Stationery Expenses		383,142	361,808
Postage & Telephones		492,557	519,707
Travelling & Conveyance		1,060,239	760,203
Directors' Travelling Expenses		343,767	452,247
Directors' Sitting fees		52,000	80,000
Audit fees		100,000	100,000
Legal & Professional Fees		845,826	496,910
Excise Duty on stocks of finished goods		348,908	(989,780)
Miscellaneous Expenses		3,491,673	3,640,192
[Including payment to G.I.D.C. Rs. NIL(P. Y. 9,23,900/-)]			
TOTAL		15,023,192	10,475,781
SCHEDULE 14			
INTEREST AND FINANCE CHARGES			
On Fixed Loans		1,576,252	3,162,642
On Others		867,320	1,360,120
TOTAL		2,443,572	4,522,762

SCHEDULE 15

(A) SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention:

The financial statements are prepared under the historical cost convention on accrual basis in accordance with the requirements of the Companies Act,1956, including the accounting standards notified by the Central Government of India under Section 211(3C) of the Companies Act,1956.

2. Use of Estimates:

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

3. Fixed Assets:

- (a) Fixed assets are stated at historical cost net of CENVAT, less accumulated depreciation.
- (b) Intangible assets: Certain technical know how and software costs are capitalised and recognised as Intangible assets in terms of Accounting Standard – 26 “ Intangible Assets” based on materiality, accounting prudence and significant economic benefits expected to flow there from for a period longer than one year.

4. Impairment of Assets

The Company evaluates impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.

5. Depreciation and Amortisation:

- (i) Depreciation on all Fixed assets except furniture and fixtures is calculated on straight line basis under section 205(2)(a) of the Companies Act,1956 at the rates and in the manner as specified in schedule XIV of the said Act.
- (ii) Depreciation on furniture & fixtures is calculated on written down value basis under section 205(2)(a) of the Companies Act,1956 at the rates and in the manner as specified in schedule XIV of the Companies Act,1956.
- (iii) Cost of leasehold land is written off over the period of lease.
- (iv) Intangible asset like Technical Knowhow in respect of Technical Documentation Information and process technology and exclusive licence used to manufacture products is amortised over the useful life of seventeen years like the life of plant and machinery for which it is used.

6. Leases:

Operating lease payments are recognized as an expense in the Profit & Loss account on a straight line basis over the lease term.

7. Inventories:

Inventories are valued as under:

- a. Stores : At cost(FIFO Basis)
- b. Raw Material & Packing Materials : At cost(FIFO Basis)
- c. Finished Goods : At cost or net realizable value whichever is lower. Cost is calculated using absorption costing method.
- d. Process Stock : At material cost.

8. Revenue recognition:

Revenue from sale of products is recognized on dispatch of goods to the customers.

9. Sales:

Sales are stated net of discount and inclusive of excise duty and do not include other recoveries such as handling charges, transport, octroi etc.

10. Foreign Currency Transactions:

Transactions denominated in foreign currency are recorded at the exchange rates prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end are restated at the year end rates. Non monetary foreign currency items are carried at cost. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account.

11. Employees Benefits:

Defined contribution plans

Company's contributions under defined contribution schemes such as Provident Funds, Superannuation Fund, Employee State Insurance etc. are determined under the relevant schemes and/or statute and charged to the Profit and Loss Account as incurred.

Defined benefit plans and compensated absences

Company's liability towards gratuity and compensated absences are actuarially determined and provided for at each balance sheet date using the projected unit credit method. Actuarial gains and losses are recognized immediately in the Profit and Loss Account as income or expenses.



12. Taxation

Current Tax: Provision for current tax is made in accordance with the Income Tax laws prevailing for the relevant assessment year.

Deferred Tax: Deferred tax resulting from “timing differences” between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable or virtual certainty, as the case may be, that the assets will be realized in future.

13. Government Subsidy

Subsidy in the nature of Capital Investment is treated as capital reserve.

14. Provisions, Contingent liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(B) NOTES ON ACCOUNTS:

1. The Board for Industrial and Financial Reconstruction (BIFR) declared the company a sick industrial undertaking within the meaning of section 3 (1)(o) of the Sick Industrial Companies (Special provisions) Act 1985. The Scheme of rehabilitation of the Company was sanctioned by the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) by its order dated 27th March 2002 which became effective from 01.04.2002. The scheme envisaged financial restructuring, One Time Settlement (OTS) of the balance dues of term lenders and reschedulement of the working capital finance.

In terms of the rehabilitation scheme sanctioned by AAIFR, the term lenders, after financial restructuring, had agreed for settlement of their dues under One-Time Settlement (OTS) which conferred benefit to the Company in the form of remission / write off of their past interest. However, the said remission of interest could stand withdrawn / revoked in the event of default in payment of the OTS dues of the term lenders, in accordance with the sanctioned scheme. As a result, the said gain by way of remission of interest was contingent upon the payment of OTS in full in cash in terms of clause 16 (I) of the sanctioned scheme. In view of this, no adjustment with respect to the remission of interest, accrued and due of Rs.28,93,18,634/-, on the secured loans, had been made by the Company in the accounts in earlier years. During the current year, the Company has fully repaid all the balance OTS dues, other than the FITL-I dues of Bank of Baroda, along with interest on delayed repayments, in accordance with the revised repayment schedules agreed upon with the term lenders. The Company also has repaid, during the year, a substantial part of the FITL-I dues of Bank of Baroda. Accordingly, during the year, the gain in the form of remission of past interest on term loans has been recognized in the accounts.

2. As stated in Note (1) above the company is in process of restructuring based on revival scheme and in view of foregoing, the accounts of the Company have been prepared on going concern basis, which is dependent upon the successful implementation of this scheme.

3. Amount due to/from banks, financial institution and some parties are subject to adjustment, if any required on receipt of balance confirmation or settlement of account.

4. Excise Duty shown as deduction from sales represents the amount of excise duty collected on sales. Excise duty expenses under Schedule – 13, “Operation & Other Expenses”, represents the difference between excise duty element in amounts of closing stocks and opening stocks.

5. In view of unabsorbed losses and in the absence of taxable income under the provisions of the Income Tax Act, 1961 in the current year, the Company believes that there will be no tax liability. Accordingly no provision for income tax has been made in the accounts under Income Tax Act, 1961

6. Remuneration to the Executive Director:

	2009-2010	2008-2009
	Rs.	Rs.
Salary	7,95,613	7,61,086
Contribution to Provident and other funds	1,44,225	1,44,453
Other Perquisites	18,000	18,000
	9,57,838	9,23,539

Note: The above excludes contribution for gratuity and leave encashment as the incremental liabilities have been accounted by the Company as a whole.

7. Employee Benefits:

The accruing liability on account of gratuity and leave encashment is accounted as per Accounting Standard 15 (revised 2005) “Employee Benefits.” The Company has defined benefit plans for gratuity to eligible employees. The Company also provides leave encashment to the employees. The details of these defined benefit plans recognised in the financial statements are as under:

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Particulars	Amount Rs.			
	Gratuity		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
a. Reconciliation of opening and closing balance of the present value defined benefit obligation				
Obligation at the beginning of the year	14,35,091	11,30,935	9,42,704	7,02,475
Current Service Cost	98,770	81,788	96,782	59,500
Interest Cost	1,14,807	90,475	79,187	56,198
Actuarial (Gain) / Loss	1,85,985	19,1951	75,084	2,04,142
Benefits Paid	(83,504)	(60,058)	(41,313)	(79,611)
Obligation at the end of the year	17,51,149	14,35,091	11,52,444	9,42,704
b. Reconciliation of opening and closing balances of fair value of plan assets				
Plan assets at the beginning of the year, as fair value	15,54,266	14,81,955	NIL	NIL
Expected return on plan assets	1,36,749	1,32,369	NIL	NIL
Actuarial Gain / (Loss) on plan Assets	NIL	NIL	NIL	NIL
Contribution	NIL	NIL	NIL	79,611
Benefits Paid	(83,504)	(60,058)	NIL	(79,611)
Plan Assets at the end of the year at fair value	16,07,511	15,54,266	NIL	NIL
c. Net Liability recognised in Balance Sheet				
Obligation at the end of the year	17,51,149	14,35,091	11,52,444	9,42,704
Less : Plan assets at the end of the year at fair value	16,07,511	15,54,266	NIL	NIL
Liability recognised in Balance Sheet as at year end	1,43,638	(1,19,175)	11,52,444	9,42,704
d. Components of employer expenses for the year				
Current service cost	98,770	81,788	96,782	59,500
Interest cost	1,14,807	90,475	79,187	56,198
Expected return on plan assets	(1,36,749)	(1,32,369)	NIL	NIL
Net Actuarial (gain) / loss	1,85,985	1,91,951	75,084	2,04,142
Net Cost	2,62,813	2,31,845	2,51,053	3,19,840

e. Major categories of plan assets as a percentage of total plan assets:

Description	Percentage Investment	Percentage Investment
	2009-10	2008-09
Qualifying insurance policy with Life Insurance Corporation of India	100	100

f. Assumptions

	Gratuity		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
Discount Rate (p.a)	8%	8%	8.4%	8%
Expected rate of return on plan assets (p.a)	0%	0%	0.0%	8%
Expected rate of increase in compensation levels (p.a)	4%	4%	6.0%	6%

9. Defined Contributions Plans

	2009-10	2008-09
Amount recognized as an expenses and included in Schedule 12 of Profit and Loss Accounts	14,43,040	12,75,246

Notes:

- The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.
- This being the third year of adoption of Accounting Standard-15 (Revised) on Employee Benefits, figures of the present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan for the three years preceding the previous year have not been included.

8. Based on information available with the company the balance due to Micro & Small Enterprise as defined under MSMED Act, 2006, as at 31st March 2009 and 2010, is NIL . No interest during the year and previous year has been paid under the terms of the MSMED Act, 2006.

9. Payment to Auditors:
(In other capacity)

	2009-2010	2008-2009
	Rs.	Rs.
(a) Tax Audit Fees	30,000	30,000
(b) Certification and other works	1,00,000	1,00,000
(c) Out of Pocket expenses	12,789	880
(d) Payment to Affiliated firm	Nil	29,080



10 Assets taken on operating lease

Amount of lease rental recognized in the Profit & Loss Account in respect of cancellable operating lease Rs.5,64,990/- (Previous year Rs 5,22,997/-)

11. As the Company's business activity fall within single business segment viz. Capacitor, comprising mainly manufacture of Ceramic Capacitor and all the sales are made in India, the disclosure requirements of Accounting Standard (AS)-17 Segment Reporting, issued by The Institute of Chartered Accountants of India are not applicable.
12. In accordance with the Accounting Standard-22 "Accounting for Taxes on Income" , the company has not recognised deferred tax liability arising due to certain timing differences since the same gets set off against equivalent amount of recognizable deferred tax assets arising on account of unabsorbed depreciation etc.
13. Particulars of un-hedged Foreign Currency Exposure as at balance sheet date:

Particulars	As on 31.03.2010	As on 31.03.2009
Import Creditors	Rs.31,99,704 /- (US\$ 70,884@ Rs.45.14)	Rs. 30,02,310/- (US\$ 58,027@ Rs.51.74)

14. The basic and diluted earning per share are:

	2009-2010	2008-2009
	Rs.	Rs.
Net (loss)/profit after tax as per profit and loss account	28,41,47,175	(40,61,907)
Number of Equity shares	85,50,000	85,50,000
Basic and diluted EPS	33.23	(0.48)
Nominal value of equity share	10	10

15. The net amount of exchange profit included in the Profit and Loss account for the year is Rs. 5,49,320 (Previous year, Loss Rs. 6,77,072)

16. Related party transactions

(a) Name of related parties and description of relationship.

Sr No.	Nature of relationship	Name of related parties
1	Enterprise which is able to exercise significant influence	Polychem Ltd.
2	Enterprise over which management personnel and their relatives are able to exercise significant influence	Ginners & Pressers Ltd.
3	Key management personnel	Mr. A H Mehta

(b) Details of Transactions with related parties during the year/previous year:

Particulars	Enterprise which is able to exercise significant influence		Enterprise over which management personnel and their relatives are able to exercise significant influence		Key Management Personnel		Total	
	2009-10 Rs.	2008-09 Rs.	2009-10 Rs.	2008-09 Rs.	2009-10 Rs.	2008-09 Rs.	2009-10 Rs.	2008-09 Rs.
Expenses Payable	50,395	1,21,062	96,632	87,426	-	-	1,47,027	2,08,488
Expense Recoverable	1,83,240	1,74,333	-	-	-	-	1,83,240	1,74,333
Loan Received	-	27,00,000	-	-	-	-	-	27,00,000
Loan Repaid	-	27,00,000	-	-	-	-	-	27,00,000
Managerial Remuneration	-	-	-	-	9,57,838	9,23,539	9,57,838	9,23,539
Outstanding Balances								
Payable / (Receivable)		(5,173)	-	-	-	-		(5,173)

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17. Information pursuant to the provisions of paragraphs 3,4C & 4D of part II of schedule-VI of the Companies Act, 1956.

a) **Manufacturing Activity:**

		2009-2010		2008-2009	
1) Licenced Capacity		Not applicable (In terms of Govt. of India's Notification No.S.O.477(E) dtd.25.07.91)		Not applicable (In terms of Govt. of India's Notification No.S.O.477(E) dtd.25.07.91)	
2) Installed Capacity		25,00,00,000 pcs.p.a. {As certified by Senior General Manager (Plant)}		25,00,00,000 pcs.p.a. {As certified by Senior General Manager (Plant)}	
	Units	Qty.	Rs.	Qty.	Rs.
3) Production	pcs.	13,72,13,010	—	9,67,15,073	—
4) Closing Stock	pcs.	1,70,51,274	1,05,15,041	1,46,05,213	98,21,474
5) Opening Stock	pcs.	1,46,05,213	98,21,474	1,56,35,993	1,09,01,884
6) Turnover	pcs.	13,47,66,949	7,05,21,542	9,77,45,853	6,53,42,300

b) **Trading Activity:**

		2009-2010		2008-2009	
Product Name:Tantalam & SMD Resistor					
	Units	Qty.	Rs.	Qty.	Rs.
Opening Stock	pcs.	1,27,628	8,59,986	1,14,177	7,30,235
Purchase	pcs.	10,31,103	34,98,949	4,09,080	23,50,665
Sales	pcs.	9,64,202	52,29,848	3,95,629	28,21,697
Closing Stock	pcs.	66,901	3,48,824	1,27,628	8,59,986

c) **Details of Raw Materials consumed:**

		2009-2010		2008-2009	
	Units	Qty.	Rs.	Qty.	Rs.
1) Chips	pcs.	13,79,11,751	2,77,95,150	9,71,13,754	2,20,70,358
2) Copper Wire & Epoxy	kgs.	9,471	43,76,362	8,767	40,47,436
3) Others	—	—	33,16,913	—	32,47,964
Total			<u>3,54,88,425</u>		<u>2,93,65,758</u>

d) **Value of imported and indigenous raw materials consumed**

	2009-2010		2008-2009	
	Rs.	%	Rs.	%
1) Imported	2,65,98,932	74.95	2,14,43,897	73.02
2) Indigenous	88,89,493	25.05	79,21,861	26.98
	<u>3,54,88,425</u>	<u>100.00</u>	<u>2,93,65,758</u>	<u>100.00</u>

e) **Value of imported and indigenous stores consumed**

	2009-2010		2008-2009	
	Rs.	%	Rs.	%
Imported (Including obsolete stock written off Rs. 26,90,581/-)	27,15,507	100	1,25,913	100

f) **CIF Value of Imports**

	2009-2010	2008-2009
	Rs.	Rs.
Raw Materials	2,74,20,381	2,10,46,978

18. Previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with those of the current year
Signature to Schedules 1 to 15

As per our attached report of even date

For C. C. Chokshi & Co.,
Chartered Accountants

H.P.Shah
Partner
Membership No : 33331

T.R.Kilachand
Chairman
A.H.Mehta
Executive Director - Finance & Legal

J.M.Shah
Company Secretary

Ahmedabad 29th May, 2010

For and on behalf of the Board

P.T.Kilachand
Brig. K.Balasubramaniam
Chandrakant Khushaldas
R.K.Jani } Directors

Mumbai 28th May, 2010



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

1	2	7	4	3
---	---	---	---	---

State Code

0	4
---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

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

Date Month year

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

Public Issue

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

Right Issue

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

Bonus Issue

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

Private Placement

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

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

Total Liabilities

		2	1	6	7	.	3	6
--	--	---	---	---	---	---	---	---

Total Assets

		2	1	6	7	.	3	6
--	--	---	---	---	---	---	---	---

Sources of Funds

Paid-up Capital

		1	8	3	6	.	5	0
--	--	---	---	---	---	---	---	---

Reserves & Surplus

				2	9	.	7	5
--	--	--	--	---	---	---	---	---

Secured Loans

			3	0	1	.	1	1
--	--	--	---	---	---	---	---	---

Unsecured Loans

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

Applications of Funds

Net Fixed Assets

			3	6	1	.	8	1
--	--	--	---	---	---	---	---	---

Investments

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

Net Current Assets

			3	5	9	.	2	0
--	--	--	---	---	---	---	---	---

Misc.Expenditure

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

Accumulated Losses

			1	4	4	.	6	3	5
--	--	--	---	---	---	---	---	---	---

IV. Performance of Company (Rs.in Lacs)

Turnover (Incl.Other income)

			7	7	2	.	8	2
--	--	--	---	---	---	---	---	---

Total Expenditure

			8	2	4	.	5	3
--	--	--	---	---	---	---	---	---

Profit/(Loss) before Tax

			(5	1	.	7	1)
--	--	--	----	---	---	---	----

Profit/(Loss) after Tax

			2	8	4	.	1	4	7
--	--	--	---	---	---	---	---	---	---

Earning per Share in Rs.

			3	3	.	2	3
--	--	--	---	---	---	---	---

Dividend Rate

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

V. Generic Name of two Principal Products of the Company.

Products
Ceramic Capacitors

International Code
8532

For and on behalf of the Board

T.R.Kilachand
Chairman
A.H.Mehta
Executive Director - Finance & Legal

P.T.Kilachand
Brig. K.Balasubramaniam
Chandrakant Khushaldas
R.K.Jani } Directors

J.M.Shah
Company Secretary

Mumbai 28th May, 2010

GUJARAT POLY-AVX ELECTRONICS LIMITED
ATTENDANCE SLIP
TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full Name of the member attending :

Full Name of the first joint-holder :
 (to be filled in if first named joint-holder does not attend the meeting)

Name of Proxy :
 (to be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company held at B-17/18, Gandhinagar Electronic Estate, Gandhinagar 382 024, Gujarat at 1.00 p.m. on Saturday, the 31st July, 2010.

Client ID No. :
 DP ID No. :
 Registered Folio No. :
 No. of Shares held :

Member's/Proxy's Signature
 (to be signed at the time of
 handing over this slip)

GUJARAT POLY-AVX ELECTRONICS LIMITED
FORM OF PROXY

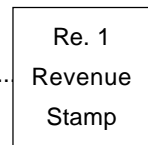
Regd. Office: B-17/18, Gandhinagar Electronic Estate, Gandhinagar 382 024, Gujarat.

I/We of
 in the district of being a
 member/members of the above-named Company hereby appoint
 of
 in the district of or failing
 him of in the district of
 as my/our proxy to
 attend and vote for me/us on my/our behalf at the Twenty First Annual General Meeting of the Company to be held on Saturday,
 the 31st July, 2010 and at any adjournment thereof.

Signed this day of 2010..

Client ID No. :
 DP ID No. :
 Registered Folio No. :
 No. of Shares held :

(Signature of member).....



Note : The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

BOOK-POST



If not delivered, please return to:

GUJARAT POLY-AVX ELECTRONICS LIMITED

Plot No.B-17/18,

Gandhinagar Electronic Estate,

Gandhinagar,

Gujarat - 382 024.