



CIRCUITS LIMITED

Vision:-

A Globally Respected Performance Driven Growing Manufacturer.

Mission:-

A Solutions provider to the various Electronic Interconnect needs of Circuit, Material, Delivery & Volumes.

Goal:-

To efficiently execute the manufacturing ensuring a timely delivery of defect free products in the small to medium volume high part number mix PCBs arena.

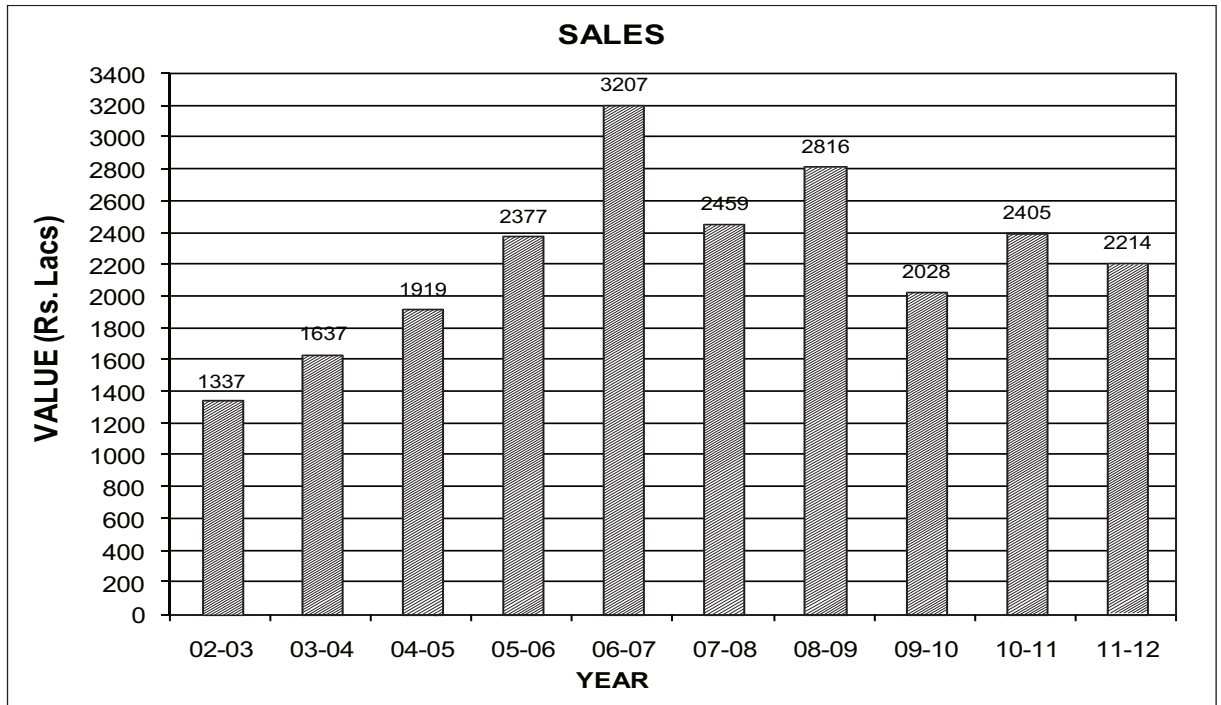
Strategy:-

On an ongoing basis the management will fulfill this vision by continuously improving the Company by making it:

Predictable Via	Sustainable Via	Profitable Via	Scalable Via
1. Listening to & responding to Customers, Suppliers & Stakeholders	1. Creating wealth & sharing it fairly with each stakeholders	1. Continuously increasing the value proposition to the customer	1. Upon reaching certain Critical Mass & Team Strength we will scale up.
2. Constant Diversification of markets in terms of Geography, Industries & Customers	2. Conducting business with integrity & professionalism & financial prudence & Social responsibility	2. Continuously improving the quantum & velocity throughput of a high variety mix with low inventory & controlled operating costs.	
3. Vigorous Employee interaction & issue resolution & Allowing everybody to work within a framework freely	3. Constant Technology growth focus & Actively Innovate on process, Capability & Product Range.	3. Constant cost reduction with special focus on Rejection reduction & Energy conservation & Water conservation.	
4. Paying attention to detail & executing efficiently	4. Constant efforts at Derisking the business & Deskillling the work.	4. Continuously increasing productivity with efficiently coordinated efforts & automation.	
5. Exceedingly strong sales team & order loading on the plant	5. Continuously generating a Talent Pipeline with good role clarity & functional competency with empowerment.	5. Continuously increasing panel capacity, panel utilization & panel size & panel complexity & panel layer count.	
6. Over communicate with Transparent information	6. International Approvals (ISO, TS, JSS)	6. Delivering Innovative & Competitive new products.	

COMPANY ASPIRATION

Our Aspiration for Fine-Line is to be a Respected, Growing, Performance driven, High Quality, Manufacturer, Exporter “Pleasing Customers 100%” in the High Count Multilayer Rigid and Flex Printed Circuit Board Market with a growing Earnings Per Share.



AT A GLANCE (Rs. In Lacs)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
SALES & EARNINGS										
Sales	1337	1637	1919	2377	3207	2478	2821	2028	2405	2214
PBDT	173	228	241	156	400	87	46	5	84	(186)
Profit after taxes	41	57	51	4	260	(41)	(100)	(71)	7	(279)
ASSETS & LIABILITIES										
Gross Fixed Assets	893	1213	1182	1188	1259	1418	1618	1617	1681	1758
Net Fixed Assets	425	474	384	240	240	265	319	261	291	328
Net Current Assets	385	355	495	643	874	821	667	654	871	779
Total (Applications)	810	829	879	883	1114	1086	986	915	1248	1165
REPRESENTED BY										
Net Worth	810	829	879	883	1114	1086	986	915	1248	1165
Share Capital	541	484	483	483	483	483	483	483	483	483
Reserves	269	346	396	400	631	604	504	432	439	161
Borrowings	0	0	0	0	0	0	0	0	0	0
Total (Sources)	810	829	879	883	1114	1086	986	915	1248	1165
RATIOS										
Acid Test Ratio	4.9	2.1	1.1	1.8	1.9	1.4	1.1	1.5	0.8	0.4
Total Liability to Net Worth	0.1	0.2	0.3	0.2	0.3	0.2	0.3	0.2	0.3	0.4
Sales to Net Fixed Assets	3.1	3.5	5.0	9.9	13.4	9.3	8.8	7.8	8.3	6.8
Earning Per Share (Rs.)	0.8	1.1	1.1	0.1	5.4	(0.9)	(2.1)	(1.5)	0.1	(5.9)
Return on Assets	5%	7%	6%	1%	23%	-4%	-10%	-8%	1%	-24%
Dividend Rate	Judicious Capital Expenditure Done				5%	Nil	Nil	Nil	Nil	Nil

CORPORATE INFORMATION
22nd ANNUAL GENERAL MEETING (AGM)

Date : 4th August,2012
 Day : Saturday
 Time : 3.30 p.m.
 Place : Gr. Floor, Frontside SDF-VI,
 SEEPZ - (SEZ), Andheri (East),
 Mumbai 400 096.

SEEPZ-(SEZ) being Restricted Zone requires
 Special Prior Permission for entry, please see
 instructions on Attendance slip for attending the
 AGM

REGISTERED OFFICE

145, SDF - V, Seepz (SEZ),
 Andheri (East),
 Mumbai - 400 096.
 Tel. # 28290244 Fax # 28292554

AUDITORS

D K P & Associates
 Chartered Accountants

REGISTRARS & SHARE TRANSFER AGENTS

M/s Universal Capital Securities Pvt. Ltd.
 (Formerly Known as Mondkar Computers Pvt. Ltd.)
 21, Shakil Niwas, Opp. Satyasaibaba Temple,
 Mahakali Caves Road, Andheri (East),
 Mumbai - 400 093.
 Tel : 2820 7201 / 2836 6620
 Fax: 2820 7207

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BOARD OF DIRECTORS
EXECUTIVE DIRECTORS

Bhagwandas T. Doshi	Executive Chairman
Abhay B. Doshi	Managing Director
Rajiv B. Doshi	Executive Director

NON - EXECUTIVE DIRECTORS

Vijay A. Kumbhani
 Gautam B. Doshi

INDEPENDENT DIRECTORS

Rajendra V. Gandhi
 Dr. U. Nimmagadda
 Prof. Juzer Vasi
 R. M. Premkumar
 Apurva R. Shah

AUDIT COMMITTEE

Apurva R. Shah	Chairman
Rajendra V. Gandhi	Member
Vijay A. Kumbhani	Member
Prof. Juzer Vasi	Member

SHARE TRANSFER & SHAREHOLDERS' GRIEVANCE COMMITTEE

Vijay A. Kumbhani	Chairman
Abhay B. Doshi	Member
Rajiv B. Doshi	Member
Prema Radhakrishnan	Compliance Officer

REMUNERATION & SELECTION COMMITTEE

Rajendra V. Gandhi	Chairman
Prof. Juzer Vasi	Member
R.M.Premkumar	Member

SENIOR MANAGEMENT

Joy Chacko	N.V.Ramana Murthy
Milan J. Trivedi	Nikhil Kumar
P. M.Morgaonkar	Prema Radhakrishnan
Dilip Ghorpade	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of FINE-LINE CIRCUITS LTD. will be held at Gr. Floor, Frontside SDF VI, SEEPZ- SEZ, Andheri East, Mumbai 400096 on **Saturday, 4th August, 2012 at 3.30 P.M.** to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2012 and the Profit & Loss Account of the Company for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of **Shri Rajendra V. Gandhi** who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of **Prof. Juzer vasi** who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of **Shri Rajiv B. Doshi** who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

Registered Office:
145, SDF V, Seepz, SEZ
Andheri East, Mumbai 400096

BY ORDER OF THE BOARD

Bhagwandas T. Doshi
EXECUTIVE CHAIRMAN

Dated: 30th May, 2012

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Members/ Proxies should bring the Attendance Slip filled in for attending the meeting. They are also requested to bring their copies of the Annual Report to the Meeting
4. Members who hold shares in dematerialized form are requested to write client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
5. A brief resume of Shri Rajendra V. Gandhi, Prof. Juzer Vasi and Shri Rajiv B. Doshi along with nature of their expertise in specific functional areas, names of the Companies in which they hold directorship / Chairmanship of Board Committees as stipulated under clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company commends their respective re-appointments.
6. Members desiring any information as regards the accounts are requested to write to the Company at least seven days in advance of Annual General Meeting so as to enable the Management to keep the information ready.
7. Members are requested to notify the changes, if any, in their address to update our record and to avoid non-delivery of communication.
8. The Register of Members and Share Transfers Books of the Company will remain closed from Tuesday, 31st July, 2012 to Saturday, 4th August, 2012 (both days inclusive).

DIRECTORS' REPORT

Your Directors wish to present the 22nd Annual Report and audited accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS

Rs in Lakhs

	2011-12	2010-11
Sales	2213.72	2404.93
Gross Profit/Loss before depreciation and tax	(185.67)	84.19
Less: Depreciation	88.26	73.16
Profit / (Loss) before Tax	(273.93)	11.03
Less: Provision for current tax	2.78	0.45
Provision for deferred tax	2.10	2.81
Fringe Benefit tax	-	-
Profit / (Loss) after Tax	(278.81)	7.77
Add: Excess/(Short) provisions of earlier year	-	(0.58)

PERFORMANCE AND OPERATIONAL RESULTS

The Turnover was lower by 7.95% to Rs. 2213.72 lacs as against Rs. 2404.93 lacs in the previous year. Material cost increases accompanied with increase in all input costs and a one time compensation payment to some of the workmen of the company has resulted in a Net Loss for the year. We believe the company's performance in the coming year will be much better.

The Company continues to export its products to the G8 Nations.

DIVIDEND

In view of loss during the year, your directors do not recommend any dividend.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, reports on Management Discussion & Analysis and on Corporate Governance along with a Certificate from the Auditors form part of this Annual Report.

DIRECTORS

Shri Rajendra V. Gandhi, Prof. Juzer Vasi and Shri Rajiv B. Doshi Directors of the Company retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting of the Company.

AUDITORS AND AUDITORS' OBSERVATIONS

Observations made by the Auditors in their report in respect of Cost Accounting records are self explanatory.

Messrs. D K P & Associates, Chartered Accountants, the Statutory Auditors of the Company, hold the office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the Auditors that their appointment, if made, would be within the prescribed limits under Section 224 (1-B) of the Companies Act, 1956. You are requested to appoint the Auditors and fix their remuneration.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors state that:

1. In preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the Loss of the Company for the year ended on that date.
3. The Directors have 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.
4. The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

LISTING ARRANGEMENTS

The Equity Shares of the Company continue to be listed on Bombay Stock Exchange Ltd., Mumbai and the listing fees have been paid up to 31st March 2013.

COMPLIANCE CERTIFICATE

The Compliance Certificate of the secretary in wholetime practice under section 383A of the Companies Act, 1956 is attached.

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

A. CONSERVATION OF ENERGY

The Company has systematic in-house energy conservation program. Several measures have been taken to conserve the energy and those are being satisfactorily implemented.

B. ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY

The Company continuously substitutes high power consuming equipments wherever feasible with low power consuming equipments and for that the necessary changes in requisite process operations are planned, implemented and reviewed regularly.

C. RESEARCH AND DEVELOPMENT

The production team updates the technology most suitable to the Company's manufacturing process and implements innovative solutions based on customer requirements and supplier support.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company exported Printed Circuits Boards during the year and continued to make constant efforts to increase its export sales by tapping additional markets and new customers.

The details of Foreign Exchange Earnings and Outgo (in Rs. Lacs) are as under:

Year ended 31 st March	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Foreign Exchange										
Earning	2316	2312	1796	2686	2444	2911	2114	1720	1448	1193
Outgo	970	1172	690	1266	1072	1703	939	837	689	479
Net Earning	1347	1140	1106	1420	1372	1208	1175	883	759	714

FIXED DEPOSITS

The Company had accepted Corporate Deposit for a short period and refunded it before the end of the year.

PARTICULARS OF EMPLOYEES

The Company does not have any employees whose particulars are required to be given pursuant to the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT

The Board place on record its appreciation to the clientele and vendors for their invaluable support during the year.

The Board also places on record its deep appreciation for the contribution made by the staff and the workmen at all levels. Their contribution has in no small measure enabled the Company to remain competitive.

Grateful thanks are also due to SEEPZ-SEZ Authorities, for their continued support extended to the Company from time to time.

Shareholders' appreciation for the management's efforts in such competitive times, at the General Meeting of the Company will be of great fillip to strive for better performance in spite of severe competitive factors faced by the Company.

On behalf of the Board

Place: Mumbai

Dated: 30th May 2012

BHAGWANDAS T. DOSHI

Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

As per the provisions of the Corporate Governance under the Listing agreement, the Management Discussion and Analysis (MDA) Report form part of the Directors' Report and reflects current state of the business.

Your Company is making Printed Circuit Boards (PCBs) and has its manufacturing facilities in Seepz, SEZ, Mumbai. It continues to remain a 100% EOU.

1) INDUSTRY STRUCTURE AND DEVELOPMENT

PCBs are basic Electronic Building Block components used in all Electrical and Electronic Products. As a 100% EOU, the main Global supply comes from China. The product is a complex one with several aspects of technology intricacy and above all continuously increasing customer expectations.

2) MODERNISATION, OPPORTUNITY AND THREATS

The Company continuously updates its manufacturing processes focused towards yield, capability and capacity improvements. The improvements are on all fronts, equipments, processes / systems and personnel Training.

The opportunities are in the small to medium volume, faster delivery and with broad range of surface finishes focused for the European markets.

The threats are on account of volatile exchange rate movements and rising input and personnel costs.

3) SEGMENTWISE PERFORMANCE

Printed Circuits Boards (PCBs) is the only business segment in which the company is dealing.

4) a) BUSINESS SCENARIO

Printed Circuits Boards (PCBs) being a basic Electronic Building Block, it continues to have wide applications. The management is seized of the competition and quality consciousness at all the levels. The company is in the driver's seat for the quality of the products and has earned a good name in the global market. The company's policy to provide strong customer support has kept the company's image in the market at high level of confidence. The company continues to up-date the plant in terms of up-keep and modernization.

b) HIGH TECHNOLOGY MULTILAYER UNIT

The High Technology Multilayer Unit (HTMU) continued to progress well.

5) RISK AND CONCERNS

The financial status of the company is stable. The cash flow is judiciously managed to get the best exchange rate gains. Slow growth in the global markets, high power cost, volatile exchange rate movements and consistently rising personnel costs are risks that the Company is facing and tackling.

6) INTERNAL CONTROL

The company has Internal Auditors who conducts internal audit that assesses the internal control systems. The Statutory Auditors and the Audit Committee review these controls regularly. Any change in the internal control that is recommended is studied and implemented based on the company needs and feasibility of implementation.

7) FINANCIAL PERFORMANCE

The Company rationalized the products line considering the price levels to remain competitive in the volatile Exchange Rate, Higher material and power cost scenario. The Company expects to improve on all these counts in the coming year.

8) HUMAN RESOURCE DEVELOPMENT AND BUILDING LEADERSHIP QUALITIES

The personnel of the company are vital part of the organization. The company continues its policy to train them in-house, provide opportunity for external training and challenges them to exert and rewards superior performance. The Company is pleased to state that this has made the 2nd level supervisory personnel to show encouraging performance and to rise up. The company has engaged contract workmen for support services and follows the same policy of training and rewarding the good performers.

The total number of employees on the rolls of the company as on 31st March 2012 was 139 (Previous year 165).

9) RESEARCH & DEVELOPMENT FOR STABLE QUALITY

The production personnel undertake in-house research and development technique concurrently. The Company also takes in to consideration the customer feedbacks and acts upon the same. The company values customer satisfaction and delivers products of robust quality as per quality policy of the company.

Cautionary Statement:

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2012 (Pursuant to clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is to protect the long-term interest of the shareholders while respecting interest of other stakeholders and society at large. The company has set up adequate review process, internal controls and efficient management information systems.

The Company is committed to good corporate governance and transparency in its dealings and lays emphasis on integrity and regulatory compliance.

2. BOARD OF DIRECTORS

The present strength of Board of Directors of the Company is 10 (Ten) including 7 (Seven) Non-Executive Directors, out of which 5 (Five) directors are independent directors. The Directors are eminent professionals from amongst persons from the fields of business, finance, medicine, education and industry.

Composition and category of Directors are as under:

S r . #	Name of Director	Category of Director	Attendance at Board Meetings held During the year	Attendance At last AGM (July 30, 2011)	Number of other Directorships*	Committees (Other than Fine-Line Circuits Ltd.) **	
						Member	Chairman
1	Bhagwandas T. Doshi	PD	3	Present	1	1	Nil
2	R. V. Gandhi	NI	0	Absent	3	2	1
3	Juzer Vasi	NI	4	Present	Nil	Nil	Nil
4	R.M Premkumar	NI	3	Present	5	Nil	1
5	U. Nimmagadda	NI	2	Present	Nil	Nil	Nil
6	Apurva R. Shah	NI	4	Present	5	4	Nil
7	Vijay A. Kumbhani	NE	2	Present	Nil	Nil	Nil
8	Gautam B. Doshi	NE	3	Present	Nil	Nil	Nil
9	Rajiv B. Doshi	ED	4	Present	Nil	Nil	Nil
10	Abhay B. Doshi	MD	4	Present	Nil	Nil	Nil

PD = Promoter Director (Executive)

ED = Executive Director

NE = Non-Executive Director

NI = Non-Executive Independent Director

MD = Managing Director

* “Excludes Directorship in Private Limited Companies, Foreign Companies, Section 25 Companies and Government Bodies.

** Only Audit Committee and Shareholders’/ Investors’ Grievance Committee have been considered for the Committee position.

None of the directors of the company is a member of more than 10 committees or Chairman for more than 5 committees across all companies in which he is a director.

Shri Abhay B. Doshi, Shri Gautam B. Doshi and Shri Rajiv B. Doshi are sons of Shri Bhagwandas T. Doshi, Executive Chairman of the Company and hence are related to each other. Shri V. A. Kumbhani is brother in law of Shri Abhay B. Doshi.

The Non Executive Directors of the Company are paid sitting fees for attending meetings of the Board of Directors and Committees. Besides sitting fees non-executive Directors are not paid any other remuneration or commission. The Executive Directors are not paid sitting fees.

The following non executive directors hold shares in the Company as shown here under:

A. Shri Vijay A. Kumbhani	45010 Equity Shares
B. Shri Gautam B. Doshi	223100 Equity Shares

No other Non Executive Directors hold any shares in the company.

Independent Directors

The independent directors are not related to promoters or management at the board level. They review at every board meeting legal compliance reports prepared by the Company

Number and date of Board Meetings held

4 (four) Board Meetings were held during the year 2011-12. The dates on which the said meetings were held are as follows:

28-May-11, 30-July-11, 22-Oct-11 and 28-Jan-12.

The company has a process to provide the information to the Board as required under Annexure IA to clause 49, which was followed.

All the directors have made necessary disclosures about the committee positions, they occupy in other companies.

The company has not entered into any materially significant transactions during the year under report with promoters, directors, senior management personnel etc. other than transactions if any, entered into in the normal course of company’s business.

Information required under clause 49 (IV) (G) of the Listing Agreement.

The particulars of Directors, who are proposed to be appointed / reappointed at this Annual General Meeting, are given below, as required pursuant to clause 49 of the Listing Agreement.

a) Shri Rajendra. V. Gandhi

Shri Rajendra V. Gandhi, aged about 60 years is an industrialist and is on the Board of the Company as Director from the inception of the Company. He is also on the Board of Gujarat Reclaim & Rubber Products Ltd. as Managing Director, Energee Investments Pvt. Ltd., as chairman, Steel Cast Ltd., Grip Polymers Ltd. and Ghatkopar Estate and Finance Corporation Pvt. Ltd., as director. Shri R. V. Gandhi is committee member on the Audit Committee & Remuneration Committee of Fine-Line Circuits Ltd.

b) Prof. Juzer Vasi

Prof. Juzer Vasi, aged 65 years is B. Tech in Electrical Engineering and has obtained Ph. D from Johns Hopkins University 1973. He is associated with Indian Institute of technology and Johns Hopkins University for many years through his teaching professional expert in Microelectronics particularly CMOS devices technology and design. He is interacting with the industries in the countries like USA, Germany, Japan and Singapore in the field of Microelectronics. Prof. Juzer Vasi is a fellow of IETE, Indian National Academy of Engineering (INAE) a senior Member and distinguished lecturer at IEEE Electron Devices Society.

c) Shri Rajiv B. Doshi

Shri Rajiv Doshi is a Commerce Graduate and has obtained “Certificate of Achievement” in Business Administration awarded by De Anza College, California, USA. Shri Rajiv B. Doshi had wide experience of about 16 years in the Marketing and operations field with other concerns. He acquired detailed products knowledge while on training in India at Fine-Line Circuits Limited. He is handling entire Export since last 11 years. Prior to his joining the Board, Shri Rajiv B. Doshi was working in the Company as General Manager and was supervising the entire Export Market operations and Factory Administration. He is a Director in Kapurwala Properties Pvt. Ltd., and Cranium Kids Private Ltd.

He does not have membership of the committee in any Company.

3. CODE OF CONDUCT

The Board has laid down a code of conduct for Board members and senior management personnel of the company. The said code of conduct is posted on the company’s website. The Board Members and Senior Management Personnel have affirmed compliance with the said code of conduct. A certificate to this effect given by Mr. Abhay B. Doshi, Managing Director of the Company is attached to this report.

4. AUDIT COMMITTEE

The Audit Committee comprises solely of Qualified Non-Executive Directors with majority of them being independent. The terms of reference to the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956 such as oversight of the company’s financial reporting process; recommending the appointment / reappointment of statutory auditors; reviewing with the management annual financial statements; quarterly financial statements and other matters as covered under role of Audit Committee in clause 49. The Audit Committee has powers, interalia, to investigate any activity within its terms of reference and to seek information from any employee of the company/ company’s subsidiary as well as seek outside legal and professional advises.

The members of Audit Committee have knowledge on financial matters and majority of them have accounting or related financial management expertise. The Chairman of the Audit Committee is an independent director.

The statutory auditors and finance personnel are invitees to the meetings of the audit committee.

The Audit Committee reviews all the information that is required mandatorily to be reviewed by it under corporate governance.

Four meetings of the Committee on the dates mentioned below were held during the year 2011-12:

28-May-11, 30-July-11, 22-Oct-11 and 28-Jan-12.

The Composition of the Audit Committee as on 31st March, 2012 and the details of the Meetings attended is as follows:

Sr. No.	Name of Director	Category	Committee	No. of Meeting attended
1	Apurva R. Shah	NI	Chairman	4
2	R.V. Gandhi	NI	Member	Nil
3	V.A. Kumbhani	NE	Member	2
4	Juzer Vasi	NI	Member	4

The Chairman of the Audit Committee was present at the 21st Annual General Meeting held on 30.07.2011.

The Audit Committee was re-constituted on 30th May, 2012 and Mr. R.M. Premkumar has been appointed as member of the Audit Committee. Other members of the Audit Committee remain the same.

5. SUBSIDIARY COMPANY

The company does not have any subsidiary company. The company has one branch office in USA, the financial statements of which are regularly reviewed by the Audit Committee.

6. REMUNERATION COMMITTEE

All the directors on the Committee are independent and Non-Executive directors. The Remuneration Committee deals with the matters specified in clause 49 of the listing agreement and also reviews the overall compensation structure and policies of the Company.

The remuneration policy of the company is based on the need to attract the best available talent and is in line with the industry levels, No remuneration committee meeting held during the year.

The composition of the Remuneration Committee is as under:-

Sr. No.	Non Executive Director	Committee
1	Rajendra V. Gandhi	Chairman
2	Juzer Vasi	Member
3	R.M.Premkumar	Member

The remuneration paid to Directors is stated here in below. The Non-Executive Directors are not drawing any remuneration. However, following sitting fees are paid to the Non-Executive Directors for attending meetings of the Board of Directors/ Committees.

Details of remuneration paid to Directors:

(In Rupees)

Name of Director	Sitting Fees	Salaries & Perquisites	Performance Incentive	Total
A. Executive Directors				
Bhagwandas T. Doshi	Nil	16,92,021	Nil	16,92,021
Abhay B. Doshi	Nil	19,53,101	Nil	19,53,101
Rajiv B. Doshi	Nil	13,64,861	Nil	13,54,861
Total	Nil	50,09,983	Nil	50,09,983
B. Non-Executive Directors				
R.V. Gandhi	-	Nil	Nil	-
V.A. Kumbhani	28,000	Nil	Nil	28,000
Juzer Vasi	32,000	Nil	Nil	32,000
U. Nimmagadda	10,000	Nil	Nil	10,000
Gautam Doshi	15,000	Nil	Nil	15,000
Apurva R. Shah	24,000	Nil	Nil	24,000
R. M. Premkumar	15,000	Nil	Nil	15,000
Total	1,24,000	Nil	Nil	1,24,000

Salaries and perquisites include contribution to Provident Fund, Leave Travel Allowance, reimbursement of medical expenses, wherever applicable as per the rules of the Company. The services are terminable by either party by giving to the other 6 (six) calendar month's notice in writing or by payment of a sum of equivalent remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

- Sitting Fees includes payment for Board level committee meetings.

Stock Options: The members of the Company have approved the Stock Options scheme for the benefit of the persons who are in the permanent employment of the Company. The Company is yet to frame the scheme for grant of stock options.

7. SHARE TRANSFER & SHAREHOLDERS' GRIEVANCE COMMITTEE

The Share Transfer and Shareholders' Grievance Committee consists of three Directors.

The Following are the members of the Committee:-

Sr. No.	Members	Committee	No. of Meetings attended
1	V. A. Kumbhani	Member, (Chairman)	24
2	Abhay B Doshi	Member	24
3	Rajiv B. Doshi	Member	24

The Committee meets normally every fortnight and/ or at the frequency required on the exigency of the transfer volume. The Compliance Officer Mrs.Prema Radhakrishnan monitors the legal compliances.

Universal Capital Securities Pvt. Ltd, (Formerly Mondkar Computers Pvt. Ltd) the Registrar and Transfer Agents do pre-transfer scrutiny of shares. They are authorized to communicate with the transferor and transferee to redress and attend to their needs. They generate reports, update members' records and provide data to the Committee for various statutory compliances. There are no pending share transfers as on March 31, 2012.

Investors Services

Complaints received during the year:

Sr. No.	Particulars	2011-12	2010-11
1	Complaints received during the year	--	--
2	Resolved to the satisfaction of shareholders.	--	--
3	No. of pending complaints	--	--

There are no legal proceedings pending relating to transfer of shares.

The Shareholders' grievances are dealt by M/s. Universal Capital Securities Pvt. Ltd (Formerly Mondkar Computers Pvt. Ltd) and reported to the Committee regularly.

8. GENERAL BODY MEETINGS

The location and time of last three Annual General Meetings:

AGM	Year	Venue	Date	Time	Special Resolution, if any
21 st	2010-11	Gr. Floor, Frontside SDF – VI, Seepz – (SEZ), Andheri (E), Mumbai 400096	30-July-11	3.30 p.m.	Nil
20 th	2009-10	Gr. Floor, Frontside SDF – VI, Seepz – (SEZ), Andheri (E), Mumbai 400096	24-July-10	4.00 p.m.	Yes. 1. Special resolution for reappointment of Shri. Abhay B.Doshi as Managing Director. 2. Special resolution for reappointment of Shri. Bhagwandas T. Doshi as Whole time Director 3. Special resolution for reappointment of Shri. Rajiv B. Doshi as Whole time Director
19 th	2008-09	Gr. Floor, Backside SDF – VI, Seepz – (SEZ), Andheri (E), Mumbai 400096	12-Sep-09	11.00 a.m.	Nil

No postal ballots were used for voting in last year. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

9. DISCLOSURES

(A) Related Party Transactions

The transactions with related parties as per Accounting Standard AS-18 are set out in notes to accounts in the Annual Report and were placed before the Audit Committee periodically.

(B) Risk Management

The Company has adopted a risk management policy. The Board of Directors has been informed from time to time the business risks faced by the Company and the steps taken by the management to face them.

(C) Proceeds from Initial Public Offerings (IPO's)

The Company has not made any IPO or any other issue during the year.

(D) Management

The Management Discussion and Analysis Report forms part of this Annual Report

The Company has complied with the requirements of regulatory authorities on matters related to capital markets and no penalties/strictures have been imposed against the Company during the last three years.

The Company has adopted the non-mandatory requirements of clause 49 relating to remuneration committee. The company has a whistle blower policy and no employee is denied access to the Audit Committee.

(E) CEO/CFO Certification:

A certificate from the Managing Director and CFO of the company in terms of clause 49 V of the Listing agreement was placed before the Board at the Board meeting held on 30th May, 2012 to approve the audited annual accounts for the year ended 31st March 2012.

(F) Clause 49 of the Listing Agreement mandates to obtain a certificate from either the Auditors or Practicing Company Secretaries regarding the compliance of conditions of corporate governance stipulated in the clause and annex the certificate with the Directors' Report, which is sent annually to all the shareholders. The Company has obtained a certificate from the Auditors of the Company to this effect and the same is given as an annexure to the Directors' Report.

10. MEANS OF COMMUNICATION

- a) Quarterly & Half yearly Results: The Company publishes its quarterly & Half-yearly financial results in the Newspapers and is regularly submitted to the Stock Exchange.
- b) The results are normally published in Free Press Journal & Navshakti newspapers.
- c) The results are displayed and available on Company's website: www.finelineindia.com.
- d) In view of the above and as cost and economy measures the quarterly results were not sent individually to the shareholders.
- e) There were no presentations made to the institutional investors or analysts.

11. GENERAL SHAREHOLDER INFORMATION:

- I) Twenty Second Annual General Meeting

Day & Date	Time	Venue
Saturday the 4th August, 2012: Corporate Identification Number:	03.30 p.m.	Gr. Floor, Frontside SDF VI, Seepz-SEZ, Andheri (East), Mumbai 400096 L72900MH1989PLC131521

Financial Year: April to March

- II) Financial Calendar (Tentative)
- a) First Quarter Results : First Week of August
- b) Second Quarter Results : Last Week of October
- c) Third Quarter Results : Last Week of January
- d) Annual Results : Last Week of May
- III) Book Closure : Tuesday, 31st July, 2012 to Saturday, 4th August, 2012. (Both days inclusive)
- IV) Listing on Stock Exchange : Bombay Stock Exchange Ltd.
- V) Scrip Code : 517264
- VI) ISIN Code in NSDL and CDSL : INE087E01011
- VII) Stock Price Data during 2011-12 (BSE Table below gives the monthly highs and lows of the Company's shares on the Mumbai Stock Exchange (BSE))

High and Low prices of the Company's Shares on BSE with corresponding BSE sensdex April'2011 to March'2012.

Months	High (Rs.)		Low (Rs.)	
	FLCL Price	BSE Sensdex	FLCL Price	BSE Sensdex
April 2011	9.83	19,811.14	8.42	18,976.19
May 2011	9.70	19,253.87	8.10	17,786.13
June 2011	9.87	18,873.39	7.35	17,314.38
July 2011	9.12	19,131.70	7.70	18,131.86
August 2011	8.62	18,440.07	7.11	15,765.53
September 2011	12.23	17,211.80	7.70	15,801.01
October 2011	9.51	17,908.13	6.45	15,745.43
November 2011	6.90	17,702.26	5.71	15,478.69
December 2011	7.70	17,003.71	5.99	15,135.86
January 2012	11.02	17,258.97	7.32	15,358.02
February 2012	10.50	18,523.78	9.27	17,061.55
March 2012	11.00	18,040.69	8.63	16,920.61

- VIII) Performance in comparison to Broad : This has been shown in the table based Indices given above in comparison with BSE Sensdex.
- IX) Registrars & Transfer Agents (RTA) : M/s Universal Capital Securities Pvt. Ltd.
(Formerly Mondkar Computers Pvt. Ltd)
21, Shakil Niwas, Opp.Satyasaibaba Temple,
Mahakali Caves Road, Andheri (East), Mumbai 400093
Tel: 91-22 2825 7641, 91-22 2820 7203-05.
Fax: 2 820 7207
Email: info@unisec.in
- X) Share Transfer System:

All share transfers and related operations are conducted by M/s Universal Capital Securities Pvt. Ltd., (Formerly Mondkar Computers Pvt. Ltd) the Registrar and Share Transfer Agents of the Company. They are registered with SEBI. The company has constituted as Share Transfer and Shareholders Grievance Committee for redressing shareholders' and Investors' complaints.

XI) a) Distribution of Shareholding

Share Holding of Nominal Value	Share Holders		Shares Held	
	Number	%	No.of shares	%
Upto 500	11086	96.71%	1354005	28.16%
501-1000	199	1.74%	168649	3.51%
1001-2000	77	0.67%	117129	2.44%
2001-3000	28	0.24%	71964	1.50%
3001-4000	13	0.11%	44442	0.92%
4001-5000	12	0.10%	57403	1.19%
5001-10000	15	0.13%	109135	2.27%
10000 and above	33	0.29%	2885059	60.01%
Total	11463	100.00%	4807786	100.00%

b) Categories of Shareholding as on 31st March 2012

	Category	No. of Shares Held	% of Share holding
A	Promoter's holding		
1	Promoters		
	- Indian Promoters	10,93,927	22.75
	- Foreign Promoters	2,23,100	4.64
2	Person Acting in concert	--	--
	Sub - Total	13,17,027	27.39
B	Non-Promoters Holding		
3	Institutional Investors	--	--
A	Mutual funds & UTI	--	--
B	Bank, Financial Institutions, Insurance Companies (Central/ State Govt. Institution/ Non- Govt. Institutions)	1,96,466	4.09
C	FIIS	--	--
	Sub - Total	1,96,466	4.09
4	Others		
A	Private Corporate Bodies	2,12,083	4.41
B	Indian Public	24,96,219	51.92
C	NRI/ OCBs	5,78,762	12.04
D	Any other shares in transit – clearing members	6,829	0.14
E	Trusts	400	0.01
	Sub - Total	32,94,293	68.52
	GRAND TOTAL	48,07,786	100.00

XII) Dematerialisation of shares & Liquidity

Demat Position as on 31st March, 12:

	NSDL -- 14,79,959	30.78%
	CDSL -- 17,81,827	37.06%
Total Demat	32,61,786	67.84%

In Demat form the shares are tradable in the unit of one equity share giving maximum amount of flexibility and liquidity

XIII) Outstanding GDRs, ADRs, Warrants or any Convertible Instruments etc: Nil

XIV) Plant Location

Unit 1

145, SDF-V, SEEPZ-SEZ
 ANDHERI East, MUMBAI 400096
 Tel: 91-22 2 829 0244 /45
 Fax: 91-22 2 829 2554
 E-mail: fineline@vsnl.com

Unit 2

HIGH TECHNOLOGY MULTILAYER UNIT
 148, SDF-V, SEEPZ -SEZ,
 ANDHERI (E), MUMBAI 400 096.
 Tel: 91-22 42472222
 Fax: 91-22 2 829 2554.
 E-mail: flcindia@vsnl.com

XV) Address for Correspondence

Registrar and Share Transfer Agents :

M/s Universal Capital Securities Pvt. Ltd.
 (Formerly known as Mondkar computers Pvt. Ltd.)
 21, Shakil Niwas, Opp. Satyasaibaba Temple,
 Mahakali Caves Road, Andheri (East)
 Mumbai 400093
 Tel: 91-22 2825 7641, 91-22 2820 7203-05.
 Fax : 91-22 2 820 7207
 Email: info@unisec.in

Registered office

Compliance Officer:
 Ms. Prema Radhakrishnan
 Fine-line Circuits Limited
 145, SDF-V, SEEPZ-(SEZ)
 ANDHERI (E), MUMBAI - 400 096
 e-mail: fineline@vsnl.com

NON-MANDATORY REQUIREMENTS:

Remuneration Committee:

The Board has already constituted a remuneration committee, the details of which are given in point 6 above.

Whistle Blower Policy

The company has a Whistle Blower Policy and no employee is denied access to the Audit Committee.

DECLARATION

As provided under clause 49 of the listing agreement with the Stock Exchange, the Board members and the senior management personnel have affirmed compliance with the code of conduct for the Board of directors and senior management for the year ended 31st March 2012.

On behalf of the Board

Place: Mumbai
Dated: 30th May, 2012

BHAGWANDAS T. DOSHI
EXECUTIVE CHAIRMAN

Registration No.: L72900MH1989PLC131521

Authorised Capital: Rs. 7,50,00,000/-

Compliance Certificate

To
The Members
FINE-LINE CIRCUITS LIMITED
145, SDF-V, SEEPZ-SEZ,
Andheri (East), Mumbai – 400096.

We have examined the registers, records, books and papers of **Fine-Line Circuits Limited** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **March 31, 2012**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as mentioned in the said Annexure.
3. The Company being a Public Limited Company has minimum prescribed paid-up capital and comments relating to Private Limited Company about maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 4 (Four) times on 28.05.2011, 30.07.2011, 22.10.2011 and on 28.01.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book Maintained for the purpose.
5. The Company has closed its Register of Members from 25.07.2011 to 30.07.2011 (both days inclusive) for the purpose of Annual General Meeting and necessary compliance of Section 154 of the Act has been made.

6. The annual general meeting for the financial year ended on 31st March, 2011 was held on 30.07.2011 after giving due notice to the members of the company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in the Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or the previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13.
 - i. The Company has, barring few cases, delivered the certificates on lodgment of securities for transfer/ transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the year.
 - ii. The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii. The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - iv. There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - v. The Company has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/ Whole-time Directors/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. All the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares/ Debentures.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amounts borrowed by the Company during the financial year ending 31.03.2012 are within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened general meeting.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.

C I R C U I T S L I M I T E D

26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. We are informed that there was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received money as security from its employees during the financial year.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For **Parikh Parekh & Associates**

Place : Mumbai
Date : 30.05.2012

Signature :
Name of Company Secretary : **Shalini Bhat**
(Partner)
C. P. No. : 6994

Annexure 'A'

Statutory Registers as maintained by the Company

1. Register of Charges u/s 143 of the Act.
2. Register of Members u/s 150 of the Act.
3. Minutes Book of Board Meetings u/s 193 of the Act. (In loose leaf)
4. Minutes Book of General Meetings u/s 193 of the Act. (In loose leaf)
5. Books of Accounts u/s 209 of the Act are being audited by the Statutory Auditors of the Company.
6. Register of Contracts u/s 301 of the Act.
7. Register of Disclosure of Interest u/s 301 of the Act.
8. Register of particulars of Directors etc. u/s 303 of the Act.
9. Register of Directors' Shareholding u/s 307 of the Act.

Other Registers

1. Register of Transfers
2. Attendance Register of Board Meetings
3. Attendance Register of General Meetings

For **Parikh Parekh & Associates**

Place : Mumbai
Date : 30.05.2012

Signature :
Name of Company Secretary : **Shalini Bhat**
(Partner)
C. P. No. : 6994

Annexure 'B'

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ended on March 31, 2012:

Sr. No.	Form No./ Return	Filed under section	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid. Yes/No
1.	Form 66 Alongwith Compliance Certificate for the year ended 31.03.2011	383A	Financial year ended 31.03.2011	23.08.2011	Yes	N.A.
2.	Form 20B alongwith Annual Return made as on 30.07.2011	159	Annual General Meeting held on 30.07.2011	05.09.2011	Yes	N.A.
3.	Form 23 AC and Form 23ACA alongwith Annual Report for the year ended 31.03.2011	220	Adopted at the Annual General Meeting held on 30.07.2011	26.11.2011	Yes	N.A.

For **Parikh Parekh & Associates**

Place : Mumbai
Date : 30.05.2012

Signature :
Name of Company Secretary : **Shalini Bhat**
(Partner)
C. P. No. : 6994

CERTIFICATE

To
THE MEMBERS OF
FINE LINE CIRCUITS LIMITED

We have examined the compliance of conditions of corporate governance by **FINE-LINE CIRCUITS LIMITED** for the year ended on 31st March 2012, as stipulated in clause 49 of the listing Agreement of the said Company with Stock Exchange(s).

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 opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned clause of the listing Agreement.

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 **DKP & Associates**
Chartered Accountants
(Firm Registration No. 126305W)

Paresh J. Ratanghayara
Partner
Membership No. 103325

Mumbai
Dated: 30th May, 2012

Auditors' Report

To the Members of FINE-LINE CIRCUITS LIMITED

We have audited the attached Balance Sheet of **Fine - Line Circuits Limited** as at 31st March 2012 and the Statement of Profit and Loss for the year ended on that date annexed thereto and 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.

1. We conducted our audit in accordance with 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 disclosures in 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.
2. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditors Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 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 purposes of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2012 from being appointed as directors 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 Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (ii) in so far as it relates to the Statement of Profit and Loss, of the "**Loss**" of the Company for the year ended on that date; and
 - (iii) in so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For **DKP & Associates**
Chartered Accountants
(Firm Registration No. 126305W)

Paresh J. Ratanghayara
Partner
Membership No. 103325

Mumbai
Dated: 30th May, 2012

ANNEXURE TO AUDITOR'S REPORT

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets:
 - a. The Company is compiling records showing full particulars including quantitative details and situation of fixed assets and the same are currently being updated.
 - b. As explained to us, the fixed assets have been physically verified by the Management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The discrepancies noticed on physical verification of stock as compared to the book records were not material and have been properly dealt with in the books of accounts.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a. The Company has not granted any loans to the parties as listed in the register maintained under Section 301 of the Companies Act, 1956.
 - b. The Company had taken loans from two parties as listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,76,00,000/- and the closing balance outstanding in respect of all the parties is Rs. Nil.
 - c. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms of the said loans were not prima facie prejudicial to the interest of the Company.
 - d. In respect of loans taken by the Company, the interest payments and the principal payments were regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956;
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating to Rs. 5,00,000 (Rupees Five Lacs Only) or more in respect of any party in the said financial year.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the arrangement made by the Company to have an internal audit done by a firm of Chartered Accountants is commensurate with the size of the Company and the nature of its business.

8. The Central Government under Section 209 (1) (d) of the Companies Act, 1956, has prescribed the maintenance of cost accounts and records in respect of "Printed Circuit Board" manufactured by the Company. As explained to us, the Company is in the process of completing necessary records in respect of the same. Pending completion of the same, we are unable to offer any comment.
9. In respect of statutory dues:
 - a. According to the records of the Company, 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, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable:
 - b. According to the information and explanations given to us, there are no disputed statutory dues pending as on 31st March, 2012.
10. The Company has no accumulated losses, but has incurred cash loss during the financial year covered by our audit. However, the Company has not incurred Cash Loss in the immediately preceding financial year.
11. Since there are no borrowings from the Financial Institutions, Banks or by way of debentures, the question of default in repayment of dues does not arise.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. Since the Company is not dealing or trading in Shares, Securities, debentures and other Investments, the Clause is not applicable.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not raised any new term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not used funds raised on short-term basis for long-term investment.
18. During the year, 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.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **DKP & Associates**
Chartered Accountants
(Firm Registration No. 126305W)

Paresh J. Ratanghaya
Partner
Membership No. 103325

Mumbai
Dated: 30th May, 2012

BALANCE SHEET AS AT 31st MARCH, 2012

Amt. in Rupees

Particulars	Note No.	As at 31st March, 2012		As at 31st March, 2011	
EQUITY AND LIABILITIES :					
Shareholders' Funds :					
Share Capital	1	48,264,860		48,264,860	
Reserves & Surplus	2	16,076,760		43,958,044	
			64,341,620		92,222,904
Current Liabilities					
Trade Payables	3	31,466,955		26,915,208	
Other Current Liabilities	4	17,130,503		5,666,296	
Short - term Provisions	5	3,577,801	52,175,259	-	32,581,504
TOTAL			116,516,879		124,804,408
ASSETS :					
Non - Current Assets					
Fixed Assets :					
Tangible assets	6	32,389,535		29,056,343	
Intangible assets	6	391,804		-	
Capital work-in-progress	6	-		2,572,980	
Deferred tax assets (Net)	7	3,241,926		3,452,523	
Long term Loans and Advances	8	2,565,881		2,602,231	
Total Non Current Assets			38,589,146		37,684,077
Current Assets					
Inventories	9	47,840,934		54,598,866	
Trade receivables	10	20,138,959		22,836,755	
Cash and Bank Balances	11	3,855,724		2,568,633	
Short - term loans and advances	12	6,092,116		7,116,077	
Total Current Assets			77,927,733		87,120,331
TOTAL			116,516,879		124,804,408

Significant Accounting Policies

Notes on Financial Statements

1 to 30

As per our Report of even date

For D K P & Associates

Chartered Accountants

For and on behalf of the Board
Bhagwandas T. Doshi

(Chairman)

Abhay B. Doshi

(Managing Director)

Paresh J. Ratanghayara
Partner

Membership No. 103325

Place : Mumbai

Date : 30th May, 2012

Place : Mumbai

Date : 30th May, 2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2012

Amt. in Rupees

Particulars	Note No.	2011-12		2010-11	
INCOME					
Revenue from Operations	13		221,372,197		240,493,466
Other Income	14		1,004,533		782,388
Total Revenue (I+II)			222,376,730		241,275,854
EXPENSES :					
Raw Materials Consumed	15		71,988,437		86,587,889
Changes in Inventories of finished goods	16		2,276,499		(831,130)
Work-in-progress and Stock-in-Trade					
Employess Benefits Expenses	17		43,523,600		39,359,184
Finance Costs	18		965,767		388,915
Depreciation and amortization expense	19		8,826,535		7,316,181
Other Expenses	20		110,348,566		107,351,779
TOTAL EXPENSES			237,929,404		240,172,818
Profit / (Loss) before exceptional and extraordinary items and tax			(15,552,674)		1,103,036
Exceptional item (Refer Note No. 27)			(11,840,071)		-
Profit / (Loss) before Taxes			(27,392,745)		1,103,036
Tax expenses:					
Current tax		277,942		44,593	
Current tax - Related to Earlier Years		-		57,646	
Deferred tax		210,597	488,539	281,600	383,839
Profit / (Loss) for the Year			(27,881,284)		719,197
Earnings per equity share:					
(1) Basic & Dilluted (Before Exceptional Item)	22		(3.34)		0.15
(2) Basic & Dilluted (After Exceptional Item)	22		(5.80)		0.15

Significant Accounting Policies

Notes on Financial Statements

1 to 30

As per our Report of even date

For D K P & Associates

Chartered Accountants

For and on behalf of the Board**Bhagwandas T. Doshi****(Chairman)****Abhay B. Doshi****(Managing Director)****Paresh J. Ratanghayara****Partner**

Membership No. 103325

Place : Mumbai

Date : 30th May, 2012

Place : Mumbai

Date : 30th May, 2012

CASH FLOW STATEMENT FOR THE YEAR 2011-2012

	2011-12	2010-11
A CASH FLOW FROM OPERATING ACTIVITIES :	Rs.	Rs.
Net profit[loss] before tax and extraordinary items	(27,392,745)	1,103,035
Adjustment for :		
Depreciation and amortization expense	8,826,535	7,316,181
Loss (gain) on sale of fixed assets (net)	(351,221)	355,037
Interest income	(310,013)	(614,766)
Interest on term loan	965,767	388,915
Effect of exchange rate change due to revaluation	521,690	336,082
Debts written off / Provision for doubtful debts		204,059
Provision for gratuity	3,577,801	-
Operating profit before working capital changes	(14,162,186)	9,088,543
Adjustment for :		
Trade and other receivables	3,147,787	7,919,882
Inventories	6,757,932	(17,335,925)
Trade and other payables	18,834,105	8,069,955
Cash generated from operations	14,577,638	7,742,455
Taxes paid /Refund received	(319,491)	2,492,827
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	14,258,147	10,235,282
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(12,403,261)	(12,650,740)
Proceed from sale of fixed assets	520,683	266,094
Interest received	310,013	614,766
NET CASH USED IN INVESTING ACTIVITIES : (B)	(11,572,565)	(11,769,880)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Short Term Loans taken	31,600,000	10,175,000
Short Term Loans repaid	(31,600,000)	(10,175,000)
Interest on term loan paid	(965,767)	(388,915)
NET CASH (USED) IN FINANCING ACTIVITIES : (C)	(965,767)	(388,915)
Effect of exchange rate change	(432,724)	(416,517)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT(A+B+C)	1,287,091	(2,340,030)
Opening Balance of Cash and cash equivalents :	2,568,633	4,908,663
Closing Balance of Cash and cash equivalents :	3,855,724	2,568,633
(Figures in brackets are cash outflows)		

As per our Report of even date
For D K P & Associates
 Chartered Accountants

Paresh J. Ratanghayara
Partner
 Membership No. 103325

Place : Mumbai
 Date : 30th May, 2012

For and on behalf of the Board
Bhagwandas T. Doshi
(Chairman)

Abhay B. Doshi
(Managing Director)

Place : Mumbai
 Date : 30th May, 2012

1. SIGNIFICANT ACCOUNTING POLICIES:

A) General:

The financial statements have been prepared on the historical cost convention and in accordance with generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the company. Accounting policies not specifically referred to otherwise are consistent with earlier years and in consonance with generally accepted accounting principles.

B) Method of Accounting:

All items of income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

C) Fixed Assets and Depreciation:

- i) Fixed Assets are stated at cost of acquisition, less accumulated depreciation. All costs including cost of financing till commencement of commercial production and including net pre-operative expenditure are capitalised.
- ii) Depreciation on fixed assets have been provided on written down value method, at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. In respect of assets in USA Branch, depreciation is provided on Straight Line Method, on Computers @ 20 %.

D) Intangible Assets:

Intangible assets are stated at cost of acquisition less accumulated depreciation. These assets are amortised over a period of two years on straight line basis.

E) Valuation of Inventories:

Raw materials, Chemicals, Consumables, Spares and Tools are valued at weighted average cost. Works in process is valued at estimated cost, based on stages of completion, or net realisable value whichever is less. Cost includes raw materials cost and related production overheads. Finished goods are valued at cost or estimated net realisable value, whichever is lower.

F) Foreign Currency Transactions:

- i) Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. All monetary items denominated in foreign currency at the end of the year are translated at the year end rates. The exchange difference arising on settlement of transaction / translation is recognised in the Profit and Loss Account.
- ii) In respect of branch, which is integral foreign operation, all the transactions are translated at the rates prevailing at the time of transactions or that approximates the actual rate as at the date of transaction. Branch monetary assets and liabilities are restated at the year end rates.

G) Employees' Benefits:

- i) Short term Employees benefits are recognized as an Expense at the undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the Profit & Loss Account in the year in which the Employee has rendered Services. The Expenses is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gain or losses in respect of the post employment and other long term benefits are charged to Profit & Loss Account.

H) Revenue Recognition:

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are net of Customs and other duties / Taxes and Returns.

I) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its receivable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

J) Taxation:

- (i) Current tax is provided after taking into consideration relief available under Income Tax Act, 1961.
- (ii) Deferred tax is recognized on timing difference, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2012

	AS AT 31.03.2012 RUPEES	AS AT 31.03.2011 RUPEES		
1. SHARE CAPITAL :				
Authorised :				
7,500,000 Equity Shares of Rs. 10/- each	75,000,000	75,000,000		
Issued, Subscribed and Paid-up :				
4,807,786 (4,807,786) equity shares of Rs. 10/- each fully called up	48,077,860	48,077,860		
Add : Forfeited shares	187,000	187,000		
(Amount originally paid up on 37,400 (37,400) Equity Shares)	48,264,860	48,264,860		
Reconciliation of No. of shares Outstanding at the beginning & at the end of the year				
Opening No. of Shares	4,807,786	4,807,786		
Closing No. of Shares	4,807,786	4,807,786		
The details of Shareholding more than 5 %				
Name of the Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhagwandas T. Doshi	445,080	9.26%	470,080	9.78%
Usharani Nimmagadda	470,100	9.78%	470,100	9.78%

	AS AT 31.03.2012 RUPEES	AS AT 31.03.2011 RUPEES
2. RESERVES & SURPLUS :		
Capital Reserve		
As per Last Balance Sheet	2,024,811	2,024,811
Capital Redemption Reserve		
As per Last Balance Sheet	5,848,140	5,848,140
Profit & Loss Account		
Balance as per Last Balance sheet	36,085,093	35,365,896
Add : Profit (Loss) for the year	<u>(27,881,284)</u>	<u>719,197</u>
	8,203,809	36,085,093
	16,076,760	43,958,044

3. CURRENT LIABILITIES :		
Trade Payable		
Amount due to Micro, Small and Medium Enterprises @	-	-
Other Creditors	31,466,955	26,915,208
	<u>31,466,955</u>	<u>26,915,208</u>
<p>@ The Company has not received information from the vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to the amounts unpaid as at the year end together with Interest paid / payable under this Act have not been given.</p>		

	AS AT 31.03.2012 RUPEES	AS AT 31.03.2011 RUPEES
4. OTHER CURRENT LIABILITIES		
Advances from customers	144,905	169,592
Creditors for capital expenditure	1,083,002	3,402,007
Unpaid dividend #	278,800	278,800
Other liabilities ##	15,623,796	1,815,897
	<u>17,130,503</u>	<u>5,666,296</u>
# This figure do not include any amount due and outstanding, to be credited to Investor Education and Protection Fund.		
## Includes mainly compensation payable to workers and statutory dues. Refer Note No. 27)		

5. SHORT TERM PROVISIONS		
Provision for Gratuity	3,577,801	-
(Refer Note No. 17.1)	<u>3,577,801</u>	<u>-</u>

6. FIXED ASSETS :												
Particulars	Gross Block				Depreciation					Net Block		
	As at 01.04.2011	Additions	Deductions	Transfer Out	As at 31.03.2012	As at 01.04.2011	For the Year	Deduction	Transfer	up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
Plant and Machinery	156,094,249	11,324,460	5,011,790		162,406,919	130,323,185	7,816,420	4,845,820		133,293,785	29,113,134	25,771,057
Vehicles	2,556,331	860,995	-	-	3,417,326	1,274,419	512,970	-	-	1,787,389	1,629,937	1,281,912
Furniture & Fittings	1,814,832	-	-		1,814,832	1,426,575	70,274	-		1,496,849	317,983	388,257
Computers	3,253,341	70,700	-		3,324,041	2,950,390	145,072	-		3,095,462	228,579	302,951
Office Equipments	3,210,708	-	6,500		3,204,208	1,898,542	208,772	3,008		2,104,306	1,099,902	1,312,166
Intangible Assets	-											
Software	1,215,518	464,831	-		1,680,349	1,215,518	73,027	-		1,288,545	391,804	-
Total as at 31.03.2012	168,144,979	12,720,986	5,018,290	-	175,847,675	139,088,629	8,826,535	4,848,828	-	143,066,336	32,781,339	29,056,343
Previous Year	161,657,717	10,864,187	4,376,925	-	168,144,979	135,528,248	7,316,181	3,755,806	-	139,088,635	26,129,468	
Capital work in progress											-	2,572,980

7. DEFERRED TAX ASSETS (NET)		
Related to Fixed Assets	3,241,926	3,452,523
	<u>3,241,926</u>	<u>3,452,523</u>

8. LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Capital Advances	136,250	200,000
Deposits	2,429,631	2,402,231
	<u>2,565,881</u>	<u>2,602,231</u>

	AS AT 31.03.2012 RUPEES	AS AT 31.03.2011 RUPEES
9. INVENTORIES :		
(As verified, valued and certified by the management)		
Raw Materials	15,983,931	16,308,196
Raw Materials in Transit	732,110	2,044,360
Works in process	7,571,606	11,626,327
Finished Goods	2,379,454	601,232
Chemicals, Consumables, Stores & Tools	16,890,425	16,215,048
Chemicals, Consumables, Stores & Tools in Transit	4,283,408	7,803,703
	<u>47,840,934</u>	<u>54,598,866</u>
10. TRADE RECEIVABLES		
(Unsecured, considered good unless otherwise stated and subject to confirmation)		
a) Debts outstanding more than six months	-	58,290
b) Other Debts	20,138,959	22,778,465
	<u>20,138,959</u>	<u>22,836,755</u>
11. CASH AND BANK BALANCES :		
Balances with Banks #	3,810,851	2,416,318
Cash on hand	44,873	152,315
	<u>3,855,724</u>	<u>2,568,633</u>
# Includes an amount of Rs. 2,78,800/- in dividend Account. (Previous Year Rs. 278,800/)		
12. SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good and subject to confirmation)		
Advance payment of tax (Net of Provisions)	568,825	527,276
Others #	5,523,291	6,588,801
	<u>6,092,116</u>	<u>7,116,077</u>
# Includes mainly VAT / Service tax refund Receivable, Prepaid Expenses.		
13. REVENUE FROM OPERATIONS :		
Sale of Products	221,642,223	240,726,188
Less:		
Custom / Excise duty	(270,026)	(232,722)
Total :	<u>221,372,197</u>	<u>240,493,466</u>
13.1 Particulars of Sale of Products		
Sale of Printed Circuit Boards	220,265,998	238,546,122
Others	1,106,199	1,947,344
	<u>221,372,197</u>	<u>240,493,466</u>
14. OTHER INCOME :		
Other Misc. Income #	694,520	167,622
Interest Income	310,013	614,766
	<u>1,004,533</u>	<u>782,388</u>
# Includes Profit on Sale of assets and Sundry Balances written back.		

15. COST OF MATERIALS CONSUMED

	%	2011-12 RUPEES	%	2010-11 RUPEES
Imported	97.85%	70,440,738	98.05%	84,899,085
Indigenous	2.15%	1,547,699	1.95%	1,688,804
	<u>100.00%</u>	<u>71,988,437</u>	<u>100.00%</u>	<u>86,587,889</u>

15.1 Particulars of Material Consumed

Laminates	25,888,893	24,299,316
Blanks	25,346,475	42,891,451
Others	20,753,069	19,397,122
	<u>71,988,437</u>	<u>86,587,889</u>

16. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	AS AT 31.03.2012 RUPEES	AS AT 31.03.2011 RUPEES
Inventories - (At close)		
Finished Goods	2,379,454	601,232
Work-in-process	<u>7,571,606</u>	<u>11,626,327</u>
	9,951,060	12,227,559
Inventories - (At commencement)		
Finished Goods	601,232	1,410,851
Work-in-process	<u>11,626,327</u>	<u>9,985,578</u>
	12,227,559	11,396,429
	<u>(2,276,499)</u>	<u>831,130</u>

17. - EMPLOYEE BENEFITS EXPENSES :

Salaries, Bonus and other allowances	34,685,213	34,072,781
Contribution to provident and other funds	7,034,863	3,559,164
Staff Welfare Expenses	1,803,524	43,523,600
	1,727,239	39,359,184

17.1. The disclosures of employee Benefits as defined in Accounting Standard AS-15 are given below:

Defined Contribution Plan :

Contribution to defined contribution plan recognised as expenses for the year is as under:

Employers contribution to Provident Fund Rs 7,07,499/- (Previous Year Rs. 6,98,379/-)

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. The obligation for Leave encashment is recognised in the same manner as Gratuity.

	31.03.2012	31.03.2011
	Leave Gratuity (Funded)	Leave Gratuity (Funded)
Assumptions	8%	8%
Discount rate	8%	8%
Salary Escalation		
	Rs.	Rs.
1.Present value of Defined Benefit Obligation		
Defined Benefit obligation at the beginning of the year	7,915,838	6,035,328
Interest Cost	620,009	482,826
Current Service cost	1,786,105	396,871
Benefits Paid	(430,530)	(201,988)
Actuarial (gain) / Loss on obligations	3,251,966	1,202,801
Defined Benefit of obligation as at end of the year	13,143,388	7,915,838
2.Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	7,965,379	7,477,550
Expected return on plan assets	754,241	672,552
Contributions	1,260,679	17,265
Benefits paid	(430,530)	(201,988)
Actuarial Gain / (Loss) on Plan assets	15,818	-
Fair value of plan assets at End of the year	9,565,587	7,965,379
3.Fair value of plan assets		
Fair value of plan assets at beginning of the year	7,965,379	7,477,550
Actual return on plan assets	754,241	672,552
Contributions	1,260,679	17,265
Benefits Paid	(430,530)	(201,988)
Fair value of plan assets at end of the year	9,565,587	7,965,379
Funded Status	(3,577,801)	49,541
4. Actuarial Gain / (Loss) recognised		
Actuarial Gain / (Loss) for the year -Obligation	(3,236,148)	(1,202,801)
Actuarial Gain / (Loss) for the year -Plan Assets	-	-
Total (Gain)/Loss for the year	(3,236,148)	(1,202,801)
Actuarial (gain)/Loss recognised in the year	(3,236,148)	(1,202,801)
5.Amounts recognised in the Balance Sheet		
Present value of obligations as at the end of the year	13,143,388	7,915,838
Fair value of plan assets as at the end of the year	9,565,587	7,965,379
Funded status	(3,577,801)	49,541
Net Assets/(Liability) recognised in balance sheet	(3,577,801)	49,541
6.Expenses Recognised in statement of Profit and Loss Accounts		
Current Service cost	1,786,105	396,871
Interest cost	620,009	482,826
Expected return on plan assets	754,241	672,552
Net Actuarial (gain)/Loss recognised in the year	3,236,148	1,202,801
Expenses recognised in statement of Profit & Loss	4,888,021	1,409,946

	31.03.2012 Leave Encashment (Funded)	31.03.2011 Leave Encashment (Funded)
Assumptions		
Discount rate	8%	8%
Salary Escalation	5%	4%
	Rs.	Rs.
1. Present value of Defined Benefit Obligation		
Defined Benefit obligation at the beginning of the year	1,490,939	875,551
Interest Cost	119,275	70,044
Current Service cost	611,253	757,560
Benefits Paid	-	-
Actuarial (gain) / Loss on obligations	(1,000,269)	(212,216)
Defined Benefit of obligation as at end of the year	1,221,198	1,490,939
2. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	2,003,326	1,832,783
Expected return on plan assets	160,266	156,024
Contributions	-	5,585
Benefits paid	-	-
Actuarial Gain / (Loss) on Plan assets	4,692	8,934
Fair value of plan assets at End of the year	2,168,284	2,003,326
3. Fair value of plan assets		
Fair value of plan assets at beginning of the year	2,003,326	1,832,783
Actual return on plan assets	164,958	164,958
Contributions	-	5,585
Benefits Paid	-	-
Fair value of plan assets at end of the year	2,168,284	2,003,326
Funded Status	947,086	512,387
4. Actuarial Gain / (Loss) recognised		
Actuarial Gain / (Loss) for the year -Obligation	1,000,269	212,216
Actuarial Gain / (Loss) for the year -Plan Assets	4,692	8,934
Total Gain/(Loss) for the year	1,004,961	221,150
Actuarial Gain/(Loss) recognised in the year	1,004,961	221,150
5. Amounts recognised in the Balance Sheet		
Present value of obligations as at the end of the year	1,221,198	1,490,939
Fair value of plan assets as at the end of the year	2,168,284	2,003,326
Funded status	947,086	512,387
Net Assets/(Liability) recognised in balance sheet	947,086	512,387

C I R C U I T S L I M I T E D

6. Expenses Recognised in statement of Profit and Loss Accounts		
Current Service cost	611,253	757,560
Interest cost	119,275	70,044
Expected return on plan assets	160,266	156,024
Net Actuarial (gain)/Loss recognised in the year	(1,004,961)	(221,150)
Expenses recognised in statement of Profit & Loss	(434,699)	450,430

18. FINANCE COSTS		
Interest on Loans	965,767	388,915
	<u>965,767</u>	<u>388,915</u>

19. DEPRECIATION AND AMORTISATION		
Depreciation and amortisation	8,826,535	7,316,181
	<u>8,826,535</u>	<u>7,316,181</u>

		2011-12		2010-11
		RUPEES		RUPEES
20. OTHER EXPENSES				
MANUFACTURING EXPENSES :				
Chemicals, Consumables and Stores consumed	58,566,068		53,996,760	
Power, Fuel & Water	20,976,946		20,381,604	
Repairs & Maintenance	3,941,618		3,697,691	
Job Work Charges	69,184	83,553,816	359,044	78,435,099
ADMINISTRATIVE EXPENSES :				
Rent	3,884,463		2,658,368	
Rates & Taxes	255,221		336,057	
Insurance	375,252		226,004	
Auditors' Remuneration :				
For Audit Fees	115,000		90,000	
For Tax Audit Fees	35,000		25,000	
Vehicle Expenses	703,725		542,104	
Travelling & Conveyance	2,693,622		2,476,305	
Legal & Professional Fees	1,661,271		1,449,762	
Bad Debts written off	-		4,703,243	
Less :Provision For Doubtful Debts	-		(4,570,876)	
Postage, Telephone etc.	1,550,255		1,603,597	
Printing & Stationery	636,747		739,115	
Directors' Sitting Fees	124,000		133,000	
Security and Other Services	1,065,251		785,280	
Sundry Expenses	1,429,281		1,872,826	
Donations	3,000		12,500	
Bank Charges	1,480,352		1,543,520	
Loss on sale / discarding of Fixed Assets (Net)	-	16,012,440	355,037	14,980,842
SELLING & DISTRIBUTION EXPENSES :				
Freight Outward	9,629,453		11,206,435	
Clearing Charges on Export	556,241		634,305	
Commission on Export	58,199		151,145	
Compensation to Customers	538,417	10,782,310	1,943,953	13,935,838
		<u>110,348,566</u>	<u>1,943,953</u>	<u>107,351,779</u>

20.1 Value of Chemicals consumables and Stores consumed :				
	%	2011-12 RUPEES	%	2010-11 RUPEES
Imported	45.70%	26,767,550	46.01%	24,841,641
Indigenous	54.30%	31,798,518	53.99%	29,155,120
	<u>100.00%</u>	<u>58,566,068</u>	<u>100.00%</u>	<u>53,996,761</u>
20.2 Value of Imports on CIF Basis :				
Raw Materials		70,116,470		93,160,403
Cosnumables and Stores and Spares		29,258,945		26,848,449
Capital Goods		8,709,663		3,523,141
20.3 Expenditure in Foreign Currencies :				
Foreign Travelling		534,952		460,834
Foreign Branch Expenses		2,536,981		2,229,569
21. Earning in Foreign Exchange				
F.O.B. Value of Exports		196,017,366		208,489,128
22. EARNING PER SHARE (Basic and Dilluted)				
Before Exceptional Item				
Profit (Loss) for the year (Before Exceptional item)		(16,041,213)		719,197
No. of Shares		4,807,786		4,807,786
Face value per Share		10		10
Earning Per Share		(3.34)		0.15
After Exceptional Item				
Profit (Loss) for the year (After Exceptional item)		(27,881,284)		719,197
No. of Shares		4,807,786		4,807,786
Face value per Share		10		10
Earning Per Share		(5.80)		0.15
23. A sum of Rs. 63,528/- is included in Raw Material Consumption representing prior period items. (Previous Year Rs. 20,561/- net debited to Establishment Expenses)				
24. Foreign Currency exposure that are not hedged by Derivative instruments or forward contracts as at March, 31, 2012 amount to Rs. 3,94,03,727/- (Previous Year Rs. 4,42,91,929/-)				
25. Segment Information				
The Company has only one primary segment viz: "Printed Circuit Board". The Company has only one major secondary segment viz : Exports out of India. Hence no additional disclosure is required under Accounting Standard AS-17.				
26. The net amount of foreign exchange difference credited to Profit & Loss Accounts is Rs. 42,02,435/- (Previous Year Rs. 50,92,543/-)				
27. Exceptional item represents				
Exceptional item represents amount payable to some of the workers of the company as compensation in respect of past services, who have voluntarily resigned from service of the company subsequent to the year end.				

C I R C U I T S L I M I T E D
28. Contingent Liabilities :
In respect of :

(i) Bonds executed in favour of President of India in respect of Custom Duty on Import of Machinery and Raw Materials	220,582,000	220,582,000
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	414,200	2,267,758

29. Related Party Disclosures: (As certified by the management)
a. Key Management Personnel:

a - Key Management Personnel	Relationship
1. Shri. B. T. Doshi	Executive Chairman
2. Shri. A. B. Doshi	Managing Director
3. Shri. R. B. Doshi	Executive Director
b - Parties where control exists	Kapurwala Properties P. Limited

b. Transactions with the above parties:

Name of Related Party	Nature of Transaction	For the Year	
		2011 - 2012	2010 - 2011
		Rs.	Rs.
A - Key Management Personnel			
1. Shri B. T. Doshi	Remuneration	1,692,021	1,681,127
	Loan taken	3,500,000	1,700,000
	Loan Repaid	3,500,000	1,700,000
2. Shri A. B. Doshi	Remuneration	1,953,101	1,962,888
	Loan taken	0	900,000
	Loan repaid	0	900,000
3. Shri R. B. Doshi	Remuneration	1,364,861	1,354,297
B - Parties where control exists			
Kapurwala Properties P. Ltd.			
	Loan taken	21,600,000	7,575,000
	Loan Repaid	21,600,000	7,575,000
	Interest on Loan	824,548	388,915

30. Previous year's figures have been regrouped / rearranged / recast wherever necessary.

Signature to Notes 1 to 30

As per our Report of even date

For D K P & Associates

Chartered Accountants

For and on behalf of the Board

Bhagwandas T. Doshi

(Chairman)

Abhay B. Doshi

(Managing Director)

Paresh J. Ratanghayara

Partner

Membership No. 103325

Place : Mumbai

Date : 30th May, 2012

Place : Mumbai

Date : 30th May, 2012

SEEPZ - SEZ is a Restricted Zone requiring prior permission for entry. The Shareholders / Proxies are requested to fax the form (mentioned below) to 022-28292554 or post to the attention of Accounts Department so as to reach latest by Thursday, August 02, 2012 to enable the Company take the individual permission for Entry to Seepz (SEZ).

ATTENDANCE SLIP

FINE-LINE CIRCUITS LIMITED

Regd. Office: 145, SDF V, Seepz (SEZ), Andheri (E), Mumbai - 400 096

[Please present the slip at the Company Counter outside Seepz gate on AGM date]

DP Id*

Regd.Folio No.

Client Id*

No. of Share(s) Held

Name and Address of the Shareholder

.....

I / We hereby record my / our presence at the **Twenty -Second Annual General Meeting** of Fine-Line Circuits Limited held at frontside SDF - VI, Seepz - SEZ, Andheri (E), Mumbai - 400 096 on Saturday, 04th August, 2012 at 3.30 p.m.

Signature of the Member / Proxy (to be signed at the time of handing over at the Meeting Hall).

* For Member holding shares in Electronic Form

..... TEAR HERE.....

PROXY FORM

FINE-LINE CIRCUITS LIMITED

Regd. Office: 145, SDF V, Seepz (SEZ), Andheri (E), Mumbai - 400 096

DP Id*

Regd.Folio No.

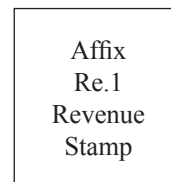
Client Id*

No. of Share(s) Held

I / We being a member of Fine-Line Circuits Limited hereby appoint of or failing him of as my / our proxy to attend and vote for me / us and on my / our behalf at the **Twenty - Second Annual General Meeting** of the Company to be held on Saturday, the 04th August, 2012 at 3.30 p.m. or at any adjournment thereof.

As witness my / our hand(s) this _____ day of _____ 2012

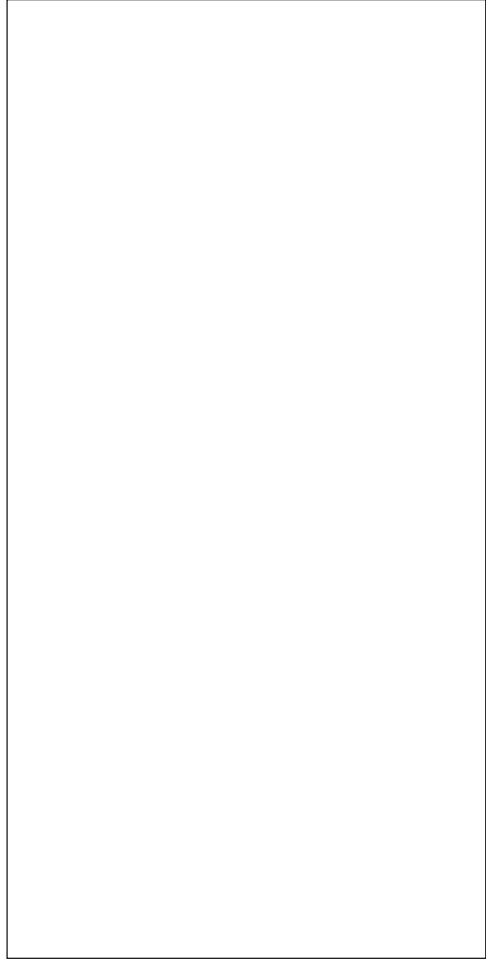
NOTE : The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.



Signature

* For member holding shares in Electronic Form

BOOK POST



If undelivered, please return to :
FINE-LINE CIRCUITS LIMITED
145, SDF - V, Seepz (SEZ),
Andheri (E), Mumbai - 400 096.