

ARTECH POWER PRODUCTS LTD.

21st Annual Report

Financial Year 2009 – 10

Artech Power Products Limited

Regd. Office: Anitha, Second Floor, S A Road, Elamkulam, Cochin - 682 020, Kerala.

Phone : 0484-2203697. E-mail : artech.power@gmail.com

21st Annual General Meeting for the Financial Year 2009 – 10

Shareholders are requested to bring their copy of the Annual Report at the Annual General Meeting.

Date : 30th August 2010
Day : Monday
Time : 10 AM
Venue : KETA Hall, 2nd Floor,
KETA Center, Chittoor Road South,
Cochin - 682 016
Kerala State

BOARD OF DIRECTORS

Vijayan I V Chairman
Repsy Vijayan Managing Director
Sudhir Menon Director
Pathrose Pankappally Director

BANKERS

1. State Bank of Travancore
Industrial Finance Branch
Malankara Centre, M.G.Road
Cochin-682 035
2. Federal Bank Ltd
Ernakulam North Branch
Banerjee Road, Cochin-682 018
3. Federal Bank Ltd.
Girinagar Branch
S.A Road, Elamkulam
Cochin - 682 020

Regd. Office: Anitha, Second Floor, S.A.Road,
Elamkulam, Cochin - 682 020, Kerala.

AUDITORS

M/s. G. Joseph & Associates
Muttathil Lane
Kadavanthra, Cochin - 682 020

INDEX

PAGE No.

Notice	3
Directors' Report	4
Corporate Governance Report	7
CFO / CFO Certification	11
Secretarial Compliance Report	13
Auditors' Report	16
Balance Sheet	18
Schedules	20
Part IV of Schedule VI to Companies Act	24
Notes to Accounts	25

SOLICITORS

1. M/s. Nagendran & Nagendran
"Sreepatham"
Krishnaswami Road,
Cochin - 682 035
2. M/s. Joy Thattil & Co.
Chittoor Road, Pachalam,
Cochin - 682012
3. Mr. Raju Joseph
37/1141A, Excel Park
Fatima Church Road
Elamkulam, Cochin - 682020

Artech Power Products Ltd.

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of Artech Power Products Ltd., will be held on Monday, the 30th August 2010 at KETA Hall, 2nd Floor, KETA Center, Chittoor Road, Cochin 682016 at 10.00 a.m., to transact the following business.

Ordinary Business

1. To receive, consider and adopt the audited Annual Accounts of the Company for the year ended 31st March 2010 together with the report of the Board of Directors and Auditors thereon.
2. To appoint director in place of Mr Pathrose Pankappally, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint auditors and fix their remuneration. The retiring auditors M/s G. Joseph & Associates, Chartered Accountants, Cochin, are eligible for appointment.

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.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting.
2. The register of members and share transfer books of the company will be closed from 21st August 2010 to 28th August 2010, both days inclusive.
3. Shareholders desiring any information as regards the Accounts are requested to write to the company at least 5 days in advance so as to enable the management to keep the information ready at the meeting.

By order of the Board
For Artech Power Products Ltd

Place: Cochin
Date: 20.07.2010

Repsy Vijayan
Managing Director

DIRECTORS' REPORT

To the Members,

The Board of Directors hereby presents the 21st annual report together with the audited statement of accounts for the year ended 31st March 2010.

Financial Results

(Amount Rupees)	FY 2009-10	FY 2008-09
Sales	1,500,000	0
Other Income	25,522,491	0
Total Income	27,022,491	0
Profit / (Loss) before Depreciation	4,640,371	541,723
Less: Depreciation	0	7,284
Net Profit / (Loss)	4,640,371	548,507
Add: Brought forward Loss	57,022,794	56,474,187
Loss Carried to Balance Sheet	52,382,423	57,022,794

Dividend

As the Company has not earned any profit, the directors do not propose any dividend for the accounting year ended 31st March 2010.

Activities during the year and current status

The operations of the factory remained closed during the year under review. In spite of the efforts taken by the management and financial institutions, as the revival plans could not get materialized and following the coercive steps of the revenue recovery proceedings, as decided in the inter institutional meeting with banks and KSIDC in 2007, and on complying the provisions with respect to approval of the shareholders u/s. 193 (1) (a) of Companies Act 1956, the Company could settle on compromise all the liabilities to Financial Institutions, Banks, KSIDC, Fixed deposit holders and other statutory liabilities by sale of its entire assets. Even though the company, Banks and Financial Institutions identified several potential buyers, on account of the various revenue recovery proceedings, court attachments, debt recovery decrees and litigations, most of the parties were reluctant to close the deal. Finally a buyer identified by Financial Institutions after detailed analysis, tripartite discussions and public announcement and negotiations with employees union, came forward, advanced payments for settlement of all liabilities and the title deeds of the Companies assets were directly handed over by IDBI to the buyer which enabled the conveyance of the assets by the Company to the buyer.

Your Company, after a long period of crisis, obtained the no dues certificates from all Financial Institutions, Banks, KSIDC and Government Authorities like Sales tax, BSNL etc. The employees' dues were settled on negotiations with employees union and all employees on the rolls of the company on date of closure were discharged by one time settlement of all arrears due to them and compensation for loss of employment. Your company, though do not have any assets, at the same time do not have any liabilities and pending litigations.

The Board of Directors are presently looking for identifying any possible opportunity from any potential group who could associate with this Company for a take over or merger or amalgamation so as to be mutually beneficial in the interest of all our share holders. The Board of Directors is putting in all efforts in this direction.

Shares

Company's shares have been suspended from trading due to nonpayment of dues by Cochin, Bombay, Delhi and Chennai stock exchanges. The listing fees could not be paid as factory was closed and there was no income from operations. The share transfer activities are done in house. Your directors will take all the possible steps to rectify the deficiencies in this matter as soon as the Company becomes operational and the required finances and personnel are available.

Directors reply to qualifications in the Auditor's Report

With respect to the auditor's qualification regarding non provisioning of sales tax liability, the Company is of the opinion that the tax need not be collected by the Company, since the Company has surrendered its certificate of registration and no longer a dealer as per provisions of the relevant Sales Tax Act. Moreover, the assets were disposed of as part of the settlement with bankers and the purpose for which the assets were acquired by the buyer are not known to the Company.

Artech Power Products Ltd.

With respect to the auditor's qualification regarding disqualification of Directors for non-filing of Annual Accounts/ Returns for 3 years, directors have been advised and are of the opinion that disqualification is applicable only if directors are to serve on director board of other companies.

With respect to the Auditors comments on the valuation of the fixed assets and current assets, the Company has realized reasonable value for the fixed assets and current assets. The auditor's qualifications on non-compliance of the Accounting Standards are due to above reasons. With respect to the auditor's comments on violation for section 58A, the company could repay all the fixed deposit holders on compromise settlement during the year under review and individual deposit holder's confirmation has been obtained in this regard.

The Status of ESI, PF, TDS and Sales Tax

The provisions of ESI Act were not applicable to the Company on account that the area where the factory is situated was exempted. During the year under review, the factory was closed and on sale of assets, all the employees are settled with a compensation package on negotiated settlement with employees union instead of salary arrears and dues. The Company had remitted penalty for delayed payments of PF of previous years during the year under review. The provision of unpaid TDS amounting to Rs. 48,575/- is pertaining to the year 1998-99. As the expenses were not paid by the company during that year, the TDS provided in accounts were also not paid. This has been rectified and TDS has been deducted on modified amounts when paid / provided during the year under review.

Personnel and Industrial Relations

Industrial Relations in the Company were satisfactory during the years. After closure of the Company in April 2000, even though there were some disturbances, the employees were very supportive to the management during the occasions of discussions with probable new investors and finally with the buyer for the assets of the Company. All the dues to the employees in arrears including compensation for leaving the services are settled on compromise negotiations with the employees union and disbursed directly by the buyer of the assets of the Company on 27.03.2010 and all employees were discharged. Your Directors take this opportunity of recording their appreciation for the wholehearted support rendered by the employees and their union during those years.

Statutory Disclosures

Fixed deposits

Your Company has neither accepted nor renewed any Fixed Deposits since the date of last Annual General Meeting. The amount of deposit outstanding as on 1st of April 2009 was Rs. 4,048,655/-. These Fixed Deposits were settled on compromise during the year under review. There is no outstanding Fixed deposit with the company as on 31.03.2010.

Directors

During the year Mr. Vjayan V had tendered his resignation as Managing Director with effect from 31.03.2010 but continued as non-executive director on the Board. Ms. Repsy Vjayan took up the mantle of Managing Director on that date.

Auditors

M/s. G Joseph & Associates, Chartered Accountants, with Firm Registration No. 005310S who are the statutory Auditors of the Company hold office in accordance with the provisions of the Companies Act, 1956 up to the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

Disclosure of Particulars of employees:

There are no employees who are in receipt of salary in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended by and Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988.

Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo:

The information as required under Section 217 (i) (e) of the Companies Act, 1956 read with the Companies (Directors particulars in the Report of the Board of Directors) Rules 1988, with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable for the year under review as the company was closed down and there were no production activities.

Artech Power Products Ltd.

Directors' Responsibility Statement

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departures applicable to accounting standards except non compliance of accounting standards 2, 4, 6, 10 and 15 as the company was closed down and there were no production and commercial activities;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and the profit & loss of the Company for that period;
- iii) As the factory premises, where the registered office of the company was situated, were under the custody of financial institutions, banks etc, the Directors can not comment whether proper and sufficient care were taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have not been prepared on a going concern basis.

Corporate Governance & Compliance

A report on corporate governance along with the Management Discussion and Analysis is annexed to this report.

The company has complied with various mandatory requirements prescribed under Clause 49 of the Listing Agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

Acknowledgement

The Board of Directors acknowledge with gratitude the support extended by Kerala State Industrial Development Corporation (KSIDC), Industrial Development Bank of India (IDBI) and State Bank of Travancore (SBT) who had been considerate to the Company during these periods of financial crisis. The financial liabilities towards these institutions were settled in full on compromise during the year under review and your Company has obtained the No Dues Certificates from them. Your Directors also thank M/s. Federal Bank, Girinagar Branch, Ernakulam with whom the Company maintains the current account. Your Directors also thank all the employees and deposit holders for their seamless support, who are all settled and discharged in this year under review. Your Directors also thank the solicitors of the company for their valuable advises and support in dealing with the crisis management. Your Directors also thank the Auditors of the Company and the Practicing Company Secretary for their functional advises and services. Your directors thankfully acknowledge the moral support given by all our shareholders of the Company during the year under review and all previous years without which, the settlement of liabilities would not have been possible during this year and look forward to their continued patronage in the years ahead.

By order of the Board
For Artech Power Products Ltd.

Place: Cochin
Date: 20.07.2010

Vijayan I V
Chairman

Rpsy Vijayan
Managing Director

ANNEXURE to the Director's Report For The Financial Year Ended 31st March 2010
REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders and clients of the Company and the unquestioned integrity of all personnel involved or related to the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients' interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS

2A. Composition of the Board

The Board of Directors of the Company consists of Four Directors including the Non-executive Chairman. Out of 4 directors, only 1 director is an executive director. Out of three non-executive directors, 2 directors are independent.

I.	Promoter Group	Vijayan I V	Non-executive Chairman
		Repsy Vijayan	Managing Director
II.	Independent Directors	Sudhir Menon	Independent & Non-executive Director
		Pathrose Pankappally	Independent & Non-executive Director

The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

2B. Board procedure

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial restructuring avenues for the Company up to last completed month as against the original strategy. Presentations were made by the Managing Director about the financial, operational performance and market scenario.

2C. Attendance of Board Meetings & Details of other Directorship / Membership in other Boards / Board committees

THIRTEEN meetings of the Board were held during the financial year on 28th June 2009, 17th July 2009, 17th August 2009, 26th September 2009, 26th October 2009, 4th November 2009, 15th January 2010, 10th February 2010, 22th February 2010, 10th March 2010, 11th March 2010, 30th March 2010 and 31st March 2010

Type	Name of Director	No. of Board Meetings Attended	Attendance at Last AGM	Membership As on 31-03-2010 #		
				Other Boards	Other Board Committees	Shares Held In The Company
PDN	Vijayan I V	13	Yes	Nil	Nil	4,05,990
PDE	Repsy Vijayan	13	Yes	Nil	Nil	1,88,110
NI	Sudhir Menon	13	Yes	Nil	Nil	Nil
NI	Pathrose Pankappally	13	Yes	Nil	Nil	Nil

PDN – Promoter Non-Executive Director
 PDE – Promoter Executive Director
 NI – Non-executive Independent Director
 # Excludes foreign companies, private limited companies and alternate directorships.

3. BOARD COMMITTEES

3A. Audit Committee

The Audit Committee consists of 3 Directors namely Mr. Vijayan I. V, Mr. Sudhir Menon and Mr Pathrose Pankappally. Mr. Sudhir Menon is the Chairman of the Committee. The Committee held 4 meetings during the period ended April 2009 to March 2010. All the 3 directors who are members attended all the 4 meetings. Presently the company does not have a whistle blower policy.

3B. Share Transfer / Investors' Grievances Committee

Share Transfer Committee meets at regular intervals to consider share transfers/ transmissions, issue of duplicate share certificates, splits etc. Investors' grievances committee is mandated to respond / redress investors' correspondence / grievances. All letters received from Stock Exchanges and SEBI and the responses to such letters by the company are reviewed by the Committee. The present share transfer Committee consists of 3 Directors with Mr. Pathrose Pankappally as the Chairman, Mr. Sudhir Menon and Mr. Vijayan I. V. as members of the Committee. The Committee held 4 meetings during the period April 2009 to March 2010. All the 3 directors who are members of the committee attended all the 4 meetings.

Name & Designation of the Compliance Officer : Ms Repsy Vijayan

Remuneration Committee:

Due to small size of its operation, the company does not have Remuneration Committee.

Remuneration to Directors:

No remuneration or sitting fees was paid to any Director during the year.

4. CODE OF CONDUCT

The company has circulated the code of conduct for its Directors.

5. COMMUNICATION WITH SHAREHOLDERS

5A. The Annual Report is sent to every individual shareholder. The quarterly and the annual results are submitted to the Stock Exchanges. The quarterly results, half yearly results and the annual results are also hosted on the company's web site.

5B. General Body Meetings

Financial Year Ending	Date	Time	Venue
31st March 2007	28-09-2007	10 AM	Anitha, 2 nd Floor, SA Road, Ernakulam, Cochin - 682020.
31st March 2008	26-09-2008	3 PM	Anitha, 2 nd Floor, SA Road, Ernakulam, Cochin - 682020.
31st March 2009	25-09-2009	3 PM	Anitha, 2 nd Floor, SA Road, Ernakulam, Cochin - 682020.

5C. General Shareholders Information

Annual General Meeting

Day , Date & Time : 30th August 2010 – 10 AM
 Venue : KETA Hall, 2nd Floor, KFTA Centre, Chittoor Road South, Cochin – 682016.
 Date of Book closure : 21st August 2010 To 28th September 2010

Financial Calendar of the Company :

The Financial year covers the period from 1st April 2010 to 31st March 2011
 Financial Result for the year ended 31.03.2009 - on 28.06.2010
 Financial Result for the quarter ended 30.06.2010 - on or before 31.07.2010
 Financial Result for the quarter ended 30.09.2010 - on or before 31.10.2010
 Financial Result for the quarter ended 31.12.2010 - on or before 31.01.2011

5D. Listing of Shares on Stock Exchanges

The Company's shares are listed on the Stock Exchanges at Mumbai, Chennai, Cochin and Delhi.

S. No.	Name & Address of Stock Exchange	Stock Code
1	The Stock Exchange Limited, Mumbai PJ Towers, Dalal Street, Mumbai – 400001.	517481
2	Madras Stock Exchange Limited 11, Second Line Beach, Chennai – 600001.	ART POWER
3	Cochin Stock Exchange Limited Judges Avenue, Kaloor, Kochi – 683017.	ART POWER
4	Delhi Stock Exchange Limited 3/1, Asaf Ali Road, New Delhi – 110002.	ART POWER
	Demat ID Number	In the Process

5E. Registrars and Share transfer Agents

The Company has in-house set-up for share transfer and its registration.

5F. Stock Market Data

i. The Stock Exchange Limited, Mumbai

BSE had suspended trading in company's shares since 26th December 2001.

ii. Madras Stock Exchange:

No transaction took place at Madras stock exchange during the year 2009-10.

iii. Cochin Stock Exchange:

No transaction took place at Cochin stock exchange during the year 2009-10.

iv. Delhi Stock Exchange:

No transaction took place at Delhi stock exchange during the year 2009-10.

5G. Share Transfer System

Power to consider and approve share transfers, transmissions, transpositions, splits, consolidation etc., have been delegated to share transfer committee.

5H. Dematerialisation of shares as on 31-03-2010

Nil shares were in dematerialized form in NSDL / CDSL as on 31-03-2010.

5I. Shareholding Pattern

S. No.	Description	Number of Shares	% of Total
1	Promoters	10,47,700	27.76
2	Mutual Funds, Banks, Financial Institutions, Insurance Companies, State & Central Government, etc.	2,300	0.06
3	Foreign Institutional Investors	0	0.00
4	NRI / OCBs	0	0.00
5	Bodies Corporates	47,500	1.26
6	Indian Public	26,76,800	70.92
7	Others – Clearing Members	0	0.00
	Total	37,74,300	100.00

5J. Distribution of Shareholding As On 31-03-2010

No. of Shares	No. of Shareholders	%	Number of Shares Held	%
10 to 5000	11105	99.72	2422690	64.19
5001 to 10000	22	0.20	186700	4.95
10001 to 20000	4	0.04	70800	1.88
20001 to 30000	2	0.02	50010	1.33
30001 to 40000	0	0.00	0	0.00
40001 to 50000	0	0.00	0	0.00
50001 to 100000	0	0.00	0	0.00
100001 & above	3	0.03	1044100	27.66
Total	11136	100%		100%

CEO / CFO Certification

A Certificate from the Managing director of the company in terms of clause 49 (v) of the listing agreement was placed before the board meeting held on 28th June 2010 to approve the audited annual accounts for the year ended 31st March 2010. The company has adopted mandatory requirements of clause 49 of the listing agreement and complied with the same.

Certificate of Compliance with the code of conduct policy

The Company has adopted a Code of Conduct for Directors and Senior Management. It is the responsibility of all employees and Directors to familiarise themselves with the Code and comply with the same.

The Code includes provisions where the employees of the Company can voice their concerns on violation and potential violation of the Code in a responsible and effective manner.

Place: Cochin
Date: 20.07.2010

Repsy Vijayan
Managing Director

CEO / CFO Certification

I, Mrs Repsy Vijayan, Managing Director, certify to the Board that:

- a) We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2010 and that to the best of their knowledge and belief:
 - i. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i. Significant changes in internal control during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For Artech Power Products Limited

Sd/-

Place: Cochin
Date: 20.07.2010

Repsy Vijayan
Managing Director

Artech Power Products Ltd.

SVJS & Associates

Company Secretaries

39/3525, Kausthubham, Manikkath Road, Ravipuram, Kochi, Kerala - 682 015
Phone : 0484 2356449 E-mail: svjsassociates@gmail.com

COMPLIANCE CERTIFICATE

Corporate Identity Number : L31104KL1989PLC005478
Nominal Capital : Rs. 50,000,000 (Rupees five Crore)

To
THE MEMBERS
M/S. Artech Power Products Limited
Anitha, Second Floor
S A Road, Elamkulam
Cochin - 682020

We have examined the registers, records, books and papers of M/S ARTECH POWER PRODUCTS LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31.03.2010. 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 period:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of Companies Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns for the financial year 2009 - 2010 as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities but not within the time limit prescribed under the Act.
3. The Company, being a Public Limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors has duly met thirteen times on 28.06.2009, 17.07.2009, 17.08.2009, 26.09.2009, 26.10.2009, 04.11.2009, 15.01.2010, 10.02.2010, 22.02.2010, 10.03.2010, 11.03.2010, 30.03.2010 and 31.03.2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed, in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members or Debenture holders during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March 2009 was held on 26th September 2009 and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the period.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make any entries in the Register of Contracts 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 Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the financial year.
13. (i) There was no allotment/ transfer/ transmission of securities during the financial 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 has not posted warrants to any member of the Company as no dividend was declared during the financial year.
(iv) The Comments in respect of transfer of Unpaid Dividend are not applicable for the financial year covered under the certificate.
(v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there were no appointments of additional director/ alternate directors and director to fill casual vacancy during the financial year.
15. The appointment of Managing Director has been made in compliance with the provisions of section 269 read with schedule XIII to the Act.
16. The Company has not appointed any Sole Selling Agents during the period.
17. The Company has not obtained any approvals of the Central Government, Company Law Board, Regional Director Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Outlook:

The Company is in the process of restructuring its activities and plans to enter into the business of providing strategic and operational consultancy to various enterprises engaged in electronics and power sector.

2. Risk and Concerns:

After selling off the factory premises including plant and machinery, the company is now in the lookout for avenues like providing strategic and operational consultancy to various enterprises engaged in electronics and power sector, while the company's prior experience in power sector will be an advantage, other new ventures can pose their own problems.

3. Cautionary Statement:

Statements made in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be forward-looking statements within the meaning of applicable laws and regulations, based on beliefs of your Company's management. Such statements reflect the company's current views with respect to the future events are subject to risks and uncertainties.

Many factors could cause the actual result to be materially different from those projected in this report, including among others, changes in the general economic and business conditions affecting demand / supply and price conditions in the segment in which the company operates, changes in business strategy, changes in interest rates, inflation, deflation, foreign exchange rates, changes in competition in our industry, changes in the Government regulations, Tax laws and other statutes & other incidental factors. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

For and on behalf of the Board
Sd/-

Place: Cochin
Date: 20.07.2010

Vijayan I.V.
Chairman

Artech Power Products Ltd.

18. The Directors have disclosed that they have no interest in other Firms / Companies, to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the period.
20. The Company has not bought back any shares during the period.
21. There was no redemption of Preference Shares or debentures during the period.
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 violated the provisions of Section 58A of the Companies Act, 1956 to the extent that interest was not paid even after the claim was raised in respect of certain deposits accepted in prior period.
24. The amount borrowed by the Company from directors during the financial year ending 31.03.2010 are within the borrowing limits of the Company.
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.
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 period under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the period under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the period under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the period under scrutiny.
30. The Company has not altered its Articles of Association during the period.
31. A list of prosecutions initiated against and show cause notices received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the Company in such cases is attached as Appendix - 1.
32. The Company has not received any money as security from its employees during the period.
33. The Company has not constituted a Separate Provident Fund Trust for its employees or class of employees as contemplated under section 418 of the Act

For SVJS & Associates
Company Secretaries

Sd/-
Sivakumar.P
Partner
C.P.No: 2210

Place: Cochin
Date: 20.07.2010

M/S ARTECH POWER PRODUCTS LIMITED
Company No. L31104KI 1999PLC005478
Secretarial Compliance Certificate for the year ended 31.03.2010

Annexure A

Registers as maintained by the Company:

Statutory Registers:

1. Register of Members u/s 150
2. Registers and Returns u/s 163
3. Books of Account u/s 209
4. Register of Directors, Managing Director, Manager and Secretary u/s 303
5. Register of Directors' Shareholdings u/s 307
6. Minutes Book of Meetings
7. Register of Charges 143
8. Register of Contracts U/S 301

Other Registers:

1. Register of Fixed Assets
2. Register of Transfers
3. Director's attendance Register

Artech Power Products Ltd.

M/S ARTECH POWER PRODUCTS LIMITED

Company No. 13104KL1989PLC005478

Secretarial Compliance Certificate for the year ended 31.03.2010

Annexure B

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government and other authorities for the year ended 31.03.2010.

No.	Form No. / Return	Filed Under Section	For	Date of Filing	Whether filed under Prescribed Time? Yes / No	If delay in filing, whether requisite additional fees paid? Yes / No
1	Form 32	264(2)	Appointment of additional director	06.01.2010	No	Yes
2	Form 32	260	Cessation of additional director	12.01.2010	No	Yes
3	Form 32	264(2)	Appointment of additional director	19.01.2010	No	Yes
4	Form 32	303(2)	Change in designation	03.02.2010	No	Yes
5	Form 17	138	Satisfaction of charge	12.03.2010	Yes	
6	Form 17	138	Satisfaction of charge	12.03.2010	Yes	
7	Form 17	138	Satisfaction of charge	23.02.2010	Yes	
8	Form 17	138	Satisfaction of charge	30.03.2010	Yes	
9	Form 23	293(1)(a)	Sell, lease or otherwise disposal of the whole, or substantially the whole of the undertaking	20.11.2009	No	Yes
10	Form 23	146(2)	Change of registered office	21.01.2010	No	Yes
11	Form 18	146	Change of registered office	21.01.2010	No	Yes

Appendix -1

Details of prosecutions, show cause notices etc in respect of the Company

- Summons for the case under section 162 & 220 (3) of the Companies Act 1956 - ST NO 168/09 & 169/09 pending before the Addl. Chief Judicial Magistrate (Economic Offence) Court, Ernakulam dated 11.05.2009
- Show cause notice issued for violation of section 166,159,210,220 of the Companies Act 1956 dated 06.01.2010.
- Case filed against the Company by M/s. Blue Dart Express Ltd. for courier charges payable amounting to Rs. 49328/-
- Suit filed in Civil Court by two deposit holders against the Company for repayment of deposits amounting to Rs. 2,00,000/-. The parts of the deposits were repaid in installments based on an out of court settlement. During the year the balance outstanding was also repaid along with the repayment of other deposit holders. The deposit holders have withdrawn the claims and complaints against the company.
- Petition filed with Company Law Board for the repayment of deposits amounting to Rs. 4, 00,000/-. Registrar of Companies, Kerala has proceeded against the company in Economic Offence Court for non compliance of Company Law Board Order and penalty was imposed on the company and the Directors which were paid. These deposits were repaid during the year on a compromise settlement. Accordingly, the deposit holders have withdrawn all their claims and complaints against the company in respect of the deposits.
- Petition filed with Company Law Board by Deposit Holders for the refund of deposits amounting to Rs. 50,000/-. Registrar of Companies, Kerala has proceeded against the company in Economic offence Court for non compliance of Company Law Board Order which was dismissed by the Court. The Registrar of Companies has filed an appeal in the High Court of Kerala, which was pending disposal. However these deposits were settled during the year on a compromise settlement and the deposit holders has withdrawn all their claims and complaints in respect of the deposits.

For SVJS & Associates
Company Secretaries
Sd/-

Place: Cochin
Date: 20.07.2010

Sivakumar
Partner
C.P.No:2210

AUDITORS' REPORT

To
Members
ARTECH POWER PRODUCT LIMITED
'Anitha', 2nd Floor
SA Road, Elamkulam
Kadavanthra, Cochin-682020

1. We have audited the attached Balance Sheet of M/s. ARTECH POWER PRODUCTS LIMITED ("The Company") as at 31st March, 2010, the Profit & Loss Account and Cash Flow statement of the company for the year ended that date 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 have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Statement on the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditors Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. The company had stopped its operations in the first week of April, 2000. The operations did not recommence thereafter. During the year, the company has sold/written off the entire fixed assets. In our opinion and without qualifying our report, we draw attention to the fact that the accounting assumption of going concern is impaired as detailed in Note No.1 of Schedule No.11. Necessary adjustments have been made to the values of the assets and liabilities of the company as at the year end.
5. *During the year the company has disposed off its plant and machinery and other factory assets. The company has not provided for the sales tax liability, if any, on the above transactions. In the absence of adequate records in support of the transactions, we are unable to quantify the liability and its impact on the profit for the year and on the assets/liabilities as at the year end. Subject to the above, we report that:-*
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit
 - ii. In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of these books.
 - iii. The Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts.
 - iv. In our opinion, the Balance Sheet, Profit & Loss Account and the cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. *All the directors have attracted disqualification as on 31st March 2010 as the company has not filed the Annual accounts and Returns for last three years in terms of Section 274 (1) (g) of the Companies Act, 1956.*
 - vi. Subject to Paragraph 5 above, we report that
 - a) in the case of the Balance Sheet, the state of affairs of the company as at 31st March, 2010 and
 - b) in the case of the Profit & Loss Account, the Profit for the year ended on that date; and
 - c) In the case of Cash Flow statement, the cash flows for the year ended on that date represent a true and fair view.

For G Joseph & Associates
Chartered Accountants
Firm Registration No. 006310S

Place: Cochin
Date: 20.07.2010

Umesh L Bhat
Partner
Membership No. 211364

ANNEXTURE TO AUDITORS REPORT:

Statement referred to in our report of even date to the members of ARTECH POWER PRODUCTS LIMITED on the accounts for the year ended 31st March, 2010

- (i) a) The company has maintained records showing particulars including quantitative details and situation of fixed assets. *But the same requires to be updated.*
 b) As per the information and explanations given to us, *the fixed assets have not been physically verified by the management*
 c) *The company has disposed all of its fixed assets during the year and hence the going concern status of the company has been affected.*
- (ii) a) *The stocks of finished goods, raw materials and work-in-process have not been physically verified by the management during the year. However, the company does not have any inventory as at the year end.*
 b) *We are unable to comment on clauses (ii) (b) & (c) of the Order, since physical verification has not been carried out by the company during the year.*
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, or other parties, covered in the register maintained under section 301 of the Act. Clauses (iii)(b) to (iii)(d) of paragraph 4 of the said Order are not applicable to the company.
 e) The company has taken unsecured loans from 3 parties. At the year end, the outstanding balance of such loans taken aggregated to Rs.917, 527 and the maximum amount involved during the year was Rs.85, 67,364
 f) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the company.
 g) The terms of repayment for the above loans have not been stipulated, but the same are stated to be repayable on demand. Since the company is stated to have received no demand for repayment of the above loans, there has been no default on the part of the company.
- (iv) As the company did not carry on any business during the year, clause no iv) of the Order on internal control procedures relating to the purchase of stores, raw material, including components, plant and machinery, equipment and other assets, and for the sale of goods, is not applicable.
- (v) In our opinion and according to the information and explanations given to us, there are no contracts and arrangements referred to in section 301 of the Companies Act, 1956 during the year that need to be entered in the register maintained under that section. Accordingly, Clause (v) (b) of the paragraph 4 of the Order is not applicable to the company for the current year.
- (vi) *During the year, the company has violated the provisions of Section 58A of the Companies Act, 1956, to the extent that entire deposits and interests were repaid/settled after significant delay.*
- (vii) *In our opinion, the company does not have an internal audit system.*
- (viii) The provisions regarding maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 are not applicable to the company.
- (ix) a) According to the information and explanations provided to us, the company was generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues, applicable to it.
 b) As per the information given to us, there are no statutory dues which have not been deposited on account of any disputes.
- (x) The accumulated losses of the company at the end of the financial year is more than fifty percent of the net worth and the company has incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xi) As per the information and explanations given to us, *the company has defaulted in repayment of dues to IDBI Bank Ltd amounting to Rs.494.80 lakhs, to State Bank of Travancore amounting to Rs. 126.28 lakhs and to Kerala State Industrial Development Corporation Ltd amounting to Rs.68.95 lakhs. However, as at the year end, all the dues to the financial institutions and banks were duly settled.*
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to Chit Fund or Nidhi or Mutual Fund Society are not applicable to the company.
- (xiv) In our opinion and according to the explanations given to us, the company is not a dealer or trader in securities.
- (xv) As explained to us, the company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof, are prejudicial to the interest of the company.
- (xvi) According to the information and explanations given to us, the term loans taken by the company were applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investments
- (xviii) The company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956 during the year
- (xix) In our opinion, the company has not issued any debentures during the year.
- (xx) The company has not raised any money by way of public issue during the year.
- (xxi) According to the information and explanations given to us, during the year, no fraud on or by the company has been noticed or reported.

For G Joseph & Associates
 Chartered Accountants
 (Firm Reg No 006310S)

Place: Cochin
 Date: 20.07.2010

Umesh L Bhat
 Partner
 Membership No. 211364

Artech Power Products Ltd.

ARTECH POWER PRODUCTS LIMITED

Anitha, 2nd Floor, S A Road, Elamkulam, Cochin - 682020

BALANCE SHEET AS AT 31.03.2010

Particulars	Sch.No.	As at 31.03.10	As at 31.03.09
<u>SOURCES OF FUNDS</u>			
<u>Share Holders' Funds</u>			
Share Capital	1	37,743,000	37,743,000
Reserves & Surplus	2	15,362,197	2,000,000
<u>Loan Funds</u>			
Secured Loans	3	0	62,385,712
Unsecured Loans	4	917,621	12,816,019
		54,022,818	120,554,731
<u>APPLICATIONS OF FUNDS</u>			
<u>Fixed Assets</u>			
Gross Block	5	-	51,645,005
Less: Depreciation		0	11,662,473
Net Block		(0)	39,982,532
<u>Current Assets, Loans & Advances</u>			
a Inventories	6	-	13,171,299
b Sundry Debtors		224,141	4,974,863
c Cash and bank balances		914,366	125,039
d Other current assets		1,722,777	1,726,219
		2,861,284	20,007,421
<u>Less Current Liabilities & Provisions</u>			
- Current Liabilities	7	875,962	5,246,313
Provisions		574,902	69,230
Net Current Assets		1,646,397	14,691,781
Miscellaneous Expenditure (to the extent not written off or adjusted)			
Preliminary expenses		-	3,321,697
Deferred Revenue Exe		-	5,555,927
Profit & Loss Account		52,352,423	57,072,794
		54,022,819	120,554,731
Notes on Accounts	8		

As per our report of even date attached
For: G. JOSEPH & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 0963105)

UMESH LBHAT
PARTNER
M.No.211364

Artech Power Products Ltd.

ARTECH POWER PRODUCTS LIMITED
Anitha, 2nd Floor, S A Road, Elamkulam, Cochin - 682026

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

Particulars	For the year ended	
	31.03.10	31.03.09
<u>INCOME</u>		
Sale of unusable inventory	1,500,000	-
Profit on sale of assets	3,567,467	-
Interest waiver by banks and financial institutions	51,124,983	-
Stock Differential	2	(9,169,959)
	27,022,491	-
<u>EXPENDITURE</u>		
Raw material written off	9	4,001,250
Administrative Expenses	10	5,724,781
Financial charges		894
Net Current Assets written off		3,895,591
Pre-Primary Expenses written off		3,331,897
Deferred Revenue Expenses written off		5,506,927
Depreciation		7,284
	22,382,120	548,607
Net Profit/(Loss) for the year	4,640,371	(548,607)
Less : Provision for Taxation	-	-
Add: Brought forward Losses	57,022,794	56,474,187
Balance Loss transferred to Balance Sheet	52,382,423	57,022,794
Earnings Per equity share of Rs 10/- each		
-Basic & Diluted	1.23	(0.15)
Notes on Accounts	11	

As per our report of even date attached
For: G. JOSEPH & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 606319S)

UMESH I. BHAT
PARTNER
M.No 217364

Artech Power Products Ltd.

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	As at 31.03.10	As at 31.03.09
SHARE CAPITAL		
Schedule - 1		
A. Authorised		
40,00,000 equity shares of Rs. 10/- each (Previous year 40,00,000 equity shares of Rs.10/- each)	40,000,000	40,000,000
1,00,000 Redeemable Preference shares of Rs. 100/-each (Previous year 1,00,000 redeemable preference shares of Rs.100/- each)	10,000,000	10,000,000
	50,000,000	50,000,000
B. Issued, Subscribed and Paid-up		
37,74,300 Equity shares of Rs. 10/- each fully paid up. (Previous year 37,74,300 equity shares of Rs.10/-each fully paid up)	37,743,000	37,743,000
Schedule - 2		
RESERVES & SURPLUS		
Capital Reserve		
Capital Investment Subsidy from State Government	2,000,000	2,000,000
Capital Reserve	13,362,297	-
	15,362,297	2,000,000
Schedule - 3		
SECURED LOANS (Refer Note No.5&6 of Schedule No.11)		
IDBI Bank Limited		
a. Rupee Term Loan	-	23,241,923
b. Deferred Interest Loan	-	3,862,386
c. Interest accrued and due	-	22,375,255
KSIDC Ltd		
a. Term Loan from KSIDC Ltd	-	3,628,744
b. Interest accrued and due on KSIDC Loan	-	2,759,694
State Bank of Travancore		
a. Cash Credit	0	12,627,707
	0	68,195,712
Schedule - 4		
UNSECURED LOANS		
a. From Directors	917,521	6,567,364
b. Unpaid Fixed Deposits	-	1,018,655
	917,521	7,586,019

Particulars	Gross Block at Cost				DEPRECIATION				Net Block	
	As at 31.03.2019	Addition	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020
		Particulars		Particulars	Particulars	Particulars	Particulars	Particulars	Particulars	Particulars
Plant & Machinery	1,274,384	1,300,824	-	-	-	-	-	-	1,300,824	-
Plant & Machinery	13,095,267	13,300,903	-	-	2,37,545	(2,37,545)	(7)	(7)	13,300,903	0
Plant & Machinery	25,893,907	(25,893,907)	-	-	7,42,745	(7,42,745)	-	-	25,893,907	0
Plant & Machinery	304,533	385,343	-	-	11,317	(11,317)	0	0	385,343	0
Plant & Machinery	3,572,633	3,875,092	-	-	353,476	(353,476)	0	0	3,875,092	0
Plant & Machinery	7,491,306	7,891,353	-	-	8,11,307	(8,11,307)	(3)	(3)	7,891,353	0
Plant & Machinery	1,265,333	1,385,146	-	-	5,29,336	(5,29,336)	-	-	1,385,146	0
Plant & Machinery	277,275	2,72,325	-	-	1,09,295	(1,09,295)	0	0	2,72,325	0
Plant & Machinery	36,821	35,421,033	-	-	2,959	(2,959)	-	-	35,421,033	0
	51,645,005	(51,645,005)	-	-	11,692,473	(11,692,473)	0	0	51,645,005	0
Plant & Machinery	11,777,355	-	60,372,386	-	1,382,192	-	-	-	60,372,386	1,382,192
									39,834,740	(0)
									38,834,740	0

Artech Power Products Ltd.

Schedule - 6

CURRENT ASSETS, LOANS & ADVANCES

Inventories

(As taken, valued and certified by the Management)

- Finished Goods	-	6,096,435
Work In progress	-	3,073,524
Raw Materials	-	4,001,250
	-	<u>13,171,209</u>

Sundry Debtors

(Unsecured, considered good)

Outstanding for a period exceeding six months

Other Debtors

	-	4,974,863
	224,141	-
	<u>224,141</u>	<u>4,974,863</u>

Cash & Bank Balances

Cash in hand

Balance with Scheduled Banks:

- In current accounts

	37,161	79,705
	877,189	46,338
	<u>914,351</u>	<u>125,041</u>

Other Current Assets

(Unsecured and non-secured good)

Other Advances

Refund due from Sales Tax authorities

Advance to KSI B

Other Current Assets

Deposits

	-	6,629
	219,904	219,904
	1,507,367	-
	-	1,244,963
	-	265,814
	<u>1,722,771</u>	<u>1,736,210</u>

Schedule - 7

CURRENT LIABILITIES & PROVISIONS

A. Current Liabilities

Creditors for Raw Materials

Creditors for Expenses

Interest accrued on fixed deposits

Other Current Liabilities

	-	2,135,680
	186,962	1,390,956
	-	1,492,915
	459,360	225,769

B Provisions

Provision for Gratuity

Provision for Earned Leave Encashment

	247,269	89,230
	362,692	-
	<u>1,220,864</u>	<u>5,315,540</u>

Artech Power Products Ltd.

	For the year ended	
	31.03.10	31.03.09
		Schedule -8
<u>STOCK DIFFERENTIAL</u>		
Finished Goods:		
<u>Opening Stock</u>		
Manufactured Goods	3,145,610	3,145,610
Trading Goods	2,950,825	2,950,825
<u>Closing Stock</u>		
Manufactured Goods	-	3,145,610
Trading goods	-	2,950,825
Decrease in Stock	(6,096,435)	-
<u>Works-in-Progress</u>		
Opening Stock	3,073,524	3,073,524
Closing Stock	-	3,073,524
Decrease in Stock	(3,073,524)	-
		Schedule - 9
<u>RAW MATERIALS CONSUMED</u>		
Opening Stock	4,001,250	4,001,250
Add: Purchases	-	-
Less: Closing Stock	-	4,001,250
Raw material written off	4,951,250	-
	-	-
		Schedule - 10
<u>ADMINISTRATIVE EXPENSES</u>		
Travelling & Conveyance	35,891	45,508
Advertisement expenses	10,339	10,437
Office expense	16,912	7,156
Postage & Courier Charges	181	275
Communication Charges	29,485	25,912
Electricity Charges	351,053	13,442
Stamp fees	110,000	-
Rent	108,000	149,000
Printing & Stationery	2,886	5,156
Professional Charges	54,720	1,500
Directors Remuneration	2,445,000	-
Salary & Allowances	1,414,492	88,000
Repairs & Maintenance	17,443	-
Auditors Remuneration	70,000	15,000
Sales Tax paid	-	163,613
Gratuity	142,979	-
Insurance charges	2,292	-
Earned Leave Encashment	362,693	-
Rates & Taxes	93,435	14,230
	5,224,781	540,429

Artech Power Products Ltd.

ARTECH POWER PRODUCTS LIMITED

Anitha', 2nd Floor, S A Road, Elamkulam, Cochin - 682020

PART IV OF SCHEDULE VI TO COMPANIES ACT, 1956

I. Registration Details	
Registration No	09-06442
Balance sheet Date	31.03.10
ii. Capital Raised during the year (Amount in Rs. thousands)	
Public Issue	
Right Issue	N
Bonus Issue	N
Private Placement	N
iii. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)	
Total Liabilities	
Total Assets	54,023
SOURCES OF FUNDS	54,023
Paid-up Capital	
Reserves & Surplus	37,713
Secured Loans	15,362
Unsecured Loans	0
APPLICATIONS OF FUNDS	918
Net Fixed Assets	
Investments	0
Net Current Assets	N
Accumulated Losses	1,640
IV. Performance of Company(Amount in Rs.Thousands)	
Turnover	150
Total Expenditure	22382
Profit/Loss Before Tax	4640
Profit/Loss After Tax	4640
Earnings per share (in Rs.)	1.23
Dividend Rate (%)	N
V. Generic Names of Three Principal Products/Services of the Company (as per monetary items)	
Item Code No. (ITC Code)	
Product Description	Switch Mode Power Supply

ARTECH POWER PRODUCTS LIMITED
Anitha, 2nd Floor, S A Road, Elamkulam, Cochin - 682020

SCHEDULE 11: Significant Accounting Policies and Notes to Accounts

Background

Artech Power Products Limited (hereinafter referred to "the Company") was incorporated in the State of Kerala. The Company was in the business of production of Switched Mode Power Supplies. Due to acute financial difficulties, the company had stopped its operations in the first week of April, 2000 and the factory was closed. The operations did not recommence thereafter. During the year, the company has settled all the statutory and bank liabilities by disposing of the assets of the company.

A. SIGNIFICANT ACCOUNTING POLICIES:

The significant Accounting Policies followed by the company are as stated below:

1. Basis of preparation:

The Financial Statements have been prepared on the historical cost convention. These statements have been prepared in accordance with the generally accepted accounting principles and the applicable Mandatory Accounting Standards and relevant requirements of The Companies Act, 1956 ('the Act'). The accounting policies have been consistently applied by the Company. The preparation required adoption of estimates and assumptions that can affect the reported amounts of revenue and expenditure and the assets and liabilities as well as the disclosure of contingent liabilities. Differences between the actual results and estimates are recognised in the year in which they become known or materialize.

During the year, the company has sold/written off the entire fixed assets. The management is of the opinion that the accounting assumption of going concern is impaired. Hence necessary adjustments have been made to the values of the assets and liabilities of the company as at the year end.

2. Revenue Recognition

Sale of goods and assets is recognized when the risk and rewards of ownership are passed on to the customers, which is generally at the point of dispatch to the customer.

3. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

4. Depreciation

Since no operation was carried out during the year and the company is not expecting to commence the operations in the near future, depreciation has not been provided for.

5. Investments

Investments are long term and are valued at cost. Provisions for diminution in value of long term investments is made, if the diminution is other than temporary.

6. Inventories

Inventories are valued at lower of cost, in the absence of net realizable value which cannot be quantified since the company is not operational.

7. Investment Subsidies

Investment Subsidy received from Government of Kerala is treated as Capital Reserve.

8. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on reversing carrying amount of the asset over its remaining useful life.

Artech Power Products Ltd.

Artech Power Products Limited

9. Borrowing costs

Borrowing costs in respect of Related Parties are accounted for as per the Accounting Standard 17. Borrowing costs are capitalized till the date of substantial completion of the activities necessary to prepare the relevant asset for its intended use.

10 Leases

Parties where control exists NIL
 Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit & Loss account on a straight line basis over the lease term.

11. Taxation

Key Management Personnel and enterprises having common Key management
 Tax expense comprises of current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
 Repsy Vijayan, Managing Director

12 Retirement Benefits

(ii) Transaction with related parties
 a) In respect of gratuity, the company's contributions to the Group Insurance Scheme of Life Insurance Corporation of India are charged against the revenue. Remuneration to Vijayan T V = Rs. 24.45 Lakhs (including Arrears) - (Previous Year Rs. NIL.)
 b) Contribution to Provident Fund and other recognized funds is charged to Profit & Loss account.

B. NOTES TO ACCOUNTS

20. Additional Information

1. a) Previous year's figures are regrouped, rearranged or recast wherever necessary to conform to this year's figure.
2. a) Particulars of Annual Installed Capacity and Production
2. The company has disposed off its entire fixed assets and current assets in order to settle the statutory dues, dues to the fixed deposit holders and dues to the banks and financial institutions. As at the year end, the installed capacity has been certified by the Government which reliance is placed by the auditor, being technical matter)
3. b) Liabilities incurred on behalf of the company during the financial year:

	Current Year	Previous Year
a) Guarantees issued by banks	Nil	Nil
4. a) The company has obtained waiver of a part of interest and principal portion of the loan from IDBI bank, KSIDC and State Bank of Travancore. The loan amount waived by the banks and institutions are transferred to capital reserve and the interest amount waived is recognized in the profit and loss account for the year.
5. c) Expenditure in foreign currency in respect of:

i) Royalty, knowhow and professional fees	Nil	Nil
ii) Sponsorship	Nil	Nil
iii) The Cash Credit facility from State Bank of Travancore (SBT) was secured by way of first charge on the current assets of the company and second charge on the immovable and movable fixed assets of the company and further guaranteed by the promoter directors.	Nil	Nil
7. d) The company has not made any contributions as at the year end and hence has not made contributions to the Gratuity fund of LIC during the year and the liability on account of the above, was not provided for in the books on account. Since the company has settled all its dues to the employees, though a compromise of dividend, provision made for the Provident Fund Contribution relating to the year 1999- 2000 is written back.

8. M/s. Blue Dart Express Ltd had filed a case against the company for courier charges payable amounting to Rs. 49328/-. The case had been decreed against the company on 06/01/2003 and the company was ordered to make the payment along with interest. Due to financial difficulties, the company could not pay this amount. The company did not carry any operations during the year, and hence reporting as required under provisions of financial institutions during the year and segment reporting is not given. Even after making public advertisement with respect to the disposal of company's assets, Blue Dart Express Ltd has not approached the company. Hence the company decided to write back this liability in the books of accounts during the year.

21. Segment Reporting

9. 22. As per the compromise settlement with the fixed deposit holders, the company has repaid 2/3rd of the deposit amount to all the deposit holders. As the balance amount is not payable, it is transferred to capital reserve during the year.

a) No claims of suppliers who are covered under the Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993 has come to the notice of the Company.
 b) Two deposit holders of the company had filed suit in Civil Court against the company for the repayment of deposits amounting to Rs. 200,000/-. The company was ordered to make the repayment. Based on an order of the court, the company has repaid the deposits together with interest. During the year the balance outstanding was also repaid along with the repayment of other deposit holders. The deposit holders have withdrawn their claims and complaints against the company.

Artech Power Products Limited

11. Three deposit holders of the company had filed petition with the Company Law Board for the repayment of deposits amounting to Rs.400, 000/-. The Company Law Board has ordered the company to pay the amounts in installments. As the company could not pay the amount due to financial constraints, Registrar of Companies, Kerala has proceeded against the company in the Economic Offence Court for non compliance of Company Law Board (CLB) Order and penalty was imposed on the company and the directors which was paid. These deposits were repaid during the year on a compromise settlement. Accordingly, the deposit holder have withdrawn all their claims and complaints against the company, in respect of the deposits
12. Three deposit holders of the company had filed a petition with the Company Law Board for the refund of deposits amounting to Rs.50,000/-. The Company Law Board had ordered the company to pay the amounts in installments. As the company could not pay the amount due to financial constraints, Registrar of Companies, Kerala has proceeded against the company in the Economic Offence Court for non compliance of Company Law Board (CLB) Order which was dismissed by the court. The Registrar of Companies has filed an appeal in the High Court of Kerala, which is pending disposal. However, these deposits were settled during the year on a compromise settlement. Based on this settlement, the deposit holders have withdrawn all their claims and complaints in respect of the deposits.
13. During the year 1999-00, the company has made provisions for salary payable and professional charges. Accordingly, the TDS provision was also accounted for. However, consequent to the closure of the factory, these expenses were not paid by the company and the TDS was also not remitted. During the year, as a part of the settlement of liabilities, the company has paid a portion of the liabilities and balances were written back in the accounts. The TDS applicable on the amounts paid during the year has been remitted by the company. The TDS amounting to Rs.48, 745, relating to the portion not paid is reversed during the year.
14. In the absence of overall taxable profit, no provision for Current Tax/ Minimum Alternate Tax has been made in the accounts of the current financial period. Further as at year end the major components of deferred tax are accumulated losses and unabsorbed depreciation, and the recovery of the same is not virtually certain. In view of the aforesaid deferred tax asset has not been recognized.

15. Managerial Remuneration

- a) No commission is payable to any director and hence the computation of profit u/s 198/ 349 of the Companies Act, 1956 is not required
- b) The Computation of Managerial Remuneration u/s 350 of The Companies Act, 1956 have not been enumerated as the managerial remuneration payable to Managing Director are within the limit prescribed under Schedule XIII of the said Act.

	Current Year	Previous Year
Salaries(including arrears of salary)	2,445,000	--
Sitting Fees	110,000	--

16. Auditors' Remuneration includes:

For Audit	20,000	15,000
Total	20,000	15,000

17. Estimated amount of capital contracts pending execution

Rs In Lakhs	Current Year	Previous Year
Estimated amount of capital contracts pending execution	Nil	Nil

18. Earnings Per Share

	Current Year	Previous Year
Net Profit for the Year	4,640,372	(548,607)
Weighted Average No. of Shares Outstanding		
- Basic	3,774,300	3,774,300
Earnings Per equity share of Rs 10 each		
- Basic	1.23	(0.15)

19. Disclosure in respect of Related Parties pursuant to Accounting Standard 18

I List of related Parties

Parties where control exists **NIL**

II Other related parties with whom the company has entered into transactions during the year

I) Associated **NIL**

II) Key Managerial Personnel and enterprises having common Key management Personnel or their relative:

Key Managerial Personnel: Vijayan I V, Chairman
Repsy Vijayan, Managing Director

III) Transaction with related parties

- Remuneration to Vijayan I V – Rs. 24.45 Lakhs (Including Arrears) -
(Previous Year Rs. NIL)

20. Additional Information

a) Particulats of Annual Installed Capacity and Production

- Installed capacity - Non-ascertainable as it varies

(Installed capacity as certified by Management on which reliance is placed by the auditor, being technical matter)

b) Value of imports calculated on CIF basis by the Company during the financial year:

	Current Year	Previous Year
a) Raw Materials & Components	-	-
b) Trading Goods	-	-
c) Travelling	-	-
c) Expenditure in foreign currency in respect of:-		
i) Royalty, knowhow and professional fees	Nil	Nil
ii) Sponsorship	Nil	Nil
iii) Travelling	Nil	Nil
iv) Ocean Freight	Nil	Nil
d) Earnings in foreign exchange FOB value of exports	Nil	Nil
e) Amount remitted during the financial year in foreign currency on account of dividends	Nil	Nil

21. Segment Reporting

The Company did not carry out any operations during the year, and hence reporting as required under Accounting Standard – 17 issued by ICAI on segment reporting is not given.

22. Information on Small Scale Industrial Units

a) No claims of suppliers who are covered under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertakings Act, 1993 has come to the notice of the Company.

b) Amount outstanding for payment to SSI's Nil Nil

c) Name of SSIs the whom the Company owns any sum together with interest Nil Nil

which is outstanding for more than thirty days.

Artech Power Products Limited

d) The above information has been compiled to the extent to which the parties could be identified as Small Scale and Ancillary undertakings, on the basis of information available with the Company.

e) The Company has not received any intimation from the vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2008 and hence, disclosures, if any under the said Act have not been made.

For G. Joseph & Associates
Chartered Accountants
(Firm Regn. No. 006310S)

Place: Cochin
Date: 20.07.2010

Vijayan I V
Chairman

Repsy Vijayan
Managing Director

Umesh L Bhat
Partner

Artech Power Products Ltd.

Artech Power Products Limited

Cash Flow Statement for the Year Ended March 31, 2010
in terms of Listing Agreement:

		(Amount in Rupees)	
		2009-10	2008-09
Cash Flow From Operating Activities			
A	Net Profit Before Tax and Extraordinary Items	4,640,372	(548,607)
	Adjustment for:		
	Finance charges	71,577	804
	Depreciation	-	7,284
	Profit on sale of assets	(3,767,467)	-
	Interest waived by banks and financial institutions	(31,124,850)	-
	Provisionary Expenses written off	5,331,697	-
	Deferred Revenue expenses written off	5,010,327	-
	Operating Profit Before Working Capital Changes	(20,791,581)	(540,429)
	Move out in Working Capital:		
	Increase/Decrease in trade and other receivables	4,790,702	(118,902)
	Increase/Decrease in inventories	(1,731,008)	-
	Increase/Decrease in other current assets	13,028	-
	Increase/Decrease in trade payables	(1,054,677)	(28,417)
	Cash Generated from Operations	(6,950,888)	(96,750)
	Net cash from Operating Activities	(6,950,888)	(96,750)
B. Cash Flow From Investing Activities			
	Sale/purchase of fixed Assets	(1,201,103)	(30,207)
	Sale of investments	-	-
	Interest Received	-	-
	Net cash used in investing activities	43,520,090	(30,200)
C. Cash Flow From Financing Activities			
	Loan repaid	(58,400,000)	908,488
	Interest paid	(372,771)	(894)
	Net cash flow from financing activities	(58,772,771)	907,594)
	Increase/(decrease) in cash and cash equivalents	(21,223,569)	(132,356)
	Cash and cash equivalents at the beginning of the year	125,038	212,395
	Cash and cash equivalents at the end of the year	93,814	80,039

Notes:

The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

Previous year figures have been regrouped or reclassified to conform to the classes of the current year.

This is the Cash Flow Statement referred to in our report of even date.

For **G. Joseph & Associates**
Chartered Accountants
Firm Regn. No. 506870P

Umesh L. Bhat
Partner
Membership No. 211364