



ADVANCED MICRONIC DEVICES LIMITED

Registered Office : A-306, II Floor, Block I, KSSIDC Building, Electronic City, Hosur Road, Bengaluru - 560 100.

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Members of Advanced Micronic Devices Limited will be held on Tuesday, the 28th September 2010, at 2.30 p.m. at St. John's Medical College Hospital Auditorium, Opp. Koramangala BDA Complex, 100 feet Road, Koramangala, Bengaluru - 560 034 to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit and Loss account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Dr. Suleman Adam Merchant, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. V. Bala Subramaniam, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Anand Amarnath and Associates, Chartered Accountants, retiring Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT, in accordance with the provisions of Section 198, 269, 309, 310, 311 Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals, as may be necessary, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Bhaskar Valiveti, as a Whole-Time Director of the Company for a period of one year, with effect from 1st January 2010 on the following terms of remuneration.

A. SALARY

- ⌘ Rs.1,75,000/- per month.

B. PERQUISITES

- ⌘ Housing Expenditure by the Company on hiring furnished accommodation subject to a ceiling of Rs.45,000/- per month or in the alternative House Rent allowance of Rs.45,000/- per month.
- ⌘ Contribution to Provident Fund : The Company shall contribute 12% of the Salary towards Provident Fund.
- ⌘ Gratuity : 15 days of salary for every year of completed service.
- ⌘ Medical Expenses : For self and family at actuals.
- ⌘ Company car with driver & telephone at residence for official purposes.

Total remuneration and perquisites / benefits contemplated as per A and B above payable to the Whole-Time Director of the Company shall not exceed 5% of the profits of the Company calculated in accordance with Section 198 and Section 309 and other applicable provisions, if any, of the Companies Act, 1956.

FURTHER RESOLVED THAT, in absence or inadequacy of profits in any financial year, the remuneration payable to the Whole-Time Director by way of salary or perquisites shall not exceed the maximum limits prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT, certified copies of the above resolution be furnished to the concerned authorities and shall remain in force until notice of modification / cancellation is given in writing to them.

RESOLVED FURTHER THAT, the terms and conditions of the re-appointment of and the remuneration payable to Mr. Bhaskar Valiveti, may be varied, altered, increased, enhanced or widened from time to time by the Board of Directors of the Company as it may in its discretion deem fit within the limits laid down in Sections 198, 269, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956 and the Rules framed there under read with Schedule XIII of the Companies Act, 1956 and subject to the approval of the Central Government, if necessary, and subject to the requisite approvals, if any, being obtained.

RESOLVED FURTHER THAT, the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By Order of the Board
For **ADVANCED MICRONIC DEVICES LTD.,**

Place : Bengaluru
Date : 9th August 2010

Rose Chintamani
Company Secretary

Regd Off.: A-306, II Floor, Block I, KSSIDC Building,
Electronic City, Hosur Road, Bengaluru - 560 100.

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxy in order to be effective must be duly completed and stamped and must reach the Registered Office of the Company not less than 48 hours before the time for the commencement of the aforesaid meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed to this Notice in respect of Special Business.
4. The Register of Members and share transfer books of the Company will be closed from 23rd September 2010 to 28th September 2010 (both days inclusive).
5. The dividend for the year ended 31st March 2010, as recommended by the Board, if approved at the Meeting will be paid within the prescribed time limit, to those members whose names appear in the Company's Register of Members on 28th September 2010. In respect of Shares in electronic form, the Dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depositories Ltd. and Central Depository Services (India) Ltd. for this purpose.
6. Members desiring information as regards accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
7. Members are requested to notify changes, if any, in their address immediately to the Company / Registrar (for Shares held in physical form) and to Depository Participants (for Shares held in dematerialized form).
8. Members are suggested to inform the details of the Bank Account Numbers, name and branch of the Bank to enable the same to be printed on Dividend Warrants as a measure of abundant caution to minimize loss due to Dividend Warrants falling into improper hand through forgery or fraud.
9. Members / Proxies are requested to bring without fail the attendance slip sent herewith duly filled for attending the Meeting.
10. The Proxy Form and Attendance Slip are attached to this Notice.



11. Members are requested to note that, entry to the Meeting Hall / Premises is strictly restricted to the Members / Beneficial owners holding duly filled in Attendance Slips and to the proxies holding valid proxy forms.
12. Members are requested to address their correspondence including Share Transfer matters and change of address to KARVY COMPUTERSHARE PRIVATE LIMITED., No.17-24, Near Image Hospital, Vittal Rao Nagar, Madhapur, HYDERABAD - 500 081. E Mail: mailmanager@karvy.com
13. Pursuant to the provisions of Section 205A of the Companies Act, 1956, Dividends, which remain unclaimed for a period of Seven years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205(C) of the Companies Act, 1956. The Company has already transferred to the IEPF, the Unclaimed Dividend for the year ended upto 31st March 2002. Shareholders who have not so far encashed the Dividends for the subsequent years are requested to get their dividend warrants revalidated or seek issue of duplicate dividend warrant(s) by writing to the Company's Registered office or its Registrar and Transfer Agents. Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which were unclaimed for a period of Seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
14. In respect of Shares held by Companies, Trusts, Societies, etc., the authorised representatives are requested to bring a duly certified copy of the Board Resolution / Appropriate authorisation with their specimen signature(s) duly attested.
15. Pursuant to SEBI notification No.MED/DOP/Circulars/05/2009 dated 20th May 2009, it has become mandatory for transferee(s) to furnish copy of PAN Card to the Company / RTA to enable / affect transfer of shares in physical form.
16. Information pursuant to Clause 49 IV (G) of the Listing Agreements about the Directors to be re-appointed is as follows:

Name of the Director	Dr. Suleman Adam Merchant	Mr. V. Bala Subramaniam
Date of Birth	22-09-1955	25-11-1957
Date of Appointment	31-12-2005	31-12-2005
Relationship with other Directors	NA	NA
Qualification	Doctor (Radiology)	MBA from Symbiosis Institute of Business Management, Pune & Member of CPA & FCMA
Expertise in Specific Functional area	A well known member of the National & International medical fraternity, Dr. Suleman Merchant brings to the table his vast experience and medical expertise.	Mr. V. Bala Subramaniam has vast experience in International markets. Mr. V. Bala Subramaniam has successfully started & managed a Software company. The company benefits from his operational & resource management skills.
Board membership of other Companies as on 31 st March 2010	01	01
Chairman / Member of the committee of the Board of Directors of all Companies as on 31 st March 2010	04	02
No. of Shares held in the Company as on 31 st March 2010	NIL	NIL

Considering the working knowledge, qualifications and experience of Dr. Suleman Adam Merchant and Mr. V. Bala Subramaniam, it would be in the interest of the Company, to re-appoint them as Directors of the Company.

By Order of the Board
For **ADVANCED MICRONIC DEVICES LTD.,**

Place : Bengaluru
Date : 9th August 2010

Rose Chintamani
Company Secretary

ANNEXURE

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956

Item No.6

The Board of Directors at their meeting held on 24th December 2009, re-appointed Mr. Bhaskar Valiveti as Whole-Time Director for a period of one year with effect from 1st January 2010 and approved for payment of remuneration of Mr. Bhaskar Valiveti, Whole-Time Director as specified in Employment Agreement dated 29th December 2009 pursuant to recommendations made by the remuneration Committee.

Your Directors therefore, recommend the resolution for your approval.

Copy of the Employment Agreement executed between Company and Mr. Bhaskar Valiveti, Whole-Time Director, is open for inspection of the members at the registered office of the Company between 10.00 A.M. to 5.00 P.M. on any working days excluding Saturdays till ensuing Annual General Meeting dated 28th September 2010.

Except Mr. Bhaskar Valiveti, Whole-Time Director, none of the other Directors are concerned or interested in the resolution.

By Order of the Board
For **ADVANCED MICRONIC DEVICES LTD.,**

Place : Bengaluru
Date : 9th August 2010

Rose Chintamani
Company Secretary



ADVANCED MICRONIC DEVICES LIMITED

Registered Office : A-306, II Floor, Block I, KSSIDC Building, Electronic City, Hosur Road, Bengaluru - 560 100.

ATTENDANCE SLIP

TWENTY NINTH ANNUAL GENERAL MEETING - 28TH SEPTEMBER 2010

Registered Folio No. No. of Shares
Or
DP ID No.
Client ID No.

I certify that I am a Member / Proxy for the Member of the Company.

I hereby record my presence at the TWENTY NINTH ANNUAL GENERAL MEETING of the Company at St. John's Medical College Hospital Auditorium, Opp. Koramangala BDA Complex, 100 feet Road, Koramangala, Bengaluru - 560 034.

Member's / Proxy's name in Block Letters

Member's / Proxy's Signature

Note : Please fill in this Attendance Slip and hand it over at the Entrance of the Meeting Hall. Members are requested to bring their copies of Annual Report to the Meeting.



ADVANCED MICRONIC DEVICES LIMITED

Registered Office : A-306, II Floor, Block I, KSSIDC Building, Electronic City, Hosur Road, Bengaluru - 560 100.

PROXY FORM

Registered Folio No. No. of Shares
Or
DP ID No.
Client ID No.

I / We

of in the district of being members of ADVANCED MICRONIC DEVICES LTD.

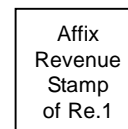
hereby appoint

of in the district of or failing him

of in the district of as my / our proxy to vote for me / us on my / our behalf at the TWENTY NINTH ANNUAL GENERAL MEETING of the Company to be held on 28th September 2010 at St. John's Medical College Hospital Auditorium, Opp. Koramangala BDA Complex, 100 feet Road, Koramangala, Bengaluru - 560 034 and at any adjournment thereof.

Signed this day of 2010

Signature/s



Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



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ADVANCED MICRONIC DEVICES LTD.

29th Annual Report
2009-10





ADVANCED MICRONIC DEVICES LTD.

BOARD OF DIRECTORS	<ul style="list-style-type: none">• Mr. Vinod Ramnani• Mr. Bhaskar Valiveti• Mrs. Usha Ramnani• Dr. Suleman Adam Merchant• Dr. Anvay Mulay• Mr. Rajkumar Raisinghani• Mr. V. Bala Subramaniam	<ul style="list-style-type: none">Chairman and Managing DirectorWhole-Time DirectorDirectorIndependent DirectorIndependent DirectorIndependent DirectorIndependent Director
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AUDITORS	<ul style="list-style-type: none">• M/s. Anand Amarnath and Associates Chartered Accountants S-2, II Floor, Gem Plaza No. 66, Infantry Road Bengaluru - 560 001
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COMPANY SECRETARY	<ul style="list-style-type: none">• Mrs. Rose Chintamani
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BANKERS	<ul style="list-style-type: none">• State Bank of India Bengaluru Commercial Branch Hudson Circle, Bengaluru - 560 001• State Bank of Travancore Industrial Finance Branch M.G. Road, Bengaluru - 560 001
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REGISTERED OFFICE AND INVESTOR'S SERVICE CELL	<ul style="list-style-type: none">• A-306, II Floor, Block I, KSSIDC Building, Electronic City, Hosur Road, Bengaluru - 560 100. Tel : 080-28521634 Fax : 080-41307586 Email : investorsservices@amdcorp.com
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WEBSITE	<ul style="list-style-type: none">• www.amdcorp.com
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Annual General Meeting

Day & Date	: Tuesday, 28 th September 2010
Time	: 2.30 P.M.
Venue	: St. John's Medical College Hospital Auditorium Opp. Koramangala BDA Complex 100 feet Road, Koramangala Bengaluru - 560 034.



COMPANY HIGHLIGHTS

HEALTH CARE DIVISION :

CRITICARE INC, USA

- ◆ The Company is marketing all Patient Monitoring Devices manufactured by M/s. Criticare Inc., a group Company, which were well received by the Indian Medical Market.
- ◆ AMDL - Healthcare division has doubled the Installation base in India over the previous year.
- ◆ Created installation base in institutions like **All India Institute of Medical Sciences (AIIMS)**, Delhi, **LTMG Hospital**, Mumbai and **Vijaya Hospitals**, Chennai.
- ◆ Criticare is introducing state of the art Modular Monitors and Power packed portable Monitors in this year which will complete the entire patient monitoring range. This will enable AMDL to aim for sizable market share in the Patient monitoring business.



MEDIAID, USA

- ◆ Our group Company M/s. Mediaid's Pulse Oximeters & Sensors are marketed by AMDL.
- ◆ AMDL is the market leader in Disposable Sensors in India.
- ◆ Pulse Oximeters were sold to all the Government Medical Teaching Institutions across India last year and having huge installation base.



COMPANY HIGHLIGHTS

SPECIALTY AMBULANCES

- ◆ Created good references in Delhi, Mumbai & Karnataka.
- ◆ Expect good growth in this year from this sector.

MODULAR OPERATION THEATRE BUSINESS

- ◆ The Company had a good year from this business sector and created good installation base in Government & Corporate sector.
- ◆ This business will enable us to meet the prospective clients in advance to market our Patient Monitors & Pulse Oximeters.

STRATEGIC ELECTRONIC DIVISION :

- ◆ Signed major contracts worth ₹2.3 crore with Defence Establishment and \$1 million with Space Agency. The \$1.7 million contract signed with ISTRAC during the previous year is going on schedule and the preliminary design review meeting has been successfully completed.
- ◆ ₹9.00 crore worth Transmission Line survey project received from PGCIL is progressing satisfactorily in the Eastern states. Survey services added many private sector organizations to its client base.
- ◆ Added new products to EDA group to meet the growing market of FPGA design and simulation.
- ◆ Obtained ISO 9001-2008 certificate for the PCB Design and CAM services. The revival of global economy results in substantial increase in the number of designs per month being exported by the CAM Group.
- ◆ As a new venture successfully completed two system integration projects for Building Automation.



COMPANY HIGHLIGHTS

BANK CARD DIVISION :

Development of the terminals with latest technology is finding more and more new applications. Our terminals are being used in the following areas :

- ❖ Retail Chains for loyalty programs
- ❖ Poultry Products Management
- ❖ Utility billings
- ❖ Time and Attendance Management in Educations Institutions
- ❖ On-line sales billings etc.

The Printers developed with the latest technology and new features including blue tooth and biometrics has gained wide acceptance in the following areas :

- ❖ Retail Industry
- ❖ Healthcare Instrumentation
- ❖ Micro Finance
- ❖ Social Security Schemes
- ❖ Ticketing for Trains, Buses etc.
- ❖ Car parking





COMPANY HIGHLIGHTS

ISO CERTIFICATE :

CERTIFICATE



Management system as per
ISO 9001 : 2008

In accordance with TÜV INDIA procedures, it is hereby certified that

ADVANCED MICRONIC DEVICES LIMITED
No.65, Arun Complex, DVG Road,
Basavanagudi, Bangalore – 560 004,
India



applies a quality system in line with the above standard for the following scope

**PCB Layout Design and Supply of PCBs for Electronic Industries.
CAM Services for PCB Manufacturers**

Certificate Registration No. **QM 08 00415**
Audit Report No. **Q 2922/2010**

Valid until **03.06.2013**

TÜV INDIA Certification Body

Mumbai, **04.06.2010**

This certification was conducted in accordance with the TÜV INDIA auditing and certification procedures and is subject to regular surveillance audits.

TUV India Pvt. Ltd., 801, Raheja Plaza – 1, L.B.S. Marg, Ghatkopar (W), Mumbai - 400 086, India www.tuvindia.co.in





DIRECTOR'S REPORT

TO THE SHAREHOLDERS,

The Directors are pleased to present the Twenty Ninth Annual Report on the business and operations of the Company, together with the Audited Financial Statements and Auditors Report for the financial year ended 31st March 2010.

Financial Results		(Rs. in Lakhs)	
Particulars	Year Ended 31-03-2010	Year Ended 31-03-2009	
Turnover and Profitability			
Gross Sales	6617.25	5882.67	
Total Expenditure	6078.05	5248.04	
Profit before Depreciation and Financial Charges	539.20	634.63	
Depreciation	70.81	105.61	
Financial Charges	189.62	183.40	
Profit before Tax	278.77	345.62	
Provision for Taxation	(99.09)	(147.69)	
Profit after Tax	179.68	197.93	
Prior year adjustments	(153.83)	(48.44)	
Add : Profit brought forward from previous year	499.25	413.83	
Profit available for Appropriation from Operations	525.10	563.32	
Appropriations			
Proposed Dividend	52.81	52.81	
Provision for Tax on Proposed Dividend	7.41	7.41	
Transfer to General Reserve	0.65	3.85	
Balance in Profit & Loss Account	464.23	499.25	

RESULTS FROM OPERATIONS

In spite of a slow recovery from a global recession, the total income for your company grew by around 12% over the previous year.

TURNOVER AND PROFITABILITY

The gross sales and other income for the financial year under review was Rs.6617.25 lakhs. The profit before tax (after depreciation and Financial charges) was Rs.278.77 Lakhs and Profit after Tax (before extraordinary items) was Rs.179.68 lakhs.

APPROPRIATIONS

DIVIDEND

Considering the performance of the Company, your Directors are pleased to recommend a dividend of 10% on the paid-up Equity Share Capital of the Company for the year 2009-10.

TRANSFER TO GENERAL RESERVE

The Board of Directors propose to transfer Rs.0.65 lakhs to General Reserves.

CAPITAL STRUCTURE

During the financial year under review, the share capital of your Company remained unaltered.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of Corporate Governance and disclosure practices. The Company ensures compliance to law and adherence to ethical standards to enhance customer value.

A separate section on Corporate Governance, along with a certificate from the Auditors confirming the level of compliance, is annexed and forms a part of the Directors' Report.

DIRECTORS

There was no change in Board of Directors of the Company during the year. Dr. Suleman Adam Merchant and Mr. V. Bala Subramaniam, retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for reappointment.

AUDITORS

M/s. Anand Amarnath & Associates, Chartered Accountants, Bengaluru retire at the conclusion of the forthcoming Annual General Meeting. Your Company has received a letter from them to the effect that their re-appointment, if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

In the report by the auditors under Companies (Auditors' Report) Order, 2003 (as amended), the Auditors have reported that the Company has maintained proper records of all Accounting transactions.

With respect to observations made by the Auditors in their report dated 24th May 2010 under Note IX of Annexure to the Auditors Report, the responses of the Board are as follows :

The Company is in process of remitting the due amount to the respective department and will ensure that it is paid in the earliest possible time.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report, as required, is given as Annexure-I and forms part of the Directors' Report.

FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975. There are no overdue deposits, due for payment as at the close of the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors Responsibility Statement, your Directors state that :

- (i) we have followed the applicable accounting standards in preparation of the Annual Accounts and there has been no material departure;
- (ii) we 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 2010 and of the profit of the Company for the year ended on that date;
- (iii) we 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; and
- (iv) we have prepared the Annual Accounts on a going concern basis.



PARTICULARS OF RESEARCH AND DEVELOPMENT, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ETC.

Particulars required under Section 217 (1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure-II to the Report.

PARTICULARS OF EMPLOYEES

The details of Employees of the Company who received remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is given in the Annexure-III to the report.

ACKNOWLEDGMENTS

Your Directors would like to place on record their gratitude for all the guidance and cooperation received from all its clients, vendors, bankers, financial institutions, business associates, advisors, regulatory and government authorities.

Your Directors also take this opportunity to thank all its investors and stakeholders for their continued support and all employees for their valuable contribution and dedicated service.

For and on behalf of the Board

Place: Bengaluru
Date : 9th August 2010

VINOD RAMNANI
Chairman & Managing Director

ANNEXURE - I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

The current macroeconomic environment poses significant short and medium term challenges to growth. The global economic crisis affected the Indian economy too, but, India fared relatively better than the rest of the world. The volatility in oil prices and exchange rates and rising inflation became significant factors affecting corporate and consumer sentiment. In such a scenario, the key to growth is innovation and deep understanding of consumer needs. The strategies and tactics that a Company employs act as growth drivers in these turbulent times.

A. INDUSTRY STRUCTURE AND DEVELOPMENTS, OPPORTUNITIES AND THREATS, SEGMENT-WISE, PRODUCT-WISE PERFORMANCE, OUTLOOK, RISKS AND CONCERNS :

The Company has a well-diversified product portfolio and geographic reach. With its balanced mix of revenues coming from multiple business segments from different regions, it is well positioned to manage any slowdowns in one business division or a specific geography.

As a response to the slowdown, a slew of initiatives were taken, aiming at cost control and efficiency

across businesses and functions. The close monitoring of cash flow on a day to day basis and sharper focus on cash generation has been working favorably for the Company.

The Company's activities are diversified and each business segment is in a widely varying industry type. To make the Analysis and Discussion clearly understandable, each Business division has been covered separately.

i) HEALTHCARE DIVISION

The Indian healthcare industry, comprising hospital and allied sectors, is projected to grow 23 per cent per annum to touch US\$ 77 billion by 2012. (Source: A report published by Yes Bank and an industry body in November 2009.) It is expected to generate 90 lakh jobs by 2012.

The growth can mostly be attributed to the growth in the no. of new hospitals and growing sales of medical equipment. The sector continues to offer good growth potential also on account of a rise in the incidence of lifestyle-related diseases.

India is also an emerging destination for medical tourism, although the number of doctors per capita is very low. India's medical tourism industry could be worth \$2.3bn within the next two years. (Source: The Confederation of Indian Industry.)

Health Insurance is considered as a lucrative growth avenue in the coming years.

State Governments in India have started Health Insurance & Preventive screening schemes to common public in partnership with Private hospitals. The Governments of Andhra Pradesh & of Tamilnadu are already running these insurance schemes successfully.

The Indian Government recently launched a National Rural Health Mission, aiming to help the very poor.

This year, the Rashtriya Swasthya Bima Yojana (RSBY) has enrolled more than 60 million people in 22 states; by next year that should double to 100 million. Under the scheme, five people under one family are covered up to Rs.30,000 and can walk into 5,000 public and private hospitals across India, produce the RSBY card and get healthcare without any cash.

The Government aims to provide quality healthcare for all and increase the expenditure on healthcare from 0.9 per cent of GDP to 2-3 per cent of GDP by 2012.

The Indian government has also encouraged partnerships between public healthcare, NGOs, and private corporations in rural areas where people do not have access to medical technology. Healthcare & the Pharma industry attracted FDI investments to the tune of US\$ 1.70 billion in the last financial year.

Companies like Forties, Apollo and Manipal are expanding their base across the country.

A growing elderly population and rise in income levels is also pushing for better facilities in the country.



Access to healthcare is improving in India because of the rapid growth of private healthcare providers and an increase in expenditure by the central and state governments on the provision of healthcare.

The Indian consumer, especially in the urban areas, is increasingly becoming more aware about the latest medical technologies available in the market and consequently demanding the same. At the same time awareness among providers is also increasing due to training and education, workshops and seminars being conducted by industry members. This has driven up demand for new medical technologies.

According to a report - Medical Technology Industry in India, by industry chamber CII and Consulting firm Deloitte, the medical technology equipment market in India was valued at \$2.76 Billion in 2008, a growth of about 14 per cent over 2007. The medical technology equipment market in India is pegged to touch \$5 billion (around Rs.23,300 crore) by 2012, growing at an annual rate of nearly 15 per cent, on rising demand from urban customers.

AMD is one of the leaders in providing state-of-the-art Medical equipment to critical care centers, trauma centers and operation theatres in the Hospitals. Our rich experience of over 32 years in the industry gives us a clear edge over other players.

Our range of Medical equipment from M/s. Criticare Systems Inc, USA, M/s. Mediaid Inc, USA caters to all Hospital segments including teaching institutions, corporate hospitals, and the medium and small medical centers.

Criticare Systems, Inc, USA recently launched a new 12.1 inch touch screen multi-parameter monitor that was well received in the market. The launch of modular monitors in the market would further augment sales for AMDL.

We also received a good response for the new business of offering Specialty Ambulances. The segment is expected to grow rapidly in India in the coming years. This year, we created good reference installations in Private and Government hospitals.

We also entered the niche market of Modular Operation Theatres and Surgical Pendants in South India this year.

RISKS AND CONCERNS

The economic crisis, high oil and commodity prices and volatile exchange rate scenarios are all part of the business environment. Considerable efforts are being made to diversify the business further by entering new non-discretionary segments and attracting long-term clients.

The Company faces competition from global vendors who are increasing their India presence. Our long standing relationships with Hospitals, our extensive coverage through dealers and our excellent After Sales Support give us a competitive edge over other players.

ii) STRATEGIC ELECTRONIC (SED) AND INFORMATION TECHNOLOGY DIVISIONS

Financial year 2009-10 was another good year for the Strategic Electronic Division SED.

Much against a cautious beginning, SED did well during 2009-10. Major business came from defense and aerospace sectors which are working on many high technology projects.

SED offers GPS based products for navigation, control, guidance, timing, ionospheric research etc. These products are essential for many of the defense applications being developed by the laboratories coming under Defense Research and Development Organization (DRDO). AMDL is the registered vendor in all these laboratories and it interacts closely with these organizations right from the conceptual stage of various projects. Similarly, AMDL has a very strong presence in Indian Space Research Organization (ISRO), by supplying many precision products. During 2009-10, SED bagged a high value contract for supplying high precision timing system for the Prestigious IRNSS project of ISRO. In recognition of its contribution to the growth of business, Symmetricom gave an appreciation award to SED.

SED is poised for great growth in 2010-11. The Government of India has announced a major shift in its defense production policy by permitting private participation in defense production. This opens up many opportunities for the products and services of SED which are currently focused towards DRDO labs alone.

In order to capitalize this opportunity in 2009-10 SED added GPS Source to its list of Principals. GPS Source is a manufacturer of MIL grade GPS Products for armed forces, defense vehicles etc. The initial response from market for these products is very encouraging.

Power sector continues to grow by adding thousands of kilometers of transmission lines across the country. SED's GPS Survey Services Group bagged a major contract of Rs.9 crore for survey in the Eastern states. This project is being completed on time.

The EDA Products group achieved all time high bottom-lines during 2009-10. This is because of a revival in the global economy that has resulted in major investments by multinationals operating in India. This trend is continuing and the EDA Products group is looking forward to better business during the coming years. This group is currently focusing on expanding its market reach by adding manpower at various regional offices.

The revival of global economy has brought better business for our Principal PCB Technologies who are our customers for CAM Services. 2009-10 witnessed a steady increase in the number of CAM design being downloaded every month. Another factor favoring the PCB Services group is adaptation of high end technologies like rigid-flex boards and high frequency boards in defense production. These are the strong points of this group over its competitors and have enabled SED to win major contracts from defense establishments. Through the introduction of this technology, SED achieved design wins.



Another group of SED that markets software tools for Simulation and Automation is seeing steady market growth. Advanced technology for energy saving is becoming popular and SED is well placed in this growing market for building automation and intelligent energy management. In 2009-10 SED started taking up turn key projects for BMS.

RISKS AND CONCERNS

SED operates in high-end technology areas where technological obsolescence is a constant threat. Special focus is being given for getting its personnel trained at Principal's facilities and also by arranging training in India. Managerial staff is given training on management skills and soft skills. These conscious efforts keep its staff highly trained and competent in their respective areas of activities.

Since most of the products are of foreign origin, the fluctuations in currency rates will affect the margins. Margins are protected by a judicious mixing of Dollar and Rupee trading.

Policy decisions of Principals, their countries and our own EXIM policies will affect the business of SED to a great extent. SED's strategy to face this risk is to avoid over-dependency on any single Principal, product, technology and customer segment. For some of the sensitive products SED offers, export license from the Government of the originating country is necessary. This will cause additional delay in executing orders and contracts.

iii) BANKCARD DIVISION

With the Indian Government continuing to give a major thrust to reforms, the demand for our Terminals and Printers is finding more and more applications. New business opportunities arise in e-Campus, Real Time Attendance Management, Canteen Management, Loyalty Program Applications, Real Time Tracking of School Transport (RTTST) and E-receipt for parking.

PX9600 TERMINAL

Our development team has successfully integrated Biometric Finger Print Reader, GSM / GPRS module, Mifare contact less reader (ISO 14443A) and Bluetooth module with the Terminal.

This product of RTTST is also being offered to customers as Software as a Service (SaaS). The Application is hosted on a web server and the customers can use the Service on demand. This first project will be for Kindergarten, Nursery and Primary schools wherein the parents will get short service messages (SMS) about the safe arrival of children in the school and also at drop points.

ACCESS PRINTER

We have redesigned the printer with new Controller GT32A. This Controller allows us to write new features that are required for emerging markets, such as Retail, Healthcare Instrumentation, Micro Finance, Social Security schemes and Loyalty Programs.

The enhanced features will give an opportunity to sell printers to new markets.

RISKS AND CONCERNS

Our market is highly competitive. Our in-house development team has been able to make cost effective modifications in our products to meet competition.

Loss of key personnel in the technology specific areas is the risk faced in our industry. We have been able to retain talent, by providing competitive salary, excellent work culture, career development programmes and long term growth prospects.

B. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY :

Your Company has adequate internal control systems and procedures in all the areas of activities. The activities are also subject to internal and external audit. The finance department is well staffed with experienced and qualified personnel who play an important role in implementing and monitoring internal control environment. The internal control and procedures are commensurate and adequate with the size and nature of the business of the Company.

C. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956.

Amount in Rs.

Particulars	As on 31-03-2010	As on 31-03-2009
SOURCES OF FUNDS		
Shareholders funds		
Share Capital	52,811,000	52,811,000
Reserve & Surplus	131,963,774	135,400,094
	184,774,774	188,211,094
Loan Funds		
Secured Loans	122,731,707	122,317,288
Deferred Tax Liability (NET)	3,743,905	3,345,275
	311,250,386	313,873,657
APPLICATION OF FUNDS		
Fixed Assets		
Cost	122,936,458	114,180,626
Less : Accumulated depreciation	38,546,528	32,141,218
Net Book Value	84,389,930	82,039,408
Investments	2,850,225	2,850,225
Current Assets, Loans and Advances		
Inventories	231,049,278	291,088,202
Sundry Debtors	293,926,196	363,476,505
Cash & Bank Balances	27,857,020	46,891,950
Loans & Advances	33,708,416	32,655,633
	586,540,910	734,112,290
Less : Current Liabilities and provisions	362,530,679	519,782,385
Net Current Assets	224,010,231	214,329,905
Miscellaneous Expenditure	—	14,654,119
	311,250,386	313,873,657



SHARE CAPITAL (Issued, subscribed and paid up)

The Company has only one class of shares viz. equity shares of par value Rs.10/- each.

During the financial year under review, the Share Capital of your Company remained unaltered.

RESERVES AND SURPLUS

The total reserves and surplus has decreased from Rs.135,400,094 in March '09 to Rs.131,963,774 in March '10. The decrease has been on account of prior year adjustment of Rs.15,382,968.

LOAN FUNDS

The secured loans have marginally increased from Rs.122,317,288 in March '09 to Rs.122,731,707 in March '10.

FIXED ASSETS

During the year, the Company has capitalized assets to the extent of Rs.10,018,433 and disposed assets to the tune of Rs.1,180,259.

CURRENT ASSETS, LOANS AND ADVANCES

Inventories have decreased from Rs.291,088,202 in March '09 to Rs.231,049,278 in March '10.

Sundry debtors decreased from Rs.363,476,505 as at March '09 to Rs. 293,926,196 as at 31st March 2010. These debts are considered good and realizable.

Cash and bank balances have reduced from Rs.46,891,950 as at 31st March 2009 to Rs.27,857,020 as at 31st March 2010.

Loans and advances have increased from Rs.32,655,633 as at 31st March 2009 to Rs.33,708,416 as at 31st March 2010.

CURRENT LIABILITIES AND PROVISIONS

Current Liabilities and Provisions have decreased from Rs.519,782,385 as at 31st March 2009 to Rs.362,530,679 as at 31st March 2010.

Creditors increased from Rs.200,641,838 as at 31st March 2009 to Rs.231,398,146 as at 31st March 2010.

The Company has proposed a dividend of Rs.5,281,100 (10% of paid-up capital) for the year ended 31st March 2010 which is equivalent to dividend declared in the previous year.

REVENUES

Profit And Loss Account for the year ended 31st March 2010

Amount. in Rs.

Particulars	31-03-2010	31-03-2009
INCOME		
Sales	660,023,437	585,812,493
Other income	1,701,866	2,454,346
	661,725,303	588,266,839
EXPENDITURE		
Cost of Goods Sold	474,873,621	398,307,482
Administrative & Selling Expenses	132,931,034	126,496,417
Interest & Financial Charges	18,962,539	18,340,297
	626,767,194	543,144,196
PROFIT BEFORE DEPRECIATION & TAXES		
Depreciation	34,958,109	45,122,643
	7,081,056	10,560,876
PROFIT BEFORE TAXES		
Provision for Taxes		
Current Tax	9,510,000	15,000,000
Deferred Tax	398,631	(1,711,000)
Fringe Benefit Tax	—	1,480,476
Prior year Adjustments	15,382,967	4,844,457
	27,877,053	34,561,767
NET PROFIT FOR THE YEAR		
Balance brought forward from the previous year	2,585,455	14,947,834
	49,924,723	41,383,195
PROFIT AVAILABLE FOR APPROPRIATION		
Proposed dividend on equity shares	5,281,100	5,281,100
Tax on proposed dividend	740,675	740,675
Transfer to General Reserve	64,636	384,531
	46,423,767	49,924,723

The Company's total income has three components.

- ◆ Sales and Service of Healthcare products
- ◆ Sales and Service of Information Technology products
- ◆ Other Income

The following table sets out the contribution of each of these segments for the years ended 31st March 2010 and 31st March 2009.

Amount. in Rs.

Segment wise Revenue	31-03-2010	31-03-2009
Health Care	413,232,000	344,955,000
Information Technology	246,791,437	240,857,493
Others	1,701,866	2,454,346
TOTAL	661,725,303	588,266,839
Segment wise contribution	31-03-2010	31-03-2009
Health Care	27,273,000	29,659,000
Information Technology	17,864,134	20,788,654
Others	1,701,866	2,454,346
TOTAL	46,839,000	52,902,000



OTHER INCOME

Other income consists mainly of interest received on fixed deposits.

COST OF GOODS SOLD

The cost of goods sold has increased from Rs.398,307,482 in the previous year to Rs.474,873,621 in the year ended 31st March 2010 due to increase in sales. As a percentage of sales, material costs have increased 19.22% during 2009-10.

OPERATING AND SELLING EXPENSES

Operating and selling expenses have increased from Rs.126,496,417 in fiscal 2009 to Rs.132,931,034 in fiscal year 2010.

INTEREST AND FINANCIAL CHARGES

Interest and financial charges have marginally increased from Rs.18,340,297 in fiscal 2009 to Rs.18,962,539 in fiscal 2010.

DEPRECIATION

Depreciation has reduced from Rs.10,560,876 in fiscal 2009 to Rs.7,081,056 in fiscal year 2010.

PROVISION FOR TAXES

Provision for Current and deferred tax in the year ended 31st March 2010 was Rs.9,908,631.

NET PROFIT

Net profit from operations for the fiscal 2010 has reduced by Rs.12,362,379.

d) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The Company considers its employees as valuable assets and has adopted various HR measures including proper appraisal of employees, placements, recognition, career growth and improvement of managerial and inter-personal skills through various training programs and so on. The Company had 282 employees as of 31st March 2010.

CAUTIONARY STATEMENT

The statements made in this report and those appearing elsewhere, may be "forward looking statements" that set forth anticipated results based on management plans and assumptions. These statements are likely to address the Company's growth strategy and financial results and are subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected.

ANNEXURE - II

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

In pursuance of the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, the particulars relating to conservation of energy, technology absorption and foreign exchange earning and outgo are furnished below :

- Conservation of Energy** : The operations of your Company are not energy intensive. Adequate measures have, however, been taken to reduce energy consumption by using Energy efficient computer terminals. Air conditioners are used when required, thereby enhancing energy efficiency.
- Research and Development** : No R&D projects was under taken during the year.
- Technology Absorption** : The Technology used by the Company is commonly used by similar industries and the Company is constantly studying the opportunities for improving / upgradation of the technology.
- Foreign Exchange Earning and outgo** : The Company earned Rs.174.13 lakhs in Foreign Exchange. The Foreign Exchange outgo including for capital goods was Rs.1,323.02 lakhs.

ANNEXURE - III

Information as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, and forming part of the Directors Report for the year ended 31st March 2010.

I. Employed throughout the year.

Employee Name	Designation	Qualification	Age	Joining Date	Experience (Years)	Gross Remuneration Rs.	Previous Employment
Mr. Bhaskar Valiveti	Whole-Time Director	B.E.	54	24-08-2001	32	2,892,000	Altron Industries Pvt. Ltd., Director

II. Employed for part of the year - Nil

III. There were no Employees covered under the provisions of the Section 217(2A)(a)(III) of the Companies Act, 1956.



CORPORATE GOVERNANCE

A report containing the details of Corporate Governance systems and procedures for the period from 1st April 2009 to 31st March 2010 in accordance with Clause 49 of the Listing Agreement with the Stock Exchange is as follows :

1. PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE :

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. The Company is committed to achieve and maintain the highest standards of Corporate Governance. The Company believes that all its actions must serve the underlying goal of enhancing overall stakeholder value over a sustained period to time.

2. BOARD OF DIRECTORS :

(i) Composition and category :

The Board of Directors comprised Seven Directors as on 31st March 2010, with Two Executive Directors and Five Non-Executive Directors, of which four are Independent Directors.

Mr. Vinod Ramnani is the Chairman and Managing Director and Mr. Bhaskar Valiveti is the Whole-Time Director of the Company.

The Directors of the Company possess the highest personal and professional ethics, integrity and values and are committed to enhance the long term interest of the stakeholders. They provide efficient governance over the affairs of the Company in all its aspects and exercise appropriate business judgment on the affairs of the Company.

Meeting of the Board of Directors held during the year 2009-10 are detailed hereunder :

SL	Date of Board Meeting	SL	Date of Board Meeting	SL	Date of Board Meeting
01	09-04-2009	04	29-09-2009	07	28-01-2010
02	18-06-2009	05	29-10-2009		
03	16-07-2009	06	24-12-2009		

(ii), (iii) & (iv) Meetings & Attendance record of Directors and other Directorships / Committee Memberships :

The details of the Directors with regard to Directorships in other Companies, Committee Memberships / Chairmanship as on 31st March 2010 and their attendance at the Board / Last Annual General Meeting is as given below :

Name & Category	Date of Appointment	No. of Board Meetings Attended	No. of Memberships in the Board of other Companies	Memberships of Board Committees in all Companies*	Chairman of Board Committees in all Companies**	Whether last AGM Attended
Mr. Vinod Ramnani Chairman & Managing Director	24-08-2001	07	03	NIL	NIL	Yes
Mr. Bhaskar Valiveti Executive Director	24-08-2001	07	NIL	NIL	NIL	Yes
Mrs. Usha Ramnani Non-Executive Director	24-08-2001	06	03	02	NIL	Yes
Dr. Suleman Adam Merchant Non-Executive Independent Director	31-12-2005	01	01	02	02	Yes
Dr. Anvay Mulay Non-Executive Independent Director	31-12-2005	02	01	NIL	NIL	Yes
Mr. Rajkumar Raisinghani Non-Executive Independent Director	31-12-2005	07	02	04	NIL	Yes
Mr. V. Bala Subramaniam Non-Executive Independent Director	31-12-2005	07	01	NIL	02	Yes

* Membership across all Companies excluding Private Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956.

** Chairmanship / Membership of Audit Committee and Share Holders & Investors Grievance Committee.



Relationship between Directors

Mr. Vinod Ramnani, Chairman and Managing Director and Mrs. Usha Ramnani, Director being husband and wife are related to each other.

(v) CODE OF CONDUCT :

The Board of Directors of your Company have laid down a code of conduct ('the code') applicable to all Board Members and Senior Management personnel of your Company. A Declaration from the Whole-Time Director of your Company to the effect that all Board Members and Senior Management personnel of your Company have affirmed Compliance with the code forms a Part of this Report.

3. AUDIT COMMITTEE :

(i) & (ii) The Company has a qualified and independent Audit Committee. The Present Committee consists of 3 members as given below :

SI No	Name of the Member	Category	Position
01	Mr. V. Bala Subramaniam	Non-Executive Independent Director	Chairman
02	Dr. Suleman Adam Merchant	Non-Executive Independent Director	Member
03	Mr. Rajkumar Raisinghani	Non-Executive Independent Director	Member

The Audit Committee has the following powers :

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee includes the following :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are fairly stated.
2. Recommending to the Board, the appointment, re-appointment and if required the replacement or removal of Statutory Auditor and fixation of audit fee.
3. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
4. Reviewing with Management the annual financial statement before submission to the Board for approval, with particular reference to :
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d) Significant adjustments made in the Financial Statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to Financial Statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing with Management the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the Management, the statements of uses/application of funds raised through an Issue (Public Issue, Rights Issue, Preferential Issue etc.), the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or right issue and making appropriate recommendation to the Board to take up steps in this matter.
7. Reviewing with the Management performance of Statutory and Internal Auditors and adequacy of internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing, and the seniority of the official heading the department, reporting structure, coverage and frequency of internal auditors.
9. Discussion with internal auditor any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of the whistle blower mechanism, in case the same exists.
14. Carrying out any other function as mentioned in the terms of reference of the Audit committee.



(iii) During the year five Audit Committee meetings were held. The details of the Committee and attendance at the Meetings are given below :

SI No	Name of the Member	Category	No. of Meetings Attended
01	Mr. V. Bala Subramaniam	Chairman	05
02	Dr. Suleman Adam Merchant	Member	—
03	Mr. Rajkumar Raisinghani	Member	05

The requirements on periodicity and time gap between two meetings were in accordance with the requirements of Clause 49 of the Listing Agreement.

4. REMUNERATION COMMITTEE AND REMUNERATION TO DIRECTORS :

(i), (ii) & (iii)

The Board constituted a Remuneration Committee which presently comprises of three Non-Executive Independent Directors.

SI No	Name of the Member	Category	Position
01	Mr. V. Bala Subramaniam	Non-Executive Independent Director	Chairman
02	Dr. Suleman Adam Merchant	Non-Executive Independent Director	Member
03	Mr. Rajkumar Raisinghani	Non-Executive Independent Director	Member

The Committee reviews and decides the overall remuneration of the key employees of the Company and of its Directors.

The Committee has been empowered to review/recommend appointment and remuneration of the Executive & Non-Executive Directors. The Committee met once during the financial year at which the Chairman and a member were present.

(iv) REMUNERATION POLICY

The Remuneration paid to Mr. Bhaskar Valiveti is as per the Service Contract entered into with him, the terms and conditions of which are approved by the Remuneration Committee, the Board and the Shareholders.

The main thrust of the Remuneration Policy of the Company is to attract and retain high talented employees best suited for the positions and suitably reward the employees for their success and performance. The remuneration paid is as per prevailing industry standards.

(v) (a) The remuneration paid to the Directors during the year are given below :

SI No	Name of the Director	Salary Rs.	Perquisites* Rs.	Total Rs.
01	Mr. Vinod Ramnani	—	—	—
02	Mr. Bhaskar Valiveti	26,40,000	2,52,000	28,92,000
03	Mrs. Usha Ramnani	—	—	—
04	Dr. Suleman Adam Merchant	—	—	—
05	Dr. Anvay Mulay	—	—	—
06	Mr. Rajkumar Raisinghani	—	—	—
07	Mr. V. Bala Subramaniam	—	—	—

Note : * Perquisites include House Rent allowance and contribution to Provident Fund.

(b) during the year no remuneration was paid to the Non-Executive Directors of the Company and no Sitting fees for attending Board / Committee Meetings were paid to the Directors.

(c) Apart from the above fixed components, no performance linked incentives were paid to Mr. Bhaskar Valiveti.

(d) The Notice Period for terminations is Three months from either parties and there is no Severance Fee relating to appointment of Mr. Bhaskar Valiveti as Whole-Time Director.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

(i) The Shareholders'/Investors' Grievance Committee presently consists of 3 members, of whom two are Non-Executive Independent Directors as detailed below :

No	Name of the Member	Category	Present Position
01	Dr. Suleman Adam Merchant	Non-Executive Independent Director	Chairman
02	Mrs. Usha Ramnani	Non-Executive Director	Member
03	Mr. Rajkumar Raisinghani	Non-Executive Independent Director	Member



The Committee is constituted to specifically redress Shareholders' and Investors' complaints like non receipt of Annual Reports, non receipt of declared dividends etc., and also to approve shares transferred, transmissions, transpositions, splitting and consolidation of Shares/Share Certificates etc.

Periodically audits are also carried out at the office of the Share Transfer Agents by independent practicing Company Secretary and requisite Certificates/Reports are obtained and forwarded to the Stock Exchange.

The Committee met 12 (Twelve) times during the financial year 2009-10.

The attendances of the Members are given below :

SI No	Name of the Members	Attendance
01	Dr. Suleman Adam Merchant	—
02	Mrs. Usha Ramnani	12
03	Mr. Rajkumar Raisinghani	12

(ii) Mrs. Rose Chintamani, Company Secretary is the Compliance Officer.

(iii), (iv) & (v) The total number of complaints received and replied to the satisfaction of shareholders during the year under review, were 12 (Twelve). There were no outstanding complaints as on 31st March 2010. No requests for transfers and for dematerialization were pending for approval as on 31st March 2010.

6. GENERAL BODY MEETINGS :

(i) (ii) Location and time, where last three AGMs were held and the special resolutions passed thereat :

Financial Year	2006-07	2007-08	2008-09
Date	25 th September 2007	30 th September 2008	29 th September 2009
Time	4.00 PM	3.00 PM	2.30 PM
Venue	The Grand Ashok Kumar Krupa High Grounds Bengaluru - 560 001	NIMHANS Convention Centre Hosur Road Bengaluru - 560 027	St. John's Medical College Hospital Auditorium Opp. Koramangala BDA Complex, 100 feet Road Koramangala Bengaluru - 560 034
Special Resolutions passed	1. Increase of Authorized Share Capital from Rs.7.50 crores to 10.00 crores and amendment of the Memorandum of Association accordingly. 2. Amendment to the Articles of Association to increase the Authorized Capital as above. 3. Re-appointment of Mr. Bhaskar Valiveti, as Whole-Time Director of Company for a period of 3 years from 1 st January 2007.	—	Pursuant to the provisions of Section 149(2A) of the Companies Act, 1956, approval of the Shareholders in general meeting is required for commencement of any business as set out in other objects Clause of the Memorandum of Association of the Company. Sub-Clause 25 under Clause III C (other objects) of the Memorandum of Association of the Company enable the Company.

7. DISCLOSURES :

(i) Basis of Related party Transaction

Your Company places all the details with reference to related party transactions before the Audit Committee periodically.

No transaction of a material nature has been entered into by the Company with Directors or Management and their relatives etc., that may have a potential conflict with the interest of the Company. All related details are provided in the Notes forming part of the Accounts in accordance with the Accounting Standard 18, issued by the Institute of Chartered Accountants of India.



- (ii) There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
- (iii) Whistle Blower policy is at present not adopted by the Company
- (iv) All the mandatory requirements of Corporate Governance Clause have been complied with by the Company and compliance with non mandatory requirements have been detailed under Sl.No.10 of this Report.
- (v) Disclosure of Accounting treatments
Your Company has followed all relevant Accounting Standards while preparing the Financial Statements.

(vi) Risk Management

The Company over the years has evolved and analyzed the risks associated with its business. Appropriate systems are put in place to reduce and mitigate the risks. The Board and the Audit Committee of the Company also plays a pivotal role in risk management.

(vii) Proceeds from Public Issues, Right Issues, Preferential Issues etc.

During the year under review, your Company has not raised any funds by way of public issues etc.,

(viii) Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company.

During the year no significant material transaction has been made with the Non-Executive Directors vis-à-vis the Company.

(ix) Details of Directors shareholding as on 31st March 2010 are as follows :

Sl No	Name of the Director	No. of Shares	% of Shares
01	Mr. Vinod Ramnani	—	—
02	Mr. Bhaskar Valiveti	2100	0.04
03	Mrs. Usha Ramnani	1775	0.03
04	Dr. Suleman Adam Merchant	—	—
05	Dr. Anvay Mulay	1000	0.02
06	Mr. Rajkumar Raisinghani	—	—
07	Mr. V. Bala Subramaniam	—	—

(x) Management

No material transaction has been entered into by your Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with the interest of your Company.

(xi) CEO / CFO Certification

A certificate from the CEO / CFO on the Financial Statements of the Company was placed before the Board.

8 A. MEANS OF COMMUNICATION :

(i) & (ii) The annual, half yearly and quarterly results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and published in leading national newspapers as required under the Listing Agreement.

(iii) The financial results of the Company are displayed at the Company's Website.

(iv) & (v) There were no official releases or presentations made to the institutional investors and analysts during the year.

B. MANAGEMENT DISCUSSIONS AND ANALYSIS :

The Management discussions and Analysis report forms part of the annual report and is captioned "Management Discussion and Analysis Report" as one of the Annexure in the Directors Report.



9. GENERAL SHAREHOLDERS INFORMATION :

(i) Annual General Meeting

Date and Time : 28th September 2010 at 2.30 P.M.
Venue : St. John's Medical College Hospital Auditorium,
Opp. Koramangala BDA Complex,
100 feet Road, Koramangala, Bengaluru - 560 034.

(ii) Financial Calendar

Reporting Period

Quarter 30th June 2010 on or before 15th August 2010
Quarter 30th September 2010 on or before 15th November 2010
Quarter 31st December 2010 on or before 15th February 2011
Quarter 31st March 2011 (Audited) on or before 31st May 2011
AGM for the approval of the
Audited accounts for the year
ended 31st March 2011 on or before 30th September 2011
Financial year 1st April to 31st March.

(iii) Details of Book Closure : 23rd September 2010 to 28th September 2010
(Both days inclusive)

(iv) Dividend Payment Date : On or after 28th September 2010

(v) Listing of Equity Shares on Stock

Exchanges : Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
MUMBAI - 400 001.

Listing Fees : Paid

(vi) a. Trading Symbol

Bombay Stock Exchange Ltd. : Scrip ID **ADVNCMIC**
Scrip Code **517552**

b. Demat ISIN Numbers in

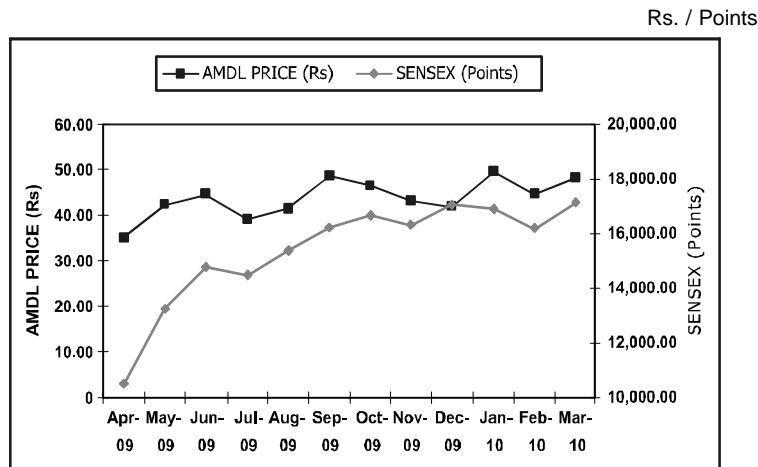
NSDL & CDSL for Equity Shares : **INE E 903C01013**

(vii) Stock Market Data : High and Low Quotation at Bombay Stock Exchange Limited.

Month	High	Low	No. of Shares Traded
Apr-09	37.20	32.35	44457
May-09	51.10	33.50	30994
Jun-09	52.05	37.00	70109
Jul-09	45.00	33.00	29358
Aug-09	46.05	37.05	28845
Sep-09	57.00	40.50	65014
Oct-09	51.95	41.00	41545
Nov-09	49.95	36.50	30292
Dec-09	45.85	38.00	30411
Jan-10	57.00	42.15	177090
Feb-10	47.95	41.00	37146
Mar-10	55.95	40.00	160146



(viii) The Performance of the Company's Stock Exchange Quotations in comparison to BSE Sensex (average of monthly high and low of price/Sensex)



(ix) Registrar & Transfer Agents

(Share Transfer and communication regarding Share Certificate, Dividends & Change of Address)

Karvy Computershare Pvt. Ltd.
No.17 to 24, Near Image Hospital
Vittal Rao Nagar
Madhapur, HYDERABAD - 500 081.
Phone No.: 040-23420815 to 828
Fax No.: 040-23420814
E-Mail: mailmanager@karvy.com

(x) Share Transfer System

Presently the Share transfers which are received in physical form are processed and the Share Certificates returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The share transfer/transmissions are considered and approved by the Investors/Shareholders' Grievances Committee.

(xi) Distribution of Shareholding as on 31st March 2010 :

SI No	Category (Shares) From To	Number	%	Amount Rs.	%
01	01 500	5278	89.60	7218690	13.66
02	501 1000	358	6.08	2935230	5.56
03	1001 2000	133	2.26	2002840	3.79
04	2001 3000	47	0.80	1192100	2.26
05	3001 4000	20	0.34	714370	1.35
06	4001 5000	16	0.27	769590	1.46
07	5001 10000	18	0.31	1286240	2.44
08	10001 & above	20	0.34	36691940	69.48
	TOTAL	5890	100.00	52811000	100.00

Categories of Shareholders as on 31st March 2010.

SI No	Description	No. of Shareholders	Total Shares	% of Equity
01	Clearing Members	10	4443	0.07
02	Foreign Institutional Investors	03	2600	0.05
03	H.U.F.	112	47123	0.89
04	Indian Financial Institutions	01	800	0.02
05	Indian Mutual Funds	04	1100	0.02
06	Bodies Corporate	145	255076	4.83
07	Non Resident Indians	65	114365	2.17
08	Promoters	01	3153165	59.71
09	Resident Individuals	5549	1702428	32.24
	TOTAL	5890	5281100	100.00



(xii) Dematerialization of Shares

59.71% of the Paid Up Capital is held by Opto Circuits (India) Limited, the holding Company and the public holds the balance. As on 31st March 2010, 4887593 shares representing 92.55% of the paid-up capital have been dematerialized.

(xiii) There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31st March 2010.

(xiv) The Company has its plant located at Plot No.16, 1-A Cross, Electronic City, Hosur Road, Bengaluru - 560 100.

(xv) ADDRESS FOR CORRESPONDENCE :

(i) Investor Correspondence for Shares held in physical form

(Share Transfer and communication regarding share certificate, dividends and change of address and any query relating to the shares of the Company

Karvy Computershare Pvt Ltd.
No.17 to 24, Near Image Hospital
Vittal Rao Nagar
Madhapur, HYDERABAD - 500 081.
Phone No.: 040-23420815 to 828
Fax No.: 040-23420814
E-Mail: mailmanager@karvy.com

(ii) For Shares held in Demat form

To the Depository Participant.

(iii) The Company has designated investorsservices@amdcorp.com as the email for the purpose of registering complaints by investors.

(xvi) DISCLOSURES REGARDING SUSPENSE ACCOUNT PURSUANT TO SEBI CIRCULAR No.SEBI/CFD/DIL/LA1/2009/24/04 DATED 24th APRIL 2009 :

Since there is neither unclaimed Shares lying in the escrow account nor unclaimed benefits like Dividend, Bonus Shares etc., there is no information to disclose under the above notification.

10. NON-MANDATORY REQUIREMENTS :

1. The Company has no Non-Executive Chairman on its Board.
2. The Remuneration Committee is constituted by the Board, the details of which are provided under the heading "Remuneration Committee and Remuneration to Directors".
3. Appropriate actions to resolve the issues relating to payment of undisputed Income Tax liabilities will be initiated and the Company will shortly move towards a regime of unqualified Financial Statement.
4. The Company has not adopted the other non-mandatory requirements as specified in Annexure-I D of Clause 49 of the Listing Agreement.

By order of the Board
for **ADVANCED MICRONIC DEVICES LTD.**

Place : Bengaluru
Date : 9th August 2010

Vinod Ramnani
Chairman and Managing Director

CERTIFICATE UNDER CORPORATE GOVERNANCE REPORT

Certificate related to code of conduct for Directors'/Senior Management

This is to Certify that as per revised Clause 49 of the Listing Agreement, the code of conduct has been laid down for all the Board Members and Senior Management of the Company. The Board Members and Senior Management personnel have affirmed compliance with Company's code of conduct for the year 2009-10.

Place : Bengaluru
Date : 9th August 2010

Bhaskar Valiveti
Whole-Time Director



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To,
The Members
Advance Micronic Devices Limited.

We have examined the compliance of the conditions of Corporate Governance by Advanced Micronic Devices Limited for the year ended 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of the 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 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 information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated under Clause 49 of the listing Agreement.

For **Anand Amarnath & Associates**
Chartered Accountants

B.K. Amarnath
Partner
M.No.: 026536
Firm No.: 000121S

Place : Bengaluru
Date : 9th August 2010



AUDITOR'S REPORT

To,
The Members of
ADVANCED MICRONIC DEVICES LIMITED,
Bengaluru.

1. We have audited the attached Balance Sheet of **ADVANCED MICRONIC DEVICES LIMITED** as at **31st March 2010** and the Profit and Loss Account for the year ended on 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 conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies' (Auditor's Report) Order, 2003 in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, and according to the information and explanation given to us during the course of the audit and on the basis of such checks as we consider appropriate, we enclose in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 purposes of our audit.

- (ii) 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:
- (iii) The Balance Sheet, Profit and Loss Account and Cash flow Statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with in this report comply with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
- (v) On the basis of written representation received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
- (vi) Subject to the foregoing, in our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 - (b) in the case of Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) in the case of Cash Flow statement, of the cash flows for the year ended on that date.

For **ANAND AMARNATH & ASSOCIATES**
Chartered Accountants,

B.K. Amarnath
Partner

Place: Bengaluru
Date: 24th May 2010

M.No.: 026536
Firm No.: 000121S



ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Paragraph 3 of our Report of even date on the accounts of **ADVANCED MICRONIC DEVICES LTD.** for the year ended **31st March 2010**)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) Physical verification of Fixed Assets is performed by the management in a regular programme for verification once in a year. In our opinion, the frequency of verification is reasonable, having regard to the size and the nature of its business.
 - (c) There was no substantial disposal of fixed assets during the year.
- ii. (a) We are informed that the physical verifications of inventories except inventories lying with the third parties were conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, 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 Company has maintained proper records of inventories. According to the records produced to us, no discrepancies were noticed on verification between physical stocks and stock records.
- iii. (a) As per the explanation given to us the Company has given loans to the parties listed in the register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of such loans given are not prejudicial to the interest of the Company.
 - (b) As per the explanation given to us the Company has taken loans from the parties listed in the register maintained under Section 301 of the Companies Act, 1956, and there was no payment of any interest by the Company during the year.
- iv. In our opinion, and according to the information and explanations given to us, there is adequate internal control procedure commensurate with size of the Company and the nature of its business for the purchase of inventory and assets and for the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weakness in internal controls.
- v. (a) According to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs.5,00,000 in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.
- vii. In our opinion, the internal audit system in the Company during the year is adequate and commensurate to the size and the nature of the business of the Company.
- viii. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, for any product of the Company.
- ix. On the basis of records produced before us, the Company is generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty and Service Tax. According to the information and explanations given to us, there are no undisputed amounts payable in respect of



- Provident Fund, Sales Tax, Customs Duty, Excise Duty and Service Tax, except Income Tax amounting to Rs.217.81 Lacs, as per Note No.14 which are outstanding as on 31st March 2010 for a period of more than six months from the date on which they became payable.
- x. The Company has no accumulated losses and has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- xi. During the year, the Company has taken additional Term Loan from Banks / Financial Institutions it has not defaulted in repayment of its dues to financial institutions and banks.
- xii. In our opinion and according to the information and explanations given to us, and based on the documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special status applicable to Chit-Fund and Nidhi / Mutual Benefit Fund / Societies, accordingly Clause 4 (xii) of the order is not applicable.
- xiv. In our opinion, the Company is not dealing or trading in shares, securities, debentures or other investments and hence, the requirement of Clause 4 (xiv) of the order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has not given guarantee for loans taken by its subsidiary from a bank or Financial Institutions, accordingly Clause 4(XV) of the order is not applicable.
- xvi. In our opinion and based on information and explanations given to us by the management, term loans have been 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 purpose. No long-term funds have been used to finance short-term assets except permanent working capital.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the year.
- xix. The Company has not issued debentures during the financial year.
- xx. The Company has not raised any money through a public issue during the year.
- xxi. On the basis of our examination and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **ANAND AMARNATH & ASSOCIATES**

Chartered Accountants,

B.K. Amarnath

Partner

Place: Bengaluru

M.No.: 026536

Date: 24th May 2010

Firm No.: 000121S

**BALANCE SHEET** as at 31st March 2010

	SCHEDULE	As on 31-03-2010 Rs.	As on 31-03-2009 Rs.
I. SOURCES OF FUNDS :			
SHARE HOLDERS FUND			
Capital	A	52,811,000	52,811,000
Reserves & Surplus	B	131,963,774	135,400,094
LOAN FUNDS			
Secured Loans	C	122,731,707	122,317,288
DEFERRED TAX LIABILITY (NET)			
		3,743,905	3,345,275
TOTAL		311,250,386	313,873,657
II. APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	D	122,936,458	114,180,626
Less Depreciation		38,546,528	32,141,218
Net Block		84,389,930	82,039,408
INVESTMENTS			
	E	2,850,225	2,850,225
CURRENT ASSETS, LOANS & ADVANCES :			
Inventories	F	231,049,278	291,088,202
Sundry Debtors		293,926,196	363,476,505
Cash & Bank Balances		27,857,020	46,891,950
Loans & Advances		33,708,416	32,655,633
		586,540,910	734,112,290
Less : Current Liabilities & Provisions			
Liabilities	G	329,109,264	461,577,971
Provisions		33,421,415	58,204,414
		362,530,679	519,782,385
Net Current Assets (F - G)		224,010,231	214,329,905
Miscellaneous Expenditure		—	14,654,119
TOTAL		311,250,386	313,873,657
Notes forming part of accounts	M		
Significant Accounting Policies	N		

For and on behalf of the Board of Directors

As per our report of even date
For **ANAND AMARNATH & ASSOCIATES**
Chartered Accountants**Vinod Ramnani**
Chairman & Managing Director**Bhaskar Valiveti**
Director**Rose Chintamani**
Company Secretary**B.K. Amarnath**
Partner
M.No.: 026536
Firm No.: 000121SPlace : Bengaluru
Date : 24th May 2010

**PROFIT & LOSS ACCOUNT** for period ended 31st March 2010

	SCHEDULE	For the Year Ended 31-03-2010 Rs.	For the year Ended 31-03-2009 Rs.
INCOME			
Sales	H	660,023,437	585,812,493
Other Income	I	1,701,866	2,454,346
TOTAL		<u>661,725,303</u>	<u>588,266,839</u>
EXPENDITURE			
Cost of goods sold	J	474,873,621	398,307,482
Administrative & Selling Expenses	K	132,931,034	126,496,417
Financial Charges	L	18,962,539	18,340,297
Depreciation	D	7,081,056	10,560,876
TOTAL		<u>633,848,250</u>	<u>553,705,072</u>
Profit for the year before Tax		27,877,053	34,561,767
Provision for Taxation		9,510,000	15,000,000
Deferred Tax		398,631	(1,711,000)
Provision for FBT		—	1,480,476
Profit After Tax		17,968,422	19,792,291
Add/(Less) : Extraordinary / Prior Year Adjustment		15,382,967	(4,844,457)
Profit After Prior Year Adjustments		2,585,455	14,947,834
Profit brought forward from Previous Year		49,924,723	41,383,195
Profit available for appropriation		52,510,178	56,331,029
Amount Transferred to General Reserve		64,636	384,531
Proposed Dividend		5,281,100	5,281,100
Tax on Distributed Profits		740,675	740,675
Profit carried to Balance Sheet		<u>46,423,767</u>	<u>49,924,723</u>
Number of Equity Shares		5,281,100	5,281,100
Basic & Diluted earnings per equity share (Rs.) (Face value of Rs.10/- per share) Before Extraordinary / Prior year Adjustment		3.40	3.75
Basic & Diluted earnings per equity share (Rs.) (Face value of Rs.10/- per share) After Extraordinary / Prior year Adjustment		0.49	2.83
Notes forming part of accounts	M		
Significant Accounting Policies	N		

For and on behalf of the Board of Directors

As per our report of even date
For **ANAND AMARNATH & ASSOCIATES**
Chartered Accountants**Vinod Ramnani**
Chairman & Managing Director**Bhaskar Valiveti**
Director**Rose Chintamani**
Company Secretary**B.K. Amarnath**
Partner
M.No.: 026536
Firm No.: 000121SPlace : Bengaluru
Date : 24th May 2010



CASH FLOW STATEMENT

	For the Year Ended 31-03-2010 Rs.	For the year Ended 31-03-2009 Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax & extraordinary items	27,877,053	34,561,767
Adjustments for non operating items		
Amortisation and other non cash items	15,052,750	(1,711,000)
Depreciation	7,081,056	10,560,876
Dividend received for the year	(121,214)	(32,648)
Interest paid on borrowings	18,962,539	18,340,297
Interest received on Fixed Deposit	(1,580,652)	(2,345,078)
(Profit)/Loss on sale of Fixed Assets	(63,192)	(76,620)
	<u>67,208,340</u>	<u>59,297,594</u>
Adjustments for working capital		
(Increase)/Decrease in inventories	60,038,924	(23,489,128)
(Increase)/Decrease in loans & advances	(1,052,783)	17,063,225
(Increase)/Decrease in sundry debtors	69,550,309	(47,626,655)
Increase/(Decrease) in current liabilities	(157,251,706)	47,833,187
Cash operating profit/(loss) before income tax	38,493,084	53,078,223
Income tax	(9,908,631)	(14,769,476)
	<u>28,584,453</u>	<u>38,308,747</u>
Cash flow from operating activities before extraordinary items	28,584,453	38,308,747
Extraordinary items & Previous years transactions	(15,382,968)	(4,844,457)
Net cash flow from operations	13,201,485	33,464,290
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend Income	121,214	32,648
Interest received on Fixed Deposit	1,580,652	2,345,078
Proceeds from sale of Fixed Assets	650,047	300,000
Proceeds from sale of investments (net)	—	—
Total inflow of cash from investing activities	2,351,913	2,677,726
Purchase of Fixed Assets	(10,018,433)	(15,127,450)
Net cash flow from investing activities	(7,666,520)	(12,449,724)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	414,419	(2,049,404)
Net proceeds from short term borrowings	—	—
Inflow of cash	414,419	(2,049,404)
Interest paid on borrowings	(18,962,539)	(18,340,297)
Dividend paid	(5,281,100)	(5,281,100)
Corporate dividend tax paid	(740,675)	(740,675)
Net cash flow from financing activities	(24,569,895)	(26,411,476)
Total increase in cash & cash equivalents during the year	(19,034,930)	(5,396,910)
Cash & cash equivalents at the beginning of the year	46,891,950	52,288,860
Cash & cash equivalents at the end of the year	27,857,020	46,891,950

Note : Figures in brackets represent outflows

For and on behalf of the Board of Directors

Place : Bengaluru
Date : 24th May 2010

Vinod Ramnani
Chairman & Managing Director

Rose Chintamani
Company Secretary

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of Advanced Micronic Devices Limited, for the year ended 31st March 2010. The statement has been prepared by the Company in accordance with the requirement under Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company for the year ended 31st March 2010.

As per our report of even date
For **ANAND AMARNATH & ASSOCIATES**
Chartered Accountants

Place : Bengaluru
Date : 24th May 2010

B.K. Amarnath
Partner
M.No.: 026536 : Firm No.: 000121S



SCHEDULES TO THE BALANCE SHEET

	As on 31-03-2010 Rs.	As on 31-03-2009 Rs.
SCHEDULE - A :		
Share Capital Authorised :		
1,00,00,000 (P.Y. 1,00,00,000) Equity Shares of Rs.10/- Each	<u>100,000,000</u>	<u>100,000,000</u>
Issued Capital :		
52,81,100 (P.Y. 52,81,100) Equity Shares of Rs.10/- each (Out of which 650,000 equity shares of Rs.10/- each were capitalised by way of Bonus Shares during the year 1992-93 & 1994-95)	<u>52,811,000</u>	<u>52,811,000</u>
Subscribed Capital :		
52,81,100 (P.Y. 52,81,100) Equity Shares of Rs.10/- each (Out of which 650,000 equity shares of Rs.10/- each were capitalised by way of Bonus Shares during the year 1992-93 & 1994-95)	<u>52,811,000</u>	<u>52,811,000</u>
Paid-up Capital :		
52,81,100 (P.Y. 52,81,100) Equity Shares of Rs.10/- each (Out of which 650,000 equity shares of Rs.10/- each were capitalised by way of Bonus Shares during the year 1992-93 & 1994-95)	<u>52,811,000</u>	<u>52,811,000</u>
SCHEDULE - B :		
Reserves & Surplus :		
A. Share Premium	77,554,261	77,554,261
B. General Reserve:		
As per last Balance Sheet	7,921,110	7,536,579
Add : Transfer from Profit & Loss Account	64,636	384,531
TOTAL (B)	<u>7,985,746</u>	<u>7,921,110</u>
C. Profit & Loss Account balance	46,423,767	49,924,723
TOTAL (A+B+C)	<u>131,963,774</u>	<u>135,400,094</u>
SCHEDULE - C :		
Secured Loans :		
Term Loan From Banks & Financial Institutions*	5,696,051	3,300,262
Working Capital Advances from Banks**	112,594,513	113,750,210
Other Term Loans***	4,441,143	5,266,816
	<u>122,731,707</u>	<u>122,317,288</u>

* Secured by hypothecation of Fixed Assets

** Secured by hypothecation of Stocks & Book Debts

*** Secured by hypothecation of Vehicles

SCHEDULE - D :**FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Total as on 01-04-09	Additions	Deletions	Adjust- ment	Total as on 31-03-10	As on 01-04-09	For the year	Deletions	Adjust- ment	As on 31-03-10	As on 31-03-09
Land - Free hold	868,242	—	—	—	868,242	—	—	—	—	868,242	868,242
Buildings	38,902,047	—	—	—	38,902,047	6,688,222	944,510	—	—	7,642,732	31,259,315
Plant & Machinery	39,476,798	6,148,337	—	—	45,625,135	13,524,191	3,390,737	—	—	16,914,928	28,710,207
Furniture & Fixtures	12,020,279	1,679,567	360,137	—	13,339,709	3,417,211	855,120	9,852	—	4,262,479	9,077,230
Office Equipments	3,292,009	189,431	9,569	—	3,471,871	1,263,852	160,284	416	—	1,423,720	2,048,151
Vehicles *	15,938,884	1,974,660	810,553	—	17,102,991	4,927,112	1,602,509	668,215	—	5,861,406	11,241,585
Electrical Installations	432,953	26,438	—	—	459,391	228,581	20,624	—	—	249,205	210,186
Overseas Assets	3,249,414	—	—	(82,342)	3,167,072	2,082,049	107,272	—	2,737	2,192,058	975,014
TOTAL	114,180,626	10,018,433	1,180,259	(82,342)	122,936,458	32,141,218	7,081,056	678,483	2,737	38,546,528	84,389,930
Previous Year	123,685,570	14,848,889	25,032,748	678,915	114,180,626	31,335,237	10,560,876	10,155,249	400,354	32,141,218	82,039,408
											92,350,333

* Includes vehicles taken on lease Finance



SCHEDULES TO THE BALANCE SHEET (Continued)

		As on 31-03-2010 Rs.	As on 31-03-2009 Rs.
SCHEDULE - E :			
Investments :			
	No. of Shares		
a) Quoted Shares at Cost :			
Ambuja Cements Ltd.	5250	129,776	129,776
Centum Electronics Ltd.	700	7,000	7,000
Gold Stone Technologies Ltd.	400	90,431	90,431
HDFC Bank Ltd.	900	9,000	9,000
Hindustan Lever Ltd.	1000	296,226	296,226
ICICI Bank Ltd.	500	127,925	127,925
IDBI Ltd.	704	29,820	29,820
Infosys Technologies Ltd.	480	462,259	462,259
Intense Technologies Ltd.	100	69,385	69,385
Navaneeth Publication Ltd.	3000	55,134	55,134
NIIT Ltd.	187	96,071	96,071
NIIT Technologies Ltd.	55	—	—
Samrat Ashoka Exports Ltd.	200	12,000	12,000
Siemens Ltd.	750	28,385	28,385
Silverline Technologies Ltd.	112	356,610	356,610
Sonata Software Ltd.	600	67,780	67,780
Sri Adhikari Bros Ltd.	580	367,793	367,793
Sundaram Fastners Ltd.	4500	146,379	146,379
Tata Chemicals Ltd.	1750	172,920	172,920
TISCO Ltd.	450	33,538	33,538
Titan Industries Ltd.	100	4,972	4,972
Wockhardt Ltd.	600	85,021	85,021
Total - a		2,648,425	2,648,425
b) Unquoted Investment at Cost :			
Microland Ltd.	10	102,000	102,000
Micronic Healthcare Pvt. Ltd.	998	99,800	99,800
Total - b		201,800	201,800
Aggregate cost of Quoted Investments Rs.26,48,425 Market value Rs.66,49,971 (P.Y. 33,28,901) as on 31 st March 2010 or as on last quoted date. Unquoted investments Rs.2,01,800 market value Rs.2,01,800 as determined by the Directors (after accounting for the impairment loss in the value of the unquoted shares)			
TOTAL (a+b)		2,850,225	2,850,225
SCHEDULE - F :			
Current Assets, Loans & Advances :			
A. Inventories			
(Valued at lower of cost or net realisable value as certified by the Management)			
Stock in Trade		231,049,278	258,093,198
Project work in Progress		—	32,995,004
TOTAL		231,049,278	291,088,202



SCHEDULES TO THE BALANCE SHEET (Continued)

	As on 31-03-2010 Rs.	As on 31-03-2009 Rs.
B. Sundry Debtors		
(unsecured considered good, for which the Company holds no security other than the debtor's personal security)		
Debts outstanding for a period exceeding six months	57,443,256	139,102,980
Other Debts	236,482,940	224,373,525
TOTAL	293,926,196	363,476,505
C. Cash & Bank Balances		
Deposit & Other Accounts	13,298,661	35,385,445
Current Accounts	14,293,881	11,356,388
Cash on hand	264,478	150,117
TOTAL	27,857,020	46,891,950
D. Loans & Advances		
(Unsecured considered good, receivable in cash or in kind or for value to be received)		
Advances to suppliers	1,442,710	4,392,232
Others Advances	10,490,744	12,198,004
Staff Advance	498,223	302,528
Deposits	2,909,489	3,167,263
Income tax paid for AY 95-96 & 96-97	4,717,663	4,717,663
Advance Tax & Tax Deducted at Source	13,649,587	7,877,943
TOTAL	33,708,416	32,655,633
SCHEDULE - G :		
Current Liabilities & Provisions:		
Current Liabilities :		
Sundry Creditors - SME units	23,713,189	6,946,479
Others	207,684,957	193,695,359
Advance from Customers	6,402,577	10,169,544
Advance from Others	18,362,788	229,024,900
Other Statutory Dues Payable	14,601,872	10,558,781
Liabilities for Expenses	56,433,535	9,215,436
Unpaid Dividend	1,910,346	1,967,472
TOTAL	329,109,264	461,577,971
Provisions :		
Provision for Taxation	21,039,750	40,146,509
Provision for Fringe Benefit Tax	—	2,810,661
Provision for Interest on FBT	—	433,390
Provision for Gratuity	4,059,462	4,364,077
Provision for leave encashment	1,559,754	1,139,408
Provision for Proposed Dividend	5,281,100	5,281,100
Provision for Tax on Proposed Dividend	1,481,349	3,703,373
Provision for Interest on Dividend Tax	—	325,896
TOTAL	33,421,415	58,204,414



SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

	For the Year Ended 31-03-2010 Rs.	For the year Ended 31-03-2009 Rs.
SCHEDULE - H :		
Sales :		
USA Branch	203,908,707	128,472,047
Local	438,099,911	440,811,188
Commission Received	18,014,819	16,529,258
TOTAL	660,023,437	585,812,493
SCHEDULE - I :		
Other Income :		
Dividend Income	121,214	32,648
Interest Received	1,580,652	2,345,078
Profit on Sale of Asset	—	76,620
TOTAL	1,701,866	2,454,346
SCHEDULE - J :		
Cost of Goods Sold :		
Materials Consumed	424,617,760	375,243,665
Power & Fuel	362,345	382,403
Service Charges	41,120,980	17,737,379
Insurance	712,672	927,506
Spares - Materials	8,059,864	4,016,529
TOTAL	474,873,621	398,307,482
SCHEDULE - K :		
a. Administrative & Selling Expenses :		
Advertisement	728,378	309,143
AGM Expenses	38,133	33,990
Commission paid	2,990,157	1,976,587
Conveyance & Vehicle Maintenance	6,848,729	5,994,677
Directors Remuneration	2,892,000	2,892,000
Discount Allowed	1,870,310	836,349
Electricity & Water Charges	752,209	792,858
Freight Charges	6,050,943	1,872,887
Loss on Sale of Assets	201,776	—



SCHEDULES TO THE PROFIT AND LOSS ACCOUNT (Continued)

	For the Year Ended 31-03-2010 Rs.	For the year Ended 31-03-2009 Rs.
Membership & Subscription Fees	92,592	189,741
Office Maintenance	2,573,553	2,550,006
Packing materials	80,211	151,657
Postage, Telegraph & Telephones	5,558,660	6,245,971
Printing & Stationery	3,414,853	2,897,748
Professional & Consultancy fees	4,886,837	8,746,417
Rent, Rates & Taxes	6,529,865	4,697,004
Repairs & Maintenance	1,309,423	1,037,029
Sales Promotion	2,682,905	6,449,613
Security Charges	314,781	317,230
Seminar Expenses	2,038,930	1,051,283
Statutory Audit fees	882,400	661,800
Tender Expenses	275,252	260,794
Travelling Expenses	9,799,960	10,820,750
Travelling Expenses - Director	1,622,032	928,843
Total - a	64,434,889	61,714,377
b. Staff Expenses :		
Salaries & Allowances	66,161,676	62,907,860
Staff Welfare and Amenities	2,334,469	1,874,180
Total - b	68,496,145	64,782,040
TOTAL (a+b)	132,931,034	126,496,417

SCHEDULE - L :

Financial Charges :

Interest on Working Capital	14,000,636	15,015,939
Interest on Term Loan	1,071,600	628,202
Interest on Vehicle Loan	522,323	553,569
Bank Charges	3,367,980	2,142,587
TOTAL	18,962,539	18,340,297



NOTES FORMING PART OF ACCOUNTS

	For the Year Ended 31-03-2010 Rs. in Lakhs		For the year Ended 31-03-2009 Rs. in Lakhs	
SCHEDULE - M :				
1. CAPACITIES & PRODUCTION				
a) Licensed Capacity	NA		NA	
b) Installed Capacity	NA		NA	
c) Production	NA		NA	
2. CONTINGENT LIABILITIES				
a) Letter of Credits	74.23		50.00	
b) Bank Guarantees	275.39		225.60	
TOTAL	349.62		275.60	
3. DETAILS OF COST OF SALES / SERVICE				
Healthcare	3,247.93		2,596.11	
Information Technology	998.25		1,156.33	
TOTAL	4,246.18		3,752.44	
4. PARTICULARS OF SALES				
Healthcare	4,132.32		3,449.55	
Information Technology	2,467.91		2,408.57	
TOTAL	6,600.23		5,858.12	
5. VALUE OF RAW MATERIALS CONSUMED				
a) Indigenous	682.11	16.06	171.76	4.58
b) Imported	3,564.07	83.94	3,580.68	95.42
TOTAL	4,246.18	100.00	3,752.44	100.00
6. QUANTITATIVE DETAILS				
The Company is engaged mainly in Trading of goods of wide range in Health Care and IT products. The number of items and their accessories are voluminous in number with wide price range. Hence items cannot be grouped into specific categories since they are heterogenous and have different technical specifications. The details of the finished goods of the items manufactured by us is given below :				
Opening Stock	—		—	
Production	712,512 Nos.		683,840 Nos.	
Sales	712,512 Nos.		683,840 Nos.	
Closing Stock	—		—	
7. EARNINGS IN FOREIGN CURRENCY				
a) Commission	174.13		158.95	
8. EXPENDITURE IN FOREIGN CURRENCY				
a) Foreign Travel	14.40		11.72	
b) Materials (CIF Value)	1,278.56		2,107.02	
c) Capital Equipments (CIF Value)	30.06		47.56	
9. REMUNERATION TO MANAGING DIRECTOR & WHOLE-TIME DIRECTOR				
MANAGING DIRECTOR	Nil		Nil	
WHOLE-TIME DIRECTOR :				
a) Salary	26.40		26.40	
b) Contribution to Provident fund	2.52		2.52	

The above payments are as per the provisions of Schedule XIII of the Companies Act, 1956.



NOTES FORMING PART OF ACCOUNTS (Continued)

	For the Year Ended 31-03-2010 Rs. in Lakhs	For the year Ended 31-03-2009 Rs. in Lakhs
Computation of Net profits under Section 198 read with Section 349 and Section 350 of the Companies Act, 1956 for the year ended 31 st March 2010.		
Profit before Taxation	278.77	345.62
Add : Managerial Remuneration to Directors	28.92	28.92
Loss on Sale of Fixed Assets	2.02	—
Depreciation as per accounts	70.81	105.61
	380.52	480.15
Less : Depreciation as per Section 350 of the Companies Act	70.81	105.61
Profit on Sale of Fixed Assets	—	0.77
Net Profits as per Section 349 of the Companies Act, 1956	309.71	373.77
Remuneration to Managing and Whole-Time-Directors @ 10% of the Net profits (maximum)	30.97	37.37
Remuneration to Whole-Time-Directors (salary & perquisites)	28.92	28.92

10. The Company has an on going programme of periodic reconciliation of sundry debtors, sundry creditors, and loans & advances given / taken & Provisions wherever necessary have been made.

11. The following are the details of prior period expenses :

Product Development Expenses-Net	146.54
Service Tax on Labour Charges	24.78
Interest on Service Tax on Labour charges	12.41
Interest on delayed payment of ST/EC	3.73
Excess provision of FBT for 2007-08	1.19
Interest on Income Tax for Asst. Year 2007-08	58.11
Interest on FBT 2007-08	0.01
Interest on Dividend Tax 2007-08	2.22
Provision of FBT interest for 2007-08 credited	(2.78)
Excess provision of I.Tax amount for A.Y. 2007-08	(106.89)
Medicaid, USA	3.74
Eurocor, Germany	10.77

12. The Company has taken Group Gratuity scheme under cash accumulation system from LIC of India and unavailed encashable earned leave Rs.4,20,346 on accrual basis.

13. Deferred Tax Asset as at 31st March 2010 represents the tax effect of temporary differences substantially on account of differences in the written down value of fixed assets on account of differing depreciation methods / rates & other timing differences, arising during the accounting year.

Deferred Tax liability at Beginning of the year	33.45	50.56
Less : Deferred Tax Asset	3.99	(17.11)
Net Deferred Tax Liability	37.44	33.45

14. The Company has not paid undisputed Income Tax, Liabilities outstanding as on 31st March 2010 for a period of more than 6 months from the date on which they became payable, as outlined below :

(Amount in Lakhs)

Financial Year	Income Tax	Dividend Tax	Total
2008-09	140.96	7.41	148.37
2009-10	69.44	—	69.44



NOTES FORMING PART OF ACCOUNTS (Continued)

	For the Year Ended 31-03-2010 Rs. in Lakhs	For the year Ended 31-03-2009 Rs. in Lakhs
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15. During the year The Commissioner of Service Tax, Audit Section, Bengaluru has conducted the Audit and observed that, the Company is liable to pay Rs.2,01,31,900/-.

We have done the assessment and accepted a liability of Rs.44,04,348/-, which has been paid during the year.

In our opinion, the balance of Rs.1,57,27,552/- is not a liability on us. But, if we receive any demand from the department, we will contest the claim, to that extent there is contingent liability of Rs.1,57,27,552/-.

16. AUDITOR'S REMUNERATION

Statutory Audit Fees	6.62	4.25
Tax Audit Fee	2.20	0.75

17. Net effect of Foreign Exchange rate difference included in the net profit for the period is Rs.35.88 Lakhs Profit (P.Y. Rs.102.17 Lakhs (Loss))

18. LIST OF RELATED PARTIES

Enterprises owing directly or indirectly, an interest in the voting power of the Company that gives control or significant influence over the Company.

- I. **Holding Company** Opto Circuits (India) Ltd.
- II. **Fellow Subsidiaries** Altron Industries Pvt. Ltd.
Eurocor GmbH, Germany
Mediaid Inc., USA
Devon Innovation Pvt. Ltd.
Ormed Technologies Ltd.
Opto Infrastructure Ltd.
Criticare Systems Inc., USA
Maxcor Lifescience Inc., USA

III. Key Management Personnel :

- Mr. Vinod Ramnani Chairman & Managing Director
- Mr. Bhaskar Valiveti Whole-Time Executive Director

19. RELATED PARTY TRANSACTIONS

During the year, the following transactions were carried out with the related party in the ordinary course of business.

Rs. in lakhs

Particulars	Holding Company		Key Management Personnel (Managing Director, Whole-Time Director, Manager and other Managerial Personnel)		Fellow Subsidiaries		Total	
	As on 31-03-10	As on 31-03-09	As on 31-03-10	As on 31-03-09	As on 31-03-10	As on 31-03-09	As on 31-03-10	As on 31-03-09
Loans & Advances	369.72	61.84					369.72	61.84
Loans & Advances - Credit						647.89		647.89
Purchase of Goods	532.63	60.21					532.63	60.21
Sale of Goods	343.47	251.28					343.47	251.28
Purchase of Fixed Assets								
Sale of Fixed Assets								
Rendering of Services			28.92	28.92			28.92	28.92
Receipt of Services					0.92	4.23	0.92	4.23
Sundry Debtors	11.25	45.42					11.25	45.42
Agency Arrangement								
Dividend Payments	31.53	63.06					31.53	63.06
Licence Arrangement								
Finance (including loans & equity contribution in cash or in kind)								
Guarantees & Collaterals								



NOTES FORMING PART OF ACCOUNTS (Continued)

Particulars	For the Year Ended 31-03-2010 Rs. in Lakhs	For the year Ended 31-03-2009 Rs. in Lakhs
20. SEGMENT REPORT		
Segment Revenue (Net sales incl. of Excise duty)		
a) Healthcare		
Northern Region	554.35	656.68
Rest of India	3,577.97	2,792.87
b) Information Technology		
Southern Region	1,302.80	1,459.78
Rest of India	1,165.11	948.79
c) Others	17.02	24.54
Total Segment Revenue	<u>6,617.25</u>	<u>5,882.66</u>
Segment Results (Profit before Interest & Tax)		
a) Healthcare		
Northern Region	36.53	56.48
Rest of India	236.20	240.11
b) Information Technology		
Southern Region	93.80	125.98
Rest of India	84.84	81.91
c) Others	17.02	24.54
Total Segment Profits	468.39	529.02
Less : Interest	189.62	183.40
Total Profit before Tax	<u>278.77</u>	<u>345.62</u>
Capital Employed (Segment Assets - Segment Liabilities)		
a) Health Care	1,339.22	1,884.04
b) Information Technology	1,201.59	697.10
c) Others	429.92	564.36
1. Segments have been identified in accordance with Accounting Standard 17 "Segment Reporting", considering the organisation structure & the return / risk profiles of the business. The Management Information system recognizes & monitors these segments on a continuous basis.		
2. Segment revenue includes sales & other income directly identifiable with the segment & allocable to it.		
3. Assets used in the Company's business or liabilities contracted have been identified to the reportable segments. Unallocable Assets used / liabilities contracted used in Corporate Office have been separately shown.		
21. The Income, expenditure and other financials of USA Branch have been consolidated with the Company's accounts. No separate profitability statements have been prepared. These accounts are not Audited. These accounts have been adopted based on the Certification of the Branch Head.		
22. Details of Term loan paid during the year		
Term Loan (Secured by Hypothecation of Building & FD)	67.06	41.07
Vehicle Loan (Secured against hypothecation of Vehicles)	17.95	16.35
23. Dues to Micro and Small Enterprises		
The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31 st March 2010 are as Under :		
The total amount due to such enterprises	237.13	69.46
There is no interest payable for such delayed payments.		
24. The Company capitalised product development expenditure to the tune of Rs.2,44,23,535 during F.Y. 2006-07 under intangible assets. This has now been written off during the year and debited to prior period expenses.		
25. Previous year figures have been regrouped & reclassified to correspond with the current year's classification.		



SCHEDULE - N :

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

a. Basis of preparation of financial statements

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

b. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

c. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses. Cost comprises purchase price, duties, levies and any other costs relating to the acquisition and installation of the assets. Interest and financing charges on borrowed funds, if any, used to finance the acquisition of fixed assets, until the date the assets are ready for use are capitalized and included in the cost of the asset.

d. Depreciation

Depreciation is provided on Straight Line method at the rates equal to the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956. Proportionate depreciation is charged for additions / deletions during the year on the assets situated in India. For, Assets situated outside India, depreciation is calculated on the basis of estimated useful life of that asset.

Schedule XIV Rates (SLM)

Building	1.63%
Plant & Machinery	4.75%
Computers (included in plant and machinery)	16.21%
Furniture and Fixtures	6.33%
Vehicles	9.50%

e. Intangibles

Research and Development Costs : Research costs are expensed as incurred. Development expenditure incurred on an individual project is capitalised. Intangible assets are amortised over their respective useful life on straight line basis.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

f. Deferred Tax

Deferred Tax Assets & Liabilities are recognized for the estimated future tax consequences of temporary differences between the carrying value of the assets and liabilities and their respective tax bases. Deferred Tax Asset in the nature of unabsorbed depreciation and losses are recognized only if there is virtual certainty of realization. The effect on deferred tax asset and liabilities of a change in rates is recognized in the income statement in the period of enactment of the change.



g. Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against expenditure. Lease management fees, legal charges and other initial direct costs are capitalised.

Operating Lease : Office premises are obtained on operating lease. The lease term varies from 11 months to 36 months and is renewable for further period at the option of the Company. Each lease agreement is bound by specific escalation clause. There is no restrictions imposed by lease agreements. There are no sub-lease.

h. Investments

Current investments are valued at lower of cost or fair market value. Long term investments are stated at cost less permanent diminution, if any, in value.

i. Inventories

Inventories are valued as follows :

Raw materials, components, stores and spares : Lower of cost and net realizable value. Cost is determined on a weighted average basis.

Finished goods : Lower of cost and net realizable value. Cost includes direct materials and labour. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

j. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods : Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

Interest : Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends : Revenue is recognised on actual receipt of Dividend.

k. Foreign currency translation

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Foreign currency assets and liabilities are translated into rupees at the exchange rates prevailing on the balance sheet date. Exchange differences in translation of foreign currency assets and liabilities and realized gains and losses on foreign exchange transactions, other than those relating to fixed assets, are recognized in the profit and loss account.

l. Retirement benefits

- i. The Company's liability on accrual basis towards retirement benefit in the form of Provident fund, gratuity and earned leave encashment are provided for and charged to revenue expenditure.
- ii. The Company contributes to the Employee Provident fund maintained under the EPF scheme of the Central Government.
- iii. The Gratuity liability is provided and charged off as revenue expenditure based on Actuarial valuation.
- iv. Actuarial gains / losses at the time of settlement are immediately taken to the profit and loss account and are not deferred.



m. Statutory Levies & Taxes

The Company follows mercantile system of accounting with respect to transactions in the normal course of business. However, with respect to the effect of the outcome of tax assessments, appeals & proceedings, the Company records the same on determination or completion & disposal.

Deferred Tax Assets & Liabilities are recognized for the estimated future tax consequences of temporary differences between the carrying value of the assets & liabilities and their respective tax bases. Deferred Tax Asset in the nature of unabsorbed depreciation and losses are recognized only if there is virtual certainty of realization. The effect on deferred tax asset & liabilities of a change in rates is recognized in the income statement in the period of enactment of the change.

n. Segment Reporting Policies

Identification of segments : The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Intersegment Transfers : The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

o. Earnings Per Share

The basic earning per share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the period. Diluted earnings per share have not been computed, as the Company has not issued any Diluted Potential Equity Shares.

p. Cash flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

For and on behalf of the Board of Directors

As per our report of even date
For **ANAND AMARNATH & ASSOCIATES**
Chartered Accountants

Vinod Ramnani
Chairman & Managing Director

Bhaskar Valiveti
Director

Rose Chintamani
Company Secretary

B.K. Amarnath
Partner

Place : Bengaluru
Date : 24th May 2010

M.No.: 026536
Firm No.: 000121S



BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

1. Registered Details

Registration Number	15445	State Code	08
Balance Sheet Date	31-03-2010		

2. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

3. Position of mobilization & deployment of funds (Amount in Rs. Thousands)

SOURCES OF FUNDS		APPLICATION OF FUNDS	
Total Liabilities	311,250	Total Assets	311,250
Paid Up Capital	52,811	Net Fixed Assets	84,390
Reserves & Surplus	131,963	Investments	2,850
Secured Loans	122,732	Net Current Asset	224,010
Deferred Tax Liability	3,744		

4. Performance of Company (Amount in Rs. Thousands)

Turnover	661,725	Total expenditure	633,848
Profit before tax	27,877	Profit after tax	17,968
Earning per Share (in Rs.)	0.49	Dividend rate	10%

5. Generic names of two Principal products / services of Company (as per monetary terms)

Item Code No. (ITC Code)	Product Description
9,018.90	Cardiac Care Equipments & Devices
8,524.20	Software

For and on behalf of the Board of Directors

Place : Bengaluru
Date : 24th May 2010

Vinod Ramnani
Chairman & Managing Director



ADVANCED MICRONIC DEVICES LTD.

A-306, 2nd Floor, KSSIDC Complex,
1st Block, Electronic City, Hosur Road,
Bangalore - 560 100.