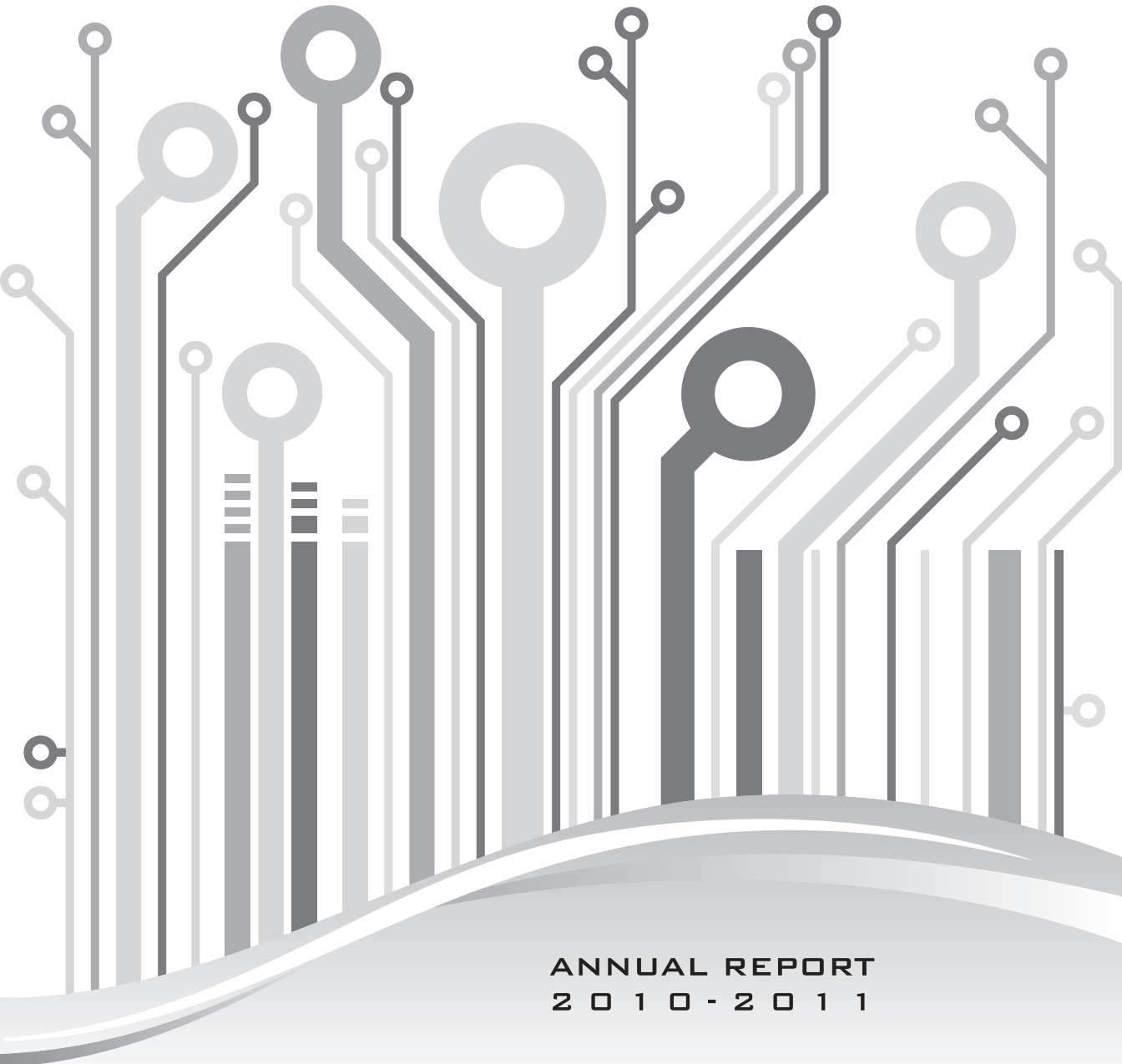




Circuit Systems (India) Limited



ANNUAL REPORT
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CORPORATE INFORMATION

Board of Directors:

Mr. Maganbhai H. Patel	<i>Director</i>
Mr. Somabhai H. Patel (Alternate Director to Mr. Magan H. Patel)	<i>Director</i>
Mr. Paresh N. Vasani	<i>Managing Director</i>
Mr. Sharad R. Shah	<i>Whole Time Director</i>
Mr. Anil T. Patel	<i>Director</i>
Mr. Niranjan R. Dave	<i>Director</i>
Mr. Ishwarbhai H. Patel	<i>Director</i>
Mr. Ambalal C. Patel	<i>Director</i>
Mr. Dilip S. Vyas	<i>Director</i>

Auditors :

Virendra Chinubhai & Co.
Chartered Accountants,
Visnagar – 384 315.

Bankers :

Corporation Bank

Regd. Office :

B-24, GIDC Electronics Estate,
Sector – 25, Gandhinagar – 382 044

Registrar & Share Transfer Agent :

Cameo Corporate Services Limited
“Subramanian Building”
1, Club House Road, Chennai – 600 002
The ISIN of the Company’s Equity shares is **INE720H01010**

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**NOTICE**

NOTICE is hereby given that the 16th Annual General Meeting of the Members of **CIRCUIT SYSTEMS (INDIA) LIMITED** will be held on **Thursday, the 29th day of September, 2011 at 4.00 p.m.** at the Registered Office of the Company at B – 24, GIDC Electronics Estate, Sector – 25, Gandhinagar – 382 044 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, the Profit and Loss Account for the year ended on that date together with the Schedules and Notes attached thereto and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ambalal C. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ishwarbhai H. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Registered Office :
B-24, GIDC Electronics Estate
Sector – 25, Gandhinagar
Place : Gandhinagar
Date : 03-09-2011

By Order of the Board
Circuit Systems (India) Ltd.

Managing Director

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED.**
2. (a) The Register of members and the Share Transfer Books of the Company will remain closed from **26th September, 2011 to 29th September, 2011 (both days inclusive)**.
(b) As required under Clause 49(IV)(G)(i) of the Listing Agreement, particulars relating to Mr. Ambalal C. Patel and Mr. Ishwarbhai H. Patel, Directors retiring by rotation and whose re-appointments have been proposed at the forthcoming Annual General Meeting, are enclosed in the Appendix to this Notice.
3. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the Meeting to enable the management to keep the information ready.
4. Members are requested to notify immediately any change in their address to the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, "Subramanian Building", No. 1, Club House Road, Chennai – 600 002 or at the Registered Office of the Company.
5. A Member or his Proxy is requested to bring the copy of the Annual Report already circulated to the members, at the Meeting.
6. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
7. The Section on General Shareholder Information ("the said Section") containing information of particular relevance to Shareholders forms a part of the Report on Corporate Governance. Attention of all Shareholders is accordingly drawn to the said Section.

By Order of the Board
Circuit Systems (India) Ltd.

Place : Gandhinagar
Date : 03-09-2011

Managing Director

**CIRCUIT SYSTEMS (INDIA) LIMITED****INFORMATION AS REQUIRED UNDER CLAUSE 49(IV)(G) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING :**

Name of Director	Mr. Ishwarbhai H. Patel	Mr. Ambalal C. Patel
Date of Birth	4-07-1936	1-04-1944
Date of appointment	5.12.2005	05.12.2005
Qualification	B.A.	Engineer.
Expertise in specific functional area	He is having business experience of 46 years. He started his career with trading of fabric and then started his own business of manufacturing of knitted garments.	He is having 30 years of experience in various capacities. He is BE in Metallurgy from Ind. Inst. Of Science. He has handled responsibilities of Projrct Finance, Project eveluation, project appraisal, liasion with state gov. authorities as well as with bank and financial institutions, handled BIFR cases and has also headed personnel and admin. Dept. of the corporation
Directorship held in other companies (excluding private & foreign companies)	Nil	(1) Ajmera Reality and Infra. Ltd. (2) Shree precoated Steel Ltd (3) Laffans Petrochemicals Ltd (4) Vishal Malleable Ltd. (5) Jindal Hotels Ltd (6) Sal Steel ltd (7) Nandan Exim Ltd (8) CIL Nova Petro. Ltd (9) Chiripal Industries Ltd (10) Karnavati Hospitals Ltd
Membership/ Chairmanship of committees in other public companies (includes only Audit Committees/Shareholders /Investors Grievances Committee)	Nil	(1) Ajmera Reality and Infra. Ltd. (2) Shree precoated Steel Ltd (3) Jindal Hotels Ltd (4) Sal Steel ltd (5) Nandan Exim Ltd (6) CIL Nova Petro. Ltd
Shareholding in the company	1,00,000 SHARES	0



DIRECTORS' REPORT

To,
The Members,
Circuit Systems (India) Ltd.,

Your Directors have pleasure in presenting herewith the 16th Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2011.

Financial Results: (Rs. In Lacs)

Particulars	2010-11	2009-10
Income from Operation (Net of Excise)	3768.20	3696.62
Other Income	64.06	83.00
Profit before Interest, Depreciation and Tax	288.05	382.40
Less : Interest and Financial Charges	96.43	105.60
Less : Depreciation	156.23	155.57
Profit from operations	35.39	121.23
Less : Prior Period Adjustments (Net)	131.64	49.00
Add : Income from extra ordinary Items	37.01	79.46
Profit for the year before tax	(59.23)	151.68
Less : provision for taxation	29.50	33.06
Add : Deferred Tax asset/(Liability)	109.08	(45.55)
Profit for the year after Tax	20.35	73.07
Proposed Dividend	0	0
Dividend Tax	0	0
Transfer to General Reserve	0	0
Amount c/f. to Balance sheet	835.75	815.40

DIVIDEND :

As a matter of sound accounting practice and management philosophy, with a view to making sound and strong economic base for the Company and in order to conserve the resources; your Directors do not recommend any dividend for the current year.

BUSINESS SCENARIO:

During the year, your company has achieved a turnover of Rs. **3768.20 Lacs (Net of Excise)** in comparison to the turnover of Rs. 3696.63 Lacs (Net of Excise) of previous year. and Export Sales has increased by 12.04 %during the year.

Company's Capital Expenditure on the project till 31st March, 2011 is 22.05 crores. For this new project, we are monitoring the market situation and We are positive that market trend will inflate the PCB business in global market. The company has started the process of getting remaining clearances from state government.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 or rules made there under.

INSURANCE:

All the existing properties including Plant and Machineries, Building and stocks are adequately insured.

DIRECTORATE:

Pursuant to the provisions of Section 256 of the Companies Act, 1956 Mr. Ambalal C. patel and Mr. Ishwarbhai H. Patel, Directors of the Company, retire at the ensuing Annual General Meeting of the Company and are eligible for reappointment. The Board recommends their reappointment as Directors of the Company.

AUDITORS:

M/s. Virendra Chinubhai and Co., Chartered Accountants, Visnagar, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. You are requested to approve their re-appointment at the said meeting.

AUDITORS' REPORT:

The observations made in the Auditors Report are self explanatory and therefore, need not require any further comments under section 217 of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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



CIRCUIT SYSTEMS (INDIA) LIMITED

- (i) That in the preparation of Accounts for financial year ended on 31st March, 2011 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2011 and of the profit of the Company for the year ending on that date;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2011 on a going concern basis.

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

Energy Conservation Measures:

Your Company uses electric energy for its machineries installed at the work premises and office equipments at office premises. All possible measures have been taken to conserve energy by using latest technology, which is most efficient and conservative in absorbing the energy.

Foreign Exchange Earnings and Outgo:

	Rs. In Lacs	
Particulars	2010-11	2009-10
1. Foreign Exchange Earned During the year :		
Exports	583.83	565.63
Foreign Exchange Fluctuation Income	63.83	80.50

	(Rs. In Lacs)	
Particulars	2010-11	2009-10
2. Foreign Exchange Outgo :		
Foreign Traveling	7.99	5.04
Repairs and Maintenance – Machinery	43.36	54.80
Export Expenses	0.55	—
Imports (CIF Value)	1740.17	1708.17
Foreign Exchange Fluctuation Loss	—	—
Sales Commission – Export	11.98	9.12
Training Expenses	0.00	0.67

PARTICULARS OF EMPLOYEE:

During the year, there were no employees, within the organization, who were in receipt of remuneration exceeding Rs. 24,00,000/- p.a. or if employed for part of the year drawing remuneration in excess of Rs. 2,00,000/- p.m.

CORPORATE GOVERNANCE :

The Company has generally implemented the procedure and adopted practices in conformity with the Code of Corporate Governance as enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Management Discussion & Analysis and Corporate Governance Report are made a part of the Annual Report. A Certificate from the Practicing Company Secretaries regarding compliance of the conditions of the Corporate Governance is given in annexure, which is attached hereto and forms part of Directors' Report.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to acknowledge with gratitude for the trust reposed in the Company by the Shareholders, Investors and Readers/Customers, Corporations and Government Authorities. Directors of your Company specifically express their gratitude to the Bankers of the company, Corporation Bank which has extended their full support to the Company. Further, Your Directors also keenly appreciate the dedication & commitment of the Employees of the Company.

FOR AND ON BEHALF OF THE BOARD,

Place : Gandhinagar **(Paresh N. Vasani)** **(Sharad R. Shah)**
 Date : 31-08-2011 (Managing Director) (Whole time Director)

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report forms part of the Director's Report.

Forward Looking Statements :

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipate', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company can not guarantee that these assumptions and expectations are accurate or will be realized. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify, or revise any forward looking statements on the basis of any subsequent developments, information or events.

Introduction :

Circuit Systems (India) Ltd. was formed to manufacture world class Professional Grade Printed Circuit Boards in Gandhinagar, Gujarat, in the year 1995. The Company has been recognized as one of the reliable quality PCB manufacturing companies. Company is aggressively pushing its capacity and capability in global market.

Business Outlook:

Though having business risks and threats as faced in earlier year, Company is taking measures to sustain momentum both in the short and long term. The Company is adequately equipped with the necessary strengths in its business operations to successfully counter the various risks and threats that could in any way derail the overall positive industry forecasts. The Company is continuously making efforts in improving its operational.

Outlook on Opportunities :

Due to the nature of the industry and its volatility, your company is planning to focus on technology and deploy its resources carefully and in right directions. Your company will look forward to adding new customer base and focus on its niche.

Threats, Risks and Concerns:

The major risks and threats for our Company are related to Global Economic trends & progress along with individual Country's economic conditions. The major risks, which may have impact on company's business, are as follows:

- (1) Indian Economy and International Economic trends.
- (2) Foreign currency rate fluctuations
- (3) Interest rate fluctuations and high rates of inflations.
- (4) The other risks may be the risks of natural calamities, like flood, earth quakes, terrorist attacks, riots or any other natural disasters.

Business and Operational Risk:

PCB Industry is very sensitive looking to the sentiments of demand-supply chain, trusted quality and customer confidence is directly linked with economic factors like consumer reliance, technology and its upgradation, inventory controls etc. Industry segments like industrial electronics including but not limited to Instrumentation, Telecom, Power Supply, LED, Defence and Aerospace are expected to generate more demand on a healthy levels.



Financial Risk:

Your company is making every possible effort to improve the risk management of its finances. Your company is improving its inventory management, stock and work in Process. Your company has opted not to increase its exposure.

Your company is grateful to its vendors for their outstanding support and service. Your company has developed a strong relationship with its vendors over a period of time.

Results of Operations for the year 2010-11:

The Company has earned revenues of Rs. **3768.20 Lacs** in 2010-11 as compared to Rs. 3696.62 Lacs last year. Though overall sluggish global economic scenario, Company has sustained its revenues and income during the year.

Capacity Utilisation:

Your company is continuously monitoring costs and efficiency associated to its capacity. The Company also plans to implement lean manufacturing practices and reduce overheads to drive the growth of production. Last year your company adopted a flexible capacity utilization scheme by developing a state of the art forecasting system. This has been a great tool to improve our operational efficiency and output with less stress on capacity. Your company plans and is continued to focus on this innovative tool for the coming years.

Contingent Liability:

Details of Contingent Liabilities are given in Schedule **U** of the Notes on Balance Sheet and Profit and Loss Account

Internal Control :

Circuit Systems has a defined organization structure and has a robust internal control systems and processes in place for smooth functioning and controlling the conduct of the business. Company has developed well documented policy guidelines with predetermined authority levels. An extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations has also been implemented. In order to ensure that all checks and balances are in place and all internal control systems are in order regular and exhaustive internal audits are conducted by experienced firm of Chartered Accountants in close coordination with the Company's own internal Audit systems implemented within the organization. Besides, company has Audit Committee to keep a close watch on compliance with internal control systems. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported correctly.

This system will go a long way in reinforcing the commitment towards the shareholders, Government Agencies, Banks, Creditors by adopting best corporate Governance practices in respect of internal controls over financial reporting.

Industrial Relations and Human Resource Management:

Industrial Relations remained focused on best customer services, adopting business ethics values at all levels of organization and developing potential business relations across the world. The development of human resources is a key strategic challenge in order to prepare people for future responsibilities in terms of technical, managerial, professional and business skills. The Company is regularly investing in human capital for training of manpower for upgrading their skills.



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILISOPHY ON CODE OF GOVERNANCE

Our Company's philosophy lies in following best Corporate Governance policies. The Company is continuously focusing on fulfilling mandatory Corporate Government practices to manage and control the affairs of the company in an efficient manner. The company is committed to uphold the values of transparency and accountability to its shareholders, Customers, Employees, Creditors, Government and the society at large by following conduct of corporate governance and endeavors to maintain these values on regular basis.

The Company believes in developing and maintaining good business ethics, innovative ideas, customer values, professional pride, marketing strategies and best quality products. It aims to increase and sustain its corporate value through growth and innovation.

2. BOARD OF DIRECTORS

At the end of the year 2010-11, the strength of the Board of Directors was eight Directors, out of which six were Non-Executive Independent Directors. The composition of Board is in compliance with the requirements of Clause 49(1)(A), which has enabled the company to take benefit of their experience and expertise in different business and professional areas. The Company has an Non-executive Chairman and Executive Managing Director who is taking first lead on growth of overall business and penetrating true business opportunities at all levels.

The details of attendance of each director at the last Annual General Meeting and details of number of other directorship and chairmanship/Membership of Board/Committee of each Director are as under:

Name of Director	Designation	Category of Directorship	Attendance at the Last AGM	No. of Board Meetings attended	Directorships in other Indian Public Companies** as at 31-03-2011	No. of Board/Committee*** membership as at 31st March, 2011 (Other than Circuit Systems (India) Ltd.	
						Chairman	Member
Mr. Magan H. Patel	Director	Promoter Non-Executive	No	0	0	Nil	Nil
Mr. Paresh N. Vasani	Managing Director	Promoter - Executive	Yes	8	0	Nil	Nil
Mr. Anil T. Patel	Director	Independent Non-Executive	Yes	7	3	Nil	Nil
Mr. Sharad R. Shah	Whole Time Director	Executive Director	Yes	8	0	Nil	Nil
Mr. Ishwarbhai H. Patel	Director	Independent Non-Executive	No	2	0	Nil	0
Mr. Ambalal C. Patel	Director	Independent Non-Executive	No	4	10	3	3
Mr. Dilip S. Vyas	Director	Independent Non- Executive	No	1	Nil	0	Nil
Mr. Niranjan R. Dave	Director	Independent Non- Executive	No	4	Nil	Nil	Nil
Mr. Somabhai Patel	Director	Alternate Director to Mr. Maganbhai Patel	No	2	Nil	Nil	Nil



** Excludes Directorship in Private/Foreign Companies and Companies incorporated under section 25 of the Companies Act, 1956.

***Represents membership/Chairmanship of the Audit Committee, Shareholder/Investor Grievance Committee and Remuneration Committee of other Companies.

During the year, Nine Board meetings were held, details of which are given in the table below:

Date of Board Meeting*	15-05-2010	04-08-10	11-08-10	03-09-10	30-10-10	16-11-10	16-12-10	01-02-11	07-02-11
No. of Directors present	5	6	4	3	3	3	3	6	3
Board Strength	8	8	8	8	8	8	8	8	8

*The time gap between any two meetings was less than 4 months.

3. AUDIT COMMITTEE

(i) Brief Description of Terms of Reference :

The terms of reference and powers of the Audit Committee are in compliance with the provisions of the Corporate Governance under Section 292A of the Companies Act, 1956 and as per the requirements of Clause 49 of the Listing Agreement. Minutes of the Audit Committee are circulated and discussed at the Board Meetings.

(ii) Composition of Audit Committee:

Out of Audit Committee members, Two are Independent - Non-executive Directors. The quorum for the Audit Committee Meeting is two members personally present. Mr. Niranjan R. Dave, is the chairman of the Committee, he, being Mechanical Engineer and obtained his Master of Technology from Indian Institute of Technology, Mumbai with specialization in Internal Combustion Engineering, is an eminent personality with over a 49 years of experience in academic field of Engineering. Mr. Ishwarbhai Patel is a Businessman with over 46 years of experience. Mr. Paresh N. Vasani is also an Engineer with good business acumen. All the Members of the Committee are financially literate within the meaning of explanation to Clause 49(II)(A) of the Listing Agreement.

The Audit Committee comprising the team of independent Directors was constituted by the Board of Directors in its meeting held on 05-12-2005 and was re-constituted on 28th July, 2008 as under :

Sr. No	Name of the Director	Designation	Nature of Directorship
1	Mr. Niranjan R. Dave	Chairman	Independent and Non-executive
2	Mr. Ishwarbhai H. Patel	Member	Independent and Non-executive
3	Mr. Paresh N. Vasani	Member	Executive Director

The Role of Audit committee is as under:

The Audit Committee duly constituted as per the requirements of Section 292A and Clause 49 of the Listing Agreement, takes care of Company's Financial Reporting process, ensures correctness and adequate disclosures of financial information and study the financial statement and gives its reviews. The Committee also oversees the adequate internal control systems within the organization, take a review quarterly in their meetings and compliance of generally accepted accounting principles is fully observed or not.

(iii) Meetings and Attendance during the year :

During the financial year 2010-11, The Committee met on five occasions on 15th May, 2010, 28th July, 2010, 11th August, 2010, 30th October, 2010, 1st February, 2011, which were attended as indicated below :

Sr. No	Name of the Members	Position Held	15-05-10	28-07-10	11-08-10	30-10-10	01-02-11
1.	Mr. Niranjan R. Dave	Chairman	Yes	Yes	Yes	Yes	Yes
2.	Mr. Ishwar H. Patel	Member	Yes	Yes	Yes	Yes	—
3.	Mr. Paresh N. Vasani	Member	Yes	Yes	Yes	Yes	Yes



CIRCUIT SYSTEMS (INDIA) LIMITED

INTERNAL AUDIT CONTROL SYSTEMS IN THE COMPANY :

M/s. Dipal R. Shah & Co., Chartered Accountants, was appointed as Internal Auditors of the Company for the year 2010-11, to conduct the internal audit of the Company. The report of the Internal Auditors was regularly placed before the Audit Committee along with the comments of the management on the action taken by them on performance and workings of various departments within organization.

The Audit Committee has given an assurance to the Board that the adequate internal control procedures and financial disclosures in line with the size of the company exist within the organization and it is in conformity with the requirements of the Listing Agreement with Bombay Stock exchange.

4. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Company has constituted Shareholders'/Investors' Grievance Committee to redress the complaints of the investors in respect of matters pertaining to non-receipts of annual reports, dematerialization of shares, non-receipt of dividends etc.

The Shareholders Grievance Committee was constituted by the Board of Directors on 5th December 2005 to ensure the effective redressal of the complaints of the investors. The Committee also recommends steps to be taken for further implementation in the quality and services to the investors.

Composition of the Investors' Grievance Committee

Sr. No	Name of the Director	Designation	Nature of Directorship
1	Mr. Ambalal C. Patel	Chairman	Non Executive, Independent
2	Mr. Ishwarbhai H. Patel	Member	Non Executive, Independent
3	Mr. Paresh Vasani	Member	Executive, Non-Independent

During the year the committee held four meetings on 15th May, 2010, 11th August, 2010, 30th October, 2010, 1st February, 2011 which were attended by all members.

The Minutes of Shareholders Grievance Committee are discussed and taken note of by the Board of Directors.

Mr. Sharad Shah has been designated as Compliance Officer.

The particulars of Investors' grievances received and redressed during the financial year are furnished below:

	Particulars	Received	Redressed
1.	Non-receipt of Share Certificates after its transfer etc.	NIL	Nil
2.	Non-receipt of Dividend Warrants	NIL	NIL
3.	Non-receipt of Annual Report	NIL	NIL
4.	For Demat	NIL	NIL
6.	Others, Refund of Application Money	NIL	NIL

5. REMUNERATION COMMITTEE

(i) Brief Description of Terms of Reference :

The Remuneration committee has been constituted with the purpose of recommendation of remuneration package for Managing Director and Executive directors including perquisites and other rights after considering the financial position of the Company, experience and past performance of the Directors and review the same from time to time.

(ii) Composition of Committee:

The Remuneration Committee comprises of 2 Independent Directors (including the Chairman of the Committee) and 1 Non – Executive Director. The Remuneration Committee was constituted by the Board of Directors at its meeting held on 5th December, 2005 and was reconstituted on 28th July, 2008 by passing the Board Resolution as under.

Sr. No	Name of the Director	Designation	Nature of Directorship
1	Mr. Ambalal C. Patel	Chairman	Independent & Non Executive
2	Mr. Ishwarbhai. H. Patel	Member	Independent & Non Executive
3	Mr. Anil T. Patel	Member	Non Executive Director

**(iii) Meetings and Attendance :**

During the year under review, One Remuneration committee meetings were held. The attendance of the meetings is as under:

No	Name of the Members	Position Held	15-05-2010
1.	Mr. Ambalal C. Patel	Chairman	Yes
2.	Mr. Ishwar H. Patel	Member	No
3.	Mr. Anil T. Patel	Member	Yes

(iv) Remuneration to Directors :

The details pertaining to remuneration paid to Managing Director and whole time Director for the financial year ended on 31st March, 2011 is as under:

Sr. No.	Name of the Director	Position Held	Remuneration	Commission	Sitting Fees
1.	Mr. Paresh N. Vasani	Managing Director	2,003,333	Nil	Nil
2.	Mr. Sharad R. Shah	Whole-Time Director	2,321,600	Nil	Nil

Company does not have any scheme for grant of Stock Options to its directors or employees at present. The Company has paid sitting fees to non-executive directors as under for attending Board Meetings during the year ended 31st March, 2011

Sr. No.	Name of the Non-Executive Directors	Sitting Fees Paid
1	Mr. Anil T. Patel	3,000
2	Mr. Ambalal C. Patel	4,000
3	Mr. Niranjan R. Dave	4,000
4	Mr. Ishwarbhai H. Patel	2,000
6	Mr. Dilip Vyas	1,000

As on 31st March, 2011 the Non-Executive Directors held following no. of shares of the Company:

Sr. No.	Name of the Non-Executive Directors	No. of shares held as on 31-03-2010
1	Mr. Anil T. Patel	106,311
2	Mr. Magan H. Patel	4,127,470
3	Mr. Somabhai H Patel	3,000
4	Mr. Ishwarbhai Patel	100,000

6. GENERAL BODY MEETINGS:

The location and time of the last three Annual General Meetings are as under :

AGM	Date	Time	Venue	No. of special resolutions* approved
2009-10	29th September, 2010	4.00 p.m.	B-24, GIDC Electronic Estate, Sector-25, Gandhinagar	Nil
2008-09	29th September, 2009	4.00 p.m.	B-24, GIDC Electronic Estate, Sector-25, Gandhinagar	1
2007-08	26th November, 2008	10.00 am	B-24, GIDC Electronic Estate, Sector-25, Gandhinagar	1

* The Special Resolutions indicated above were passed by "show of hands."

During the year under review, no resolution(s) were transacted through postal ballot. At the ensuing annual general meeting there are no resolutions proposed to be put through postal ballot.

SPECIAL RESOLUTIONS:

The following Special Resolutions were passed in previous three Annual General Meetings:

- (1) Special Resolution passed under provisions of section 269, 309, 311 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII for re-appointment of Mr. Sharad R. Shah as



CIRCUIT SYSTEMS (INDIA) LIMITED

Whole time Director of the Company at the 13th Annual General Meeting held on 26th November, 2008.

- (2) Special Resolution passed under section 269, 309, 311 and other applicable provisions, if any of the Companies Act, 1956 and based upon the recommendation of Remuneration Committee, for re-appointment of Mr. Paresb Vasani, as Managing Director for the period of 5 years with effect from 1st February, 2009.
- (3) One Extra Ordinary General Meeting was held on 20th March, 2010 to issue the Equity Shares to the Promoters and Non-Promoters on Preferential Basis under SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009. The Resolution was passed as Special Resolution on "Show of Hand".

7. DISCLOSURES

- i) Transactions with the Related Parties:
There are no transactions, which may have potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in Note No 11 of Schedule U pertaining to notes forming part of the Accounts in the Annual Report.
- ii) There were no instances of non-compliance or penalty, strictures imposed on the Company by the stock exchanges or SEBI or any other statutory authority on any matters related to Capital Markets, during last three years.
- iii) No personnel have been denied access to the Audit Committee.
- iv) The Company has laid down the Risk Assessment and Administration procedure to inform the Board Members about the risks areas relating to the Organization and steps to minimize such risks. These procedures are periodically reviewed to ensure the risk control and minimization by means of properly defined framework.
- v) The Company has complied with the mandatory requirements and adopted the following non mandatory requirements :
 - (a) Company has constituted a Remuneration Committee.
- vi) In preparing the Annual Accounts in respect of financial year ended 31st March, 2011, no accounting treatment was different from that prescribed in the Accounting Standards;
- vii) The Company has a code of conduct for prevention of insider trading in the shares of the company for directors and promoters in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 192; and
- viii) There was no security issued and allotted during the year ended 31st March, 2011.

8. MEANS OF COMMUNICATION

During the year, quarterly (Unaudited) financial results of the company were submitted to the Stock Exchanges immediately after the Board meeting approved the same and were published in One English newspaper having national circulation and one news paper in vernacular language.

9. CEO/CFO CERTIFICATION

Chief Executive Officer (CEO) certification on financial statements pursuant to the provisions of Clause 49 of the listing agreement forms part of the Annual report of the Company.

10. GENERAL SHARE HOLDER INFORMATION

- i) Financial Year : 1st April, 2010 to 31st March, 2011
- ii) Sixteenth Annual General Meeting : i.e. next AGM
 - Date & Time : 29th September, 2011 at 4.00 p.m.
 - Venue : Circuit Systems (India) Ltd.
B-24, GIDC Electronics Estate, Sector 25, Gandhinagar.
- iii) Book Closure Date : 26th September, 2011 to 29th September, 2011 (both days inclusive)
- iv) Payment of Dividend : Not Applicable

v) FINANCIAL CALENDAR FOR THE FINANCIAL YEAR 2011-2012

Financial Year	1st April, 2011 to 31st March, 2012
Results for the First quarter ending 30th June, 2011	11th August 2011
Results for the second quarter ending 30th September 2011	Last week of October, 2011
Results for the third quarter ending 31st December, 2011	Last week of January, 2012
Results for the year ending 31st March, 2011	Last week of April, 2012
Annual General Meeting	On or before 30th September, 2012



- vi) Listing on Stock Exchange : Bombay Stock Exchange (Mumbai)
vii) Stock Code : 532913 (BSE)
viii) Demat International Security Identification Number (ISIN) in NSDL and CDSL for Equity shares of Company is **INE720H01010**.

ix) MARKET PRICE DATA

The monthly movement of Equity Share prices on BSE during the year is summarized below:

PERIOD	Equity Shares (The Bombay Stock Exchange Ltd.)	
	High (Rs.)	Low (Rs.)
April, 2010	16.90	14.00
May, 2010	17.00	14.50
June, 2010	16.70	13.80
July, 2010	17.30	14.00
August, 2010	15.00	12.50
September, 2010	14.20	12.11
October, 2010	13.10	11.55
November, 2010	12.50	09.00
December, 2010	11.30	09.00
January, 2011	11.00	08.20
February, 2011	12.43	08.62
March, 2011	08.97	07.30

* The Equity shares of the Company are listed on BSE on 5th November 2007.

x) Share Transfer System:

Share Transfers have been normally processed and returned within 21 days from the date of lodgement, provided the necessary documents were in order.

The company has appointed a common agency on a single point for physical and demats registry work. The Address of the Registrar and Share Transfer Agent is as under:

Mr. R.D. Ramasamy
Cameo Corporate Services Limited
Unit: Circuit Systems (India) Limited
Subramanian Building, No. 1, Club House Road, Chennai – 600 002.

xi) DISTRIBUTION OF SHAREHOLDINGS AS ON 31.03.11

Shareholding Nominal Value Rs.	Share Holders		Total No. of Shares	
	Number	% of Total	in Rs.	% of Total
Between 1 and 100	1234	23.04	85,464	0.54
Between 101 and 500	3225	60.20	798,949	5.09
Between 501 and 1000	597	11.14	396,020	2.52
Between 1001 and 2000	148	2.76	219,198	1.40
Between 2001 and 3000	55	1.03	142,639	0.91
Between 3001 and 4000	17	0.32	59,926	0.38
Between 4001 and 5000	16	0.30	74,255	0.47
Between 5001 and 10000	15	0.28	106,198	0.68
Above 10000	50	0.93	13,817,351	88.01
TOTAL	5357	100.00	15,700,000	100.00


xii) Shareholding Pattern as on 31st March, 2011:

Category	Total Shares	% to Equity
Promoters and Promoters Group	7,833,180	49.89%
Directors and their Relatives	376,401	2.40%
Bodies Corporate	1,867,977	11.90%
NRI/Foreign Nationals, Foreign Corporate Bodies	2,994,236	19.07%
Indian Public	2,464,854	15.70%
Clearing Members	1,101	0.01%
Hindu Undivided Families	162,251	1.03%
GRAND TOTAL	15,700,000	100.00

xiii) DEMATERIALIZATION OF SHARES

The Equity shares of the company are traded compulsorily in the dematerialized form. The Company has entered into an agreement with both National Securities Depository Ltd. (NSDL) and Central Depository Securities Ltd. (CDSL), whereby the shareholders have an option to dematerialize their shares with either of the depository.

Status of Dematerialization as on 31st March '11:

Particulars	No. of shares	% of total Capital	No. of Shareholde Rs.
National Securities Depository Ltd.	12,986,617	82.72%	3,745
Central Depository Services(India)Ltd.	893,621	5.69%	1,597
TOTAL DEMATERIALIZED	9,032,148	88.41%	5,342
Physical	1,819,762	11.59%	15
GRAND TOTAL	15,700,000	100.00	5,357

xiv) Company has not issued any ADR/GDR/FCCBs/QIPs during financial year ended 31st March, 2011.

xv) Investors Correspondence may be addressed to :

Circuit Systems (India) Ltd.

B-24, GIDC Electronics Estate, Sector – 25, Gandhinagar-382044.

Phone No. – 91-79-23287086/87/88 Fax No. – 91-79-23287089 Email :cs@mysil.com

Or At the Registrar and Share Transfer Agent's Address as above mentioned.

xvi) Location of Plant:

B-24, GIDC Electronics Estate, Sector – 25, Gandhinagar – 382044.

SEZ Project in progress:

Plot No. – 11,12, 36,37 , Electronics Park, SEZ, Gandhinagar – 382044.

11. COMPLIANCE CERTIFICATE OF PRACTICING COMPANY SECRETARY :

A certificate from the Practicing Company Secretary regarding Compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this Report.

Place : Gandhinagar

Date : 31-08-2011

(Paresh N. Vasani)
(Managing Director)

(Sharad R. Shah)
(Whole time Director)



DECLARATION ON CODE OF CONDUCT

It is hereby confirmed that the Board has laid down a Code of Conduct for all Board Members and Senior Management personnel of the Company. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the code of conduct of the Company for the financial year ended as on 31st March, 2011, as envisaged in Clause 49 of the Listing Agreement with stock exchanges.

Dated : 31-08-2011

Mr. Paresh N. Vasani

Place : Gandhinagar

Managing Director

CEO/CFO CERTIFICATION

I, Mr. Paresh N. Vasani, Managing Director certify to the Board that :

- (a) I have reviewed financial statements and the cash flow statement for the year ended on 31.03.2011 and that to the best of their knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) I further certify that we have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in internal control system during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For, **Circuit Systems (India) Ltd.**

Place : Gandhinagar

(Mr. Paresh Vasani)

Date : 31-08-2011

(Managing Director)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

**To the Members,
Circuit Systems (India) Limited**

We have examined the Compliance of conditions of Corporate Governance by Circuit Systems (India) Limited ("the Company") for the year ended on 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Company has maintained records to show investors' grievance against the company and have certified that as on 31st March, 2011, there were no investor grievance remaining unattended / pending for a period exceeding one month.

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

For **M. Choraria and Company**

Company Secretary

(Monica M. Choraria)

Proprietor

Place : Jaipur

Date : 31-08-2011

C.P. No. 7390

**AUDITORS' REPORT****TO THE MEMBERS OF CIRCUIT SYSTEMS (INDIA) LTD.**

We have audited the attached Balance Sheet of **CIRCUIT SYSTEMS (INDIA) LTD.** as at **31st March, 2011** and Profit and Loss Account and Cash Flows Statement for the year ended on that date annexed thereto of the company, which we have signed under reference to this report. 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.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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.

1. As required by Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the Order.
2. Further to our comments in the Annexure referred to in above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper Books of Account as required by law have been kept by the Company so far as appears from our examination of those Books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Account of company;
 - (d) In our opinion, the Balance sheet and Profit and Loss Account comply with the Accounting standards referred to Section 211 (3C) of the companies Act, 1956;
 - (e) Directors of the company do not, prima facie, have any disqualification as referred to clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 which is based on written representation received from them and taken on record by the Board of Directors;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon 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, 2011; and
 - b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - c) In the case of the cash flow statement, of the Cash Flows for the year ended on that date.

For **Virendra Chinubhai & Co.**
Chartered Accountants,
(F.R.No. 111567 W)

Place : Visnagar
Date : 31.08.2011

(V.C. SHAH)
Proprietor
M.No. 34167

**Annexure to the Auditors' Report referred to in paragraph 3 our report of even date:**

The comments given herein below are based on the data complied by the company in order to comply with the requirements of the new order from the effective date. On the basis of such checks as considered appropriate and examination of the books of accounts and records carried out in accordance with the generally accepted during auditing practices in India and in terms of the information and explanations given by the management, in our opinion :

- (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 has been carried out by the company and no material discrepancies were noticed on such verification; the frequency of verification is reasonable, having regard to the size of the company and nature of its business;
- (c) during the year the company has not disposed off any substantial / major part of fixed assets;
- (ii) (a) the inventories have been physically verified at reasonable intervals during the year by the management & the frequency of verification is reasonable, having regard to the size of the company and nature of its business;
- (b) procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;
- (c) the company is maintaining proper records of inventory; discrepancies noticed on physical verification of stock were not material in relation to the operations of the company and the same have been properly dealt with in the books of account;
- (iii) (a) the Company has granted unsecured loans to persons listed in the register maintained under Section 301 of the Act;
maximum amount outstanding during the year and the year end balance of such loan amounts to Rs. 104.74lacs (PY Rs. 94.61 lacs) and Rs. 104.74 lacs (PY Rs. 94.61 lacs) respectively; the rate of interest and other terms and conditions of such loans are in our opinion, prima facie not prejudicial to the interests of the company; the said loans were given to one party; the loan being repayable on demand, the question of overdue amount does not arise;
- (b) the company has taken unsecured loans from individual firms and other persons listed in the register maintained U/s 301 of the Act; rate of interest and other terms and conditions are not prejudicial to the interest of the company; above loans are taken from four parties, the maximum amount involved during the year was Rs. 311.44 (PY Rs. 456.88lacs) and the year end balance of loans taken from such parties was Rs. 267.45 lacs (PY Rs. 106.32 lacs);
- (iv) in our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of inventory and fixed assets. During the course of our audit, we have not observed any major weaknesses in the internal control system;
- (v) (a) the transactions that are required to be entered in the Register in pursuance of Section 301 of the Act has been so entered;
- (b) i) there are transactions made in pursuance of contract or arrangements which has to be entered in register maintained under Section 301 of Act aggregating to rupees five lacs or more in value during the year in respect of each party, have been made in prices which are reasonable having regards to prevailing market prices as available with the company for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties;
- (vi) the company has not accepted any deposits during the year from the public within the meaning of the provisions of section 58A and 58AA of the companies Act, 1956 and rules made there under;
- (vii) the company has internal audit system during the year under review;
- (viii) the Central Government has not prescribed maintenance of the cost records under section 209 (1) (d) of the companies Act, 1956 in respect of the company's products;



CIRCUIT SYSTEMS (INDIA) LIMITED

- (ix) (a) the company is generally regular in depositing undisputed statutory dues including provident Fund, investor education and protection fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess and any other material statutory dues, as may be applicable, with the appropriate authorities as observed by us during the course of our examination of the books of accounts carried out in accordance with generally accepted auditing practices in India;
- (b) the statutory dues which have been deposited on account of disputes and the forum where the dispute is pending are as under;

Nature of the Statute	Nature of the Dues	Amount (Rs.)	Relevant Assesment year	Forum where dispute is pending	Status
GST/CST of GST Act	Section 67	N.A.*	2003-04 to 2005-06	Gujarat Value Added Tax Tribunal, Ahmedabad.	Pending for adjudication
Service Tax Rules, 2004	Cenvat Credit	20.87 Lacs	2006-07 & 2007-08	The commissioner of Central Excise (Appeals), Ahmedabad	Final order awaited
Anti Dumping	Under Notification Duty Refund No. 141/2003 & supported by Sec. 9A of Custom Tarrif Act, 1975	13 Lacs	2003-04	Custom Appeal in Mumbai	Pending
VAT Act	Section 54	1.72 Lacs	2004-05	Recovery of interest on refund (Appeal)	Pending

* Since matter relates to Time limit, Amount is not quantifiable;

- (x) there are no accumulated losses as on 31st March, 2011; the company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year;
- (xi) as per the declaration given by the company, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders, as may be applicable;
- (xii) the company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities;
- (xv) the company has not given any guarantee for loans taken by others from bank or financial institution;
- (xvi) no fresh term loan was taken by the company during the year under review;
- (xvii) no fund raised on short-term basis has been used for long term investment or vice versa; however, there has been deployment of fund out of profit of the company, which is technically regarded as long-term source of fund for meeting need based working capital requirement;
- (xviii) no fraud on or by the company has been noticed or reported during the year;
- (xx) other clauses such as (xiii) with respect to Chit fund company or Nidhi / mutual fund / society, (xiv) trading in shares and securities etc. , (xix) creation of securities for debenture of the order are not applicable to the company;

For **Virendra Chinubhai & Co.**
Chartered Accountants,
(F.R.No. 111567 W)

(V.C. SHAH)
Proprietor
M.No. 34167

Place : Visnagar
Date : 31.08.2011

**CIRCUIT SYSTEMS (INDIA) LIMITED****BALANCE SHEET AS ON 31ST MARCH 2011**

Particulars	Schedule	As At	As At
		31st March'11	31st March'10
		Rs.	Rs.
I. SOURCES OF FUNDS:			
a) Shareholders' Funds :			
Share Capital	A	157000000	157000000
Reserve and Surplus	B	237745733	235710480
		394745733	392710480
b) Loan Funds:			
Secured Loans	C	107604519	194177895
Unsecured Loans	D	41192167	35978544
		543542420	622866919
Deferred Tax Liabilities		31623074	42531553
Total		575165494	665398472
II. APPLICATION OF FUNDS:			
a) Fixed Assets:			
Gross Block		297776211	292638386
Less : Depreciation		116533213	101455819
Net Block	E	181242998	191182567
Capital WIP		220548550	236667801
Intangible Assets		2513225	2896643
b) Investments	F	11036352	11036352
c) Current Assets, Loans & Advances			
Inventories	G	67153978	58616549
Sundry Debtors	H	133919714	151513933
Cash & Bank Balances	I	11439455	63499916
Loans & Advances	J	50736746	71427384
		263249893	345057782
Less: Current Liabilities & Provisions			
Sundry Creditors & advance from customers	K	93430538	112196611
Expenses Payable & Provisions	L	11667535	12437811
		105098073	124634422
NET CURRENT ASSETS		158151820	220423360
Miscellaneous expenditure (To the extent not written off)		1672549	3191749
Total		575165494	665398472

Notes forming part of Accounts

U

(The attached schedules referred to above and Notes to Accounts form an integral part of Profit and Loss Account)

As per our Report of even date
For **Virendra Chinubhai & Co.**,
Chartered Accountants,
(F.R.No. 111567 W)

For Circuit Systems (India) Limited.

V.C. SHAH
Proprietor
M.No. 34167

Paresh N. Vasani
Managing Director

Sharad R. Shah
Whole Time Director

Place : Visnagar
Date : 31-08-2011

Place : Gandhinagar
Date : 31-08-2011

**CIRCUIT SYSTEMS (INDIA) LIMITED****PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

Particulars	Schedule	As on 31/3/2011	As on 31/3/2010
INCOME			
Income from Operations	M	405067602	394489751
LESS: EXCISE DUTY		28247569	24827184
Net Income		376820033	369662567
Other Income	N	6405856	8299976
Increase/(Decrease) in Inventories	O	(1959922)	3450324
TOTAL		381265967	381412867
EXPENDITURE :			
Raw Materials Consumed	P	185940789	194053562
Manufacturing & Other Expenses	Q	144929148	129316307
Interest and Financial Charges (Net)	R	9642894	10560476
Depreciation	E	15623131	15556859
Personnel Related Expenses	S	19994997	18121822
Miscellaneous Expenditure written off		1596000	1681082
TOTAL		377726960	369290108
Profit from operations		3539007	12122759
Less : Prior Period adjustments (Net)		13163706	4900230
Add : Income From Extra Ordinary Items	T	3701473	7945860
Profit for The Year Before Tax		(5923226)	15168389
Less : Provision for Taxation		(1580200)	(3306220)
Less : Mat Credit Set off		(1369800)	0
Less : Deferred Tax Assets/(Liability)		10908479	(4555433)
Profit for the year after Tax		2035253	7306736
Add: Balance brought forward from previous years		81540230	74233495
Balance carried to Balance Sheet		83575483	81540230
No. of Equity Shares outstanding		157000000	157000000
Earning per Share (Basic & Diluted)		0.13	0.47
Weighted Average Earning per Share		0.13	0.61
Nominal Value of Equity Share (Rs.)		10.00	10.00
Notes forming part of Accounts	U		
(The attached schedules referred to above and Notes to Accounts form an integral part of Profit and Loss Account)			

As per our Report of even date
For **Virendra Chinubhai & Co.,**
Chartered Accountants,
(F.R.No. 111567 W)

V.C. SHAH
Proprietor
M.No. 34167

Place : Visnagar
Date : 31-08-2011

For Circuit Systems (India) Limited.

Paresh N. Vasani
Managing Director

Sharad R. Shah
Whole Time Director

Place : Gandhinagar
Date : 31-08-2011

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

	AS AT 31st March'11 Rs.	AS AT 31st March'10 Rs.
SCHEDULE - A : SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
160,00,000 equity shares of Rs.10/=each	160000000	160000000
ISSUED AND SUBSCRIBED & PAID UP CAPITAL		
157,00,000 equity shares of Rs. 10/=each	157000000	157000000
	157000000	157000000
SCHEDULE - B : RESERVES & SURPLUS		
General Reserve	19500000	19500000
Profit & Loss Account	83575483	81540230
Share Premium Account	134670250	134670250
	237745733	235710480
SCHEDULE - C : SECURED LOANS		
Term Loan from the Bank	3455349	52415483
Cash Credit Hypothecation from the Bank	29572650	67612286
FCNR Loans from the Bank	43561433	44117536
Note : Security for Loans		
Term Loan: Secured by first charge over the fixed Assets of the company Plant & Machineries & other movable fixed assets.		
Cash Credit : Secured by Hypo. Of stock,Book Debt & Other Movable assets. Also rank pari passu with term loan security		
FCNR TERM LOAN : Secured by Hypo. Of stock,Book Debts & Other Movable assets, also rank paripassu with term loan & Cash Credit security.		
Buyers' credit from the banks (Secured by letter of undertaking from principal banker of the company)	31015088	30032590
All above loans are further secured by personal guarantee of Directors.		
	107604519	194177895
SCHEDULE - D : UNSECURED LOANS		
Sales Tax Deferment Loan	14416444	25345444
Inter Corporate Deposit	24055502	9906934
Deposit from Directors	2720221	726166
	41192167	35978544



CIRCUIT SYSTEMS (INDIA) LIMITED

SCHEDULE - E : BLOCK OF FIXED ASSETS

Sr. No.		GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
		As on 01/04/10 Rs	During the year Addition Rs.	During the year Sale/Transfe Rs.	As on 31/03/11 Rs	As on 01/04/10 Rs	This Year Rs	Sales / Transf. Rs.	As on 31/03/11 Rs.	As on 31/03/10 Rs.	As on 31/03/11 Rs.
1	Leasehold Land	3212299	0	0	3212299	0	0	0	0	3212299	3212299
2	Factory Buildings	30762759	15459	0	30778218	8934062	1033391	0	9967453	21828697	20810765
3	Plant & Machinery	220653649	5785741	0	226439390	67917423	10558884	0	78476307	152736226	147963083
4	E.T.Plant	3045913	0	0	3045913	1526500	144681	0	1671181	1519413	1374732
5	Vehicles	4128229	50768	1028888	3150109	2532835	376594	545738	2363691	1595394	786417
6	Computer,Fax, Cellular	17033039	141854	0	17174893	13793906	2773116	0	16567022	3239133	607871
7	Furniture & Fixtures	4862464	113325	0	4975789	3081310	310256	0	3391566	1781154	1584222
8	Office Equipments	1645910	62493	0	1708403	667681	79877	0	747558	978229	960844
9	Electric Installation	7291196	0	0	7291196	3002103	346332	0	3348435	4289093	3942761
Total Current Year		292635458	6169641	1028888	297776210	101455820	15623131	545738	116533213	191179638	181242998
Previous Year		296267124	81760	3710498	292638386	87714937	15556859	1815976	101455820	208552188	191182567
AS AT										AS AT	
31st March'11										31st March'10	
Rs.										Rs.	

SCHEDULE -F : INVESTMENTS

Share Holding (unquoted) at cost	10500000	10500000
1050000 FULLY PAID UP EQUITY SHARE OF Rs. 10 EACH OF APOLLO INDUSTRIES & PROJECTS LTD.		
400 EQUITY SHARE OF Rs.25 EACH FULLY PAID UP OF MEHSANA URBAN CO OP BANK LTD	10000	10000
49994 fully paid up Equity Shares of Rs. 10 each of Accumeg Circuits Ltd.	499940	499940
NSC	26412	26412
	11036352	11036352

SCHEDULE-G : INVENTORIES

(As Certified and valued by the management)

Raw Materials	38867514	31340936
Consumable Stores	16981744	14010971
Work in Process	11304720	13050061
Scrapes	0	214581
	67153978	58616549

SCHEDULE -H : SUNDRY DEBTORS

(Unsecured,Uncofirmed & Considered Good)

Outstanding for more than six months	48370931	47783339
Others	85548783	103730594
	133919714	151513933

SCHEDULE -I : CASH & BANK BALANCES

Cash on hand	1253515	2215138
Current account with Scheduled Banks	1940108	55860120
FDRs with Scheduled Banks (including accrued interest)	8245831	5424658
	11439455	63499916

**CIRCUIT SYSTEMS (INDIA) LIMITED**

	AS AT 31st March'11 Rs.	AS AT 31st March'10 Rs.
SCHEDULE -J : LOANS & ADVANCES (Unsecured, Unconfirmed & Considered Good)		
Advances recoverable in cash or in kind or for value to be received	20102284	30402758
Govt. Taxes & Other Recoverables	29325218	39835068
Sundry Deposits & Loans	1309245	1189558
	<u>50736746</u>	<u>71427384</u>
SCHEDULE -K : CURRENT LIABILITIES & PROVISIONS : SUNDRY CREDITORS & ADV. FROM CUSTOMERS		
(i) Trade & Other Creditors		
> Trade Creditors	80153346	94654394
> Other Creditors	4089141	7611969
(ii) Advance from Customers & Others	9188051	9930248
	<u>93430538</u>	<u>112196611</u>
SCHEDULE -L : EXPENSES PAYABLE & PROVISIONS		
Expenses Payable & Provisions	11667535	12437811
	<u>11667535</u>	<u>12437811</u>

**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31 ST MARCH, 2011**

	As on 31st March'11 Rs.	As on 31st March'10 Rs.
SCHEDULE - M : INCOME FROM OPERATIONS		
Domestic Sales	341751409	336298079
Export	59329822	52953964
Sales Of Scrap	1867070	3274613
Income From Depb & Dbk	2119301	1963095
	<u>405067602</u>	<u>394489751</u>
SCHEDULE - N : OTHER INCOME		
Foreign Exchange Difference	6382790	8049837
Profit On Sales Of Assets	0	121163
Jobwork & Other Income	23066	128976
	<u>6405856</u>	<u>8299976</u>
SCHEDULE - O : INCREASE/(DECREASE) IN INVENTORIES		
Closing Stock		
Work In Process	11304720	13050061
Scrap	0	214581
	<u>11304720</u>	<u>13264642</u>
Opening Stock		
Work In Process	13050061	9396018
Scrap	214581	418300
	<u>13264642</u>	<u>9814318</u>
	<u>(1959922)</u>	<u>3450324</u>



	As on 31st March'11 Rs.	As on 31st March'10 Rs.
SCHEDULE - P : RAW MATERIALS CONSUMED		
Opening Stocks	31340936	32930718
Purchases (Net Of Goods Returned)	193467367	192463780
	<u>224808303</u>	<u>225394498</u>
Less: Closing Stock	38867514	31340936
	<u>185940789</u>	<u>194053562</u>
SCHEDULE - Q : MANUFACTURING & OTHER EXPENSES		
Stores & Spares Consumed	29537993	25808878
Power	24877393	23844960
Sundry Manufacturing Expenses	11809389	4310630
Labour Charges	15026975	11092524
Repairs & Maintenance		
Plant & Machinery	2119219	2672778
Building	445177	421305
Others	428528	13725
Insurance	180525	108755
VAT/CST	8552702	8080244
Other Administrative & Selling Expenses	27137924	21527525
Loss On Sale Of Assets	93150	1614032
Brokerage & Commission On Sales	1198381	8484898
Cartage Outward	8941056	8973780
Bad Debts W/O	9846660	7773116
Intangible Assets Written Off	409143	408500
Managerial Remuneration	4324933	4180657
Total	<u>144929148</u>	<u>129316307</u>
SCHEDULE - R : INTEREST AND FINANCIAL CHARGES (NET)		
Interest On Term Loan	3918971	700370
Interest On Working Capital Loan	3638319	7275254
Interest Others	1468536	780237
Total	<u>9025826</u>	<u>8755861</u>
Less: Interest Income	2261316	736113
Net Interest	<u>6764510</u>	<u>8019748</u>
Bank Charges & Commission	2414388	2540728
Forward Contract Losses	463996	0
	<u>9642894</u>	<u>10560476</u>
SCHEDULE - S : PERSONNEL RELATED EXPENSES		
Salaries & Wages	17136229	16183174
Contribution To Provident Fund & Other Fund	1201465	1094870
Welfare Expenses	196640	110660
Bonus	668482	648069
Leave Encashment Expenses	792181	85049
	<u>19994997</u>	<u>18121822</u>
SCHEDULE - T : INCOME FROM EXTRA ORDINARY ITEMS		
Insurance claim received	1853460	0
Profit on Sale of assets(SEZ)/Others (Net)	1848013	7945860
	<u>3701473</u>	<u>7945860</u>

**SCHEDULE : 'U' – SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS.****A SIGNIFICANT ACCOUNTING POLICIES :****1) CONVENTION :**

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standard and requirement of the Companies Act, 1956.

2) BASIS OF ACCOUNTING :

The company follows the Mercantile system of Accounting.

3) FIXED ASSETS :

- i) Fixed Assets are stated at cost of acquisition and subsequent improvements including taxes, freight and other incidental expenses related to acquisition, installation and foundation less accumulated depreciation (other than leasehold land where no depreciation is charged).
- ii) Costs of fixed assets are net of CENVAT to be set off against excise payable on sales, irrespective of actual set-off during the year under review.
- iii) Leasehold land will be written off, in the year in which the respective lease period expires.

4) DEPRECIATION :

- i) Depreciation on fixed assets has been provided on SLM method as per rates specified in AMENDED SCHEDULE-XIV of the Companies Act, 1956 vide Notification No. GSR: 758(2) dated 16-12-1992 on pro-rata basis.

5) INVENTORIES :

The inventories are valued as under:

- i) Stores, Spare parts & Packing material at cost;
- ii) Work-in-progress at cost;
- iii) The Raw Material has been valued at Lower cost plus expenses or net realizable Value.

6) IMPORT & EXCISE CENVAT :

- i) The purchase cost of raw material & other expenses have been considered net of cenvat remaining unabsorbed at the year ending;
- ii) Costs of fixed assets are net of cenvat, as the said cenvat is to be set off against excise duties payable in sales.
- iii) Value of import includes duties, freight, clearing charges, expenses incidental to acquisition.
- iv) Increase/ decrease in rupee liability at the end of the year in respect of money borrowed for purchase or construction of fixed assets consequent to fluctuation in exchange rates are treated as addition/ deduction to the fixed assets.

7) SALES & EXPORTS :

Sales are net of sales rejections for the year under review but inclusive of excise duty and sales tax. Rejection quantity of the period under review is not incorporated in Quantitative detail of Production. Sales rejection of the earlier period is charged to profit & loss account as sales rejection & shown separately.

**8) EXCISE :**

Total excise collected, irrespective of net payment in PLA after adjustment of cenvat, has been considered to work out net income. Excise and service tax credit receivable are considered as per books of accounts but irrespective of actual claims lodged with revenue authorities.

9) WAGES & SALARIES :

Includes PF contribution from employer, salaries to trainees & apprentices.

10) TAXATION :

Provision for current tax is made on the basis of estimated taxable income for the period in accordance with the provisions of the income Tax Act, 1961. Deferred tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originate in one period and are capable reversal in one or more subsequent periods.

11) FOREIGN CURRENCY TRANSACTIONS :

Transactions in foreign currencies are recognized at the prevailing exchange rates on the date of transaction and difference, if any, on realization date is charged to Profit & Loss Account under the head Exchange difference account. Unrealized gains and losses on settlement of foreign currency transactions realized after the year-end are recognized in the Profit and Loss Account at the rate prevailing at the year end. Foreign currency transactions relating to acquisition of fixed assets are adjusted in the cost of the fixed assets.

12) IMPAIRMENT OF ASSETS :

As per the opinion of the management, there being no indication of impairment of assets, no loss has been recognized on impairment of assets.

13) RETIREMENT BENEFITS :

- i) Contributions to employees Provident Fund remitted to statutory authority are charged to revenue.
- ii) Gratuity benefits wherever applicable are covered by policies taken with the L.I.C. The premium paid under the scheme is charged to revenue. However, the company had made provision for gratuity as per actuarial valuation as required by Accounting Standard – 15.
- iii) Liability on leave encashment to employees are provided on actuarial Valuation Report as required by Accounting Standard – 15.

14) PRELIMINARY EXPENSES :

Preliminary expenses are written off in five equal installments. Preliminary expenses on public issue are written off in five equal installments from the year in which Proceeds from the public Issue has been utilized.

15) PREOPERATIVE EXPENSES (SEZ PROJECT) :

Revenue and Financial Expenses (net of recurring revenue income) incurred and to be incurred upto commencement of commercial production on SEZ project is to be capitalized and will be allocated to the Fixed Assets on the commencement of the commercial production in SEZ Project.

**B NOTES TO ACCOUNTS :**

	<u>2010-2011</u>	<u>(Rs. In Lacs)</u> <u>2009-2010</u>
1) CONTINGENT LIABILITIES:		
Guarantee given	11.30	10.00
Forward Contracts	460.93	447.81
	<u>472.23</u>	<u>457.81</u>
	<u>2010-2011</u>	<u>(Rs. In Lacs)</u> <u>2009-2010</u>
2) PAYMENT TO AUDITORS: (Excluding Service Tax)		
Audit & Legal Fees	1.90	1.90
Income tax Matter	0.20	0.20
Tax Audit Fees	0.20	0.20
Other Matter	0.20	0.20
	<u>2.50</u>	<u>2.50</u>
3) DEFERRED TAX LIABILITIES:		
Opening Balance	425.31	358.21
Add: Adjustment During The Year On Account Of Depreciation etc.	(109.08)	45.55
Prior period Adjustment	—	21.55
	<u>316.23</u>	<u>425.31</u>
4) ADDITIONAL INFORMATION:		
a) Additional information required to be given as per para 3 & 4 of Schedule-VI of the Companies Act, 1956		
i) INSTALLED CAPACITY : NA		
ii) LICENCED CAPACITY : NA		
iii) ACTUAL PRODUCTION		
ITEMS	2010-2011Qty/Sq. Mtrs.	2009-2010Qty/Sq. Mtrs.
Printed Circuit Board (PCB)	56249	68558


b) SALES & EXPORTS:

ITEM	2010-2011		2009-2010	
	QTY./Sq.Mt	Rs in lacs	QTY./Sq.Mts.	Rs in lacs
Printed Circuit Board	56249	4010.77	68558	3892.52
Others	N.A.	39.37	N.A.	52.38
	56249	4050.14	68558	3944.90

- i) Quantity of finished goods (PCB) shown in sq. meter is not precise indication of quantity, as it includes PCB's of different sizes and thickness.
- ii) Actual sales are made in Nos. which are converted into quantity for disclosure.
- iii) Quantitative figures and conversion thereof in Sq. Meters being technical matter, is taken as certified by the management.

c) Raw material Consumption:

ITEM	2010-2011		2009-2010	
	QTY. (No. s)	Rs in lacs	QTY.(No.s)	Rs in lacs
Copper Sheets	68927	642.87	67279	461.80
Others		1216.54		1478.74
Total		1859.41		1940.54

Notes:

- i. Consumption of raw material does not include goods received free of cost.
- ii. Consumption is exclusive of excise cenvat adjusted against excise collected on sales.
- iii. VAT to the extent of availment of set off is also not included in cost of consumption.
- iv. Quantity of copper sheets shown in number is not precise indication of quantity, as it includes copper sheets of different sizes and thickness.
- v. Quantitative disclosures, taken as certified by the Management.

d) REMITTANCE & EARNING IN FOREIGN EXCHANGE: (All Amount in Rs. Lacs)

i) EARNING IN FOREIGN EXCHANGE:	<u>2010-2011</u>	<u>2009-2010</u>
On account of export etc. (FOB Value of Sales)	583.83	565.63

e) Value of imported & indigenous Raw-material & Stores consumed: (Rs. In Lacs)

	2010-2011		2009-2010	
	%	Rs.	%	Rs.
i) Raw-materials consumed:				
Imported	82.87%	1540.98	80.14%	1555.23
Indigenous	17.13%	318.43	19.86%	385.30
	100.00%	1859.41	100.00%	1940.53

**CIRCUIT SYSTEMS (INDIA) LIMITED**

	2010-2011		2009-2010	
	%	Rs.	%	Rs.
ii) CONSUMABLE STORES:				
Imported	25.15%	74.29	9.18%	23.70
Indigenous	74.85%	221.09	90.82%	234.39
	100.00%	295.38	100.00%	258.09

The same has been taken as disclosed by the management.

f) **CIF VALUE OF IMPORTS:**

	2010-2011	2009-2010
i) Raw materials	1632.18	1645.87
ii) Consumable Stores	88.49	43.71
iii) Capital Goods	19.72	18.59
	1740.39	1708.17

g) **EXPENDITURE IN FOREIGN CURRENCY :**

	2010-2011	2009-2010
(i) Foreign Travelling	07.99	5.04
(ii) Repairs & Maintenance	43.36	54.80
(iii) Export Expenses	0.55	0.00
(iv) Sales Commission –export	11.98	9.12
(v) Training Expenses	0.00	0.67

5. During the year under review, company has capitalized net preoperative expenses of Rs. 22.50 lacs (excluding profit of Rs.18.48 lacs on sale of part of land and building on SEZ project) considered as attributable to SEZ project by the management as under:-

I Interest on Bank Term Loan	16.06
II Interest on ICD	7.71
	23.77
Less: Income excluding capital gain	(1.27)
NET EXPENSES CAPITALIZED	22.50
Add: Expenses capitalized up to 31/03/2010	268.61
TOTAL EXPENSES PENDING FOR ALLOCATION	291.11

After obtaining opinion of expert, profit of Rs. 18.48 lacs on sale of part of SEZ building alongwith land attached thereto has been shown as an extra ordinary income as same being non recurring in nature.



CIRCUIT SYSTEMS (INDIA) LIMITED

6.	During the year under review, the company has written off ' 154.51 lacs through prior period adjustment accounts for various recoverable claims and sundry outstanding consisting as under	
i	Non recoverable excise & modvat claims	74.46 lacs
ii	Non recoverable DEPB earning	25.00 lacs
iii	Non recoverable service tax credits	41.05 lacs
iv	Advance to Creditors	04.15 lacs
v	Other sundry balances	09.85 lacs
	TOTAL	154.51 lacs
i	Less : Prior period Income	22.87 lacs
	TOTAL (NET)	131.64 lacs

7. Based on the information available with the Company, there are no suppliers who are registered under Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2011. Hence the disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act has not been given.

8. Managerial remuneration :

Managerial remuneration payable/paid to Directors in pursuant to Section 269 read with Schedule XIII of the Companies Act, 1956 :

a) Remuneration payable as per schedule XIII

	<u>2010-2011</u>	<u>2009-2010</u>
Company's effective capital –	3930.02	3895.19
Maximum Remuneration payable (As per S/R passed by shareholders)	54.00	54.00

b) Remuneration paid to directors

	Amount (Rs. Lacs)	
	<u>2010-2011</u>	<u>2009-2010</u>
Salaries	38.43	36.86
Leave Encashments	1.65	1.70
	40.08	38.56
Employer's Contribution for PF	3.16	3.25
TOTAL	43.24	41.81

9. Segment Reporting :The company has considered manufacturing of various grade of PCB as Single Segment and consequently has not made Primary Segment Disclosure. With Respect to Secondary Segment Information (Geographical Segment), in view of management, the company is operating in single segment though company is carrying out Domestic and Export Sales.

**10. Associates :**

- (a) PCB Planet (India) Ltd.
- (b) Global Tech India (Pvt) Ltd.
- (c) Apollo Industries & Projects Ltd.
- (d) PCB Power (India) Ltd.
- (e) Accumeg Circuits Ltd.
- (f) Gujarat Apollo Industries Ltd.

Key Managerial Personnel :

- Mr. Anilbhai T. Patel - Director
- Mr. Magan H. Patel - Director
- Mr. Paresh N. Vasani - Managing Director
- Mr. Sharad R. Shah - Whole Time Director
- Mr. Somabhai Patel - Director

11. Transactions with related parties (figures in bracket are in respect of the previous year) :

Particulars	(Rs. In Lacs)	
	Associates	Key Managerial Personnel
a) Sales, Services and other income	201.72 (127.05)	—
b) Expenditure & other services	52.26 (50.64)	0.12 —
c) Inter Corporate Deposits taken	195.18 (175.00)	25.62 —
d) Inter Corporate Deposits given	68.00	7.26
e) Interest income	10.13 (8.29)	— —
f) Interest paid	16.40 (29.42)	1.58 (5.14)
g) Remuneration	—	43.24 (41.81)
h) Outstanding balances as at 31st March 2011		
I. Due to company :	104.74 (94.61)	— (0.00)
II. Payable by company	240.25 (99.07)	27.20 (7.26)

- 12. Previous year's figures have been reworked, regrouped, re-arranged & re-classified wherever necessary in order to confirm to this year's presentation.
- 13. In the opinion of the Board of Directors, the current assets, loan and advances are approximately of the value stated, if realized, in the ordinary course of business; the provisions for all known liabilities & depreciation are adequate and not in excess of the amount reasonably considered necessary; no personal expenses have been charged to revenue.



14. Statement of Cash flow for the year ended March 31, 2011.

STATEMENT OF CASH FLOWS		(Amount Rs. Lacs)	
Particulars	2010-11	2009-10	
A. Cash Flow from Operating Activities			
Net Profit / (Loss) before tax	(59.23)	151.69	
Adjustment for :			
Depreciation & Amortization	176.28	176.46	
Loss/(Profit) on Sale of Assets	(12.54)	(81.51)	
Financial Expenses	96.43	105.61	
Operating Profit before working capital changes	200.94	352.24	
Changes in Inventories	(85.37)	(77.55)	
Changes in Sundry Debtors	175.94	(105.62)	
Changes in Loans & Advances	206.91	(101.99)	
Changes in Current Liabilities & Provisions	(195.36)	571.37	
Cash Generated from Operations	303.05	638.46	
Income Tax (paid) / refunded	(32.35)	(3.00)	
Cash from Extraordinary activities	270.70	635.46	
Foreign Exchange gain	(8.96)	(14.45)	
Net Cash from Operating Activities A	261.74	621.01	
B. Cash Flow from Investing Activities			
Purchase of asset	(51.02)	122.62	
Capital Expenditures CWIP	(100.53)	(145.87)	
Sale of Fixed Assets CWIP	280.00	0	
Net Cash from Investing Activities B	128.45	(23.25)	
C. Cash Flow from Financing Activities			
Increase in Capital	0	370.00	
Share Premium Received	0	148.00	
Increase / (Decrease) in Secured Loans	(865.73)	(145.07)	
Increase / (Decrease) in Unsecured Loans	52.14	(341.51)	
Financial Charges Paid	(96.43)	(105.61)	
Dividend paid	0	0.00	
Preliminary Expenses	(0.77)	0.51	
Net Cash from Financing Activities C	(910.79)	(73.68)	
Net Change in Cash (A + B + C)	(520.59)	524.08	
Cash & Bank Balances at the beginning of the year	635.00	111.93	
Cash & Bank Balances at the end of the year	114.39	635.00	

As per our Report of even date
 For **Virendra Chinubhai & Co.,**
Chartered Accountants,
 (F.R.No. 111567 W)

V.C. SHAH
Proprietor
 M.No. 34167

Place : Visnagar
 Date : 31-08-2011

For Circuit Systems (India) Limited.

Paresh N. Vasani
Managing Director

Sharad R. Shah
Whole Time Director

Place : Gandhinagar
 Date : 31-08-2011

**(17) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:**

(Additional information pursuant to part-VI of schedule-IV to the Companies Act, 1956)

1. REGISTRATION DETAILS

Registration No.	04-24524	State Code	04
Balance Sheet Date	31-03-2011		

2. CAPITAL RAISED DURING THE YEAR NIL**3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs. In Lacs)**

Total Liabilities	6802.64	Total Assets	6802.64
SOURCES OF FUNDS		APPLICATION OF FUNDS	
Paid-up Capital	1570.00	Net fixed Assets	1812.43
Reserve & Surplus	2377.46	Capital WIP	2205.49
Secured Loans	1076.05	Intangible Assets	25.13
Unsecured Loans	411.92	Investments	110.36
Deferred Tax Liabilities	316.23	Net Current Assets	1581.52
		Miscellaneous Expenditure	16.73
	<hr/>		<hr/>
	5751.66		5751.66
	<hr/> <hr/>		<hr/> <hr/>

4. PERFORMANCE OF COMPANY

Turnover	4050.68	Total Expenditure	4109.91
Profit Before Tax	(59.23)	Profit After Tax	20.35
Earning Per share in Rs.	0.13	Dividend rate %	Nil

5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

Item Code No. (ITC Code)	8534.00
Products Description	Printed Circuit Boards (Unpopulated)

As per our Report of even date
For **Virendra Chinubhai & Co.**,
Chartered Accountants,
(F.R.No. 111567 W)

V.C. SHAH
Proprietor
M.No. 34167
Place : Visnagar
Date : 31-08-2011

For Circuit Systems (India) Limited.

Paresh N. Vasani
Managing Director

Sharad R. Shah
Whole Time Director

Place : Gandhinagar
Date : 31-08-2011



CIRCUIT SYSTEMS (INDIA) LIMITED

Reg. Office: B-24, GIDC Electronics Estate, Sector – 25, Gandhinagar-382044

ATTENDANCE SLIP

SIXTEENTH ANNUAL GENERAL MEETING: Thursday, 29th September, 2011 at 4.00 p.m.

Folio No./DP No. : _____

Client ID : _____

No. of Shares held : _____

I certify that I am a registered equity shareholder/Proxy for the registered equity shareholder of the Company. I, hereby record my presence at the 16th Annual General Meeting of the Company which will be held at B-24, GIDC Electronics Estate, Sector – 25, Gandhinagar – 382044 – on Thursday, the 29th day of September, 2011 at 4.00 p.m.

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)

----- (Tear Here) -----

CIRCUIT SYSTEMS (INDIA) LIMITED

Reg. Office: B-24, GIDC Electronics Estate, Sector – 25, Gandhinagar-382044

PROXY FORM

SIXTEENTH ANNUAL GENERAL MEETING: Thursday, 29th September, 2011 at 4.00 p.m.

I/We _____ of _____

of being a member/members of the above named Company hereby appoint _____

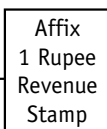
Of _____ or failing him/her _____ of

_____ in my/our absence to attend and vote for me/us and on my/

our behalf at the 16th Annual General Meeting of the Company to be held on 29th September, 2011 at 4.00 p.m.

and any adjournment thereof.

Signature(s) _____



Date : _____

LF No./DP No. : _____

Client ID : _____

No. of Shares held : _____

Note: The Proxy must be deposited at the Registered Office of the Company at least 48 hours before the Meeting.

BOOK-POST

If undelivered, please return to :



CIRCUIT SYSTEMS (INDIA) LIMITED

Reg. Office: B-24, GIDC Electronics Estate, Sector – 25, Gandhinagar-382044

Ganapati (079) 26568111