

28 September 2015





The Dept. of Corporate Services,  
Bombay Stock Exchange Ltd.  
Floor - 25, PJ Towers,  
Dalal Street,  
Mumbai - 400 001  
Scrip Code: 532913

Sub : Submission of Form A and Form B

As per Listing Agreement we are herewith attaching form A and Form B for your record.

**FORM A**

Covering letter of the Annual Audit Report to be filed with the Stock exchange

1.	Name of Company	Circuit Systems(India) Limited
2.	Annual Financial statements for the year ended	31 <sup>st</sup> March 2015
3.	Type of Audit Observation	Un-qualified
4.	Frequency of observation	N.A
5.	To be signed by	
	• CEO/Managing Director	
	• CFO	
	• Auditor of the Company	
	• Audit committee Chairman	

**FACTORY**  
B-24, GIDC, Electronics Estate,  
Sector-25, Gandhinagar-382044,  
Gujarat, India.

**OFFICE**  
Block-A/1004/1007, 10<sup>th</sup> Floor,  
Titanium Square, Thaltej Cross Road,  
Thaltej, Ahmedabad-380054, Gujarat, India.

Phone: +91-79-2335 7086/87  
Fax : +91-79-2335 7089  
Email : sales@mvcsil.com  
sales@pcbpower.com

## FORM B

Covering letter of the Annual Audit Report to be filed with the Stock exchange

1.	Name of Company	N.A.
2.	Annual Financial statements for the year ended	N.A.
3.	Type of Audit Observation	N.A.
4.	Frequency of observation	N.A.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the director report:	N.A.
6.	Additional comments from the board/audit committee chair:	N.A.
7.	To be signed by <ul style="list-style-type: none"> <li>• CEO/Managing Director</li> <li>• CFO</li> <li>• Auditor of the Company</li> <li>• Audit committee Chairman</li> </ul>	N.A.

Kindly acknowledge the receipt.

Yours Faithfully,  
For Circuit Systems (India) Ltd.

  
Amrita Chandwani  
CS & Compliance Officer

**FACTORY :**  
B-24, GIDC, Electronics Estate,  
Sector-25, Gandhinagar-382044,  
Gujarat, India.

**OFFICE :**  
Block-A /1001/1002, 10th Floor,  
Titanium Square, Thaltej Cross Road,  
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**Fax :** +91-79-2328 7089  
**Email :** sales@mycsil.com  
sales@pcbpower.com

ANNUAL REPORT  
2014 - 2015



Circuit Systems (India) Limited

**20<sup>th</sup> Annual Report 2014-15  
CORPORATE INFORMATION****Board of Directors:**

Mr. Paresh Vasani	Managing Director
Mr. Jayesh Shah	Independent Director
Mr. Chetan Panchal	Independent Director
Ms. Madhu Kejriwal	Independent Director

**Company Secretary**

Ms. Amrita Chandwani

**Chief Financial Officer**

Ms. Preeti Chouksey

**Auditors :****M/S. BAHETI BHADADA & ASSOCIATES**

Chartered Accountants,  
201, Shaily Complex,  
Near Old Gujarat High Court,  
Ashram Road,  
Ahmedabad-380 009.

**Bankers :**

Corporation Bank

**Regd. Office :**

A-1001/1002, Titanium Square,  
Thaltej Cross Road, S G Highway,  
Ahmedabad – 380 054

**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**

**Factory**

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

**Contents****Page No.**

Notice	01-05
Director's Report	06-25
Management Discussion and Analysis	26-27
Corporate Governance Report	28-42
Auditor's Report	43-45
Balance Sheet	46
Statement of Profit and Loss	47
Cash flow Statement	48-49
Notes to Financial Statement	50-68
Consolidated Financial Statement	69-92
E-mail Address Registration Form	93

**NOTICE**

Notice is hereby given that the **Twentieth Annual General Meeting** of the Members of the company will be held at the registered office i.e. Circuit Systems (India) Ltd., A-1001/1002, Titanium Square, Thaltej Cross Road, S G Highway, Ahmedabad – 380 054 on 28<sup>th</sup> September 2015, at 4.00 PM on Monday to transact the following business.

**Ordinary Businesses:-**

- To receive, consider and adopt
  - The Audited Standalone financial statements of the company for the financial year ended on 31<sup>st</sup> March, 2015.
  - The Audited Consolidated financial statements of the company for the financial year ended on 31<sup>st</sup> March, 2015.
- To re-appoint M/s Baheti Bhadada and Associates, Chartered Accountants, as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next annual general meeting and to fix their remuneration.
- To re-appoint Director, Mr. Jayesh Shah (DIN-02449642), who retires by rotation at this annual general meeting and being eligible, has offered himself for reappointment.

**SPECIAL BUSINESS:**

- To consider and if thought fit to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Ms. Madhu Kejriwal (DIN:06920305), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2020.”

**By the Order of Board of Directors**

**Place : Ahmedabad**  
**Date : 8 August 2015**

**(Amrita Chandwani)**  
**Company Secretary**

**Notes:**

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS 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.**  
Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the commencement of the meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from Monday 21 September 2015 to Monday 28 September 2015.  
Members holding Shares in Physical form are requested to intimate immediately to the Registrar & Transfer Agent of the Company, **M/s. CAMEO CORPORATE SERVICES LIMITED**, “Subramanian Building”, 1 Club House Road, Chennai – 600 002 quoting the Registered Folio Numbers (a) details of their email ID (b) Change in their address if any with the Pin Code Number.
- Members are requested to intimate to the Company, queries, if any, on the accounts at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
- Members attending the meeting are requested to bring with them the Attendance slip attached the Annual report duly filled in and signed and handover the same at the entrance of the meeting place.
- All documents referred to in the notice shall be available for inspection at Company's registered officer during 12 noon to 4 pm hours on working days up to the date of AGM. Members are requested to serve minimum 48 hours notice to inspect the same.



6. Kindly refer to instructions for E-voting attached with Annual Report. Business set out in Notice will be transacted through e-voting only. The Company has provided facility for e-voting system.

**7. Voting Through electronic Means:**

In compliance with the provision of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and administration) Amendment Rules, 2015 and clause 35B of the Listing agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-voting services. The facility of casting the votes by members using an electronic voting system from a place other than venue of the AGM (remote e-voting) is provided by Central Depository Services Limited (CDSL).

**The voting period begins on Friday 25 September 2015 (9.00 AM) and ends on Sunday 27 September 2015 (5.00 PM).** During this period Members of the company, holding shares either in physical form or in dematerialized form, **as on the cut-off date of 21 September 2015** may cast their vote electronically. The E-voting module shall be disabling by CDSL for voting after 27 September 2015 (5.00 P.M.)

The instructions for Members for voting electronically are as under:

**A. In case of Members receiving Notice of Annual General Meeting (AGM) through E- mail:**

- i. **The voting period begins on Friday 25 September 2015 (9.00 AM) and ends on Sunday 27 September 2015 (5.00 PM).** During this period Members of the company, holding shares either in physical form or in dematerialized form, **as on the cut-off date of 21 September 2015** may cast their vote electronically. The E-voting module shall be disabling by CDSL for voting after 27 September 2015 (5.00 P.M.)
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Log on to the E-voting website : [www.evotingindia.com](http://www.evotingindia.com)
- iv. Click on Shareholders
- v. Now enter your User Id
  - a) For CDSL : 16 digits beneficiary ID.
  - b) For NSDL : 8 Character DP ID followed by 8 Digit Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company
- vi. Next enter the Image verification as displayed and click on "Login".
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

Permanent Account Number	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholder as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not update their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digit enter the application numbers of 0's before the number after the first two characters of the name in Capital Letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enterRA00000001 in the PAN Field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>



- ix. After entering these details appropriately click on SUBMIT
- x. Members holding shares in Physical form will then reach directly to the Company Selection screen. However, members holding shares in demat form will now reach to 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in Physical form, the details can be used only for E-voting on the resolutions contained in this Notice.
- xii. Click on the Electronic Voting sequence Number (EVSN) of "CIRCUIT SYSTEMS(INDIA) LIMITED".
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xiv. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, Click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote click on "OK" else to change your vote click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- xviii. If Demat account holder has forgotten the changed password then enter the USER ID and image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. (a) Institutional shareholders (i.e. other than individual, HUF, NRI, etc.) are required to log in to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as corporate.  
(b) Institutional shareholders should submit a scanned copy of the Registration form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)  
(c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.  
(d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts institutional shareholders would be able to cast their vote.  
(e) A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xxi. Chopra Nayna Parasmalji Company Secretaries, (Membership No. FCS 32833 CP No. 12187) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote E-voting process in a fair and transparent manner.
- xxii. The chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling paper" for all those members who are present at the AGM but have not cast their votes by availing to remote E-voting facility.
- xxiii. The scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote E -voting in the presence of at least two witness not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xxiv. The results declared along with the report of the scrutinizer shall be immediately forwarded to the BSE Limited.



xxv For members who wish to vote through ballot forms:

- (a) The Ballot Form is provided for the benefit of shareholders, who do not have access to remote E-voting facility.
- (b) Pursuant to clause 35B of the Listing Agreement, members who do not have access to remote E-voting facility, may exercise their right to vote on business be transacted at the Annual General Meeting of the Company. The Ballot Form will be provided at the Annual General Meeting of the Company.

**B. In case of Members receiving physical copy of Notice of AGM:**

- i Please follow all steps from Sr. No. (i) to sr. No. (xix) Above, to cast vote.
- ii Incase you have any queries or issue regarding E-voting, you may refer the Frequently Asked Question ("FAQs) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**C. General Instruction:**

Members, who have registered their E-mail addresses with the Company or their Depository participant are being sent the AGM Notice along with the annual Report, Attendance slip, Proxy by E-mail and other are being sent by post.

8. Members are requested to note that pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, brief particulars including shareholding of the Directors proposed to be appointed/re-appointed is given below and forms part of the Notice.

**EXPLANATORY STATEMENT**

**(Pursuant to Section 102(1) of the Companies Act, 2013)**

**Item No 4**

The Companies Act, 2013 and SEBI Guidelines have mandated every listed company to appoint at least one woman as director of the company. In pursuant to these guidelines on recommendation of Nomination and Remuneration Committee, the company had appointed Ms. Madhu Kejriwal as independent director of the company 26<sup>th</sup> July 2014 to hold office till conclusion of ensuing Annual General Meeting in terms of provisions of Section 161(1) of the Companies Act, 2013.

Ms. Madhu Kejriwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board.

The Company has received a declaration from Ms. Madhu Kejriwal that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Ms. Madhu Kejriwal is practicing chartered accountants and possesses appropriate skills, experience and knowledge; *inter alia*, in the field of finance.

Brief resume of Ms. Madhu Kejriwal, nature of her expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letter for appointment of Ms. Madhu Kejriwal as an Independent Director setting out the terms and conditions is available for inspection on request by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Ms. Madhu Kejriwal and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

**By the Order of Board of Directors**

**Place : Ahmedabad  
Date : 8 August 2015**

**Amrita Chandwani  
Company Secretary**



**ANNEXURE TO THE NOTICE**

NOTES ON DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 20TH ANNUAL GENERAL MEETING AS REQUIRED UNDER CLAUSE 49 OF LISTING AGGEREMENT ENTERED INTO WITH STOCK EXCHANGES.

Profile of Directors being Re-appointed under Item Nos. 3, 4 & 5 the above Notice:

<b>Name of Director</b>	<b>Ms. Madhu Kejriwal</b>	<b>Mr. Jayesh Shah</b>
Date of Birth	7 May 1977	19 June 1965
Date of Appointment	26 July 2014	3 December 2011
Qualification	Chartered Accountants	B.Com
Expertise in Specific Functional Area	She is practicing chartered accountants since last 12 years. She is partner at CA firm Chirania Kejriwal & Co. She has rich experience in audit, tax and finance matters.	He is having experience of 21 years in finance, taxation and commerce. He has also done Diploma in Taxation from Gujarat University.
Directorship in Other Companies (Excluding Private & Foreign Companies)	Nil	1. PCB Power (India) Limited 2. PCB Planet (India) Limited 3. Eurocircuits India Limited
Membership/Chairmanship of Committee (includes only Audit Committee & Investor Grievances Committee) in other companies	Nil	Nil
Shareholding as on 31 March 15	Nil	Nil

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that service of notice/documents including Annual Reports can be sent by e-mail to its members. This will also ensure prompt receipts of communication and avoid loss in postal transit. These documents can also be downloaded by the shareholders from the Company's website i.e. [www.mycsil.com](http://www.mycsil.com) to support this green initiative of the Government in full measure, members who have not registered their e-mail address so far, are requested to register their e-mail addresses on the website of the Company i.e. [www.mycsil.com](http://www.mycsil.com) with subject as E-mail for 'Green Initiative' mentioning their Folio No./ Client ID, name of the Company. Members holding shares in electronic form may register/update their e-mail addresses with the Depository through concerned Depository Participant(s).

**DIRECTORS' REPORT**

To,

The Members,

Circuit Systems (India) Ltd.,

Your Directors have pleasure in presenting herewith the 20<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31<sup>st</sup> March, 2015.

- **Financial Results:**

	(Rs. In Lacs)	
<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Income from Operation (Net of Excise)	2424.95	2447.49
<b>Other Income</b>	45.65	36.29
<b>Profit before Finance Cost, Depreciation and Tax</b>	<b>317.26</b>	<b>251.38</b>
Less: Interest and Financial Charges	(105.90)	(92.49)
Less : Depreciation	(103.40)	(155.67)
<b>Profit from operations</b>	<b>107.96</b>	<b>55.06</b>
Exceptional Items	(677.24)	(14.44)
<b>Profit for the year before tax</b>	<b>(569.28)</b>	<b>40.62</b>
Add/(Less) : Provision for taxation	7.55	(8.56)
<b>Profit for the year after Tax</b>	<b>(561.73)</b>	<b>32.05</b>

- **DIVIDEND :**

The dividend payout for the year under the review has been formulated in accordance with the company's policy to pay substantial dividend linked to long term performance, keeping in view the company's need for capital for its growth plans and the intent to finance through internal accruals to maximum. Your directors have always wished to appreciate the trust and faith of its members by improving the performance of the Company.

Even though, the company has moderate operating profit in the current year, your directors consider need of funds in future for capital expansion. Therefore, your directors do not recommend any dividend during the year under consideration.

- **BUSINESS SCENARIO:**

The Company is in High Mix low volume business. This policy has started showing benefits in terms of improved margins and profitability in spite of fall in turnover. The Company considers continuing the same policy in future and your directors expects that the same will result into improved profitability in future. During the year, the company has earned operating profit of Rs. 1.07 crore before exceptional items. However, Company also registered an overall loss due to exceptional items taken into consideration in book of accounts.

- **DEPRECIATION ON FIXED ASSETS**

Attention of members is drawn to Note of financial statements regarding calculations of depreciation for current financial year. The Companies Act, 2013 has changed method of computation of depreciation from calculations based on rates of depreciation to calculations based on the useful life of the company. Therefore, the company was required to ascertain useful life of all assets as on 1 April 2014 and depreciate the written down value on remaining useful life of the assets. Further, those assets whose useful life has become Nil as on 1 April 2014 is required to be discarded and remaining WDV of such assets is required to be adjusted towards reserves of the company. The company has carried out required changes and identified useful life



and WDV of all assets as per provisions of Companies Act, 2013 and recalculated depreciation on all assets accordingly. Further, the company has debited amount of Rs. 8, 67, 28,201/- against reserves and surplus as write off towards fixed assets whose useful life has become zero on 1 April 2014. This is one time write off and not expected to recur in future. Your directors believe that this will enable the company to present more correct view of financial position of the company. Members are requested to refer Note 11 of financial statements.

- **WRITE OFFS DURING FINANCIAL YEAR**

The company has conducted detailed verification of its inventory and receivables during this financial year to find out stock which has become obsolete or receivables which has become irrecoverable. The company had accumulated significant quantity of stocks and spares which had book value but could not be used by the company for manufacturing and maintenance purpose because of its odd size, shape or other factors. Hence, economic value of such stocks has practically become zero for the company. During the year, company carried out exercise to find such obsolete inventories and scarp them, in order to reflect more realistic position of the inventory. Accordingly, the company has reduced value of Rs. 2, 96, 27,916/- in its closing inventory as on 31 March 2015. Your directors believe that this will reflect more realistic position of financial position of the company. This is one time reduction and not expected to recur in near term and mid term future.

Further, the company had accumulated balance in receivables which was long overdue but had not received since long. The payments were pending due to various reasons such as quality disputes, compliance disputes, and rate disputes, receivables being unresponsive and other reasons. The company had made detail assessment of recoverability of each receivable and decided to write off those balances which cannot be recovered even after considerable efforts since last few years. During year, the company has written off Rs. 2, 30, 05,998/- for various irrecoverable balances. Your directors believe that this will help the company to show correct position of trade receivable and company's financial position. The company has made significant improvements to its credit policy to customers and such bad debts have reduced drastically since last few years and it will further improve in near and mid term future.

- **SUBSIDIARY COMPANIES & CONSOLIDATED FINANCIAL STATEMENT:**

The Company has only one subsidiary i.e PCB Power (India) Limited. The subsidiary company has not started full fledge commercial operations yet. Your directors expect to start commercial operations from current financial year.

In accordance with Section 136(1) of Companies Act, 2013, the Balance Sheet, Profit and Loss Accounts and other documents of the subsidiary company are not being attached with the Annual Report of the Company but are uploaded on website of the company. The Company will provide the annual accounts of its subsidiary companies and the related detailed information on the specific request made by any shareholders and the said annual accounts are open for the inspection at the registered office of the Company during office hours on all working days, except Sundays and holidays, between 2.00 p.m. and 4.00 p.m. The Statement showing salient features of subsidiaries as required u/s 123 (3) of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 is attached in Form No AOC-1 with this report.

As required under Clause 32 of Listing Agreement with the stock exchange(s) and in accordance with the requirements of Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, the Company has prepared Consolidated Financial Statements of the Company and its subsidiary and is included in the Annual Report.

- **PUBLIC DEPOSITS:**

During the year under review, the Company has not accepted any deposits from the public within the meaning of Companies Act, 2013.

- **INSURANCE:**

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

- **DIRECTORATE:**

Pursuant to the provisions of Companies Act, 2013 Mr. Jayesh Shah, Director of the Company, retires at the ensuing Annual General Meeting of the Company and is eligible for reappointment. The Board recommends their reappointment as Directors of the Company.



The Board has appointed Ms. Madhu Kejriwal as independent director of the company on 26 July 2014. Her appointment is subject to confirmation by the members at annual general meeting. The board recommends her appointment.

- **FORMAL EVALUATION STATEMENT**

The evaluation framework for assessing the performance of Chairman, Directors, Board and Committees comprises, inter-alia, of the following parameters:

- a. Directors bring an independent judgment on the Board's discussions utilizing his knowledge and experience especially on issues related to strategy, operational performance and risk management.
- b. Directors demonstrate awareness and concerns about norms relating to Corporate Governance, disclosure and legal compliances.
- c. Directors contribute new ideas/insights on business issues raised by Management.
- d. Directors anticipate and facilitate deliberations on new issues that Management and the Board should consider.
- e. The Board / Committee meetings are conducted in a manner which facilitates open discussions and robust debate on all key items of the agenda.
- f. The Board receives adequate and timely information to enable discussions/ decision making during Board meetings.
- g. The Board addresses interests of all stakeholders of the Company.
- h. The Committee is delivering on the defined objectives.
- i. The Committee has the right composition to deliver its objectives.

The performance evaluation of Chairman, Directors, Board and Committees was undertaken by the Nomination and Remuneration Committee for the year under review and the results were reported to the Board of Directors.

- **AUDITORS:**

The Shareholders of the company has accorded their consent in their 19<sup>th</sup> Annual General meeting for appointment of M/s Baheti Bhadada & Associates, Chartered Accountants as Statutory Auditor of the company for period of 5 years commencing from conclusion of 19<sup>th</sup> Annual General Meeting till conclusion of 24<sup>th</sup> Annual General meeting.

Members are requested to appoint M/s Baheti Bhadada and Associates, Chartered Accountants as statutory auditor of the company from current annual general meeting till end of next annual general meeting. The board has received letter from them to the effect that their appointment if made will be within limits specified u/s 141(1)(g) of Companies Act, 2013.

- **AUDITORS' REPORT:**

The observations made in the Auditors Report are self explanatory and therefore, need not require any further comments by the board of directors.

- **SECRETARIAL AUDIT REPORT**

In pursuant to Section 204 of the Companies Act, 2013, the Board herewith attaches secretarial audit report issued by practicing company secretary. There are no remarks or comments in said report which requires clarifications by the board.

- **ABSTRACTS OF ANNUAL RETURN**

In pursuant to requirement of 93 (3) of Companies Act, 2013, the abstracts of annual return is herewith attached in Annexure of the report in prescribed Form No MGT-9.

- **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to requirement under section 134(3)(c) of Companies Act 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed.



## CIRCUIT SYSTEMS (INDIA) LIMITED

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

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

- o **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.

- o **Foreign Exchange Earnings and Outgo:**

1. **Foreign Exchange Earned During the year :**

Amount in Indian Rupees

Particulars	2014-15	2013-14
Exports	10,045,036	11,686,999

2. **Foreign Exchange Outgo :**

Repairs and Maintenance – Machinery	9,45,199	5,12,101
Interest on Buyer’s Credit	-	1,03,221
Travelling Expense	6,16,940	7,64,149
Sales Commission – Export	-	23928
Foreign Bank charges	23,142	62,097
Imports (CIF)	94,573,582	87,962,803

- **RISK MANAGEMENT POLICY**

The Risk management policy of the company has been discussed in detail in the Management Discussion & Analysis Report which forms part of this directors’ report, attached with annual report. The attention of members is drawn to this fact.

- **PARTICULARS OF EMPLOYEE:**

During the year, there were no employees, within the organization, who were in receipt of remuneration exceeding Rs. 60, 00,000/- p.a. or if employed for part of the year drawing remuneration in excess of Rs. 5, 00,000/- p.m, as prescribed.

- **MANAGERIAL REMUNERATION**

The details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows.



Ratio of Remuneration of Each Director to median remuneration of employees of the company	1. Mr. Paresh Vasani – 21.09 times 2. Mr. Chetan Panchal - Nil 3. Mr. Jayesh Shah - Nil 4. Ms. Madhu Kejriwal - Nil
Percentage increase in remuneration of each director, CFO, & CS	18.77% for CS. For others Nil
Number of Permanent employees on Roll of Company	65
Explanation on the relationship between average increase in remuneration and company performance.	There is no increase in remuneration of key managerial persons during this financial year. Hence, the same clause is not applicable.
Market Capitalization of Company	As on 31 March 2015 – Rs. 20,11,00,732/- As on 31 March 2014 – Rs. 11,78,86,636/-
Price Earnings Ratio	As on 31 March 2015 – (3.58) As on 31 March 2014 – 42.50
Percentage Increase (Decrease) in Market Price of shares with at rate at which company came up with last public offer.	58.57% Decrease
Average Percentage Increase in salaries of employees other than managerial personnel & Managerial Personnel	15.64% Increase in other than managerial No Increase in managerial personnel
Comparison of Managerial Remuneration against performance of the company	There has been no change in managerial remuneration during current year. While performance of company has improved in terms of improved profitability. However, net result is loss after adjustments of exceptional items.
Key Parameter for variable component of remuneration availed by the director	There is no variable component in remuneration of any director
the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable

There is no employee who receives remuneration in excess of highest paid director.

The Board hereby confirms that remuneration paid to all managerial personnel is in accordance with the remuneration policy of the company.

- **LOANS, ADVANCES AND GUARANTEES**

The detail of loans and advances by the company is given in note 12, 13 & 18 of financial statement. There is no guarantee given by the company.

- **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

There are no contracts or arrangements entered by the company with related parties at price other than arm's length price. Hence, provisions of Section 188 of Companies Act, 2013 is not applicable. Details of related party transactions are given in Note no 28 of financial statements.



## **CIRCUIT SYSTEMS (INDIA) LIMITED**

### **• 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 Corporate Governance Report forms part of Director' report.

The Details of board of directors, their composition and details of board meetings held during this year are given under Corporate Governance statement. Attention of members is drawn to this fact.

The Board has formed nomination and remuneration committee as required under section 178(1) of Companies Act, 2013. The composition of the same is given in Corporate Governance statement. Further, disclosures for Nomination and Remuneration Policy is given in annexure to this report, as required under 178 (3) of Companies Act, 2013.

The Board has constituted Audit Committee as required under section 177(1) of Companies Act, 2013. The Composition of the same has been disclosed in Corporate Governance report forming part of directors' report. During the year, the Board has agreed to all recommendations of the audit committee.

The vigil mechanism for directors and employees have been set up and communicated to all employees. The extracts of whistle blower policy are given in Corporate Governance Statement.

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.

### **DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the Board confirms that no complaint / case has been filed / pending with the Company during the year

### **• ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Your Company's internal financial control systems are commensurate with the nature, size, and complexity of the businesses and operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and the follow up action are reported to the Audit Committee.

### **• CORPORATE SOCIAL RESPONSIBILITY**

The Company is not mandated to contribute for corporate social responsibility. However, the company will voluntarily contribute for social purpose if need arises.

### **• 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, 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,**

**Date : 8 August 2015**  
**Place : Ahmedabad**

**Paresh Vasani**  
**Managing Director**  
**DIN NO: 01376786**

**Jayesh Shah**  
**Director**  
**DIN NO: 02559296**



**Annexures to Directors' Report**

**Annexure – 1 –**

**Form No MR 3**

**Secretarial Audit Report**

FOR THE FINANCIAL YEAR ENDED 31.03.2015

[Pursuant To Section 204(1) Of The Companies Act, 2013 And

Rule No. 9 Of The Companies (Appointment And Remuneration Personnel) Rules, 2014]

To,  
**The Members,**  
**CIRCUIT SYSTEMS (INDIA) LIMITED**  
**A-1001-1002, Titanium Square,**  
**Thaltej Cross Road, Thaltej**  
**Ahmedabad – 380 054**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Circuit Systems (India) Limited (CIN: L74140GJ1995PLC024524) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31.03.2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Circuit Systems (India) Limited (CIN: L74140GJ1995PLC024524) ("**The Company**") for the period ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not Applicable
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – (**Not Applicable during audit period**)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – (**Not Applicable during audit period**)
  - (e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008- (**Not Applicable during audit period**)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;





## **CIRCUIT SYSTEMS (INDIA) LIMITED**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **(Not Applicable during audit period)**; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 –
- (i) The other laws as may be applicable specifically to the Company, if any.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not notified hence not applicable to the Company during the audit period)**
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

### **I further report that**

the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

### **I further report that**

there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I further report that during the audit period the Company has passed no Special Resolution which having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**CHOPRA NAYNA PARASMALJI**  
**COMPANY SECRETARY**  
**ACS: 32833**  
**C.P.No.: 12187**

**PLACE : AHMEDABAD**  
**DATE : 8 AUGUST 2015**

**Annexure – 2 –**

FORM AOC-1 [Pursuant to first proviso to sub-section (3) of Section 129 read with rules 5 of the Companies (Accounts) Rules, 2014] Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

**Part-“A”: Subsidiaries**

<b>Sr No</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the subsidiary	PCB Power (India) Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 April 2014 to 31 March 2015
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	Rs. 860,200
5	Reserves & surplus	Rs. 12,212,265/-
6	Total assets	Rs. 14,060,152/-
7	Total Liabilities	Rs. 987,687/-
8	Investments	Rs. 44,988,460/-
9	Turnover	Rs. 2,071,836/-
10	Profit/(Loss) before taxation	Rs.1,009,627/- Loss
11	Provision for taxation	Nil
12	Profit after taxation	Rs.1,009,627/- Loss
13	Proposed Dividend	Nil
14	% of shareholding	100%

The above subsidiary is yet to commence its commercial operations.

**Part – “B” Associates & Joint Ventures**

There are no associates or joint venture company in group.

**ANNEXURE-3****Nomination and Remuneration Policy****1. Introduction**

In terms of Section 178 of the Companies Act, 2013 and the Listing Agreement, entered into by the Company with Stock Exchanges, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors on 26 July 2014.. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

**2. Objective**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

- a) To recommend to the Board appointment and removal of Directors, Key Managerial Personnel and Senior Management in accordance with criteria laid down.
- b) To recommend to the Board a policy including following:
  - (i) Determining qualifications, positive attributes and independence of a director;
  - (ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;
  - (iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (v) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- (vi) Performance evaluation of Independent Directors and the Board.
- (vii) Board diversity.

**3. Definitions**

“**Act**” means Companies Act, 2013 and rules thereunder.

“**Board**” means Board of Directors of the Company. “**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board. “**Company**” means Circuit Systems (India) Limited

“**Independent Director**” means a Director of the Company, not being in whole time employment and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Listing Agreement with the stock exchanges.

“**Key Managerial Personnel**” means Key managerial personnel as defined under the Companies Act, 2013 and includes: i. Managing Director or Executive Director or Chief Executive Officer or Manager ii. Whole-time Director; iii. Company Secretary; iv. Chief Financial Officer and v. Such other officer as may be prescribed. Annual Report 2014-15 25



“Policy” means Nomination and Remuneration Policy.

“Senior Management” means personnel of the Company who are members of its core management team (Internal Board) excluding the Board of Directors.

#### **4. Functions of Committee**

The Nomination and Remuneration Committee shall, inter-alia, perform the following functions:

- a) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- b) To recommend to the Board a policy for following:
  - (i) Determining qualifications, positive attributes and independence of a director;
  - (ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;
  - (iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (v) Remuneration to directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
  - (vi) Performance evaluation of Independent Directors and the Board.
  - (vii) Board diversity.

The Chairperson of the Nomination and Remuneration Committee or, in his absence, any other member of the committee authorized by the Chairperson in this behalf shall attend the general meetings of the company. Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

#### **5. Membership**

- (i) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- (ii) The quorum shall be either two members or one third of the members of the Committee whichever is higher.
- (iii) Membership of the Committee shall be disclosed in the Annual Report. iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **6. Chairperson**

- (i) Chairperson of the Committee shall be an Independent Director.
- (ii) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- (iii) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

#### **7. Frequency of Meeting**

The meeting of the Committee shall be held at such regular intervals as may be required.

**8. Secretary**

The Company Secretary of the Company shall act as Secretary of the Committee.

**9. Minutes of Committee**

Meeting Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

**10. Policy for appointment and removal of Director, KMP and Senior Management****(A) Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.

**(B) Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**(C) Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**11. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel****(A) General:**

- a) The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act.
- c) Term / Tenure of the Directors shall be as per company's policy and subject to the provisions of the Act.

**(B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel****a) Fixed pay:**

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board. The breakup of the pay scale and quantum of



perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the Person authorized by the Board and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government. Annual Report 2014-15

(C) Remuneration to Non-Executive / Independent Director

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be decided by the Board and subject to the limit as provided in the Act.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act. 12. Amendments This Policy may be amended by the board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including Listing Agreement.

12. Amendments

This Policy may be amended by the board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including Listing Agreement



**Annexure – 4 –**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31.03.2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

(i)	CIN	L74140GJ1995PLC024524
(ii)	Registration Date	8-Feb-95
(iii)	Name of Company	Circuit Systems (India) Limited
(iv)	Category/Sub Category of Company	Limited Company
(v)	Address of Registered office and contact details	A-1001/1002, Titanium Square, Thaltej Cross Road, Thaltej, Ahmedabd-380054, Ph No. : 91 79 3287086/87 Fax No. 91 79 23287089
(vi)	Whether company is listed?	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent	Cameo Corporate Services Limited "Subramanian Building" 1, Club House Road, Chennai-600002

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Printed Circuit Boards	32104	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	PCB Power(India) Ltd.	U31909GJ2006PLC047552	Subsidiary	100%	2(87)(1)



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
g) Individual/ HUF									
h) Central Govt									
i) State Govt (s)	9893180	0	9893180	71.33	9893180	0	9893180	71.33	0
j) Bodies Corp.									
k) Banks / FI									
l) Any									
Other....									
<b>Sub-total (A) (1):-</b>	9893180	0	9893180	71.33	9893180	0	9893180	71.33	
(2) <b>Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
<b>Sub-total (A) (2):-</b>	9893180	0	9893180	71.33	9893180	0	9893180	71.33	
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	9893180	0	9893180	71.33	9893180	0	9893180	71.33	
<b>B. Public Shareholding</b>									
<b>1 Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B) (1):-</b>	0	0	0	0	0	0	0	0	0





Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian	2311815	0	2311815	16.68	2294975	0	2294975	16.55	-0.13
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1362886	332	1363218	9.83	1180681	332	1181013	8.52	-1.31
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	151067	0	151067	1.09	358135	0	358135	2.58	1.49
c) Others									
Clearing Members	1065	0	1065	0.01	1348	0	1348	0.01	0
HUF	109313	0	109313	0.79	109244	0	109244	0.79	0
NRI (specify)	39358	0	39358	0.28	31121	0	31121	0.22	-0.06
<b>Sub-total (B)(2):-</b>	<b>3975504</b>	<b>332</b>	<b>3975836</b>	<b>28.67</b>	<b>3975504</b>	<b>332</b>	<b>397536</b>	<b>28.67</b>	<b>0</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	13868684	332	13869016	100	13868684	332	13869016	100	0

**(ii) Shareholding of Promoters**

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Paresh Vasani	9893180	71.33	0	9893180	71.33	0	0
	<b>Total</b>	<b>9893180</b>	<b>71.33</b>	<b>0</b>	<b>9893180</b>	<b>71.33</b>	<b>0</b>	<b>0</b>

**(iii) Change in Promoters' Shareholding ( please specify, if there : is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):***As per Annexure A***(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	9893180	71.33	9893180	71.33
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	9893180	71.33	9893180	71.33


**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	17,689,401	Nil	Nil	17,689,401
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not Due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	17,689,401	0	0	17,689,401
<b>Change in Indebtedness during the financial year</b>				
• Addition	20,420,287	0	0	20,420,287
• Reduction	86,126,340	0	0	86,126,340
<b>Net Change</b>	65,706,053	0	0	65,706,053
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	83,395,454	0	0	83,395,454
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	83,395,454	0	0	83,395,454

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Paresh Vasani	---	---	
1	Gross salary	3216667			3216667
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0			0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0			0
2	Stock Option	0			0
3	Sweat Equity	0			0
4	Commission	0			0
	- as % of profit				
	- others, specify...				
5	Others, please specify	0			0
	Total (A)	3216667			3216667
	Ceiling as per the Act				


*B. Remuneration to other directors:*

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. A.C. Patel	Mr. Jayesh H. Shah	Mr. Chetan Panchal	Mrs. Madhu Kejriwal	
1.	Independent Directors					
	• Fee for attending board committee meetings	15000	45000	20000	15000	95000
	• Commission					
	• Others, please specify					
	Total (1)	15000	45000	20000	15000	95000
2.	Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	15000	45000	20000	15000	95000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

*C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD*

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross salary	NIL	105058	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit				
	- others, specify...				
5	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	105058	NIL	NIL



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:if any (give Details)**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding Imposed	Authority (RD/NCLT /Court)	Appeal Made if any (give details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**MANAGEMENT DISCUSSION AND ANALYSIS****• 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 cannot 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, and 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 Up gradation, inventory controls etc. Industry segments like industrial electronics including but not limited to Instrumentation, Telecom, Power Supply, LED, Defense 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.



## CIRCUIT SYSTEMS (INDIA) LIMITED

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 2014-15:**

The Company has earned revenues of Rs. **2424.95 Lacs** in 2014-15 as compared to Rs. 2477.49 Lacs last year. The Company has focused on business model that is sustainable in long run. Bringing value to customer and increasing reliability is prime focus of the company. The Company considers continuing the same policy in future and your directors expects that the same will result into improved profitability in future. During the year, the company has earned operating profit of Rs. 1.07 crore before exceptional items. However, due to loss arising because of exceptional items, the overall results are in negative. It is to be noted that the company has improved its margins and operational efficiency in terms of reduced expenditures. The same will result in better profitability in future.

### ▪ **Capacity Utilization:**

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. During the year, the company has made several additions in Plant & Machineries to build its capacity.

### ▪ **Contingent Liability:**

Details of Contingent Liabilities are given in notes 1.10 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.

**FOR AND ON BEHALF OF THE BOARD,**

**Date : 8 August 2015**  
**Place : Ahmedabad**

**Paresh Vasani**  
**Managing Director**  
**DIN NO: 01376786**

**Jayesh Shah**  
**Director**  
**DIN NO: 02559296**

**REPORT ON CORPORATE GOVERNANCE****1. OUR GOVERNANCE PHILOSOPHY**

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transference, accountability and equity in all facets of its operation and in all its interactions with its stake holders including shareholders, employees, the government, lenders and the society. The Company believes that all its operations and actions must the underlying goal of enhancing overall shareholder value, over a sustained period of time. Your Company continuously strives for excellence by adopting best governance and disclosure practices. In this context, your Company has been making significant disclosures on the Board composition and functioning, management thoughts on the performance and outlook from time to time.

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. GOVERNANCE PRACTICES BEYOND REGULATORY REQUIREMENTS**

Our governance practices go beyond the statutory and regulatory requirements. Our endeavor is to follow the spirit of good governance than mere compliance with the conditions specified by regulatory authorities. With this objective, we have formulated, inter alias, the following policy documents and introduced best practices of governance:

**2.1 Code of Ethics**

Our policy document on 'Code of Ethics', in essence, directs that our employees should conduct the business with integrity by excluding consideration of personal advantage. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner.

**2.2 Business policies**

Our 'Business Policies' contains the policy on fair market practices, inside information, financial records and accounting integrity, external communication, work ethics, personal conduct, policy on prevention of sexual harassment, health, safety & environment and quality.

**2.3 Prohibition of Insider Trading Policy**

The Company has adopted a 'Code of Conduct for Prevention of Insider Trading' in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. This Code is amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations. The said Code is applicable to all Directors and such Designated Employees who are reasonably expected to have access to unpublished price sensitive information relating to the Company.

**2.4 Whistle Blower Policy & Vigil Mechanism**

We have established a vigil mechanism for our employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct & Ethics policy. The Audit Committee or vigil officer appointed by it conducts investigation of such cases and appropriate actions are being taken based on findings of it. Our whistle blower policy also safeguards the whistle blower from any adverse personnel action and allows direct access to the Chairperson of the Audit Committee in exceptional cases. We further affirm that no employee has been denied access to the Audit Committee.

**2.5 Risk Management**

The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risk, compliance risks and people risks.

- **Foreign Exchange Risk:** - The Company's policy is to actively manage its long term foreign exchange risk within the framework laid down by the Company's FOREX Policy approved by the Board.
- **Interest Rate Risk:** -Given the interest rate fluctuations, the Company has adopted a prudent and conservative risk mitigating strategy to minimize the interest costs.





## CIRCUIT SYSTEMS (INDIA) LIMITED

- **Commodity Price Risk:** -The Company is exposed to the risk of price fluctuation on raw materials as well as finished goods in all of its products. The Company proactively manages these risks in inputs through forward booking, inventory management, proactive management of vendor development and relationships. The Company's strong reputation for quality, product differentiation and service, the existence of a powerful brand image and a robust marketing network mitigates the impact of price risk on finished goods.
- **Risk Element in Individual Businesses:** - Apart from the risks on account of interest rate, foreign exchange and regulatory changes, various businesses of the Company are exposed to certain operating business risks, which are managed by regular monitoring and corrective actions.
- **Compliance Risks:** -The Company is exposed to risks attached to various statutes and regulations including the Competition Act, 2002. The Company is mitigating these risks through regular reviews of legal compliances, through internal as well as external compliance audits.
- **People Risks:** -Retaining the existing talent pool and attracting new manpower are major risks. The Company has initiated various measures such as rollout of strategic talent management system, training and integration of learning activities.

### 3. BOARD ROOM PRACTICES

#### 3.1 Board Charter

The Board of Directors has adopted a comprehensive board charter. The charter has set out matters relating to board composition, scope & functions of the board & committees, etc.

#### 3.2 Tenure of Independent Director

Tenure of Independent director is decided as per provisions of Companies Act, 2013 and SEBI guidelines.

#### 3.3 Director's interactions with shareholders

Mr. Paresh Vasani and Mr. Chetan Panchal interact with shareholders. The suggestions and queries are forwarded to the Company Secretary. The directors assure the shareholders that their Company is running smoothly and is rising in a steady yet sustainable manner over the period of times.

#### 3.4 Meeting of independent directors with operating team

The independent directors of the company meet in executive sessions with the operating teams in each of the respective areas, on a regular basis as they deem necessary. These executive session discussions may include topics such as, operating policies and procedures; risk management strategies; measures to improve efficiencies; performance and compensation; strategic issues for board consideration; flow of information to directors; management progression and succession and others as the independent directors may determine. During these executive sessions, the independent directors have access to members of management and other advisors, as the independent directors may determine and deem fit.

#### 3.5 Commitment of Directors

The board meeting dates for the entire financial year are scheduled in the beginning of the year and an annual calendar of meetings of the board and its committees is circulated to the directors. This enables the directors to plan their commitments and facilitates attendance of all directors at the meetings of the board and its committees. Such advance planning of meetings enable the directors to plan their commitments, particularly in the context that the meetings of the board normally extend over the entire working day.

### 4. BOARD OF DIRECTORS

#### 4.1 Composition

- As on the date, the Company has four directors with an Executive Managing Director. Out of total 4 board members, 3 [75%] are non executive and independent directors, who are acknowledged as leading professional in their field. The composition of Board is in compliance with the requirements of Clause 49(1)(A) entered into with Bombay Stock Exchange Limited. (BSE) The Company has an Executive Managing Director who is taking first lead on growth of overall business and penetrating true business opportunities at all levels.



## CIRCUIT SYSTEMS (INDIA) LIMITED

- 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	Category & Designation	Attendance at the Last AGM	No. of Board Meetings attended	Directorships in other Indian Public Companies as at 31-03-2015 <sup>1</sup>	No. of Board/Committee <sup>2</sup> membership as at 31 <sup>st</sup> March, 2014 (Other than Circuit Systems (India) Ltd.	
					Chairman	Member
Mr. Paresh N. Vasani	Promoter, Executive & Managing Director	Yes	8	2	Nil	Nil
Mr. Ambalal C. Patel <sup>3</sup>	Non Executive & Independent Director	No	3	12	2	2
Mr. Jayesh H. Shah	Non Executive & Independent Director	Yes	9	3	Nil	Nil
Mr. Chetanbhai Panchal	Non Executive & Independent Director	No	4	1	Nil	Nil
Mrs. Madhu Kejriwal	Non Executive & Independent Director	No	3	Nil	Nil	Nil

1. Excludes Directorship in Private/Foreign Companies and Companies incorporated under section 8 of the Companies Act, 2013.
2. Represents membership/Chairmanship of the Audit Committee and Shareholder/Investor Grievance Committee of other Public Company.
3. Mr. Ambalal C Patel retired from Board on 14 July 2014 and the same has been taken note of in board meeting dated 26 July 2014.

#### 4.2 Disclosure of Relationship between directors inter se

Name of Directors	Relationship with other Directors
Mr. Paresh N Vasani	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Ambalal C Patel*	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Jayesh H Shah	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Chetan J Panchal	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mrs. Madhu Kejriwal	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.

\* Resigned

#### 4.3 Number and Dates of Board Meetings Held

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



Date of Board Meeting	12/04/14	15/05/14	03/06/14	18/06/14	26/07/14
No. of Directors present	2	4	3	2	3
Board Strength	4	4	4	4	4
Date of Board Meeting	14/10/14	22/12/14	31/01/15	30/03/15	
No. of Directors present	4	2	3	4	
Board Strength	4	4	4	4	

- As per the requirement of Clause 49 of the Listing Agreement the Company has held one Board meeting in every quarter and the maximum time gap between any two meetings was not more than four months.
- The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meetings. Adequate information is circulated as part of the Board papers and is also made available at the Board Meetings to enable the Board to take informed decisions. Where it is not practicable to attach supporting/relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda.

#### 5. CEO AND CFO CERTIFICATION

In compliance of the Clause 49 of the Listing Agreement the Managing Director and Chief Financial Officer gives annual Certification on financial reporting and internal Control to the Board. As per the requirement of Clause 41 of the Listing agreement the Managing Director and Chief Financial Officer also gives quarterly Certification on financial results while placing the financial results before the Board. The Annual Certification given by the Managing Director and Chief Financial Officer is published as part of this report.

#### 6. RISK MANAGEMENT POLICY

The Company has formulated a Corporate Policy applicable to its Indian operations and duly approved by the Board of Directors in compliance with the requirement of the revised Clause 49 of the Listing Agreement with the Stock Exchanges. Audit Committee and Board Members are reviewing and updating the said Policy every quarter. The gist of risk management policy is published in Management Discussion and Analysis Report.

#### 7. CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Clause 49(I) (D) of the Listing Agreement.

#### 8. AUDIT COMMITTEE

##### 8.1 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 177 of the Companies Act, 2013 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.

##### 8.2 The powers of Audit Committee includes following.

- (a) to investigate any activity of the company within its terms of reference,
- (b) to seek information from any employee,
- (c) to obtain outside legal or other professional advice,
- (d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

##### 8.3 Composition of Audit Committee:

The audit committee consists of three members. Out of Audit Committee members, two are Independent - Non-executive Directors. Hence, independent directors form majority of the committee as required



under Section 177(2) of the Companies Act, 2013. The quorum for the Audit Committee Meeting is two members personally present. Mr. Jayesh Shah is the chairman of the Committee. He is having graduation in commerce and Diploma in Taxation Practice. He is having experience of about 21 years of finance and taxation. He has wide knowledge of accounts and taxation. Mr. Paresh N. Vasani is also an Engineer with good business acumen. Ms. Madhu Kejriwal is practicing chartered accountant and fellow member of ICAI. She possesses expert knowledge in area of accounts, finance, taxation and audit. 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 28<sup>th</sup> July, 2008, 8<sup>th</sup> February 2012. Pursuant to appointment of Ms. Madhu Kejriwal as member of Board, the Board reconstituted Audit committee on 26 July 2014. The reconstituted committee is as follows.

Sr. No	Name of the Director	Designation	Nature of Directorship
1	Mr. Jayesh H. Shah	Chairman	Independent and Non-executive
2	Mr. Chetan Panchal <sup>1</sup>	Member	Independent and Non-executive
3	Ms. Madhu Kejriwal <sup>2</sup>	Member	Independent and Non-executive
3	Mr. Paresh N. Vasani	Member	Executive Director

1. Creased to be member of committee with effect from 26 July 2014.
2. Appointed as member of committee with effect from 26 July 2014.

#### 8.4 Meetings and Attendance during the year :

The Audit committee met for Five times in year. Time gap between two meetings were not more than 4 months. There is minimum one meeting in each quarter of year. The dates and attendance of each meeting is as follows.

No	Name of the Members	Designation	15/05/14	26/07/14	14/10/14	31/01/15	30/03/15
1.	Mr. Jayesh H Shah	Chairman	Yes	Yes	Yes	Yes	Yes
2.	Mr. Chetan J Panchal	Member	Yes	Yes			
3.	Mr. Paresh N Vasani	Member	Yes	Yes	Yes	Yes	Yes
4.	Ms. Madhu Kejriwal	Member			Yes	Yes	Yes

#### 8.5 Role of Audit Committee

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- b) Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment
- c) Approving payment to statutory auditors, including cost auditors for any other services rendered by them
- d) Reviewing with the management, annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report.
  - ii. Changes, if any, in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgment by the management



## CIRCUIT SYSTEMS (INDIA) LIMITED

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- iv. Significant adjustments made in financial statements arising out of audit findings
- v. Compliance with listing and other legal requirements relating to financial statements
- vi. Disclosure of related party transactions
- vii. Disqualifications in draft audit report
- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Reviewing with the management, the statement 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 document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- g) Reviewing and monitoring the auditors independence and performance and effectiveness of audit process
- h) Approval or any subsequent modification of transactions of the Company with related parties
- i) Scrutiny of inter-corporate loans and investments
- j) Valuation of undertakings or assets of the Company, wherever it is necessary
- k) Evaluation of internal financial controls and risk management systems
- l) Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit
- n) Discussion with internal auditors, any significant findings and follow-up thereon
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board
- p) 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
- q) To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- r) To review the functioning of the Whistle Blower mechanism
- s) Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background of the candidate
- t) Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.
- u) Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries
- v) To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the Company
- w) Reviewing the following information:
  - i. The Management Discussion and Analysis of financial condition and results of operations;
  - i. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - ii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - iii. Internal audit reports relating to internal control weaknesses; and
  - iv. The appointment, removal and terms of remuneration of internal auditors / chief internal auditor

**8.6 General**

Executives of Accounts & Finance Department and representatives of statutory and internal auditors attend Audit Committee Meetings. The cost auditors attend the Audit Committee Meeting where cost audit reports are discussed.

The Chairman of Audit Committee attended last Annual General Meeting.

**8.7 Internal Audit & Control**

M/s KHM & Associates, Chartered Accountants were the internal Auditor of the company during the year. 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. Internal Auditor is empowered to attend meetings of Board or any committee constituted there under.

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.

**9. SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE****9.1 Brief Description of Terms of Reference**

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.

**9.2 Powers and Role of Committee**

- Committee is empowered to collect the relevant information from all departments, which would be useful to satisfy the requirements of the shareholders.
- Give required information to shareholders and solve the problems, complaints, grievances etc. of the shareholders promptly.
- Look into redressal of shareholders' complaints like delays in transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.
- Oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

**9.3 Composition of the Investors' Grievance Committee**

The Shareholders Grievance Committee was constituted by the Board of Directors on 5<sup>th</sup> December 2005, 3<sup>rd</sup> December 2011, 8 February 2012, 22<sup>nd</sup> December 2012 and reconstituted 26<sup>th</sup> July 2014. The reconstituted committee is as under.

Sr. No	Name of the Director	Designation	Nature of Directorship
1	Mr. Chetankumar Panchal	Chairman	Non Executive, Independent
2	Mr. Jayesh Shah	Member	Non Executive, Independent
3	Mr. Ambalal C Patel <sup>1</sup>	Member	Non Executive, Independent
4	Mrs. Madhu Kejriwal <sup>2</sup>	Member	Non Executive, Independent

1. Ceased to be member of committee since 14 July 2014

2. Appointed as member of committee on 26 July 2014.

**9.4 Meetings and Attendance during the year :**

The committee met for four times in year. Time gap between two meetings were not more than 4 months. There is minimum one meeting in each quarter of year. The dates and attendance of each meeting is as follows.

No	Name of the Members	Designation	15/05/14	26/07/14	14/10/14	31/01/15
1.	Mr. Chetan J Panchal	Chairman	Yes	Yes	Yes	No
2.	Mr. Jayesh H Shah	Member	Yes	Yes	Yes	Yes
3.	Mr. Ambalal C Patel	Member	Yes			
4.	Mrs. Madhu Kejriwal	Member		No	Yes	Yes



9.5 Other Information

- To expedite the process of share transfer, transmission, split, consolidation, dematerialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the powers of approving the same to the Company’s R & T Agent **Cameo Corporate Services Limited** under the supervision and control of the Company Secretary Ms. Amrita Chandwani, Compliance Officer who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the said Committee.
- In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Board has approved the Code of Conduct for Prevention of Insider Trading and Ms. Amrita Chandwani has been appointed as the Compliance Officer for complying with the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 1992 and the requirements under the Listing Agreement.

Name, Designation and Address of Compliance Officer	Ms. Amrita Chandwani Company Secretary Circuit Systems (India) Limited, A-1001/1002, Titanium Square, Thaltej Cross Road, S G High Way, Ahmedabad – 380 054. Mail : cs@myscil.com
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- As per the requirement of Clause 47(f) of the Listing Agreement, the Company has designated the below cited Email Id of grievances redressal division/ Compliance officer exclusively for the purpose of registering complaints by investors. Email ID: cs@myscil.com

The Company has displayed the above sited Email Id and other relevant details on its website and other materials for creating investors awareness

- 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

- The Company has no amount outstanding as non receipt/Unclaimed share application money received by the company during IPO and due for refund. Further, the company does not have any amount of unpaid or unclaimed dividend during last financial year. Hence, disclosure required under Section 124(5) of Companies Act, 2013 read with MCA Notification GSR 352(E) shall be taken as Nil for current year.

**10. REMUNERATION & NOMINATION COMMITTEE**

10.1 Brief Description of Terms of Reference:

the Company has set up nomination and remuneration committee, as required under section 178(1) of Companies Act, 2013, 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.

10.1 Composition of Committee:

All the three members of committee are independent and non executive director of the company. The Remuneration Committee was constituted by the Board of Directors at its meeting held on 5<sup>th</sup> December, 2005, reconstituted on 28<sup>th</sup> July, 2008, on 3<sup>rd</sup> December 2008, , 8 February 2012 and 26<sup>th</sup> July 2014.



Sr. No	Name of the Director	Designation	Nature of Directorship
1	Mr. Ambalal C Patel <sup>1</sup>	Chairman	Independent & Non Executive
2	Mr. Jayesh H. Shah	Chairman	Independent & Non Executive
3	Mr. Chetankumar Panchal	Member	Independent & Non Executive
4	Ms. Madhu Kejriwal <sup>2</sup>	Member	Independent & Non Executive

1. Ceased to be member on 14 July 2014.
2. Appointed as member on 26 July 2014.

**10.3 Role of the Committee**

- a) To determine the policy on specific remuneration packages for Executive/Whole- time Directors including pension rights and any compensation payments.
- b) Recommends to the Board the remuneration of the Executive Directors in all its forms (i.e. salary, contribution to provident fund, superannuation fund, gratuity, bonus, stock option, compensation for loss of office, other amenities, perquisites etc.).
- c) Takes into account the financial position of the Company, profitability, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc. and brings out objectivity in determining the remuneration package, while striking a balance between company's interest and that of the shareholders.
- d) The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

**10.4 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	Designation	30/03/2015
1.	Mr. Jayesh H. Shah	Chairman	Yes
2.	Mr. Chetan Panchal	Member	Yes
3.	Ms. Madhu Kejriwal	Member	Yes

**10.5 Remuneration paid to all directors during year:****10.5.1 Executive and Managing Director**

*The Details of remuneration paid to Managing and Whole-time Directors during the last financial year i.e. from 01/04/2014 to 31/03/2015, are as under:*

(Amount in INR)

Sr. No.	Name of the Director	Designation	Remuneration	Commission or Performance linked Bonus	Perquisites	Stock Options
1.	Mr. Paresh N. Vasani	Managing Director	32,16,667	Nil	Nil	Nil





1. *Terms of Appointment of Managing Director as per resolution passed in Board and General Meeting are as follows:*

Mr. Paresh N Vasani, Chairman & Managing Director

Tenure	Five Years w.e.f 1 February 2014. He shall not be liable to retire by rotation during his tenure.
Remuneration	Five Years w.e.f 1 February 2014. The tenure of him shall not be liable for determine retire by rotation of director Subject to overall limit on remuneration payable to all the managerial personnel taken together, as laid down in the Companies Act, 1956 as amended by Companies Act, 2013, the remuneration payable to Mr. Paresh Vasani shall be 5% of the net profits of the Company, computed in the manner laid down in section 349 of the Companies Act and may or may not comprise salary, allowances and perquisites as may be determined by the Board of Directors from time to time and agreed to by Mr. Paresh Vasani provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The remuneration for a part of the year shall be computed on pro - rata basis.
Sitting Fees	Mr. Paresh Vasani shall not be entitled for any sitting fees.

2 Non Executive and Independent Directors

The Company has paid sitting fees to non-executive directors as under for attending Board Meetings during the year ended 31<sup>st</sup> March, 2015.

Sr. No.	Name of the Non-Executive Directors	Sitting Fees Paid
1	Mr. Ambalal C. Patel	15,000/-
2	Mr. Jayesh H. Shah	45,000/-
3	Mr. Chetan J Panchal	20,000/-
4	Ms. Madhu Kejariwal	15,000/-

10.6 Non-Executive Directors with materially significant related party transactions, pecuniary or business relationship with the Company :

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors that may have potential conflict with the interests of the Company at large.

As on 31<sup>st</sup> March, 2015 the Non-Executive Directors held following no. of shares of the Company.

10.7 Shareholding of Non-Executive Directors

No shares or convertible securities are held by any Non-executive director of the company as on March 31, 2015. The Company has not granted any stock options to any director.

**11. GENERAL BODY MEETINGS:**

11.1 The location and time of the last three Annual General Meetings

AGM	Date	Time	Venue	No. of special resolutions approved
2013-14	14 <sup>th</sup> July, 2014	03.30 pm	A-1001/1002, Titanium square, Thaltej Cross Road, S G Highway, Ahmedabad-380054	1
2012-13	24 <sup>th</sup> July, 2013	04.00 pm	B-24, GIDC Electronic Estate, Sector - 25, Gandhinagar	1
2011-12	29 <sup>th</sup> September, 2012	04.00 p.m.	B-24, GIDC Electronic Estate, Sector - 25, Gandhinagar	Nil

**11.2 Postal Ballot Resolution**

During the year ended March 31, 2015, the Company has not conducted any postal ballot.

**11.3 Extra-Ordinary General Meeting**

No Extra ordinary general meeting was held during financial year 2014-15.

**12. DISCLOSURES**

- (i) There are no materially significant related party transactions i.e transactions with its promoters, directors or management, their subsidiaries or relatives, etc that may have potential conflict with the interest of the Company at large for financial year 2014-15. Transactions with the related parties are disclosed in Note No 28 notes forming part of the Accounts in the Annual Report.

The Company's major related party transactions are generally with its Subsidiaries and Associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, specialization and the Company's long-term strategy for investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company

- (ii) During the year, the company was levied penalty of Rs. 17,191/- for delay in submission of annual report to stock exchange. There were no other instances of non-compliance or penalty, restrictions 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) The Company has not denied any person, an access to the Audit Committee.
- (iv) The Company has complied with all mandatory requirement of clause 49 of the listing agreement. The Company has endeavored to implement non mandatory requirements by constituting remuneration committee.
- (v) During the year, the company conducted meeting of all independent directors on 30 March 2015.
- (vi) In preparing the Annual Accounts in respect of financial year ended 31<sup>st</sup> March 2015 no accounting treatment was different from that prescribed in the Accounting Standards;
- (vii) There was no security issued and allotted during the year ended 31st March, 2015.

**MEANS OF COMMUNICATION**

- (i) The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges, immediately after the same are taken on record by the Board. These results are normally published Western Times (English and Gujarati Edition) within 48 Hours. These are not sent individually to the shareholders.
- (ii) The Company's results, annual reports and official news releases are displayed on the company's website [www.mycsil.com](http://www.mycsil.com). The said company's website also containing basic information about the company includes information about the company's business, financial information, shareholding pattern, compliance with corporate governance, company's director, registrar & transfer agent, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances etc.
- (iii) All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the Company's shares are listed, for dissemination to the Shareholders.

**13. PROCESSING OF INVESTOR COMPLIANTS**

SEBI has commenced processing of investor complaints in a centralized web based complaints redress system "SCORES". By this facility investors can file their complaints on line and also view online movement of their complaints. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.



## CIRCUIT SYSTEMS (INDIA) LIMITED

### 14. GENERAL SHARE HOLDER INFORMATION

#### 15.1 Company Registration Details

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted by Ministry of Corporate Affairs is L74140GJ1995PLC024524

#### 15. 20<sup>th</sup> Annual General Meeting

Date & Time 28 September 2015 on Monday at 4.00 pm

Venue A-1001/1002, titanium Square, Thaltej Cross Road, S G highway, Ahmedabad – 380 054.

As required under Clause 49IV (G)(i), particulars of Directors seeking appointment/re-appointment are given in Annexure to the Notice of the Annual General Meeting.

#### 16 Financial Calendar for Year 2015-16

Financial Year	1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016
Unaudited Results for the First quarter ending 30 <sup>th</sup> June, 2015	8 <sup>th</sup> August 2015
Unaudited Results for the second quarter ending 30 <sup>th</sup> September 2015	On or before 15 <sup>th</sup> November 2015
Unaudited Results for the third quarter ending 31 <sup>st</sup> December, 2015	On or before 15 <sup>th</sup> February 2016
Audited Results for the year ending 31 <sup>st</sup> March, 2016	On or before 30 <sup>th</sup> May 2016
Annual General Meeting	On or before 30 <sup>th</sup> September, 2016

#### 17 Date of book Closure

18 The Register of members will remain close from Monday, 21 September 2015 to Monday, 28 September 2015 (both days inclusive) for reckoning voting rights for Annual General Meeting.

19 The Board has not recommended any Dividend for ensuing Annual General Meeting.

#### 20 Listing and Other Details

Name of Stock Exchange on Which Equity shares of Company are Listed	Bombay Stock Exchange (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Maharashtra. India
Stock Code	532913(BSE)
DEMAT ISI Number in NSDL & CDSL for Shares of Company	INE720H01010

#### 21 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.)	Volume
<b>April, 2014</b>	10.30	8.05	94,216
<b>May, 2014</b>	12.90	8.65	64,582
<b>June, 2014</b>	12.98	9.65	43,432
<b>July, 2014</b>	20.10	10.32	127,355
<b>August, 2014</b>	19.35	15.50	36,262
<b>September, 2014</b>	15.80	13.15	21,653
<b>October, 2014</b>	17.85	11.60	14,235
<b>November, 2014</b>	13.33	11.00	32,254
<b>December, 2014</b>	13.50	9.73	14,736
<b>January, 2015</b>	14.99	10.51	15,943
<b>February, 2015</b>	15.20	10.14	37,218
<b>March, 2015</b>	17.86	13.80	40,035



## 22 Distribution Schedule as on 31 March 2015

RANGE OF EQUITY SHARES	SHARE HOLDERS		TOTAL NO OF SHARES	
	NUMBERS	% OF TOTAL	NUMBERS	% OF TOTAL
Between 1 and 5000	3,390	84.94	6,500,280	4.69
Between 5001 and 10000	425	10.65	2,821,510	2.03
Between 10001 and 20000	93	2.33	1,386,840	1.00
Between 20001 and 30000	34	0.85	878,530	0.63
Between 30001 and 40000	11	0.28	391,480	0.28
Between 40001 and 50000	7	0.17	321,930	0.23
Between 50001 and 100000	11	0.28	728,160	0.53
Above 100000	20	0.50	125,661,430	90.61
<b>TOTAL</b>	<b>3,991</b>	<b>100.00</b>	<b>138,690,160</b>	<b>100.00</b>

23 Shareholding Pattern as on 31<sup>st</sup> March, 2015

Category	Total Shares	% to Equity
Promoters	9,893,180	71.33
Directors and their Relatives	NIL	NIL
Corporate Bodies	22,94,975	16.55
NRIs/Foreign Nationals, Foreign Corporate Bodies	31,121	0.22
Indian Public	1,538,996	11.10
Clearing Members	1,348	0.01
Hindu Undivided Families	1,09,244	0.79
<b>GRAND TOTAL</b>	<b>13,869,016</b>	<b>100.00</b>

## 24 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 31<sup>st</sup> March '15:

Particulars	No. of shares	% of total Capital	No. of Shareholder
National Securities Depository Ltd.	1,34,30,116	6.84	2,753
Central Depository Services(India)Ltd.	4,38,568	3.16	1,233
<b>TOTAL DEMATERIALISED</b>	<b>1,38,68,684</b>	<b>100.00</b>	<b>3,986</b>
Physical	332	0.00	5
<b>GRAND TOTAL</b>	<b>13,869,016</b>	<b>100.00</b>	<b>3,991</b>

25 Company has not issued any ADR/GDR/FCCBs/QIPs during financial year ended 31<sup>st</sup> March, 2015.



## CIRCUIT SYSTEMS (INDIA) LIMITED

### 26 Registrar and Share transfer Agent

Cameo Corporate Services Limited  
"Subramanian Building", 1, Club House Road, Chennai – 600 002. India  
Phone : 044-2846 0390 (5 lines) Fax : 044-2846 0129

### 27 Share Transfer System

All the shares related work is being undertaken by our R & T Agent, **Cameo Corporate Services Limited, Chennai**. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and de-materialization etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's R & T Agent under the supervision and control of the Company Secretary Ms. Amrita Chandwani who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the Shareholders' & Investors' Grievance Committee.

Shares lodged for transfer at the R & T Agent's address in physical form are normally processed and approved within 21 days from the date of receipt, subject to the documents being valid and complete in all respects. Normally, all the requests for dematerialization of shares are processed and the confirmation is given to the Depository within 21 days. The investors/shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from M. Choraria & Co, Company Secretary in practice for due compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement.

### 28 Location of Plant:

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

### 29 Address for Correspondence

Investors Correspondence for transfer / dematerialization of shares and any other query relating to the shares/ debentures of the company	Cameo Corporate Services Limited "Subramanian Building", 1, Club House Road, Chennai – 600 002. India Phone : 044-2846 0390 (5 lines) Fax : 044-2846 0129
Any Query on Annual Report.	Ms Amrita Chandwani, Company Secretary Circuit Systems (India) Limited A-1001/1002, Titanium Square, Thaltej Cross Road, S G Highway, Ahmedabad – 380 054. Email – cs@mysil.com Phone : 079- 23287086/87/88Fax : 079- 23287089

### 30 Reconciliation of Share Capital Audit Report:

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/ paid-up capital of the Company were placed before the Shareholders' & Investors' Grievance Committee and Meeting of Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter.

## 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 31<sup>st</sup> March, 2015, as envisaged in Clause 49 of the Listing Agreement with stock exchanges.

Date : 8 August 2015  
Place : Ahmedabad

Mr. Paresh N. Vasani  
(Managing Director)  
DIN NO: 01376786

**CEO/CFO CERTIFICATION**

We, Mr. Paresh Vasani, Managing Director and Ms. Preeti Choksey, Chief Financial Officer, certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2015 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.
- (a) 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.
- (b) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (c) We 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.**

**Mr. Paresh Vasani**  
Managing Director  
DIN NO: 01376786

**Ms. Preeti Choksey**  
Chief Financial Officer

Place : Ahmedabad  
Date : 22/04/2015

**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 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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, 2015, 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 Chopra Nayna Parasmalji**  
**Company Secretaries**  
**Membership No. 32833**

**Date : 22 April 2015**  
**Place : Ahmedabad**



To,  
The Members of  
Circuit Systems (India) Limited

- **Report on the Financial Statements**

We have audited the accompanying financial statements of **Circuit System (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

- **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

- **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2015**, and its loss and its cash flows for the year ended on that date.

- **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Baheti Bhadada and Associates  
Chartered Accountants  
Firm Registration No. 100865W**

**(Krutesh Patel)  
Partner**

**Membership No. 140047**

**Place : Ahmedabad  
Date : 22 April 2015**



**ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in paragraph 5 of our report of even date)

- I. Fixed Assets: -
- (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of fixed assets.
  - (b) The management has physically verified all the fixed assets at the year-end. No material discrepancies have been noticed on such verification.
- II. Inventory :
- (a) The stocks of finished goods, stores and spares have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- II. Loan:
- According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms or their parties covered in the register maintained under section 189 of the companies Act 2013.
- II. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, raw materials including components, plant & machinery, equipment, other goods, assets and job work and with regard to the sales of goods, assets and job work. To the best of our knowledge, no major weaknesses in internal control were either reported or noticed by us during the course of our audit.
- III. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit during the current financial year.
- IV. The Central Government has not prescribed for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- V. (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with a appropriate authorities.
- (b) According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income-Tax, Wealth-Tax, Sales Tax, Customs Duty and Excise Duty which have remained outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.
- (c) The company is not required to transfer any amount to investor educational and protection fund in accordance with provisions of Companies Act, 2013 or rules made thereunder.
- VI. The Company has not incurred cash losses during the year. The Company has no accumulated losses more than 50% of its net worth.
- VII. On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- VIII. The Company has not given any guarantees for loans taken by others from banks and financial institutions during the year.
- IX. Based on verification of records of the company, the terms loan were applied for the purpose for which loans were obtained.
- X. Based on the Audit procedure performed and the representation obtained from the management, we report that no case of fraud on or by the Company has been noticed or reported during the year under Audit.

**For Baheti Bhadada and Associates**  
**Chartered Accountants**  
**Firm Registration No. 100865W**

**(Krutesh Patel)**  
**Partner**

**Membership No. 140047**

**Place : Ahmedabad**  
**Date : 22 April 2015**



## STANDALONE BALANCE SHEET AS AT 31-03-2015

(Amount in Rs.)

	Note No.	As at 31-03-2015	As at 31-03-2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	2	138,690,160	138,690,160
Reserves & surplus	3	60,497,146	203,398,220
		<b>199,187,306</b>	<b>342,088,380</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	4	20,574,399	397,082
Deferred tax liabilities (Net)	5	-	30,441,749
Long-term provisions	6	2,028,494	748,448
		<b>22,602,893</b>	<b>31,587,279</b>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	7	62,821,055	17,292,319
Trade payables	8	5,812,855	21,733,875
Other current liabilities	9	8,115,720	3,065,784
Short-term provisions	10	21,366,864	11,435,864
		<b>98,116,493</b>	<b>53,527,842</b>
		<b>319,906,692</b>	<b>427,203,501</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
<b>11</b>			
Tangible assets		99,237,644	187,670,252
Intangible assets		-	2,345,449
Capital work-in-progress		-	-
Non-current investments	12	64,224,872	64,224,872
Long-term loans & advances	13	3,512,106	3,491,457
Other non-current assets	14	-	812,318
		<b>166,974,621</b>	<b>258,544,348</b>
<b>CURRENT ASSETS</b>			
Inventories	15	42,179,886	84,794,287
Trade receivables	16	38,797,246	64,039,229
Cash and bank balances	17	34,082,917	3,164,072
Short-term loans and advances	18	37,872,021	16,661,566
Other current assets	19	-	-
		<b>152,932,071</b>	<b>168,659,153</b>
		<b>319,906,692</b>	<b>427,203,501</b>

**Significant Accounting Policies**

1

The accompanying note no. 1 to 40 are integral part of financial statements

As per our Report of even date  
**For Baheti Bhadada & Associates**

Chartered Accountants

Firm Registration No. 100865W

**(Krutesh Patel)****Partner**

Membership No. 140047

Place : Ahmedabad

Date : 22 April, 2015

**For and on behalf of the Board of Directors**

Circuit Systems (India) Limited.

**(Paresh N. Vasani)**

Managing Director

DIN No: 01376786

**(Jayesh H. Shah)**

Director

DIN No: 02559296

**(Preeti Chouksey)**

Chief Financial Officer

**(Amrita Chandwani)**

Company Secretary

Place : Ahmedabad

Date : 22 April, 2015

**CIRCUIT SYSTEMS (INDIA) LIMITED****STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31-03-2015**

(Amount in Rs.)

	Note No.	Year Ended 31-03-2015	Year Ended 31-03-2014
<b>INCOME</b>			
Revenue from operations(Gross)	20	267,485,059	272,263,805
Less : Excise duty		(24,989,867)	(24,515,121)
Revenue from operations(Net)		242,495,192	247,748,684
Other Income	21	4,565,912	3,629,282
<b>Total Revenue</b>		<b>247,061,104</b>	<b>251,377,966</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	128,944,937	126,891,534
Changes in inventories of work-in-progress	23	2,700,714	3,386,341
Employees benefit expenses	24	18,757,319	23,794,803
Finance costs	25	10,590,115	9,249,296
Depreciation and amortization expenses	26	10,339,578	15,567,527
Other expenses	27	64,932,417	66,982,389
<b>Total Expenses</b>		<b>236,265,080</b>	<b>245,871,890</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>10,796,024</b>	<b>5,506,076</b>
Exceptional items	34	(67,723,898)	(1,443,709)
<b>Profit/(Loss) before tax</b>		<b>(56,927,874)</b>	<b>4,062,366</b>
<b>Tax Expenses</b>			
Current Income Tax		755,000	(1,425,000)
Less: MAT Credit Entitlement		-	670,000
Net Current tax		755,000	(755,000)
(Excess)/Short provision of income tax for earlier years		-	-
Deferred Tax		-	(101,606)
<b>Profit (Loss) for the period from continuing operations</b>		<b>(56,172,874)</b>	<b>3,205,760</b>
Profit (Loss) before tax from discontinuing operations	35	-	-
Tax Expense of discontinuing operations		-	-
<b>Profit (Loss) after tax from discontinuing operations</b>		<b>-</b>	<b>-</b>
<b>Profit (Loss) for the period</b>		<b>(56,172,874)</b>	<b>3,205,760</b>
<b>Earning per equity share</b>			
(a) Basic		(4.05)	0.20
(b) Diluted		(4.05)	0.20
<b>Significant Accounting Policies</b>			
1			

The accompanying note no. 1 to 40 are integral part of financial statements

As per our Report of even date  
**For Baheti Bhadada & Associates**

Chartered Accountants

Firm Registration No. 100865W

**(Krutesh Patel)****Partner**

Membership No. 140047

Place : Ahmedabad

Date : 22 April, 2015

**For and on behalf of the Board of Directors**

Circuit Systems (India) Limited.

**(Paresh N. Vasani)**

Managing Director

DIN No: 01376786

**(Preeti Chouksey)**  
Chief Financial Officer

Place : Ahmedabad

Date : 22 April, 2015

**(Jayesh H. Shah)**

Director

DIN No: 02559296

**(Amrita Chandwani)**  
Company Secretary

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2015**

(Amount in Rs.)

	Year Ended 31-03-2015	Year Ended 31-03-2014
<b>A Cash Flow from Operating Activities</b>		
<b>Net profit before taxation:</b>	(56,927,874)	4,062,366
<b>Adjustment for :</b>		
Depreciation and amortization	10,339,578	15,567,527
Unrealized foreign exchange loss/(gain)	(246,883)	(23,289)
Interest Income	(3,623,915)	(3,534,268)
(Gain)/Loss on sale of fixed assets	(331,452)	(282,851)
Finance Cost	10,590,115	9,249,296
Buy-back of equity shares expenses	-	1,443,709
Bad debts	(89,983)	3,221,017
	<hr/>	<hr/>
<b>Operating profit before working capital changes</b>	<b>(40,290,414)</b>	<b>29,703,507</b>
Adjustment for:		
Changes in inventories	42,614,400	(9,326,221)
Trade receivables	25,331,966	3,094,566
Long-term and short-term loans & advances and other current and non-current assets	3,994,464	23,576,248
Trade payables, short & long-term provisions, other current & long-term liabilities	339,961	13,079,474
	<hr/>	<hr/>
<b>Cash generated from continuing operations</b>	<b>31,990,377</b>	<b>60,127,574</b>
Direct Taxes paid	450,569	(1,201,078)
	<hr/>	<hr/>
<b>Net cash from operating activities (A)</b>	<b>32,440,946</b>	<b>58,926,496</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets	(40,358,515)	(8,872,454)
Proceeds from sale of fixed assets	3,958,500	711,000
Movement in loans and advances	(24,280,305)	16,500,000
Proceeds from sale of investment in equity shares	-	-
Proceeds from sale of long-term investments	-	500,000
Interest received	3,623,915	3,753,508
	<hr/>	<hr/>
<b>Net cash used in investing activities (B)</b>	<b>(57,056,405)</b>	<b>12,592,054</b>
	<hr/> <hr/>	<hr/> <hr/>



## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2015

(Amount in Rs.)

	Year Ended 31-03-2014	Year Ended 31-03-2013
<b>C Cash flow from financing activities</b>		
Buy-back of equity shares	-	(14,647,872)
Buy-back of equity shares expenses	-	(1,443,709)
Finance Cost	(10,590,115)	(9,249,296)
Increase/(decrease) in short-term borrowings	45,528,736	(48,672,492)
Net Proceeds/(Repayment) of long-term borrowings	20,177,317	615,584
<b>Net cash from financing activities (C)</b>	<b>55,115,938</b>	<b>(73,397,785)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>30,500,479</b>	<b>(1,879,235)</b>
Cash and cash equivalents at the beginning of the year	1,600,467	3,479,702
Cash and cash equivalents at the end of the year	<b>32,100,946</b>	<b>1,600,467</b>

**Notes :**

Cash and cash equivalents included in the Cash Flow Statement comprises the following:

	As at 31-03-2015	As at 31-03-2014
Cash on hand	545,366	523,657
Bank balance with scheduled bank	31,825,753	1,005,868
Effect of exchange rate changes	(270,172)	(23,289)
	<b>32,100,946</b>	<b>1,506,236</b>

The Cash flow statement has been prepared under the indirect method setout in AS-3 Companies(Accounting Standard) Rules, 2006.

As per our Report of even date  
**For Baheti Bhadada & Associates**  
*Chartered Accountants*  
 Firm Registration No. 100865W  
**(Krutesh Patel)**  
**Partner**  
 Membership No. 140047  
 Place : Ahmedabad  
 Date : 22 April, 2015

**For and on behalf of the Board of Directors**  
 Circuit Systems (India) Limited.  
**(Paresh N. Vasani)** **(Jayesh H. Shah)**  
*Managing Director* *Director*  
 DIN No: 01376786 DIN No: 02559296  
**(Preeti Chouksey)** **(Amrita Chandwani)**  
*Chief Financial Officer* *Company Secretary*  
 Place : Ahmedabad  
 Date : 22 April, 2015

**General Company Information.**

The Company was incorporated on 08-02-1995, engaged in business of manufacturing printed circuit boards. The Company is having its manufacturing plants at Gandhinagar in the State of Gujarat, INDIA.

**1. Significant accounting policies****1.1 Basis of preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention, on accrual basis in accordance with Generally Accepted Accounting Principle (GAAP), and comply with the Companies (Accounting Standard) Rules 2006, the relevant provisions of the Companies Act, 2013.

**1.2 Use of Estimates**

The preparation of financial statements requires estimates and assumptions which affect the reporting amount of assets, liabilities, revenues and expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

**1.3 Tangible Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment loss (if any). Cost comprises of purchase price, non refundable duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

**1.4 Intangible Fixed Assets**

Intangible Assets are stated at cost of acquisition less accumulated amortization and impairment loss (if any). Cost of acquisition comprises of purchase price, non refundable duties, levies and any directly attributable cost of bringing the intangible assets to its working condition for the intended use.

**1.5 Depreciation and Amortization****(i) Tangible Fixed Assets**

Depreciation on fixed assets is provided on Straight Line Method in accordance with the useful life specified in schedule II of the Companies Act, 2013.

Lease premium on leasehold land is written off over the period of lease except premium paid for acquiring leasehold land for lease period exceeding 99 years.

**(ii) Intangible Fixed Assets**

The intangible fixed assets are amortized over useful life of assets specified under Schedule II of Companies Act, 2013.

**(ii) Write Offs of Fixed Assets**

The Company had depreciated fixed assets at rates specified under Schedule XIV of Companies Act, 1956 till 31 March 2014. However, Schedule II of Companies Act, 2013 requires company to depreciate its assets over its useful-life with effect from 1 April 2014. Accordingly, the company has calculated useful lives of all assets as on 1 April 2014 and depreciated their written down value on their remaining useful lives. However, the written down values of assets, whose useful life has become Nil as on 1 April 2014, are required to be adjusted



towards reserves and surplus. The Company has adjusted Rs. 8, 67, 28,201/- towards reserves and surplus of the company. The details of which are available in Note No 2 and Note No 11 to these financial statements. The change in rate of depreciation or useful life of an asset is change in accounting estimate and is therefore applied prospectively with effect from 1 April 2014. The above write off is of exceptional nature and warranted due to change in legal provisions. The same write off is not expected to recur in foreseeable future.

### **1.6 Inventories**

Cost of inventories comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

- (i) Raw Materials are valued at lower of cost (net of refundable taxes and duties) and net realizable values. Cost is derived on FIFO basis.
- (ii) Work-in-Progress is valued at lower of conversion cost and net realizable values. Cost are derived on Standard Cost basis
- (iii) Stores, Spares and Packing Materials are valued at cost.

### **1.7 Revenue Recognition**

- (i) Revenue from sales is recognized at the point of dispatch to the customers when risk and reward stand transferred to the customers. Sales include excise duty but exclusive of sales tax.
- (ii) Dividend income is recognized when the company's right to receive the dividend is established.
- (iii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

### **1.8 Employee Benefits**

#### **(i) Short term Benefits**

Short-term employee benefits are recognized as expenses in the Statement of Profit and Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

#### **(ii) Defined Contribution Plans**

Defined contribution plans are those plans where the Company pays fixed contribution to a fund managed by independent trusts. Contributions are paid in return for service rendered by employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Company provides Provident Fund facility to employees. The contributions are expenses as they are incurred in line with the treatment of wages and salaries.

#### **(iii) Defined Benefit Plans**

The Company provides Gratuity and Leave Encashment Benefits to its employees. Gratuity liabilities are funded through a separate trust with its funds managed by Life Insurance Corporation of India. The liability towards leave encashment is not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per requirement of Accounting Standards 15 – Employee Benefits. The liability recognized in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognized past service costs. All actuarial gain and losses are recognized in the Statement of Profit and Loss in full in the year in which they occur.

**1.9 Provision for Taxes on Income**

Tax expenses include current tax and deferred tax. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from timing difference between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

**1.10 Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. No provision is recognized or disclosure for Contingent Liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

**1.11 Impairment of Assets**

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

**1.12 Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded on initial recognition using the exchange rates prevailing on the date of the transaction or that approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are restated at rates of exchange prevailing at the balance sheet date. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss. Premium or discount on forward contracts for hedging foreign currency transactions are amortized and recognized in the statement of profit and loss over the period of the contract.

**1.13 Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long- term investments. Current Investments are carried at lower of cost and fair value. Long Term Investments are stated at cost. However, Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

**1.14 Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.




**2. SHARE CAPITAL**

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
<b>Authorised Shares</b> 16000000(31-03-2014:16000000) Equity shares of Rs.10/- each.	<b>160000000</b>	<b>160000000</b>
<b>Issued, Subscribed and fully paid-up</b> 13869016 Equity shares of Rs. 10/- each.	138,690,160	138,690,160
	<b>138,690,160</b>	<b>138,690,160</b>

**2.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	As at 31-03-2015	As at 31-03-2014
<b>Equity share</b>		
At the beginning of the year	13,869,016	15,700,000
Issued during the year	-	-
Bought back during the year (Refer note no. 2.4)		1,830,984
Outstanding at the end of the year	<b>13,869,016</b>	<b>13,869,016</b>

**2.2 Terms/right attached to equity share**

The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. the distribution will be in proportion to the number of equity shares held by the shareholders.

**2.3 Details of shareholders holding more than 5% share in the company**

Name of shareholders	As at 31-03-2015		As at 31-03-2014	
	%	No. of Shares	%	No. of Shares
Mr. Paresh N. Vasani	71.33	9,893,180	71.33	9,893,180
Europrint N.V	16.22	2,250,000	16.22	2,250,000

**2.4 Buy-back of equity shares:**

As per the approval by way of resolution passed in the meeting of the Board of Directors of the Company on 23rd October, 2013 in accordance with the provisions of the Companies Act, 1956 and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended), the Company offered to buy-back its equity shares of face value of Rs. 10/- each, to the extent of less than 10% of the paid-up equity share capital and free reserves of the Company, upto a maximum amount of Rs. 1,50,00,000/- at a maximum price of Rs. 8/- per share from open market. Pursuant to this, the Company has, during the year ended 31st March, 2014 bought-back 18,30,984 equity share at price of Rs. 8/- per equity share, utilizing a sum of Rs. 1,46,47,872 (excluding other expenses). On account of buy-back of shares, the Company has created :(a) Capital Redemption Reserve of Rs. 1,83,09,840/- towards the face value of 18,30,984 shares of Rs. 10/- each by way of appropriation against General Reserve and (b) Capital Reserves of Rs. 36,61,968/- towards the profit of Rs. 2/- per share on buy back of shares. In terms of the provision of Section 77A of the Companies Act, 1956 and SEBI (Buy Back of Securities) Regulations 1998 (as amended), the Company has completed extinguishment of 18,30,984 shares as on 31st December, 2013.

**2.5 Aggregate number of shares bought back during the period of five years immediately preceding the reporting date is 18,30,984/- (31-03-2014 : 18,30,984/-) equity shares.**


**3. RESERVES AND SURPLUS**
**(Amount in Rs.)**

	As at 31-03-2014	As at 31-03-2013
<b>Capital Reserve</b>		
Balance as per last financial statements	3,661,968	-
Addition during the year(Refer note no. 2.4)	-	3,661,968
<b>Closing balance</b>	3,661,968	3,661,968
<b>Capital Redemption Reserve</b>		
Balances per last financial statements	18,309,840	-
Transfer from general reserve(Refer note no. 2.4)	-	18,309,840
<b>Closing balance</b>	18,309,840	18,309,840
<b>Securities Premium Reserve</b>		
Balance as per last financial statements	134,670,250	134,670,250
Addition during the year	-	-
<b>Closing balance</b>	134,670,250	134,670,250
<b>General Reserve</b>		
Balance as per last financial statements	1,190,160	19,500,000
Transfer to Capital Redemption Reserve (Refer note no. 2.4)	-	(18,309,840)
Transfer to Profit & Loss Account	(1,190,160)	-
<b>Closing balance</b>	-	1,190,160
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statement	45,566,003	42,360,242
Add: Transfer from General Reserve	1,190,160	-
	46,756,163	42,360,242
Less : Fixed Assets Written off	(86,728,201)	-
Add/Less: Profit/(Loss) for the year	(56,172,874)	3,205,760
<b>Net surplus/(deficit) in the statement of profit and loss</b>	(96,144,912)	45,566,002
<b>Total Reserves &amp; Surplus</b>	<b>60,497,146</b>	<b>203,398,220</b>

**4. LONG TERM BORROWINGS**
**(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
<b>Secured</b>		
Term Loan		
From banks	20,574,399	397,082
	<b>20,574,399</b>	<b>397,082</b>

Notes:

- Loan from Bank carries includes loan of Rs. 154,112/- from axis bank which interest @ 10.66% p.a. The loan is repayable in 36 monthly instalments of Rs. 22805/- each along with interest, from the date of loan viz. 12-10-2013. The loan is secured by hypothecation of motor-car of the company. It also includes term loan of Rs. 2,04,20,287/- from corporation bank. The loan is payable in 60 equal monthly installments of Rs. 4,95,000/- from date of loan viz 8 August 2014. Current maturity of long-term borrowings is Rs.61,82,970/- (2014: Rs.2,18,502/-). The rate of interest is Base Rate + 5%.

**5. DEFERRED TAX LIABILITY**
**(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
<b>(i) Deferred tax liability:</b>		
Arising on account of timing difference in:		
- Depreciation	-	31,279,233
<b>(ii) Deferred tax assets:</b>		
Arising on account of timing difference in :		
- Disallowance of expenses	-	837,484
<b>Net deferred tax liability</b>	-	32,116,717

**CIRCUIT SYSTEMS (INDIA) LIMITED****6. LONG-TERM PROVISIONS (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Provision for leave encashment	551,055	748,448
Provision for Gratuity	1,477,439	-
	<b>2,028,494</b>	<b>748,448</b>

**7. SHORT-TERM BORROWINGS (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Loans repayable on demand		
From banks(secured)		
Cash credit	62,821,055	17,292,319
	<b>62,821,055</b>	<b>17,292,319</b>

Notes: Cash credit and buyer's credit from bank is primarily secured by way of hypothecation on inventory, charge on book debts and current assets of the company(both present and future). Further it is secondarily secured by way of equitable mortgage of land situated at GIDC, Gandhinagar and hypothecation of plant and machinery and other movable assets of the company excluding vehicles(both present and future). Further it is secured by way of personal guarantee of a director and a relative of a director. Further buyer's credit is secured by way of margin money deposits. Interest is charged at Base Rate +4.60%, subject to revision from time to time.

**8. TRADE PAYABLES (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Trade payables (refer note below for details of dues to micro and small enterprises)	5,812,855	21,733,875
	<b>5,812,855</b>	<b>21,733,875</b>

Note: The company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosures, if any, relating to amount unpaid as at the year end together with interest paid/payable as required under the act has not been given.

**9. OTHER CURRENT LIABILITIES (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Current maturity of long term borrowings(Refer note no.4)	6,182,970	218,502
Advance received from customers	1,130,763	1,494,989
Interest accrued but not due on borrowings	-	-
Other payables		
Statutory dues	801,987	1,352,293
	<b>8,115,720</b>	<b>3,065,784</b>

**10. SHORT TERM PROVISIONS**

	As at 31-03-2015	As at 31-03-2014
Provision for employee benefits	1,391,052	1,503,176
Provision for leave encashment	41,229	53,969
Provision for gratuity	205,695	805,618
Provision for expenses	19,728,888	9,073,101
	<b>21,366,864</b>	<b>11,435,864</b>


**11. FIXED ASSETS**
**(Amount in Rs.)**

Sr. No.	Description	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
		Opening Balance 4/1/2014	W.off as per co's act 2013 See Note 1.5	Additions during the year	Sale/ Transfer	Closing Balance 3/31/2015	Opening Balance 4/1/2014	W.off as per co's act 2013 See Note 1.5	For the Year	Deletions/ Adjustments	Closing Balance 3/31/2015	As at 3/31/2015	As at 4/1/2014
	<b>Tangible Assets</b>												
1	Leasehold Land	3,212,299	-	-	-	3,212,299	-	-	-	-	-	3,212,299	3,212,299
2	Factory Building	39,283,932	-	-	-	39,283,932	13,611,275	-	2,162,566	-	15,773,841	23,510,091	25,672,657
3	Plant & Equipment	262,424,249	200,255,075	38,783,570	5,826,604	95,126,140	111,392,415	88,940,453	6,820,368	2,199,556	27,072,774	68,053,367	151,031,834
4	E.T.Plant	3,045,914	3,045,914	1,437,851	-	1,437,851	2,105,224	2,105,224	23,964	-	23,964	1,413,887	940,690
5	Furniture & Fixtures	5,359,107	4,618,028	-	-	741,079	4,358,490	4,205,786	118,112	-	270,816	470,263	1,000,617
6	Vehicles	2,543,418	-	-	-	2,543,418	1,091,278	-	340,688	-	1,431,966	1,111,452	1,452,140
7	Office Equipments	1,919,935	1,602,171	30,475	-	348,239	999,813	980,569	112,795	-	132,039	216,200	920,122
8	Computer,Fax, Cellular	17,853,686	16,324,151	106,619	-	1,636,154	17,317,556	16,576,481	292,187	-	1,033,262	602,891	536,129
9	Electric Installation	7,291,195	5,606,790	-	-	1,684,405	4,387,431	3,819,115	468,898	-	1,037,214	647,191	2,903,764
	<b>Total</b>	<b>342,933,735</b>	<b>231,452,129</b>	<b>40,358,515</b>	<b>5,826,604</b>	<b>146,013,517</b>	<b>155,263,482</b>	<b>116,627,628</b>	<b>10,339,578</b>	<b>2,199,556</b>	<b>46,775,876</b>	<b>99,237,643</b>	<b>187,670,252</b>
	Previous Year	(320,776,078)		(22,686,177)	(528,520)	(342,933,735)	(140,323,449)		(15,040,404)	(100,370)	(155,263,482)	(187,670,252)	(180,452,629)
	<b>Intangible Assets</b>												
1	Computer Software	5,271,233	5,271,233	-	-	-	2,925,783	2,925,783	-	-	0	(0)	2,345,449
	<b>Total</b>	<b>5,271,233</b>	<b>5,271,233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,925,783</b>		<b>-</b>	<b>-</b>	<b>0</b>	<b>(0)</b>	<b>2,345,449</b>
	Previous Year	(5,271,233)		-	-	(5,271,233)	(2,398,660)		(527,123)	-	(2,925,783)	(2,345,449)	(2,872,573)
	<b>Grand Total</b>	<b>348,204,967</b>	<b>236,723,362</b>	<b>40,358,515</b>	<b>5,826,604</b>	<b>146,013,517</b>	<b>158,189,266</b>	<b>116,627,628</b>	<b>10,339,578</b>	<b>2,199,556</b>	<b>46,775,877</b>	<b>99,237,644</b>	<b>190,015,702</b>
	Previous Year	(326,047,311)		(22,686,177)	(528,520)	(348,204,968)	(142,722,109)		(15,567,527)	(100,370)	(158,189,265)	(190,015,701)	(183,325,202)



## CIRCUIT SYSTEMS (INDIA) LIMITED

### 12. NON-CURRENT INVESTMENTS (Valued at cost)

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
<b>Trade investments(Unquoted) (Long-term)</b>		
<b>In Subsidiaries</b>		
86020 (31.03.2014: 86020) Equity shares of Rs. 10/- each fully paid up in PCB Power (India) Limited	44,988,460	44,988,460
<b>In Others</b>		
1920000(31.03.2014: 1920000) Equity shares of Rs. 10/- each fully paid up in Eurocircuits India Limited	19,200,000	19,200,000
<b>Non-trade investments(Unquoted) (Long-term)</b>		
400(31.03.2014: 400) Equity shares of Rs 25/- each fully paid up in Mehsana Urban Co-operative Bank Ltd.	10,000	10,000
<b>In Government Securities (Unquoted) (Long-term)</b>		
Investments in National Savings Certificate	26,412	26,412
	<b>64,224,872</b>	<b>64,224,872</b>
Aggregate amount of unquoted investment	<b>64,224,872</b>	<b>64,224,872</b>

### 13. LONG-TERM LOANS AND ADVANCES

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Capital advances	-	-
Security deposits	79,400	377,400
Balances with statutory authorities	3,432,706	3,114,057
	<b>3,512,106</b>	<b>3,491,457</b>

### 14. OTHER NON-CURRENT ASSETS

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Margin money deposit(Pledged with banks)	-	812,318
	<b>-</b>	<b>812,318</b>

### 15. INVENTORIES

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
(Valued at lower of cost and net realizable value)		
Raw Materials	33,738,233	42,963,178
Work-in-progress	3,439,692	9,088,952
Consumable Raw Materials,Stores,Spares & Packing materials	5,001,961	32,715,453
Scraps	-	26,704
	<b>42,179,886</b>	<b>84,794,287</b>

**16. TRADE RECEIVABLES****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Outstanding for a period exceeding six month from the date they are due for payment	3,675,555	20,845,933
Other receivables	35,121,691	43,193,296
	<b>38,797,246</b>	<b>64,039,229</b>

**17. CASH AND BANK BALANCES****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
<b>Cash and cash equivalents</b>		
<b>Balance with banks</b>		
- In current account	31,825,753	1,005,868
Cash on hand	545,366	523,657
<b>Other bank balances</b>		
Margin Money Deposit (Pledged with banks)	1,711,799	1,634,547
	<b>34,082,917</b>	<b>3,164,072</b>

**18. SHORT-TERM LOANS AND ADVANCES****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Prepaid expenses	553,996	627,845
Intercompany Loans	24,280,305	-
Staff Loan	1,173,424	947,000
Balance with statutory authorities	9,050,800	9,422,708
Advance to Suppliers	2,813,496	5,664,013
	<b>37,872,021</b>	<b>16,661,566</b>

Intercompany loans include Rs. 2,42,80,305/- granted to Unispace Ventures u/s 186 of Companies Act, 2013. The said loan is granted for short term purpose to invest surplus funds of the company. The Company charges 15% interest p.a. on above loan. The borrower will utilize the said loan for the purpose of his business.

**19. OTHER CURRENT ASSETS****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
	-	-
	-	-

**CIRCUIT SYSTEMS (INDIA) LIMITED****20. REVENUE FROM OPERATIONS****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
<b>Sale of products</b>		
Finished goods	265,932,646	269,709,272
<b>Other operating revenue</b>		
Scrap sales	1,276,302	2,343,401
Export Incentives	276,111	211,132
Revenue from operations (Gross)	267,485,059	272,263,805
Less: Excise Duty	(24,989,867)	24,515,121
Revenue from operations (Net)	<b>242,495,192</b>	<b>247,748,684</b>

**20.1 Finished goods comprises****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Printed Circuit Boards	265,932,646	270,365,688
	<b>265,932,646</b>	<b>269,709,272</b>

**21. OTHER INCOME****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Interest income		
Bank deposits	3,623,915	262,429
Others	-	2,733,910
Dividend Income		
Long-term investments	-	68,750
Other income	8,913	199,953
Profit on sale of fixed assets (net)	331,452	269,227
Foreign Exchange Differences (Net)	601,633	95,014
	<b>4,565,912</b>	<b>3,629,282</b>



**22. COST OF MATERIALS CONSUMED**

(Amount in Rs.)

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Inventory at the beginning of the year		
Copper Sheets	26,936,745	22,028,448
Chemicals	5,560,067	4,338,014
Others	10,466,366	4,625,442
	<b>42,963,178</b>	<b>30,991,904</b>
Add: Purchases		
Copper Sheets	32,364,476	46,604,621
Chemicals	33,001,491	21,710,252
Others	43,166,575	48,299,517
	<b>108,532,542</b>	<b>116,614,390</b>
Less :Inventory at the close of the year		
Copper Sheets	23,739,357	26,936,745
Chemicals	3,171,625	5,560,067
Others	6,827,251	10,466,366
	<b>33,738,233</b>	<b>42,963,178</b>
Raw Material Consumed		
Copper Sheets	35,561,864	41,696,324
Chemicals	35,389,933	20,488,200
Others	46,805,690	42,458,593
	<b>117,757,487</b>	<b>104,643,116</b>
Add: Consumption of stores and spares	11,187,450	22,248,419
<b>Total consumption of raw materials</b>	<b>128,944,937</b>	<b>126,891,535</b>

**23. CHANGES IN INVENTORIES OF WORK-IN-PROGRESS**

	<b>Year ended 31-03-2014</b>	<b>Year ended 31-03-2013</b>
<b>Inventories at the end of the year</b>		
Work-in-progress of printed circuit board	3,439,692	9,088,952
Scraps	-	26,704
	<b>3,439,692</b>	<b>9,115,656</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress of printed circuit board	9,088,952	12,362,170
Less: Write off During Year	(2,975,250)	
Scraps	26,704	139,827
	<b>6,140,406</b>	<b>12,501,997</b>
<b>Changes in inventories</b>	<b>2,700,714</b>	<b>3,386,341</b>





## CIRCUIT SYSTEMS (INDIA) LIMITED

### 24. EMPLOYEE BENEFITS EXPENSE

(Amount in Rs.)

	Year ended 31-03-2015	Year ended 31-03-2014
Salaries, Wages, Bonus & Allowances	15,938,328	20,008,041
Leave Encashment	396,334	917,952
Contributions to Provident and other Funds	1,207,059	1,404,708
Gratuity fund contributions	1,060,111	1,138,403
Staff welfare expenses	155,487	325,699
	<b>18,757,319</b>	<b>23,794,803</b>

### 25. FINANCIAL COSTS

(Amount in Rs.)

	Year ended 31-03-2015	Year ended 31-03-2014
Interest expense		
Interest on term loan	1,956,612	29,609
Interest on working capital loan	6,911,170	5,351,533
Interest to others	177,284	2,024,824
Other borrowing cost		
Bank loan processing, commission & other bank charges	1,545,049	1,398,164
Applicable net gain/loss on foreign currency transaction and translation	-	445,166
	<b>10,590,115</b>	<b>9,249,296</b>

### 26. DEPRECIATION AND AMORTIZATION OF EXPENSES

(Amount in Rs.)

	Year ended 31-03-2015	Year ended 31-03-2014
Depreciation	10,339,578	15,040,404
Intangible assets written off	-	527,123
	<b>10,339,578</b>	<b>15,567,527</b>


**27. OTHER EXPENSES**
**(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
Bad debts	(89,983)	3,221,017
Communication expenses	451,575	507,068
Distribution expenses	5,019,442	5,027,947
Excise duty expenses	871,250	1,316,289
Factory expenses	2,287,094	2,682,651
Freight and forwarding charges	2,947,070	3,834,014
Insurance Expense	302,889	268,323
Labour, processing and production charges	15,598,471	15,087,347
Legal and Professional fees	3,517,312	2,220,724
Other Expense	519,021	340,879
Payment to Auditors	350,000	450,000
Power and Fuel	20,811,256	19,927,226
Prior period expenses	714,108	289,962
Rent, Rates & taxes	1,178,440	1,845,604
Repairs & Maintenance		
- Buildings	474,299	801,934
- Others	793,608	271,608
- Plant & Machinery	2,819,309	3,845,363
Sales promotion and advertisement expenses	2,766,041	1,623,496
Stationery, printing and other office expenses	1,518,086	2,031,513
Travelling and Conveyance expenses	2,083,130	1,389,425
	<b>64,932,417</b>	<b>66,982,389</b>

**27.1 Payment to auditors (excluding service tax)**
**(Amount in Rs.)**

	Year ended 31-03-2014	Year ended 31-03-2013
<b>As auditor</b>		
Audit fees	350,000	350,000
Tax audit fees	-	50,000
<b>In other capacity</b>		
Taxation matters	-	50,000
Other services	-	28,000
	<b>350,000</b>	<b>478,000</b>


**28. RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, the disclosure of transactions with the related parties as defined in accounting standard are given below:

- (i) List of related parties where control exist and related parties with whom transactions have taken place and their relationships

Sr. No.	Name of the Party	Relationship
1	Paresh N. Vasani	Key Managerial Personnel
2	PCB Power (India) Ltd.	Subsidiary company
3	PCB Planet (India) Ltd.	Company in which Key Managerial Personnel are Directors
4	Eurocircuits India Ltd.	

- (ii) Transactions with the related parties (Amount in Rs.)

Sr. No.	Nature of transactions	Key Managerial Personnel	Subsidiary company	Associates
1	Loans taken	-	-	-
		(16,500,000)	-	(42,000,000)
2	Loans repaid	-	-	-
		(16,500,000)	-	(42,000,000)
3	Reimbursement of expenses	-	1,517,270	-
		-	(146,827)	-
4	Loans given	-	-	-
		-	(2,983,925)	(1,500,000)
5	Loans given received back	-	-	-
		-	(2,983,925)	(1,500,000)
6	Front-end engineering charges	-	-	6,336,000
		-	-	(4,402,600)
7	Sales	-	-	-
		-	-	-
8	Interest paid	-	-	-
		(229,348)	-	(1,649,353)
9	Remuneration and perquisites	3,216,667	-	-
		(3,943,333)	-	-
10	Purchase of Fixed Assets	-	-	-
		-	(419,998)	(211,453)
11	Sale of Assets located at SEZ Unit	-	-	-
		-	-	-
12	Rent paid	-	600,000	-
		-	(600,000)	-
13	Advances given	-	-	-
		-	-	-
14	Buy-back of equity shares	-	-	-
		(7,600,000)	-	-
15	Collection of debtors on behalf of company	-	182,268	-
		-	(3,333,368)	-
16	Advances given received back	-	-	-
		-	-	-
	<b>Outstanding Balances</b>			
1	Trade payables	-	-	-
		-	-	-
2	Advances given	-	-	-
		-	-	-

**29. CONTINGENT LIABILITIES NOT PROVIDED IN RESPECT OF:****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
i) Tax matters,		
- Disputed liability in respect of Income-tax demands (including interest)(Matter under appeal)	-	2,984,020
- Disputed in respect of time limit for deferment of Sales Tax liability (Amount not quantified and Matter under appeal)	-	-

**30. EARNING PER SHARE**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
i) Net profit/(Loss) after tax as per statement of profit and loss attributable to equity shareholders	(56,172,874.01)	3,205,760.16
ii) Equity shares at the beginning of the year	13,869,016	15,700,000
Weighted average number of equity shares bought back during the year Nil (31-03-2014 : 457,746) (1830984 shares x 3/12)	-	457,746
Weighted average number of equity shares used as denominator for calculating EPS	13,869,016	15,242,254
iii) Basic and diluted earning per share (Rs.)	(4.05)	0.21
iv) Face value per share (Rs.)	10.00	10.00

**31. VALUE OF IMPORTS AND VALUE OF RAW MATERIALS, STORES AND SPARE PARTS AND PACKING MATERIALS CONSUMED****(a) CIF Value of import****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Raw material imported	54,583,828	74,757,046
Stores, spares and packing materials	2,102,533	8,662,546
Capital goods	37,887,221	4,543,211


**(b) Consumption of raw materials and spare parts and components**

	Year ended 31-03-2015		Year ended 31-03-2014	
	Amount (Rs.)	% of consumption	Amount (Rs.)	% of consumption
Raw material consumed				
Imported	64,585,464	56.27	64,640,109	61.77
Indigenous	50,196,774	43.73	40,003,007	38.23
Spare parts and components				
Imported	4,042,901	36.14	6,873,923	30.90
Indigenous	7,144,450	63.86	15,374,496	69.10

**32. EXPENDITURE IN FOREIGN CURRENCY**
**(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
(a) Sales commission	-	23,928
(b) Repairs and maintenance	945,199	512,101
(c) Interest on buyer's credit	-	103,221
(d) Foreign bank charges	23,142	62,097
(e) Exhibition expenses	-	-
(f) Travelling expenses	616,940	62,802
	<b>1,585,281</b>	<b>764,149</b>

**33. EARNINGS IN FOREIGN CURRENCY**

	Year ended 31-03-2015	Year ended 31-03-2014
(a) FOB Value of exports	10,045,036	11,686,999
	<b>10,045,036</b>	<b>11,686,999</b>

**34.** Details for exceptional items are as follows.

- (i) The company has debited Rs. 2,96,27,916/- as write off for obsolete inventories and spares. The company has conducted detailed verification of its inventory during this financial year to find out stock which has become obsolete or whose economic value has become Nil. The company had accumulated significant quantity of stocks and spares which had book value but could not be used by the company for manufacturing and maintenance purpose because of its odd size, shape or other factors. Hence, economic value of such stocks has practically become zero for the company. During the year, company carried out exercise to find such obsolete inventories and discard them, in order to reflect more realistic position of the inventory. Accordingly, the company has reduced value of Rs. 2,96,27,916/- in its closing inventory as on 31 March 2015.
- (ii) The Company has debited Rs. 2,30,05,998/- as bad debts in exception items. The company had accumulated balance in receivables which was long overdue but had not received since long. The payments were pending due to various reasons such as quality disputes, rate disputes, receivables being unresponsive and other reasons. The company had made detail assessment of recoverability of each receivable and decided to write off those balances which cannot be recovered even after considerable efforts. During year, the company has written off Rs. 2,30,05,998/- for various irrecoverable balances.
- (iii) The company has made provisions of Rs. 1,50,00,000/- in respect of disputed legal matters of other for which the company was served notice as a second party. The board has assessed likely liability which may arise out of the settlement of this suit. The Board has agreed to create provisions for anticipated liability pending final disposal of matters by court.

Total debits in exceptional items is Rs. 6,77,23,898/- which is of non-recurring nature and is not expected to be repeated in foreseeable future.

**35.** The company has hedged its foreign exchange exposure on imports through appropriate derivative contracts. The information about outstanding derivative contracts for hedging is as under: (Amount in Rs.)

<b>Particulars</b>	<b>As at 31-03-2015</b>	<b>As on 31-03-2014</b>
Forward contract (in Rs.)	NIL	1,49,75,679/-



## CIRCUIT SYSTEMS (INDIA) LIMITED

36. As per Accounting Standard 15 "Employee Benefits", the disclosure as defined in the Accounting Standard is given below:

	2014-15		2013-14	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
<b>I) Reconciliation of opening and closing balances of Defined Benefit obligation</b>				
Defined Benefit Obligation at the beginning of year	22,89,158	802,417	11,46,044	9,51,331
Current Service Cost	319,071	276,226	3,27,865	10,43,565
Interest Cost	219,459	64,193	1,72,885	85,620
Actuarial (gain)/loss	523,763	55,915	8,37,328	(2,11,233)
Benefit Paid	(844,419)	(606,467)	(1,94,964)	(10,66,866)
Defined Benefit obligation at year end	25,07,032	592,284	22,89,158	8,02,417
<b>II) Reconciliation of opening and closing balances of fair value of Plan Assets</b>				
Fair value of Plan Assets at beginning of year	14,83,540	-	12,68,413	-
Expected return on plan assets	97,197	-	1,03,416	-
Actuarial (gain)/loss	(97,496)	-	-	-
Employer Contribution	185,076	-	3,06,675	-
Benefit Paid	(844,419)	-	(1,94,964)	-
Fair Value of plan assets at year end	823,898	-	14,83,540	-
Actual return on plan assets	97,197	-	1,03,416	-
<b>III) Reconciliation of fair value of assets and obligations</b>				
Fair value of plan assets as at Balance Sheet date	829,898	-	14,83,540	-
Present value of obligation as at Balance Sheet date	25,07,032	592,284	22,89,158	8,02,417
Amount recognized in Balance Sheet	16,83,134	592,284	(8,05,618)	(8,02,417)



## CIRCUIT SYSTEMS (INDIA) LIMITED

		2014-15		2013-14	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
<b>IV)</b>	<b>Expenses recognized during the year</b>				
	Current Service Cost	319,071	2,76,226	3,27,865	10,43,565
	Interest Cost	219,459	64,193	1,72,885	85,620
	Expected return on plan assets	(97,197)	-	(1,03,416)	-
	Net Actuarial (gain)/loss	426,267	55,915	8,37,328	(2,11,233)
	Net Cost/(gain)	867,600	3,96,334	12,34,662	9,17,952
<b>V)</b>	<b>Actuarial Assumptions</b>				
	Mortality Table (LIC)	1994-96 (Ultimate)	Indian Assured Lives Mortality (2006-08) (Ultimate)	1994-96 (Ultimate)	Indian Assured Lives Mortality (2006-08) (Ultimate)
	Discount rate(per annum)	8%	8%	8%	9%
	Expected rate of return on plan assets(per annum)	-	-	-	-
	Rate of escalation in salary(per annum)	8%	7%	8%	7%

37. The Company has considered manufacturing of various grade of PCB as Single Segment and hence Primary Segment Disclosure is not applicable. With respect to second geographical segment management has view that there is no material risk is attached with geographical operation of the Company and hence considered as single segment.
38. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.
39. Balances in respect of trade receivables, loans and advances and trade payables are subject to confirmation from the respective parties and reconciliation, if any.
40. In the opinion of the management, the Current Assets, Loans and advances are realizable at the values stated in the financial statements in the ordinary course of business and adequate provision for all known liabilities has been made in the accounts.

As per our Report of even date  
**For Baheti Bhadada & Associates**

Chartered Accountants  
 Firm Registration No. 100865W

**(Krutesh Patel)**

**Partner**

Membership No. 140047

Place : Ahmedabad

Date : 22 April, 2015

**For and on behalf of the Board of Directors**  
 Circuit Systems (India) Limited.

**(Paresh N. Vasani)**

Managing Director

DIN No: 01376786

**(Preeti Chouksey)**

Chief Financial Officer

Place : Ahmedabad

Date : 22 April, 2015

**(Jayesh H. Shah)**

Director

DIN No: 02559296

**(Amrita Chandwani)**

Company Secretary



**INDEPENDENT AUDITOR'S REPORT****To the Members of Circuit Systems (India) Limited****• Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Circuit System (India) Limited** ("the Company"), and its subsidiary (collectively referred to as "the group"), which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**• Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**• Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**• Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at **31st March, 2015**, and its loss and its cash flows for the year ended on that date.

**• Other Matter**

We have not audited financial statements of PCB Power (India) Limited, whose financial statements reflect total assets of Rs. 14060152/- and total revenue of Rs. 14,71,836/-. The financial statements and other financial statements of this subsidiary was audited by other auditor whose report has been furnished to us and our opinion is solely based on the report of such other auditor. Our opinion is not qualified in respect of the other matter.

**For Baheti Bhadada and Associates**  
**Chartered Accountants**  
**Firm Registration No. 100865W**

**(Krutesh Patel)**

**Partner**

**Membership No. 140047**

**Place : Ahmedabad**  
**Date : 22 April 2015**



## CONSOLIDATED BALANCE SHEET AS AT 31-03-2015

(Amount in Rs.)

	Note No.	As at 31-03-2015	As at 31-03-2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	2	138,690,160	138,690,160
Reserves & surplus	3	56,128,549	200,054,300
		<b>194,818,709</b>	<b>338,744,460</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	4	20,574,399	397,082
Deferred tax liabilities (Net)	5	870,547	31,354,605
Long-term provisions	6	2,028,494	748,448
		<b>23,473,440</b>	<b>32,500,135</b>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	7	62,821,055	17,292,319
Trade payables	8	5,812,855	29,175,548
Other current liabilities	9	8,152,410	3,115,134
Short-term provisions	10	21,439,943	4,300,566
		<b>98,226,262</b>	<b>53,883,567</b>
		<b>316,518,411</b>	<b>425,128,162</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
	11		
Tangible assets		109,808,899	199,643,160
Intangible assets		27,771,255	29,892,849
Capital work-in-progress		1,501,800	
Non-current investments	12	19,236,412	19,236,412
Long-term loans & advances	13	3,979,518	4,235,496
Other non-current assets	14	-	812,318
		<b>160,796,084</b>	<b>255,322,035</b>
<b>CURRENT ASSETS</b>			
Inventories	15	43,534,057	85,567,389
Trade receivables	16	38,802,496	64,195,316
Cash and bank balances	17	35,513,689	3,312,621
Short-term loans and advances	18	37,872,085	16,661,566
Other current assets	19	-	69,235
		<b>155,722,328</b>	<b>169,806,127</b>
		<b>316,518,411</b>	<b>425,128,162</b>

**Significant Accounting Policies**

1

The accompanying note no. 1 to 41 are integral part of financial statements

As per our Report of even date  
**For Baheti Bhadada & Associates**

Chartered Accountants

Firm Registration No. 100865W

**(Krutesh Patel)****Partner**

Membership No. 140047

Place : Ahmedabad

Date : 22 April, 2015

**For and on behalf of the Board of Directors**  
Circuit Systems (India) Limited.**(Paresh N. Vasani)**

Managing Director

DIN No: 01376786

**(Preeti Chouksey)**  
Chief Financial Officer

Place : Ahmedabad

Date : 22 April, 2015

**(Jayesh H. Shah)**

Director

DIN No: 02559296

**(Amrita Chandwani)**  
Company Secretary

Place : Ahmedabad

Date : 22 April, 2015


**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31-03-2015**

(Amount in Rs.)

	Note No.	Year Ended 31-03-2015	Year Ended 31-03-2014
<b>INCOME</b>			
Revenue from operations(Gross)	20	268,938,548	272,920,221
Less : Excise duty		(24,989,867)	(24,515,121)
Revenue from operations(Net)		243,948,681	248,405,100
Other Income	21	4,584,259	3,735,725
<b>Total Revenue</b>		<b>248,532,940</b>	<b>252,140,825</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	128,944,937	126,891,535
Purchase of stock in trade		-	1,258,061
Purchase of Stock in Trade		1,699,282	-
Changes in inventories of work-in-progress	23	2,119,645	2,613,239
Employees benefit expenses	24	19,237,319	23,794,803
Finance costs	25	10,600,811	9,255,906
Depreciation and amortization expenses	26	11,502,328	15,968,520
Other expenses	27	62,846,102	66,732,607
<b>Total Expenses</b>		<b>236,950,424</b>	<b>246,514,672</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>11,582,516</b>	<b>5,626,153</b>
Exceptional items	34	(67,723,898)	(1,443,709)
<b>Profit/(Loss) before tax</b>		<b>(56,141,382)</b>	<b>4,182,444</b>
<b>Tax Expenses</b>			
Current Income Tax		418,372	(1,425,000)
Less: MAT Credit Entitlement		-	670,000
Net Current tax		418,372	(755,000)
(Excess)/Short provision of income tax for earlier years		-	-
Deferred Tax		42,309	(341,430)
<b>Profit (Loss) for the period from continuing operations</b>		<b>(55,680,701)</b>	<b>3,086,014</b>
Profit (Loss) before tax from discontinuing operations	35	-	-
Tax Expense of discontinuing operations		-	-
<b>Profit (Loss) after tax from discontinuing operations</b>		<b>-</b>	<b>-</b>
<b>Profit (Loss) for the period</b>		<b>(55,680,701)</b>	<b>3,086,014</b>
<b>Earning per equity share</b>			
(a) Basic		(4.01)	0.20
(b) Diluted		(4.01)	0.20

**Significant Accounting Policies**

1

The accompanying note no. 1 to 41 are integral part of financial statements

As per our Report of even date  
**For Baheti Bhadada & Associates**

Chartered Accountants

Firm Registration No. 100865W

**(Krutesh Patel)****Partner**

Membership No. 140047

Place : Ahmedabad

Date : 22 April, 2015

**For and on behalf of the Board of Directors**

Circuit Systems (India) Limited.

**(Paresh N. Vasani)**

Managing Director

DIN No: 01376786

**(Preeti Chouksey)**  
Chief Financial Officer**(Jayesh H. Shah)**

Director

DIN No: 02559296

**(Amrita Chandwani)**  
Company Secretary

Place : Ahmedabad

Date : 22 April, 2015



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2015

(Amount in Rs.)

	Year Ended 31/03/2015	Year Ended 31/03/2014
<b>A Cash Flow from Operating Activities</b>		
<b>Net profit before taxation:</b>	(56,141,382)	4,182,443
<b>Adjustment for :</b>		
Depreciation and amortization	11,502,328	15,968,520
Unrealized foreign exchange loss/(gain)	(246,883)	(23,289)
Interest Income	(3,623,915)	(3,534,268)
(Gain)/Loss on sale of fixed assets	(331,452)	(282,851)
Finance Cost	10,600,811	9,255,906
Buy-back of equity shares expenses	-	1,443,709
Bad debts	(173,503)	3,242,465
<b>Operating profit before working capital changes</b>	<b>(38,413,996)</b>	<b>30,252,635</b>
Adjustment for:		
Changes in inventories	42,033,331	(10,099,323)
Trade receivables	25,566,323	3,236,702
Long-term and short-term loans & advances and other current and non-current assets	4,038,648	23,542,699
Trade payables, short & long-term provisions, other current & long-term liabilities	94,005	13,029,013
<b>Cash generated from continuing operations</b>	<b>33,318,311</b>	<b>59,961,726</b>
Direct Taxes paid	450,569	(1,201,078)
<b>Net cash from operating activities (A)</b>	<b>33,768,880</b>	<b>58,760,648</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets	(40,358,515)	(9,352,454)
Proceeds from sale of fixed assets	3,958,500	711,000
Movement in loans and advances	(24,280,305)	16,500,000
Proceeds from sale of investment in equity shares	-	-
Proceeds from sale of long-term investments	-	500,000
Interest received	3,623,915	3,753,508
<b>Net cash used in investing activities (B)</b>	<b>(57,056,405)</b>	<b>12,112,054</b>


**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2015**

(Amount in Rs.)

	Year Ended 31/03/2015	Year Ended 31/03/2014
<b>C Cash flow from financing activities</b>		
Buy-back of equity shares	-	(14,647,872)
Buy-back of equity shares expenses	-	(1,443,709)
Finance Cost	(10,600,811)	(9,350,137)
Increase/(decrease) in short-term borrowings	45,528,736	(48,672,492)
Net Proceeds/(Repayment) of long-term borrowings	20,177,317	615,584
<b>Net cash from financing activities (C)</b>	<b>55,105,242</b>	<b>(73,498,626)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>31,817,717</b>	<b>(2,625,924)</b>
Cash and cash equivalents at the beginning of the year	1,714,002	4,339,926
Cash and cash equivalents at the end of the year	<b>33,531,718</b>	<b>1,714,002</b>

**Notes :**

Cash and cash equivalents included in the Cash Flow Statement comprises the following:

	As at 31/03/2015	As at 31/03/2014
Cash on hand	560,811	532,133
Bank balance with scheduled bank	33,241,080	1,205,158
Effect of exchange rate changes	(270,172)	(23,289)
	<b>33,531,718</b>	<b>1,714,002</b>

The Cash flow statement has been prepared under the indirect method set out in AS-3 Companies (Accounting Standard) Rules, 2006.

As per our Report of even date  
**For Baheti Bhadada & Associates**  
*Chartered Accountants*  
 Firm Registration No. 100865W  
**(Krutesh Patel)**  
**Partner**  
 Membership No. 140047  
 Place : Ahmedabad  
 Date : 22 April, 2015

**For and on behalf of the Board of Directors**  
 Circuit Systems (India) Limited.

<b>(Paresh N. Vasani)</b> <i>Managing Director</i> DIN No: 01376786	<b>(Jayesh H. Shah)</b> <i>Director</i> DIN No: 02559296
<b>(Preeti Chouksey)</b> <i>Chief Financial Officer</i>	<b>(Amrita Chandwani)</b> <i>Company Secretary</i>
Place : Ahmedabad Date : 22 April, 2015	

**General Company Information.**

The Consolidated Financial Statements (CFS) pertains to Circuit Systems (India) Limited and its subsidiary, PCB Power (India) Limited.

**1. Significant accounting policies****1.1 System of Accounting**

- i. Consolidated Financial Statements of Circuit Systems (India) Limited and its subsidiary company have been prepared in compliance with the mandatory Accounting Standards prescribed in Companies (Accounting Standard) Rules, 2006, the relevant provisions of Companies Act, 2013.
- ii. Consolidated financial statements are based on historical cost convention and are prepared on accrual basis.

**1.2 Principles of consolidation**

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS 21) "Consolidated Financial Statements" prescribed in Companies (Accounting Standard) Rules, 2006.

The consolidated financial statements have been prepared on the following basis.

- i. The financial statements of the Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions, resulting in unrealized profits or unrealized losses.
- ii. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations if any have been made in the consolidated financial statements.
- iii. The excess of cost of investment in a subsidiary over the net assets at the time of acquisition of shares in the subsidiary is recognized in the consolidated financial statements as goodwill.

**1.3 Use of Estimates**

The preparation of consolidated financial statements requires estimates and assumptions which affect the reporting amount of assets, liabilities, revenues and expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

**1.4 Tangible Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment loss (if any). Cost comprises of purchase price, non refundable duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

**1.5 Intangible Fixed Assets**

Intangible Assets are stated at cost of acquisition less accumulated amortization and impairment loss (if any). Cost of acquisition comprises of purchase price, non refundable duties, levies and any directly attributable cost of bringing the intangible assets to its working condition for the intended use.

**1.6 Depreciation and Amortization****(i) Tangible Fixed Assets**

Depreciation on fixed assets is provided on Straight Line Method in accordance with the rates and in manner specified in schedule II of the Companies Act, 2013.



Lease premium on leasehold land is written off over the period of lease except premium paid for acquiring leasehold land for lease period exceeding 99 years.

**(ii) Intangible Fixed Assets**

Computer Software is amortized over a period of 10 years on pro-rata basis commencing from the year in which software is put to use.

**(iii) Write Offs of Fixed Assets**

The Company had depreciated fixed assets at rates specified under Schedule XIV of Companies Act, 1956 till 31 March 2014. However, Schedule II of Companies Act, 2013 requires company to depreciate its assets over its useful-life with effect from 1 April 2014. Accordingly, the company has calculated useful lives of all assets as on 1 April 2014 and depreciated their written down value on their remaining useful lives. However, the written down values of assets, whose useful life has become Nil as on 1 April 2014, are required to be adjusted towards reserves and surplus. The Company has adjusted Rs. 8, 67, 43,251/-towards reserves and surplus of the company. The details of which are available in Note No 2 and Note No 11 to consolidated financial statements. The change in rate of depreciation or useful life of an asset is change in accounting estimate and is therefore applied prospectively with effect from 1 April 2014. The above write off is of exceptional nature and warranted due to change in legal provisions. The same write off is not expected to recur in foreseeable future.

**1.7 Inventories**

Cost of inventories comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

- (iv) Raw Materials are valued at lower of cost (net of refundable taxes and duties) and net realizable values. Cost is derived on FIFO basis.
- (v) Work-in-Progress is valued at lower of conversion cost and net realizable values. Cost are derived on Standard Cost basis
- (vi) Stores, Spares and Packing Materials are valued at cost.

**1.8 Revenue Recognition**

- (iv) Revenue from sales is recognized at the point of dispatch to the customers when risk and reward stand transferred to the customers. Sales include excise duty but exclusive of sales tax.
- (v) Dividend income is recognized when the company's right to receive the dividend is established.
- (vi) Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

**1.9 Employee Benefits****(iv) Short term Benefits**

Short-term employee benefits are recognized as expenses in the Statement of Profit and Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

**(v) Defined Contribution Plans**

Defined contribution plans are those plans where the Company pays fixed contribution to a fund managed by independent trusts. Contributions are paid in return for service rendered by employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Company provides Provident Fund facility to employees. The contributions are expenses as they are incurred in line with the treatment of wages and salaries.

**(vi) Defined Benefit Plans**

The Company provides Gratuity and Leave Encashment Benefits to its employees. Gratuity liabilities are funded through a separate trust with its funds managed by Life Insurance Corporation of India. The liability towards leave encashment is not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per requirement of Accounting Standards 15 – Employee Benefits. The liability recognized in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognized past service costs. All actuarial gain and losses are recognized in the Statement of Profit and Loss in full in the year in which they occur.

**1.10 Provision for Taxes on Income**

Tax expenses include current tax and deferred tax. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from timing difference between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

**1.11 Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. No provision is recognized or disclosure for Contingent Liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the consolidated financial statements.

**1.12 Impairment of Assets**

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

**1.13 Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded on initial recognition using the exchange rates prevailing on the date of the transaction or that approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are restated at rates of exchange prevailing at the balance sheet date. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss. Premium or discount on forward contracts for hedging foreign currency transactions are amortized and recognized in the statement of profit and loss over the period of the contract.

**1.14 Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long- term investments. Current Investments are carried at lower of cost and fair value. Long Term Investments are stated at cost. However, Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

**1.15 Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.




**2. SHARE CAPITAL**

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
<b>Authorised Shares</b> 16000000(31-03-2014:16000000) Equity shares of Rs.10/- each.	<b>160,000,000</b>	<b>160,000,000</b>
<b>Issued, Subscribed and fully paid-up</b> 13869016 Equity shares of Rs. 10/- each.	138,690,160	138,690,160
	<b>138,690,160</b>	<b>138,690,160</b>

**2.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	As at 31-03-2015	As at 31-03-2014
<b>Equity share</b>		
At the beginning of the period	13,869,016	15,700,000
Issued during the period	-	-
Bought back during the year (Refer Note No. 2.4)		1,830,984
Outstanding at the end of the period	<b>13,869,016</b>	<b>13,869,016</b>

**2.2 Terms/right attached to equity share**

The company has only one class of equity share having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian rupees. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. the distribution will be in proportion to the number of equity shares held by the shareholders.

**2.3 Details of shareholders holding more than 5% share in the company**

Name of shareholders	As at 31-03-2015		As at 31-03-2014	
	%	No. of Shares	%	No. of Shares
Mr. Paresh N. Vasani	71.33	9,893,180.00	71.33	9,893,180
Europrint N.V	16.22	2,250,000.00	16.22	2,250,000

**2.4 Buy-back of equity shares:**

As per the approval by way of resolution passed in the meeting of the Board of Directors of the Company on 23rd October, 2013 in accordance with the provisions of the Companies Act, 1956 and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended), the Company offered to buy-back its equity shares of face value of Rs. 10/- each, to the extent of less than 10% of the paid-up equity share capital and free reserves of the Company, upto a maximum amount of Rs. 1,50,00,000/- at a maximum price of Rs. 8/- per share from open market. Pursuant to this, the Company has, during the year ended 31st March, 2014 bought-back 18,30,984 equity share at price of Rs. 8/- per equity share, utilizing a sum of Rs. 1,46,47,872 (excluding other expenses). On account of buy-back of shares, the Company has created :(a) Capital Redemption Reserve of Rs. 1,83,09,840/- towards the face value of 18,30,984 shares of Rs. 10/- each by way of appropriation against General Reserve and (b) Capital Reserves of Rs. 36,61,968/- towards the profit of Rs. 2/- per share on buy back of shares. In terms of the provision of Section 77A of the Companies Act, 1956 and SEBI (Buy Back of Securities) Regulations 1998 (as amended), the Company has completed extinguishment of 18,30,984 shares as on 31st December, 2013.

**2.5 Aggregate number of shares bought back during the period of five years immediately preceding the reporting date is 18,30,984/- (31-03-2014 : 18,30,984/-) equity shares.**


**3. RESERVES AND SURPLUS**
**(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
<b>Capital Reserve</b>		
Balance as per last financial statements	3,661,968	3,661,968
Addition during the year(Refer note no. 2.4)		-
<b>Closing balance</b>	3,661,968	3,661,968
<b>Capital Redemption Reserve</b>		
Balance as per last financial statements	18,309,840	18,309,840
Transfer from general reserve(Refer note no. 2.4)		-
<b>Closing balance</b>	18,309,840	18,309,840
<b>Securities Premium Reserve</b>		
Balance as per last financial statements	134,670,250	134,670,250
Addition during the year		-
<b>Closing balance</b>	134,670,250	134,670,250
<b>General Reserve</b>		
Balance as per last financial statements	1,190,160	19,500,000
Transfer to capital redemption reserve (Refer note no. 2.4)		(18,309,840)
Transfer to Profit & Loss Account	(1,190,160)	
<b>Closing balance</b>	-	1,190,160
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statement	42,222,082	39,136,069
Add: Transfer from General Reserve	1,190,160	-
	43,412,243	39,136,069
Less : Fixed Assets Written off	(86,743,251)	
Less: Inter Group Transactions	(1,501,800)	
Add/Less: Profit/(Loss) for the year	(55,680,701)	3,086,013
<b>Net surplus/(deficit) in the statement of profit and loss</b>	(100,513,509)	42,222,082
<b>Total Reserves &amp; Surplus</b>	<b>56,128,549</b>	<b>200,054,300</b>

**4. LONG TERM BORROWINGS**
**(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
<b>Secured</b>		
Term Loan		
From banks	20,574,399	397,082
	<b>20,574,399</b>	<b>397,082</b>

Notes:

- Loan from Bank carries includes loan of Rs. 154,112/- from axis bank which interest @ 10.66% p.a. The loan is repayable in 36 monthly instalments of Rs. 22805/- each along with interest, from the date of loan viz. 12-10-2013. The loan is secured by hypothecation of motor-car of the company. It also includes term loan of Rs. 2,0420,287/- from corporation bank. The loan is payable in 60 equal monthly installments of Rs. 4,95,000/- from date of loan viz 8 August 2014. Current maturity of long-term borrowings is Rs.6182970/- (2014: 218502). The rate of interest is Base Rate + 5%.

**5. DEFERRED TAX LIABILITY**
**(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
<b>(i) Deferred tax liability:</b>		
Arising on account of timing difference in:		
- Depreciation	870,547	32,192,089
<b>(ii) Deferred tax assets:</b>		
Arising on account of timing difference in :		
- Disallowance of expenses	-	837,484
<b>Net deferred tax liability</b>	<b>870,547</b>	<b>31,354,605</b>


**6. LONG-TERM PROVISIONS (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Provision for leave encashment	551,055	748,448
Provision for Gratuity	1,477,439	-
	<b>2,028,494</b>	<b>748,448</b>

**7. SHORT-TERM BORROWINGS (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Loans repayable on demand From banks(secured) Cash credit	62,821,055	17,292,319
	<b>62,821,055</b>	<b>17,292,319</b>

Notes: Cash credit and buyer's credit from bank is primarily secured by way of hypothecation on inventory, charge on book debts and current assets of the company(both present and future). Further it is secondarily secured by way of equitable mortgage of land situated at GIDC, Gandhinagar and hypothecation of plant and machinery and other movable assets of the company excluding vehicles(both present and future). Further it is secured by way of personal guarantee of a director and a relative of a director. Further buyer's credit is secured by way of margin money deposits. Interest is charged at Base Rate +4.60%, subject to revision from time to time.

**8. TRADE PAYABLES (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Trade payables (refer note below for details of dues to micro and small enterprises)	5,812,855	29,175,548
	<b>5,812,855</b>	<b>29,175,548</b>

Note: The company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosures, if any, relating to amount unpaid as at the year end together with interest paid/payable as required under the act has not been given.

**9. OTHER CURRENT LIABILITIES (Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
Current maturity of long term borrowings(Refer note no.4)	6,182,970	218,502
Advance received from customers	1,167,089	1,494,989
Interest accrued but not due on borrowings	-	-
Other payables		
Statutory dues	802,351	1,401,643
	<b>8,152,410</b>	<b>3,115,134</b>

**10. SHORT TERM PROVISIONS**

	As at 31-03-2015	As at 31-03-2014
Provision for employee benefits	1,427,052	1,503,176
Provision for leave encashment	41,229	53,969
Provision for gratuity	205,695	805,618
Provision for expenses	19,765,967	1,937,803
	<b>21,439,943</b>	<b>4,300,566</b>



**11. FIXED ASSETS**

(Amount in Rs.)

Sr. No.	Description	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
		Opening Balance 4/1/2014	W.off as per co's act 2013 See Note 1.5	Additions during the year	Sale/ Transfer	Closing Balance 3/31/2015	Opening Balance 4/1/2014	W.off as per co's act 2013 See Note 1.5	For the Year	Deletions/ Adjustments	Closing Balance 3/31/2015	As at 3/31/2015	As at 4/1/2014
	<b>Tangible Assets</b>												
1	Leasehold Land	3,212,299	-	-	-	3,212,299	-	-	-	-	-	3,212,299	3,212,299
2	Factory Building	39,283,932	-	-	-	39,283,932	13,611,275	-	2,162,566	-	15,773,841	23,510,091	25,672,657
3	Plant & Equipment	262,424,249	200,255,075	38,783,570	5,826,604	95,126,140	111,392,415	88,940,453	6,820,368	2,199,556	27,072,774	68,053,367	151,031,834
4	E.T.Plant	3,045,914	3,045,914	1,437,851	-	1,437,851	2,105,224	2,105,224	23,964	-	23,964	1,413,887	940,690
5	Furniture & Fixtures	7,115,645	4,618,028	-	-	2,497,617	4,552,206	4,205,786	308,708	-	655,128	1,842,489	2,563,439
6	Vehicles	3,557,836	-	-	-	3,557,836	1,563,708	-	526,513	-	2,090,221	1,467,615	1,994,128
7	Office Equipments	2,436,322	1,602,171	30,475	-	864,626	1,048,711	980,569	291,555	-	359,697	504,929	1,387,611
8	Computer,Fax, Cellular	17,903,696	16,324,151	106,619	15,050	1,671,114	17,326,047	16,576,481	304,513	-	1,054,079	617,034	577,648
9	Electric Installation	7,648,573	5,606,790	-	-	2,041,783	4,425,888	3,819,115	507,628	-	1,114,401	927,382	3,222,685
10	Office Building	8,828,725	-	-	-	8,828,725	264,057	-	304,865	-	568,922	8,259,803	8,564,668
	<b>Total</b>	<b>355,457,191</b>	<b>231,452,129</b>	<b>40,358,515</b>	<b>5,841,654</b>	<b>158,521,923</b>	<b>156,289,531</b>	<b>116,627,628</b>	<b>11,250,680</b>	<b>2,199,556</b>	<b>48,713,027</b>	<b>109,808,899</b>	<b>199,167,659</b>
	Previous Year	(320,776,078)		(22,686,177)	(528,520)	(342,933,735)	(140,323,449)		(15,040,404)	(100,370)	(155,263,482)	(187,670,252)	(180,452,629)
	<b>Intangible Assets</b>												
1	Computer Software	6,199,501	5,271,233	-	-	928,268	3,378,547	2,925,783	251,648	-	704,412	223,856	2,820,953
2	Goodwill on Consolidation	27,547,399	-	-	-	27,547,399	-	-	-	-	-	27,547,399	27,547,399
	<b>Total</b>	<b>33,746,900</b>	<b>5,271,233</b>	<b>-</b>	<b>-</b>	<b>28,475,667</b>	<b>3,378,547</b>	<b>2,925,783</b>	<b>251,648</b>	<b>-</b>	<b>704,412</b>	<b>27,771,255</b>	<b>30,368,352</b>
	Previous Year	(5,271,233)		-	-	(5,271,233)	(2,398,660)		(527,123)	-	(2,925,783)	(2,345,449)	(2,872,573)
	<b>Grand Total</b>	<b>389,204,090</b>	<b>236,723,362</b>	<b>40,358,515</b>	<b>5,841,654</b>	<b>186,997,590</b>	<b>159,668,079</b>	<b>119,553,411</b>	<b>11,502,328</b>	<b>2,199,556</b>	<b>49,417,440</b>	<b>137,580,154</b>	<b>229,536,012</b>
	Previous Year	(326,047,311)		(22,686,177)	(528,520)	(348,204,968)	(142,722,109)		(15,567,527)	(100,370)	(158,189,265)	(190,015,701)	(183,325,202)



## CIRCUIT SYSTEMS (INDIA) LIMITED

### 12. NON-CURRENT INVESTMENTS (Valued at cost)

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
<b>Trade investments(Unquoted)(Long-term)</b>		
<b>In Others</b>		
1920000(31.03.2014: 1920000) Equity shares of Rs. 10/- each fully paid up in Eurocircuits India Limited	19,200,000	19,200,000
<b>Non-trade investments(Unquoted)(Long-term)</b>		
400(31.03.2014: 400) Equity shares of Rs 25/- each fully paid up in Mehsana Urban Co-operative Bank Ltd.	10,000	10,000
<b>In Government Securities (Unquoted) (Long-term)</b>		
Investments in National Savings Certificate	26,412	26,412
	<b>19,236,412</b>	<b>19,236,412</b>
Aggregate amount of unquoted investment	<b>19,210,000</b>	<b>19,210,000</b>

### 13. LONG-TERM LOANS AND ADVANCES

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Capital advances	-	-
Security deposits	106,900	404,900
Balances with statutory authorities	3,872,618	3,384,518
Advance Income tax (net of provision for tax)		446,078
	<b>3,979,518</b>	<b>4,235,496</b>

### 14. OTHER NON-CURRENT ASSETS

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Margin money deposit(Pledged with banks)	-	812,318
	<b>-</b>	<b>812,318</b>

### 15. INVENTORIES

(Amount in Rs.)

	As at 31-03-2015	As at 31-03-2014
(Valued at lower of cost and net realizable value)		
Raw Materials	33,738,233	42,963,178
Work-in-progress	3,439,692	9,088,952
Stock In Trade	1,354,171	773,102
Consumable Raw Materials,Stores,Spares & Packing materials	5,001,961	32,715,453
Scraps	-	26,704
	<b>43,534,057</b>	<b>85,567,389</b>

**16. TRADE RECEIVABLES****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Outstanding for a period exceeding six month from the date they are due for payment	3,675,555	20,845,933
Other receivables	35,126,941	43,349,383
	<b>38,802,496</b>	<b>64,195,316</b>

**17. CASH AND BANK BALANCES****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
<b>Cash and cash equivalents</b>		
<b>Balance with banks</b>		
- In current account	33,241,080	1,205,158
Cash on hand	560,811	532,133
<b>Other bank balances</b>	-	
Margin money deposit(Pledged with banks)	1,711,799	1,575,330
	<b>35,513,689</b>	<b>3,312,621</b>

**18. SHORT-TERM LOANS AND ADVANCES****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
(Unsecured and considered good)		
Prepaid expenses	561,431	627,845
Intercompany Loans	24,280,305	-
Staff Loan	1,173,424	947,000
Balance with statutory authorities	9,043,429	9,422,708
Advance to Suppliers	2,813,496	5,664,013
	<b>37,872,085</b>	<b>16,661,566</b>

Intercompany loans include Rs. 2,42,80,305/- granted to Unispace Ventures u/s 186 of Companies Act, 2013. The said loan is granted for short term purpose to invest surplus funds of the company. The Company charges 15% interest p.a. on above loan. The borrower will utilize the said loan for the purpose of his business.

**19. OTHER CURRENT ASSETS****(Amount in Rs.)**

	As at 31-03-2015	As at 31-03-2014
	-	-
	-	-


**20. REVENUE FROM OPERATIONS**
**(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
<b>Sale of products</b>		
Finished and Traded goods	267,386,135	270,365,688
<b>Other operating revenue</b>		
Scrap sales	1,276,302	2,343,401
Export Incentives	276,111	211,132
Revenue from operations (Gross)	268,938,548	272,920,221
Less: Excise Duty	(24,989,867)	24,515,121
Revenue from operations (Net)	<b>243,948,681</b>	<b>248,405,100</b>

**20.1 Finished goods comprises**
**(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
Printed Circuit Boards	267,386,135	270,365,688
	<b>267,386,135</b>	<b>269,709,272</b>

**21. OTHER INCOME**
**(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
Interest income		
Bank deposits	3,623,915	262,429
Others	-	2,733,910
Dividend Income		
Long-term investments	-	68,750
Other income	17,270	199,953
Profit on sale of fixed assets (net)	331,452	269,227
Excess provision written off		90,774
Foreign Exchange Differences (Net)	611,623	110,682
	<b>4,584,259</b>	<b>3,735,725</b>



**22. COST OF MATERIALS CONSUMED**

(Amount in Rs.)

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Inventory at the beginning of the year		
Copper Sheets	26,936,745	22,028,448
Chemicals	5,560,067	4,338,014
Others	10,466,366	4,625,442
	<b>42,963,178</b>	<b>30,991,904</b>
Add: Purchases		
Copper Sheets	32,364,476	46,604,621
Chemicals	33,001,491	21,710,252
Others	43,166,575	48,299,517
	<b>108,532,542</b>	<b>116,614,390</b>
Less :Inventory at the close of the year		
Copper Sheets	23,739,357	26,936,745
Chemicals	3,171,625	5,560,067
Others	6,827,251	10,466,366
	<b>33,738,233</b>	<b>42,963,178</b>
Raw Material Consumed		
Copper Sheets	35,561,864	41,696,324
Chemicals	35,389,933	20,488,200
Others	46,805,690	42,458,593
	<b>117,757,487</b>	<b>104,643,116</b>
Add: Consumption of stores and spares	11,187,450	22,248,419
<b>Total consumption of raw materials</b>	<b>128,944,937</b>	<b>126,891,535</b>

**23. COST OF MATERIALS CONSUMED**

(Amount in Rs.)

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Printed Circuit Boards	1,699,282	1,258,061
	<b>1,699,282</b>	<b>1,258,061</b>

**23. CHANGES IN INVENTORIES OF WORK-IN-PROGRESS**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
<b>Inventories at the end of the year</b>		
Work-in-progress of printed circuit board	3,439,692	9,088,952
Traded Goods	1,354,171	
Traded Goods		773,102
Scraps	-	26,704
	<b>4,793,863</b>	<b>9,888,758</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress of printed circuit board	9,088,952	12,362,170
Less: Write off During Year	(2,975,250)	
Traded Goods	773,102	
Scraps	26,704	139,827
	<b>6,913,508</b>	<b>12,501,997</b>
<b>Changes in inventories</b>	<b>2,119,645</b>	<b>2,613,239</b>



**CIRCUIT SYSTEMS (INDIA) LIMITED****24. EMPLOYEE BENEFITS EXPENSE****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Salaries, Wages, Bonus & Allowances	16,418,328	20,008,041
Leave Encashment	396,334	917,952
Contributions to Provident and other Funds	1,207,059	1,404,708
Gratuity fund contributions	1,060,111	1,138,403
Staff welfare expenses	155,487	325,699
	<b>19,237,319</b>	<b>23,794,803</b>

**25. FINANCIAL COSTS****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Interest expense		
Interest on term loan	1,956,612	29,609
Interest on working capital loan	6,911,170	5,351,533
Interest to others	183,144	2,024,824
Other borrowing cost		
Bank loan processing, commission & other bank charges	1,549,885	1,404,774
Applicable net gain/loss on foreign currency transaction and translation	-	445,166
	<b>10,600,811</b>	<b>9,255,906</b>

**26. DEPRECIATION AND AMORTIZATION OF EXPENSES****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Depreciation	11,250,680	15,441,397
Intangible assets written off	251,648	527,123
	<b>11,502,328</b>	<b>15,968,520</b>

**27. OTHER EXPENSES****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Bad debts	(173,503)	2,372,295
Communication expenses	451,575	507,068
Distribution expenses	5,019,442	5,027,947
Excise duty expenses	871,750	1,316,289
Factory expenses	2,287,094	2,682,651
Freight and forwarding charges	2,947,070	3,834,014
Insurance Expense	312,919	283,186
Labour, processing and production charges	15,598,471	15,087,347
Legal and Professional fees	3,522,885	2,306,277
Other Expense	532,065	340,879
Payment to Auditors	383,708	483,708
Power and Fuel	20,811,256	19,927,226
Prior period expenses	714,108	289,962
Rent, Rates & taxes	578,440	1,389,604
Repairs & Maintenance		
- Buildings	474,299	815,496
- Others	793,608	271,608
- Plant & Machinery	2,819,309	3,845,363
Sales promotion and advertisement expenses	1,264,241	1,634,671
Stationery, printing and other office expenses	1,527,556	2,057,022
Travelling and Conveyance expenses	2,109,810	1,389,825
Sundry credit/debit balance written off		870,170
	<b>62,846,102</b>	<b>66,732,607</b>

**27.1 Payment to auditors (excluding service tax)****(Amount in Rs.)**

	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
<b>As auditor</b>		
Audit fees	383,708	380,000
Tax audit fees	-	50,000
<b>In other capacity</b>		
Taxation matters	-	50,000
Other services	-	28,000
	<b>383,708</b>	<b>508,000</b>


**28. RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, the disclosure of transactions with the related parties as defined in accounting standard are given below:

- (i) List of related parties where control exist and related parties with whom transactions have taken place and their relationships

Sr. No.	Name of the Party	Relationship
1	Paresh N. Vasani	Key Managerial Personnel
2	PCB Power (India) Ltd.	Subsidiary company
3	PCB Planet (India) Ltd.	Company in which Key Managerial Personnel are directors
4	Eurocircuits India Ltd.	

- (ii) Transactions with the related parties (Amount in Rs.)

Sr. No.	Nature of transactions	Key Managerial Personnel	Subsidiary company	Associates
1	Loans taken	-	-	-
		(16,500,000)	-	(42,000,000)
2	Loans repaid	-	-	-
		(16,500,000)	-	(42,000,000)
3	Reimbursement of expenses	-	-	-
4	Loans given	-	-	-
		-	-	(1,500,000)
5	Loans given received back	-	-	-
		-	-	(1,500,000)
6	Front-end engineering charges	-	-	6,336,000
		-	-	(4,402,600)
7	Sales	-	-	-
		-	-	-
8	Interest paid	-	-	-
		(229,348)	-	(1,649,353)
9	Remuneration and perquisites	3,696,667	-	-
		(3,943,333)	-	-
10	Purchase of Fixed Assets	-	-	-
		-	-	(211,453)
11	Sale of Assets located at SEZ Unit	-	-	-
12	Rent paid	-	-	-
		-	-	-
13	Advances given	-	-	-
		-	-	-
14	Buy-back of equity shares	-	-	-
		(7,600,000)	-	-
15	Consultancy Charges Paid	-	-	-
		-	(93,420)	-
16	Advances given received back	-	-	-
		-	-	-
	<b>Outstanding Balances</b>			
1	Trade payables	-	-	-
		-	-	-
2	Advances given	-	-	-
		-	-	-

**30. CONTINGENT LIABILITIES NOT PROVIDED IN RESPECT OF:****(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
i) Tax matters,		
- Disputed liability in respect of Income-tax demands (including interest)(Matter under appeal)	-	2,984,020
- Disputed in respect of time limit for deferment of Sales Tax liability (Amount not quantified and Matter under appeal)	-	-

**31. EARNING PER SHARE**

	Year ended 31-03-2015	Year ended 31-03-2014
(i) Net profit/(Loss) after tax as per statement of profit and loss attributable to equity shareholders	(55,680,701.01)	3,086,013.64
(ii) Equity shares at the beginning of the year	13,869,016	15,700,000
Weighted average number of equity shares bought back during the year Nil (31-03-2013 : 457746) (1830984 shares x 3/12)	-	457,746
Weighted average number of equity shares used as denominator for calculating EPS	13,869,016	15,242,254
(iii) Basic and diluted earning per share (Rs.)	(4.01)	0.20
(iv) Face value per share (Rs.)	10.00	10.00

**32. VALUE OF IMPORTS AND VALUE OF RAW MATERIALS, STORES AND SPARE PARTS AND PACKING MATERIALS CONSUMED****(a) CIF Value of import****(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
Raw material imported	54,583,828	74,757,046
Stores, spares and packing materials	2,102,533	8,662,546
Capital goods	37,887,221	4,543,211


**(b) Consumption of raw materials and spare parts and components**

	Year ended 31-03-2015		Year ended 31-03-2014	
	Amount (Rs.)	% of consumption	Amount (Rs.)	% of consumption
Raw material consumed				
Imported	64,585,464	56.27	64,640,109	61.77
Indigenous	50,196,774	43.73	40,003,007	38.23
Spare parts and components				
Imported	4,042,901	36.14	6,873,923	30.90
Indigenous	7,144,450	63.86	15,374,496	69.10

**33. EXPENDITURE IN FOREIGN CURRENCY**
**(Amount in Rs.)**

	Year ended 31-03-2015	Year ended 31-03-2014
(a) Sales commission	-	23,928
(b) Repairs and maintenance	945,199	512,101
(c) Interest on buyer's credit	-	103,221
(d) Foreign bank charges	23,142	62,097
(e) Exhibition expenses	-	-
(f) Travelling expenses	616,940	62,802
	1,585,281	764,149

**34. EARNINGS IN FOREIGN CURRENCY**

	Year ended 31-03-2015	Year ended 31-03-2014
(a) FOB Value of exports	10,045,036	11,686,999
	10,045,036	11,686,999

**34.** Details for exceptional items are as follows.

- (i) The company has debited Rs. 2,96,27,916/- as write off for obsolete inventories and spares. The company has conducted detailed verification of its inventory during this financial year to find out stock which has become obsolete or whose economic value has become Nil. The company had accumulated significant quantity of stocks and spares which had book value but could not be used by the company for manufacturing and maintenance purpose because of its odd size, shape or other factors. Hence, economic value of such stocks has practically become zero for the company. During the year, company carried out exercise to find such obsolete inventories and discard them, in order to reflect more realistic position of the inventory. Accordingly, the company has reduced value of Rs. 2,96,27,916/- in its closing inventory as on 31 March 2015.
- (ii) The Company has debited Rs. 2,30,05,998/- as bad debts in exception items. The company had accumulated balance in receivables which was long overdue but had not received since long. The payments were pending due to various reasons such as quality disputes, rate disputes, receivables being unresponsive and other reasons. The company had made detail assessment of recoverability of each receivable and decided to write off those balances which cannot be recovered even after considerable efforts. During year, the company has written off Rs. 2, 30, 05,998/- for various irrecoverable balances.
- (iii) The company has made provisions of Rs. 1, 50, 00,000/- in respect of disputed legal matters of other for which the company was served notice as a second party. The board has assessed likely liability which may arise out of the settlement of this suit. The Board has agreed to create provisions for anticipated liability pending final disposal of matters by court.
- Total debits in exceptional items is Rs. 6,77,23,898/- which is of non-recurring nature and is not expected to be repeated in foreseeable future.

**35.** The company has hedged its foreign exchange exposure on imports through appropriate derivative contracts. The information about outstanding derivative contracts for hedging is as under:

(Amount in Rs.)

<b>Particulars</b>	<b>As at 31-03-2015</b>	<b>As on 31-03-2014</b>
Forward contract (in Rs.)	NIL	1,49,75,679/-



## CIRCUIT SYSTEMS (INDIA) LIMITED

36. As per Accounting Standard 15 "Employee Benefits", the disclosure as defined in the Accounting Standard is given below:

	2014-15		2013-14	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
<b>I) Reconciliation of opening and closing balances of Defined Benefit obligation</b>				
Defined Benefit Obligation at the beginning of year	22,89,158	802,417	11,46,044	9,51,331
Current Service Cost	319,071	276,226	3,27,865	10,43,565
Interest Cost	219,459	64,193	1,72,885	85,620
Actuarial (gain)/loss	523,763	55,915	8,37,328	(2,11,233)
Benefit Paid	(844,419)	(606,467)	(1,94,964)	(10,66,866)
Defined Benefit obligation at year end	25,07,032	592,284	22,89,158	8,02,417
<b>II) Reconciliation of opening and closing balances of fair value of Plan Assets</b>				
Fair value of Plan Assets at beginning of year	14,83,540	-	12,68,413	-
Expected return on plan assets	97,197	-	1,03,416	-
Actuarial (gain)/loss	(97,496)	-	-	-
Employer Contribution	185,076	-	3,06,675	-
Benefit Paid	(844,419)	-	(1,94,964)	-
Fair Value of plan assets at year end	823,898	-	14,83,540	-
Actual return on plan assets	97,197	-	1,03,416	-
<b>III) Reconciliation of fair value of assets and obligations</b>				
Fair value of plan assets as at Balance Sheet date	829,898	-	14,83,540	-
Present value of obligation as at Balance Sheet date	25,07,032	592,284	22,89,158	8,02,417
Amount recognized in Balance Sheet	16,83,134	592,284	(8,05,618)	(8,02,417)



## CIRCUIT SYSTEMS (INDIA) LIMITED

		2014-15		2013-14	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
<b>IV)</b>	<b>Expenses recognized during the year</b>				
	Current Service Cost	319,071	2,76,226	3,27,865	10,43,565
	Interest Cost	219,459	64,193	1,72,885	85,620
	Expected return on plan assets	(97,197)	-	(1,03,416)	-
	Net Actuarial (gain)/loss	426,267	55,915	8,37,328	(2,11,233)
	Net Cost/(gain)	867,600	3,96,334	12,34,662	9,17,952
<b>V)</b>	<b>Actuarial Assumptions</b>				
	Mortality Table (LIC)	1994-96 (Ultimate)	Indian Assured Lives Mortality (2006-08) (Ultimate)	1994-96 (Ultimate)	Indian Assured Lives Mortality (2006-08) (Ultimate)
	Discount rate(per annum)	8%	8%	8%	9%
	Expected rate of return on plan assets(per annum)	-	-	-	-
	Rate of escalation in salary(per annum)	8%	7%	8%	7%

37. Management of the Company is of the view that considering the future economic benefit from Goodwill on consolidation, during the year no amortization of the same is required.
38. The Company has considered manufacturing of various grade of PCB as Single Segment and hence Primary Segment Disclosure is not applicable. With respect to second geographical segment management has view that there is no material risk is attached with geographical operation of the Company and hence considered as single segment.
39. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.
40. Balances in respect of trade receivables, loans and advances and trade payables are subject to confirmation from the respective parties and reconciliation, if any.
41. In the opinion of the management, the Current Assets, Loans and advances are realizable at the values stated in the financial statements in the ordinary course of business and adequate provision for all known liabilities has been made in the accounts.

As per our Report of even date  
**For Baheti Bhadada & Associates**

Chartered Accountants  
 Firm Registration No. 100865W

**(Krutesh Patel)**

**Partner**

Membership No. 140047

Place : Ahmedabad

Date : 22 April, 2015

**For and on behalf of the Board of Directors**  
 Circuit Systems (India) Limited.

**(Paresh N. Vasani)**

Managing Director

DIN No: 01376786

**(Preeti Chouksey)**

Chief Financial Officer

Place : Ahmedabad

Date : 22 April, 2015

**(Jayesh H. Shah)**

Director

DIN No: 02559296

**(Amrita Chandwani)**

Company Secretary



**CIRCUIT SYSTEMS (INDIA) LIMITED**

(CIN: L74140GJ1995PLC024524)

Registered Office: 'A-1001/1002, Titanium Square, Thaltej Cross Road, Thaltej, Ahmedabd-380054,

Email: cs@mycsil.com Website: www.mycsil.com Phone: 079-23287086/87, Fax: 079-23287089

**DISPATCH OF DOCUMENTS THROUGH ELECTRONIC MODE****To the Members,**

The Ministry of Corporate Affairs (MCA), Government of India, vide its Circular No. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed the companies to send official documents including annual reports to their shareholders electronically as part of its Green Initiative in Corporate Governance. The Company has informed all its Members, who have registered their e-mail address with the Depository/Company, about the Company adopting the practice of sending documents including Annual Report through email. The Members who have not registered their email addresses are also appealed to register their e-mail addresses and opt for receiving all the communication through e-mail. Annual Report for the Financial Year **2014-15** including the Notice convening **20<sup>th</sup>** Annual General Meeting are also sent in electronic mode to such Members of the Company.

The Members of the Company are appealed to have their email addresses registered and opt for electronic delivery and contribute to the cause of Green Initiative. Kindly fill up the form given here below and send it to us.

Please note that physical copies of the Annual Report for the Financial Year **2014-15** including the Notice convening **20<sup>th</sup>** Annual General Meeting are sent to those Members who have specifically intimated the Company in this regard and also to those Members who have not yet registered their e-mail addresses for such electronic delivery. Annual Report for the Financial Year **2014-15** including the Notice convening **20<sup>th</sup>** Annual General Meeting are also available on the website of the Company i.e. www.mycsil.com.

**Registration Form for E-communication**

(In terms of Circular nos. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. / DPID & Client ID	:	
Name of First Registered Holder	:	
Name of Joint Holder(s)	:	
Registered Address	:	
E-mail ID (to be registered)	:	

I / We, member(s) of The Circuit Systems (India) Limited, agree to receive all communication from the Company in electronic mode.

Please register the above mentioned e-mail address in the records of the Company for sending communication through e-mail.

Signature:  
(First Holder)

Date:

**Notes:**

1. On registration, all the documents / communication will be sent to the e-mail address registered for the folio.
2. The Members are requested to keep the Company / Depository Participants informed as and when there is any change in the above e-mail address.



**CIRCUIT SYSTEMS (INDIA) LIMITED**

(CIN: L74140GJ1995PLC024524)

Registered Office: 'A-1001/1002, Titanium Square, Thaltej Cross Road, Thaltej, Ahmedabd-380054,

Email: cs@mycsil.com Website: www.mycsil.com Phone: 079-23287086/87, Fax: 079-23287089

**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of Meeting

<b>DP ID*</b>	<b>Folio No.</b>
<b>Client ID</b>	<b>No. of Shares</b>

NAME AND ADDRESS OF THE SHAREHOLDER \_\_\_\_\_

I hereby record my presence at the **20<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on **Monday, September 28, 2015** at **4:00 p.m.** at A-1001/1002, Titanium Square, Thaltej Cross Road, S G Highway, Ahmedabad – 380 054 (Gujarat-India).

\* Applicable for investors holding shares in electronic form \_\_\_\_\_

Signature of Shareholder / Proxy

**CIRCUIT SYSTEMS (INDIA) LIMITED**

(CIN: L74140GJ1995PLC024524)

Registered Office: 'A-1001/1002, Titanium Square, Thaltej Cross Road, Thaltej, Ahmedabd-380054,

Email: cs@mycsil.com Website: www.mycsil.com Phone: 079-23287086/87, Fax: 079-23287089

**FORM OF PROXY**

(Form MGT-11)

(Pursuant to section 105(6) of The Companies Act, 2013 and

Rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form MGT-11)

**Name of the Member(s) :** \_\_\_\_\_**Registered Address :** \_\_\_\_\_**E-mail ID :** \_\_\_\_\_**Folio No. / Client ID :** \_\_\_\_\_**DP ID :** \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the Company, hereby appoint:

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

2. Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

3. Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **20<sup>th</sup> Annual General Meeting** of the Company, to be held on **Monday, September 28, 2015** at **4:00 p.m.** at A-1001/1002, Titanium Square, Thaltej Cross Road, S G Highway, Ahmedabad – 380 054 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Resolution	Vote (Optional*) (please mention no. of shares)	
		For	Against
	<b>Ordinary Business:</b>		
1	Ordinary Resolution for consideration and adoption of Audited Financial Statement for the year ended <b>March 31, 2015</b>		
2	Ordinary Resolution for of re-appointment of M/s. Baheti Bhadada & Associates, (Firm Registration No.100865W), Chartered Accountants as Auditors of the Company and fixing their remuneration		
3	Ordinary Resolution for re-appointment of <b>Mr. Jayesh Shah (DIN 02449642)</b> as a Director of the Company, who retires by rotation		
	<b>Special Business:</b>		
4	Ordinary Resolution for appointment of <b>Ms. Madhu Kejriwal (DIN 06920305)</b> as a Director liable to retire by rotation		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix Revenue Stamp not less than Re. 0.15
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**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than **48 hours** before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. A person can act as a proxy on behalf of members not exceeding **fifty (50)** and holding in the aggregate not more than **ten per cent (10%)** of the total share capital of the Company carrying voting rights. A member holding more than **ten per cent (10%)** of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. It is optional to put a '"/>



*If undelivered, please return to :*



**CIRCUIT SYSTEMS (INDIA) LIMITED**

CIN: L74140GJ1995PLC024524

Reg. Office: A-1001/1002, Titanium Square, S G High Way,  
Thaltej Cross Road, Ahmedabad - 380 054