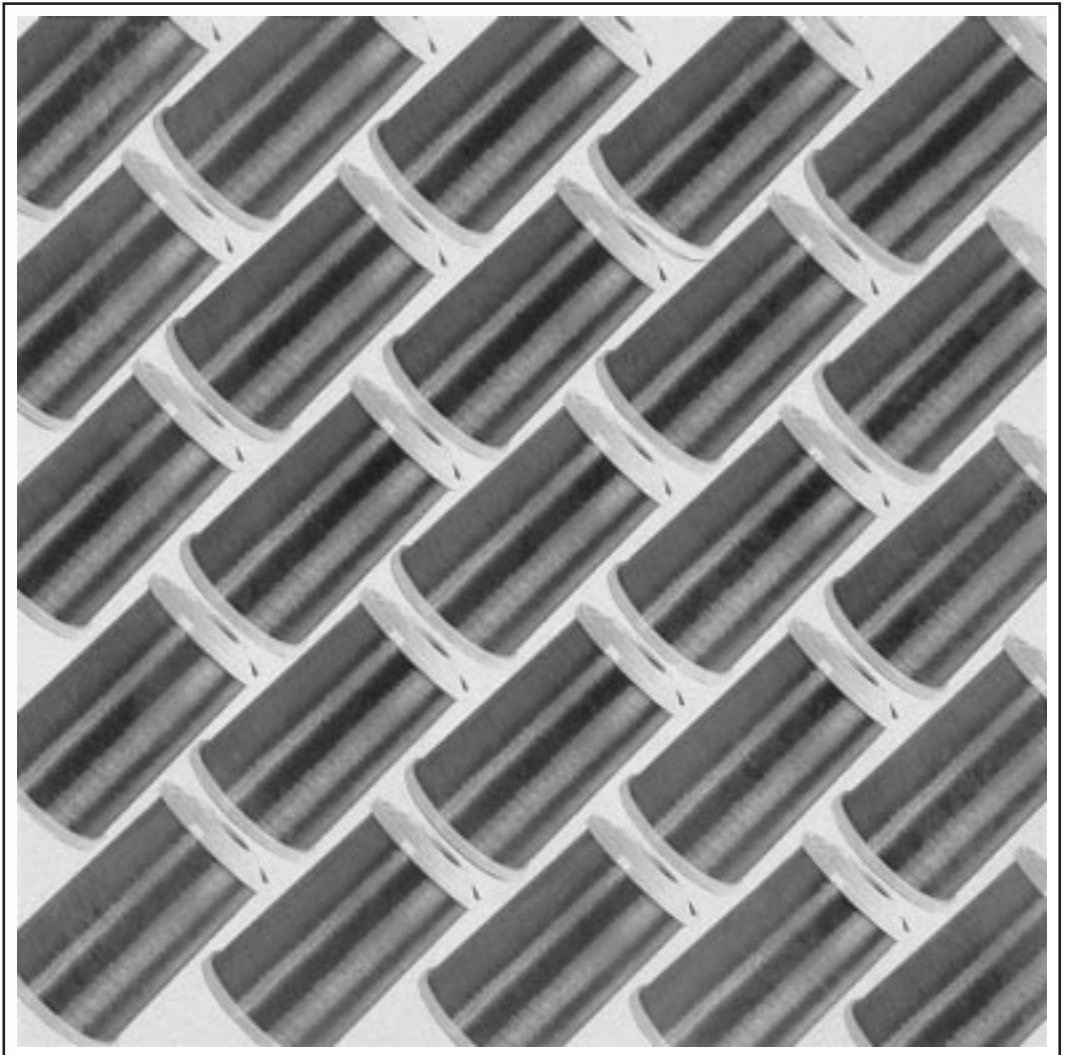


18th

Annual Report  
2006-2007



PRECISION WIRES INDIA LIMITED

**Financial Highlights**

Rupees in Lacs

	2006/07	2005/06	2004/05	2003/04	2002/03	
Equity Share Capital (Paid up)	1046.36	1046.36	1046.36	1046.36	1046.36	
Reserves & Surplus	9938.94	8734.27	7347.02	6336.41	5416.43	
Provision for Deferred Tax for the year - Liability/(Assets)	324.38	184.70	55.63	(7.63)	110.76	
Current Assets	19180.25	14921.13	10980.90	7855.33	6663.48	
Current Liabilities	11108.52	10854.76	6595.64	4338.43	3658.54	
Inventories	3598.28	3375.98	2026.87	1829.82	1742.37	
Sundry Debtors	11121.88	7993.86	5855.99	4554.57	3408.22	
Creditors	10606.99	10410.63	6341.06	4108.51	3339.01	
Secured Loans	6086.19	3554.44	1144.08	810.00	645.15	
Interest Paid	525.56	150.91	91.10	63.25	89.10	
Depreciation	751.30	463.70	460.51	367.26	326.97	
Income Tax	543.14	634.45	676.03	484.29	465.54	
Dividend paid	%	35	35	34	30	25
Book Value of Shares	Rs.	104.99	93.44	80.08	70.32	61.43
E.P.S.	Rs.	16.04	17.25	14.64	12.18	10.13
No. of Shareholders		**7259	**7825	**8857	** 9889	**11041

\*\* Approximate



## PRECISION WIRES INDIA LIMITED

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### BOARD OF DIRECTORS :

Mr. Mahendra R. Mehta	–	Chairman and Managing Director & CEO
Mr. Milan M. Mehta	–	Vice Chairman and Managing Director
Mr. Deepak M. Mehta	–	Whole-time Director
Mr. P. N. Vencatesan*		
Mr. Vijay M. Crishna*		
Mr. A. P. Kothari*		
Mr. P. R. Merchant*		

\* Independent & Non-Executive Directors.

**BANKERS** : Bank of Baroda, Palej 392 220, Dist. Bharuch  
BNP Paribas, Fort, Mumbai

**AUDITORS** : S. R. Divatia & Co., Chartered Accountants, Mumbai

### REGISTERED OFFICE :

Saiman House, J. A. Raul Street,  
Off Sayani Road, Prabhadevi  
Mumbai - 400 025.

### PALEJ UNIT : ATLAS WIRES

Plot No. 3, G.I.D.C.,  
N.H. No. 8, Palej - 392 220.  
Dist. Bharuch (Gujarat)

### ADMINISTRATIVE OFFICE AND WORKS :

#### UNIT I :

Plot Survey No. 125/2, Amli Hanuman (66KVA) Road,  
Silvassa - 396 230.  
(Union Territory of Dadra & Nagar Haveli)

#### UNIT II : ATLAS WIRES

Plot Survey No. 125/2, Amli Hanuman (66KVA) Road,  
Silvassa - 396 230.  
(Union Territory of Dadra & Nagar Haveli)

#### UNIT III :

Plot Survey No. 125/2,  
Amli Hanuman (66KVA) Road,  
Silvassa - 396 230.  
(Union Territory of Dadra & Nagar Haveli)

### REGISTRAR AND TRANSFER AGENTS :

Sharepro Services (India) Private Limited  
Satam Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala,  
Andheri (East), Mumbai - 400 099. • Tel No. : 022-28215168 / 28329828 • Fax No. : 022-28375646  
Email Id : sharepro@vsnl.com, sharepro@shareproservices.com

The Company's Equity Shares are listed on the following Stock Exchanges :

Bombay Stock Exchange Ltd. (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 023.

National Stock Exchange of India Ltd. (NSE).  
Exchange Plaza, Plot No. C/1,  
G-Block, Bandra-Kurla Complex  
Bandra (E), Mumbai - 400 051.

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**NOTICE TO MEMBERS**


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NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of Precision Wires India Limited will be held at, the Hall of The Mysore Association, 1<sup>st</sup> Floor, 393, Bhauadaji Road, Maheshwari Udyan (King Circle), Matunga (Central Railway) Mumbai-400 019 on Wednesday, 26<sup>th</sup> September, 2007 at 02.30 P.M. to transact the following business:

- 1) To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2007 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
- 2) To declare a dividend on Equity Shares.
- 3) To appoint a Director in place of Shri. P. N. Vencatesan who retires by rotation and is eligible for reappointment.
- 4) To appoint a Director in place of Shri. P. R. Merchant who retires by rotation and is eligible for reappointment.
- 5) To appoint S. R. Divatia & Co., Chartered Accountants, as the Auditors of the Company and fix their remuneration.
- 6) To consider and if thought fit, to pass with or without modification the following Resolution as Special Resolution:

RESOLVED THAT pursuant to and in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956 or any statutory amendment or modification thereto and subject to such sanctions and approvals as may be necessary in law, the Company hereby approves the re-appointment of Shri Deepak M. Mehta, as Whole-time Director of the Company, for a period of Three years with effect from 1<sup>st</sup> August, 2007 to 31<sup>st</sup> July, 2010, on remuneration and the terms and conditions (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the Letter of Appointment dated 12<sup>th</sup> June, 2007, a copy whereof initialed by the Chairman for the purpose of identification has been placed before the Meeting, which Letter of Appointment dated 12<sup>th</sup> June, 2007 is hereby specifically approved and sanctioned with the liberty to the Board of Directors (which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter, vary and modify the terms and conditions of the said appointment and/or remuneration including commission, perquisites and other allowances and/or the letter of appointment in such manner as may be agreed to between the Board of Directors and Shri Deepak M. Mehta within and in accordance with and subject to the limits and conditions prescribed in the Schedule XIII to the Companies Act, 1956 or any statutory amendments and modifications thereto, and if necessary as may be stipulated by the Central Government and as may be agreed to accordingly between Board of Directors and Shri Deepak M. Mehta.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Shri Deepak M. Mehta as Whole-time Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the company computed under Section 198 of the Companies Act, 1956 and if the company has more than one managerial personnel, ten percent of such net profits for all such managerial personnel of the Company together in that financial year.

RESOLVED FURTHER THAT notwithstanding anything stated hereinabove wherein any financial year of the company during the currency of tenure of Shri Deepak M. Mehta as Whole-time Director of the company, the Company has no profits or its profits are inadequate, the remuneration, perquisites and other allowances shall be governed by and paid in accordance with the limits and conditions prescribed in Section II of Part II of the Schedule XIII to the Companies Act, 1956, as amended from time to time.

RESOLVED FURTHER THAT in the event of any statutory amendments or modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary, or increase the remuneration including salary, commission, perquisites, allowances etc within such prescribed limits or ceiling and the aforesaid appointment letter to Shri Deepak M. Mehta be suitably amended to give effect to such modifications, relaxations or variation without any further reference to the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and may take such steps considered necessary, expedient or desirable in the best interest of the Company, for the purpose of giving effect to this Resolution.

- 7) To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution.

“RESOLVED THAT in supersession of the Resolution passed at the Extra Ordinary General Meeting of the Members held on 22<sup>nd</sup> May, 2006 consent of the Company be and is hereby accorded, pursuant to Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may, in its discretion, think fit, notwithstanding that the money or monies to be so borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the sums already borrowed may exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purposes, provided however, the sums so borrowed and, remaining outstanding on account of principal shall not, at any time, exceed Rs. 500 Crores (Rupees Five Hundred Crores only).

**By Order of the Board**

**M. R. Mehta**

Chairman & Managing Director

Registered Office:  
Saiman House, J. A. Raul Street,  
Off. Sayani Road, Prabhadevi,  
Mumbai - 400 025.

Mumbai,  
11<sup>th</sup> June, 2007.

**NOTICE TO MEMBERS**
**Notes :-**

- 1) Relevant details in respect of Item Nos. 3 and 4 pursuant to Clause 49 of the Listing Agreements are annexed hereto.
- 2) An Explanatory Statements pursuant to Section 173 of the Companies Act, 1956 ('the Act') in respect of Item No. 6 and 7 are annexed hereto.
- 3) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
- 4) The Register of Members and the Share Transfer Books of the Company will remain closed from 18<sup>th</sup> September, 2007 to 26<sup>th</sup> September, 2007 (both days inclusive).
- 5) Members are requested to advise, indicating their folio number, the change of their addresses, if any, to Sharepro Services (India) Private Ltd., Satam Estate, 3<sup>rd</sup> Floor, above Bank of Baroda, Cardinal Gracious Road, Andheri (East), Mumbai - 400 099, the Registrar and Share Transfer Agents of the Company.
- 6) The Dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after 7<sup>th</sup> October, 2007.
- 7) Members are requested to note that Dividends not encashed or remaining unclaimed within a period of seven years from the date of transfer to the Company's Un-Paid Dividend Account will be transferred under Section 205 A of the Companies Act, 1956 to the Investors Education and Protection Fund (IEPF) established under Section 205 C of the said Act. Accordingly, Dividend for the Financial Year ended 31.03.1996, 31.03.1997, 31.03.1998, 31.03.1999 and 1999-2000 (Interim) have been transferred to IEPF of the Central Government.

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below :

Financial Year ended	Date of declaration of Dividend	Last date for claiming unpaid Dividend	*Proposed date for transfer to IEP Fund
31.03.2000	23.09.2000 (Final)	22.09.2007	22.10.2007
31.03.2001	26.09.2001	25.09.2008	25.10.2008
31.03.2002	24.01.2002 (Interim)	23.01.2009	22.02.2009
31.03.2003	22.09.2003	21.09.2010	21.10.2010
31.03.2004	23.01.2004 (Interim)	22.01.2011	22.02.2011
	19.08.2004	18.08.2011	18.09.2011
31.03.2005	27.01.2005 (Interim)	26.01.2012	26.02.2012
	28.07.2005	27.07.2012	27.08.2012
31.03.2006	31.08.2006	30.08.2013	30.09.2013

\* Indicative dates, actual dates may vary.

Shareholders who have not yet encashed the Dividend Warrant(s) so far for the financial year ended 31<sup>st</sup> March, 2000 (Final) or any subsequent financial years are requested to send their claims to the Company's Registered Office immediately. It may also be noted that once unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.

- 8) Members are requested to notify immediately any change of address to their Depository Participant (DPs) in respect of the electronic shares account and to the Registrar and Share Transfer Agent of the Company in respect of physical share accounts.
- 9) Members are requested to carry their Printed Annual Report at the time of attending the Meeting.

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**NOTICE TO MEMBERS**


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Details of the Directors seeking Appointment/reappointment at the ensuing Annual General Meeting (in pursuance of clause 49 of the listing agreements).

<b>NAME OF THE DIRECTOR</b>	<b>Shri. P. N. Vencatesan</b>	<b>Shri. P. R. Merchant</b>
<b>DATE OF BIRTH &amp; AGE</b>	18 <sup>th</sup> August, 1926 Age : 80 Years	2 <sup>nd</sup> March, 1935 Age: 72 Years
<b>DATE OF APPOINTMENT</b>	Appointed as Additional Director on 11.09.1991 and as Director on 25.09.1992 at the Annual General Meeting.	Appointed as Additional Director on 28.10.1998 and as Director on 23.07.1999 at the Annual General Meeting.
<b>EXPERTISE IN SPECIFIC FUNCTION</b>	Renewed Management Consultant	Ex-Banker and has rich experience in Banking Sectors.
<b>QUALIFICATIONS</b>	Chartered Accountant	B.Com., CAIIB-I
<b>LIST OF COMPANIES IN WHICH OUTSIDE DIRECTORSHIP HELD AS ON 31<sup>ST</sup> MARCH, 2007</b>	<ul style="list-style-type: none"> <li>a) Mahindra Composites Ltd. (Formerly Siro Plast Ltd.)</li> <li>b) Rane Holdings Ltd. (Formerly Rane (Madras) Ltd)</li> <li>c) Kristeel Shinwa Industries Ltd.</li> <li>d) VENC Management Consultants P. Ltd.</li> <li>e) ETAL Management Systems Pvt Ltd.</li> <li>f) Consilium Private Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>a) Setco Automotive Ltd. (Formerly Gujarat Setco Clutch Ltd.)</li> <li>b) KJMC Asset Management Co. Ltd.</li> <li>c) Gwalior Chemical Industries Ltd.</li> </ul>
<b>CHAIRMAN AND MEMBER OF THE COMMITTEES OF THE BOARD OF THE COMPANIES ON WHICH HE IS A DIRECTOR AS ON 31<sup>ST</sup> MARCH, 2007</b>	<ul style="list-style-type: none"> <li>a) Chairman of Audit Committee and Member of Investor Service Committee of Mahindra Composites Ltd.</li> <li>b) Member of Audit Committee of Rane Holdings Ltd</li> </ul>	<ul style="list-style-type: none"> <li>a) Member of Audit Committee and Chairman of Remuneration Committee and Shareholders Grievances Committee of Setco Automotive Ltd.</li> <li>b) Chairman of Audit Committee and Member of Remuneration Committee of KJMC Asset Management Co. Ltd.</li> </ul>
<b>SHAREHOLDING</b>	NIL	1000

NOTICE TO MEMBERS

**ANNEXURE TO NOTICE**

**Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 (The Act).**

**Item No. 6**

**Re-Appointment of Shri Deepak M. Mehta, Whole-time Director.**

The resolution at Item No. 6 of the Notice seeks approval of the Members in respect of the re-appointment and payment of remuneration to Shri Deepak M. Mehta as Whole-time Director of the Company. The present Term of Office of Shri Deepak M. Mehta as Whole-time Director will be expiring on 31<sup>st</sup> July, 2007. The Board of Directors of the Company at its Meeting held on 11<sup>th</sup> June, 2007 has, subject to the approval of the Members of the Company in General Meeting and any other approval as may be necessary, re-appointed Shri Deepak M. Mehta, as Whole-time Director for a further Period of Three Years with effect from 1<sup>st</sup> August, 2007 on the remuneration as approved and recommended by the Remuneration Committee.

Accordingly, a Letter of Re-appointment dated 12<sup>th</sup> June, 2007 has been issued to Shri Deepak M. Mehta.

The Principal terms and conditions as contained in the said Letter of Appointment dated 12<sup>th</sup> June, 2007 are as under :

Salary :

Rs. 2,00,000/- (Rupees Two Lacs) per month.

Period :

For 3 Years with effect from 1<sup>st</sup> August, 2007.

Commission :

In addition to salary, perquisites and other allowances, Commission at 1% based on the Net Profits of the Company, computed in the manner laid down in Section 349 of the Companies Act, 1956, subject to provisions of Section 198 and Section 309 and other applicable provisions, if any of the Companies Act, 1956.

In addition to salary and commission, the following perquisites shall be allowed to Shri Deepak M. Mehta.

**Perquisites :**

1. Housing :  
Whole-time Director shall be entitled to rent free furnished residential accommodation. In case no residential accommodation is provided by the company, the Whole-time Director shall be entitled to house rent allowance as may be approved by the Board of Directors.
2. Medical Reimbursement :  
Reimbursement of medical expenses incurred for Shri Deepak M. Mehta and family.
3. Reimbursement of gas, electricity, water charges and furnishings.
4. Leave travel concession for Shri Deepak M. Mehta and family once in a year not exceeding one month's salary for each year. In case leave travel concession is not availed of in any year, the same shall be allowed to be accumulated subject to a maximum of three years.
5. Fees of clubs subject to a maximum of two clubs.
6. Personal accident insurance subject to a maximum premium of Rs. 10,000/- per annum.

7. Provision of car for business as well as for personal purposes with driver.
8. Telephone & Internet connection at the residence for business as well as personal use.
9. Provision of services of two domestic servants at his residence or reimbursement of expenses incurred on such two servants at his residence.
10. Earned / Privilege Leave on full pay and allowances, as per Rules of the Company but not more than one month's leave for every eleven months of service shall be allowed.

Shri Deepak M. Mehta shall also be paid the following perquisites, which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profit or its profits are inadequate in any financial year during the aforesaid period:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- c) Encashment of leave at the end of the tenure

Explanation : 'Family' means the spouse, the dependent children and dependent parents of the Whole-time Director.

In the event of loss or inadequacy of profits in any financial year of the Company during the currency of tenure of the Whole-time Director, the payment of above salary, perquisites and other allowances shall be governed by and paid in accordance with the limits and conditions prescribed under Section II of Part II of the Schedule XIII to the Companies Act, 1956 or any amendment thereof.

Other terms

- a) As long as Shri Deepak M. Mehta is functioning as Whole-time Director of the Company, no sitting fees will be paid to him for the meetings of the Board of Directors or any Committee thereof attended by him.
- b) The Whole-time Director shall be entitled to reimbursement of all actual expenses, including entertainment, traveling, hotel and other expenses incurred by him in India and abroad exclusively on the Company's business.
- c) Either party shall be entitled to terminate this appointment by giving to the other party ninety (90) days' notice in writing without showing any cause.

Remuneration Committee of the Board has approved the terms of remuneration payable to Shri Deepak M. Mehta, as mentioned hereinabove at its meeting held on 11<sup>th</sup> June, 2007.

**MEMORANDUM OF CONCERN OR INTEREST**

Shri Deepak M. Mehta, is concerned with or interested in the Resolution at Item No. 6 as also in his Letter of Appointment dated 12<sup>th</sup> June, 2007 referred in the said item aforesaid as they relate to the terms of his own Re-appointment and Remuneration.

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**NOTICE TO MEMBERS**

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Shri Mahendra R. Mehta, Chairman, Managing Director & CEO and Shri Milan M. Mehta, Vice Chairman & Managing Director may be deemed to be concerned or interested in the above Re-appointment of Shri Deepak M. Mehta as Whole-time Director as relative being Father and Brother, respectively of Shri Deepak M. Mehta.

Save as aforesaid, none of other Directors are in any way concerned or interested in the Resolution at item no.6 of the accompanying Notice.

The Copy of the Letter of Appointment dated 12th June, 2007 issued to Shri Deepak M. Mehta referred in the Resolution at Item No. 6 of the accompanying Notice is open for inspection by the Members at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day of the Company except on Saturday.

Your Directors commend the said Resolutions as Special Resolution for your approval.

**Item No. 7****Increase in the Borrowing Limits :**

Under Section 293(1) (d) of the Companies Act, 1956, the Board of Directors cannot, except with the approval of the Members in General Meeting, borrow monies, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves, that is to say, reserves not set apart for any specific purpose.

Due to continuous increase in the Price of our Primary Input, Copper during last 2 to 3 Years and Company's requirement for Non-Funding Limits and considering the increase in Production and also to meet requirement of Long Term Funds for various CAPEX, the existing Limit of Rs. 350 Crore authorized by the Members at the Extra Ordinary General Meeting held on 22<sup>nd</sup> May, 2006 needs revision. Therefore, it may be necessary for the Company to authorize the Board of Directors of the Company to borrow up to a sum not exceeding Rs. 500 Crores (Rs. Five Hundred Crores only). The proposed Resolution is enabling in Character.

Your Directors recommend the Special Resolution for approval of Members.

**By Order of the Board**

**M. R. Mehta**  
Chairman & Managing Director

Registered Office:  
Saiman House, J. A. Raul Street,  
Off. Sayani Road, Prabhadevi,  
Mumbai - 400 025.

Mumbai,  
11<sup>th</sup> June, 2007.



## DIRECTORS' REPORT

**TO THE MEMBERS**

The Directors hereby present the Eighteenth Annual Report of your Company, together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2007.

**1. Financial Results**

	(Rupees in Lacs)	
	2006-07	2005-06
Sales (including Excise Duty)	<b>69176.18</b>	39658.41
Less : Excise Duty	<b>(10621.04)</b>	(5606.52)
Sales (Net of Excise Duty)	<b>58555.14</b>	<u>34051.89</u>
Operating Profit	<b>3773.86</b>	3223.74
Add : Other Income	<b>76.22</b>	91.26
Profit before Interest, Depreciation & Taxes	<b>3850.08</b>	3315.00
Interest	<b>(525.55)</b>	(150.91)
Depreciation	<b>(751.30)</b>	(463.70)
Profit before Taxes & Extra-ordinary Items	<b>2573.23</b>	2700.39
Extra-ordinary Items	<b>(27.63)</b>	(76.40)
Profit before Taxes	<b>2545.60</b>	2623.99
Provision for Income Tax	<b>(534.00)</b>	(636.00)
Provision for Wealth Tax	<b>(0.28)</b>	(0.38)
Provision for Deferred Tax	<b>(324.28)</b>	(184.70)
Provision for Fringe Benefit Tax	<b>(10.00)</b>	(8.73)
Prior Years' Tax Adjustments	<b>1.13</b>	10.67
Profit after Tax	<b>1678.17</b>	1804.85
Add : Balance brought forward from last Account	<b>347.29</b>	160.03
<b>Balance available : (A)</b>	<b>2025.46</b>	1964.88
Which the Board of Directors have appropriated as under :		
(i) Proposed Dividend on Equity Shares for the year @ 35% (@ 35%)	<b>404.73</b>	366.23
(ii) Corporate Tax on Dividend	<b>68.78</b>	51.36
(iii) Transfer to General Reserve	<b>1200.00</b>	1200.00
<b>(B)</b>	<b>1673.51</b>	1617.59
<b>Balance carried forwarded to Profit &amp; Loss Account (A) – (B)</b>	<b>351.95</b>	<u>347.29</u>

**2. Dividend**

The Directors are pleased to recommend Dividend at 35% for the year ended 31<sup>st</sup> March, 2007, subject to the approval of Shareholders at the ensuing A.G.M.

**3. Operations**

Your Company has, during the year under review, completed diversification, modernization & capacity expansion at Silvassa Units. All these Plants have become operational. All the Major Equipments are latest, modern with in-line-process and quality-control-evaluation-systems. Customers are satisfied with the superior quality

produced with these modern equipments. These Products are used in manufacture of Power and Distribution Transformers and large rotating electric equipments.

Members are aware that the Company has entered into a Technology-Transfer-Agreement for manufacture of Continuously Transposed Conductors (CTC) and Enamelled Rectangular Strips & other lapped / covered conductors with M/s. Invex S.p.A, Italy, one of the largest producer in this field in the World. So far the absorption of the Technology, at our end, except initial teething trouble, has progressed satisfactorily.

So far, co-operation from Collaborator, during the year, was satisfactory.

Though your Company has launched the above products for the first time during the year under review, before the end of Fiscal 2007-08, capacity-expansion plans, for some specific products, will be finalized as the response from Customers is encouraging. In the meantime your Company hopes to complete the vendor-registration formalities soon.

During the year under review, the total production of finished goods was about 17525 MT (15342 MT), an increase of about 14%. Sales Income net of Taxes is Rs. 585.55 Crores (Rs. 340.51 Crores) which is mainly due to increase in the International Price of our Principal Input, Copper and partly due to the increase in the production and sales. In fact, for some products, during the year, we had capacity constraints and have therefore ordered more imported and indigenous equipments which might go-on-stream during Q4 of Fiscal 2007-08. Your Company continues to be the Market-Leader in the Country and desires to commit further resources for diversification and capacity expansion. Out of total amount of Rs. 77.18 Crores incurred on Capex during Fiscal 2005-06 and 2006-07, about Rs.38.40 Crores was out of internal accruals and balance through Bank Term Loans.

Your Company produces Winding Wires made of Copper which are used in manufacture of both rotating and static electric equipments such as alternators, electric motors, transformers, switch-gear instruments, consumer and industrial electronics, auto-electricals, refrigeration and electronics, washing machines and domestic appliances, etc. Strong economic growth witnessed within last three consecutive years in India has increased the demand of electrical equipments and consequently demand of our products during the year was satisfactory.

Copper being a vital input for the Electrical Industry, the reduction in import duty from 7.5 % to 5 % during the year under review was helpful. The Government may bring down the import duty structure marginally further in coming years so as to align the tariff with some countries in the region. Price of Copper, both in international and domestic markets, was volatile.

Thrust on exports has also been maintained during the year.

Your Company has paid all the dues including Term Loan Installments and Interest thereof, in time without any default or delay.

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**DIRECTORS' REPORT**


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Palej Unit, during the year under review, contributed about 5% of the total production of the Company only and action has been already initiated.

During the year under review, your Company allotted Ten Lacs and One Lac fully Convertible Debentures (FCD) to Reliance Capital Trustee Company Limited A/c. Reliance Tax Saver (ELSS) Fund and Pradeep Sandeep Trading & Investment Pvt. Ltd @ 177.15 per FCD which has been converted into, on or about 23<sup>rd</sup> May, 2007, fully paid Equity Shares @ Rs. 10/- each and consequently, your equity share capital, during fiscal 2007-08, will go up from existing level of Rs. 1046.36 Lacs to Rs. 1156.36 Lacs. Necessary Listing Applications for these shares with BSE and NSE have also been made.

Despite the rise in the cost of manpower, input, energy and freight, the performance of your Company is satisfactory. Profit before interest, depreciation and taxation (PBDIT) during the year is higher as compared to the previous year. Due to substantial investment in Capex, depreciation and interest outflow are higher and consequently Profit After Tax (PAT) is marginally low. However, Free Reserves and Surplus, without any revaluation of the assets, have gone up.

**4. Listing / Dematerialisation of the Company's Equity Shares :**

The Equity Shares of your Company continue to be listed at the Bombay Stock Exchange Ltd, (BSE) and National Stock Exchange of India Ltd (NSE) and required Annual Listing Fees have been paid and as the same are generally traded on BSE and NSE.

The Equity Shares of the Company are compulsorily traded in dematerialized form as prescribed by SEBI. The same are registered with both National Securities Depository Ltd., Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, and Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor, Dalal Street, Mumbai - 400 023, Under ISIN No. INE372C01011 common for both.

**5. Particulars of Employees :**

The particulars of employee who was employed throughout the year and was in receipt of remuneration for the year in the aggregate of not less than Rs. 24,00,000/- and/or not less than Rs. 2,00,000/- per month in respect of those who were employed for part of the year required to be furnished under Section 217 (2A) of the Companies Act, 1956, are given in Annexure-I hereto and form part of this report.

**6. Disclosure of particulars in the Directors' Report :**

As required under the provisions of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988, the necessary particulars are given in Annexure-II hereto and form part of this report.

**7. Auditors :**

The Auditors, M/s S.R. Divatia & Company, Chartered Accountants, Mumbai, who had been Statutory Auditors of the Company, hold office until the ensuing Annual General Meeting. Subject to the approval of the Members

it is proposed to re-appoint them for the Financial Year 2007-08. The Auditors have u/s 224 (1B) of the Companies Act, 1956 furnished Certificate of Eligibility for reappointment.

**8. Corporate Governance:**

As required by Clause 49 of the Listing Agreements with Stock Exchanges, a Corporate Governance Report, a Management Discussion and Analysis, and the Certificate of the Auditors of the Company regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. Please refer Annexure-III to the Directors' Report.

The Company framed a Code of Conduct for all its Board Members and Senior Management Personnel of the Company, who have affirmed compliance thereto. The said Code of Conduct have been posted on the Company's website. The Declaration to this effect signed by the CEO are made a part of the Annual Report.

**9. Directors' Responsibility Statement :**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company based on the representations received from the operating management confirms :

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii. that the selected accounting policies were applied consistently and the directors made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2007 and of the profit of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis.

**10. Directors**

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Shri P.R. Merchant and Shri P.N. Vencatesan retire by rotation and are eligible for reappointment.

**11. Acknowledgements**

The Directors wish to place on record their deep appreciation of the continued assistance and co-operation from Bank of Baroda, BNP Paribas, the Administration of Union Territory of Dadra and Nagar Haveli, Palej Gram Panchayat, Shareholders and all the Staff and Employees of the Company.

**For and on behalf of the Board**

**Mahendra R. Mehta**  
Chairman and Managing Director

Mumbai,  
Dated 11<sup>th</sup> June, 2007.

**DIRECTORS' REPORT**
**ANNEXURE I TO DIRECTORS' REPORT**

Particulars of Employees as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2007.

Name	Age (Years)	Qualifications	Designation	Date of Commencement of Employment	Experience (Years)	Remuneration (Gross) Rs.	Last Employment and position held
Shri Mahendra R. Mehta	78	–	Chairman & Managing Director	June 1975	55	57,76,121 #	Chairman & M.D of Erstwhile Atlas Wires Ltd.
Shri Deepak M. Mehta	50	B.Com	Whole-time Director	January 1989	27	61,05,195	Whole time Director of Erstwhile Atlas Wires Ltd.
Shri Milan M. Mehta	44	B.S.(E.E.)	Vice Chairman & Managing Director	April 1996	22	63,14,786 #	Technical Director of Erstwhile Atlas Wires Ltd.

Notes :

- (1) Please refer Para 6 of the Directors' Report
  - (2) All the above persons are relatives of each other
  - (3) The above employments are contractual in nature.
  - (4) Remuneration (Gross) includes Salary, Commission, taxable value of perquisites and Company's contribution to Provident Fund.
- # However as Shri Mahendra R. Mehta and Shri Milan M. Mehta, Managing Directors each, hold more than 5% of the Paid-up Share Capital of the Company, are ineligible on this ground for entitlement to gratuity payment through the Trust created, provision in the current year, therefore, has been made for the gratuity payable to them at 15 days salary for the each year completed, being Rs. 1,15,385/- and Rs. 3,05,772/- for Shri Mahendra R. Mehta and Shri Milan M. Mehta respectively, which is not included above.

**ANNEXURE II TO DIRECTORS' REPORT**
**1. Conservation of energy :**

A. Energy consumption details in form "A" have not been prescribed for the class of industry to which your Company belongs.

**2. FORM "B"**
**Research and Development (R&D) :**

- |  |  |
|--|--|
| 1. Special areas in which R & D Carried out by the Company | Absorption of Foreign Technology   |
| 2. Benefits derived as a result of the above R & D         | Manpower training and faster absorption of the Foreign Technology  |
| 3. Future plan of action                                   | a) Specially designed Conductors for Power-Sector Equipments.<br>b) Reduction of Waste & Scrap generated during process. |
| 4. Expenditure on R & D                                    | NIL.   |

**Technology Absorption, Adaptation and Innovation :**

- |   |   |
|---|---|
| 1. Efforts in brief made towards technology absorption and innovation | After the initial teething trouble, Technology continues to be absorbed well. |
| 2. Benefits derived as a result of the above efforts.                 | May enable us to launch expansion programs earlier.                           |
| 3. Information about Imported Technology                              | Technology Transfer and absorption in progress satisfactorily.                |

**3. Foreign Exchange Earnings and Outgo :**

Earnings	Rs. 227.66 (Rs. 88.34) Lacs
Outgoings	Rs. 6118.65 (Rs 2809.38) Lacs

**Declaration on Compliance of the Company's Code of Conduct**

This is to certify that the Company has adopted a Code of Conduct for the Members of the Board of Directors and Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them.

Mumbai,  
Dated 11<sup>th</sup> June, 2007

**Mahendra R. Mehta**  
Chairman & CEO

**CORPORATE GOVERNANCE REPORT FOR THE YEAR 1<sup>ST</sup> April, 2006 TO 31<sup>ST</sup> MARCH, 2007  
(ANNEXURE III TO THE DIRECTORS' REPORT)**

**(as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges)**

**1. A brief statement on Company's Philosophy on code of Corporate Governance:**

The Company continues to remain committed to satisfy the need for transparency in providing the necessary information to Shareholders about the functioning of the Board, the Management and upholding the Corporate Governance practices, within the limits set by the Company's competitive position.

**2. Board of Directors:**

The names and categories of the Directors on the Board, their attendances at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorship and Committee Membership held by them in other companies are as under:

Name of Director	Designation	Category	Number of Directorship in other companies*	Number of Board Committee membership held in other companies	Meeting of Board of Directors		AGM Attended
					Held	Attended	
Shri Mahendra R. Mehta	Chairman and Managing Director	Promoter, Executive	-	-	9	9	Yes
Shri Milan M. Mehta	Vice-Chairman and Managing Director	Promoter, Executive	1	-	9	7	Yes
Shri Deepak M. Mehta	Whole-time Director	Promoter, Executive	-	-	9	6	Yes
Shri Vijay M. Crishna	Director	Non-Executive, Independent	7	1	9	0	No
Shri P. N. Vencatesan	Director	Non-Executive, Independent	3	3	9	7	Yes
Shri P. R. Merchant	Director	Non-Executive, Independent	3	5	9	9	Yes
Shri A P Kothari	Director	Non-Executive, Independent	12	1	9	7	No

\* Excluding Private, Foreign and Companies registered under Section 25 of the Companies Act, 1956.

**During the year**

- 9 Meetings of the Board of Directors (BoD) were held, on 07.04.06, 29.04.06, 29.05.06, 24.06.06, 24.07.06, 27.10.06, 09.12.06, 06.01.07 and 25.01.07 and the gap between two meetings did not exceed four months.
- Annual General Meeting (AGM) of the company was held on 31.08.2006.

**3. Audit Committee:**

The Board of Directors had constituted an Audit Committee in the Year 2001.

Brief Description of Terms of Reference are as under:

- a) To oversee 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) To fix audit fees of the internal auditors and to approve payment for any other services.
- c) To meet Statutory Auditors and Internal Auditors, discuss their findings and related matters and to review with the Management the Quarterly Financial Results and also Annual Accounts before same are submitted to the Board for its consideration.
- d) To look into the various aspects envisaged by relevant SEBI guidelines in this regard.

**During the year**

8 Meetings of the Audit Committee of the Board of Directors were held, on 07.04.06, 29.04.06, 24.06.06, 24.07.06, 27.10.06, 09.12.06, 06.01.07 and 25.01.07.

The Composition of the Audit Committee and the details of meetings attended by the Members are given below :

Name of the Members	Category	Audit Committee Meeting	
		Held	Attended
Shri P. N. Vencatesan, Chairman (Chartered Accountant)	Independent, Non-Executive	8	7
Shri P. R. Merchant (Retired Senior Banker)	Independent, Non-Executive	8	8
Shri A. P. Kothari (Technocrat-Entrepreneur)	Independent, Non-Executive	8	6

Shri P. N. Vencatesan and Shri P. R. Merchant, the Chairman and the Member of the Audit Committee respectively, were present at the Annual General Meeting held on 31.08.2006.

**4. Remuneration Committee :**

The Board of Directors had constituted a Remuneration Committee in the year 2002, comprising of three Independent & Non-Executive Directors - Shri P. N. Vencatesan (Chairman), Shri P. R. Merchant and Shri A. P. Kothari.

The terms of reference of the Remuneration Committee include to determine Company's policy on specific remuneration packages for Executive Directors, including pension rights and compensation payment, after taking into account the financial position of the Company, trends in the industry, appointee's qualifications, experience, past performance, past remuneration etc., and considering interest of the company and shareholders.

During the year there was no Remuneration Committee Meeting held.

Non- Executive Directors do not receive any remuneration except the sitting fees for attending Meetings of the Board of Directors and / or the Committees of Directors.

Details of remuneration to all the Directors are as under:

Name of Director	Gross Remuneration to Executive Directors							Remuneration to Non-Executive Directors
	Service Contract	Notice Period	Salary Rs.	Commission as per Section 198 of Company's Act Rs.	Perquisites (Excluding Contribution to PF & Provision for Gratuity) Rs.	Contribution to PF & Provision for Gratuity Rs.	Total Rs.	Sitting Fees for attending Board & Committee meetings Rs.
Shri Mahendra R. Mehta	5 Years w.e.f. 01.10.2003	90 days	2400000	2731898	356224	*403385	5891507	Nil
Shri Milan M. Mehta	3 years w.e.f. 01.04.2006	90 days	2760000	2731898	491685	**636972	6620555	Nil
Shri Deepak M. Mehta	5 years w.e.f. 01.08.2002 (Re-appointed w.e.f. 01.08.2007 for 3 years)	90 days	2400000	2731898	685297	288000	6105195	Nil
Shri Vijay M. Crishna								0
Shri P. N. Vencatesan								136000
Shri P. R. Merchant								146000
Shri A. P. Kothari								112000

\* Includes Provision for Gratuity of Rs. 115385/-,

\*\* Includes Provision for Gratuity of Rs. 305772/-.

#### 5. Share Transfer & Shareholders'/Investors' Grievance Committee :

The Committee consists of 3 Directors-Shri P. N. Vencatesan, Non-Executive & Independent Director as the Chairman, Shri Milan M. Mehta, Managing Director and Shri Deepak M. Mehta, Whole-time Director.

Number of complaints received from the Investor From 01.04.2006 to 31.03.2007 comprising Non-receipt of Dividend Warrants and non-receipt of shares sent for transfer etc. 20

Number of not solved the satisfaction of the Investors as on 31.03.2007 NIL

Number of pending transfers of shares as on 31.03.2007 \*05

\*Transfers lodged during March 2007. Approved and effected during April 2007.

No share transfers are generally pending beyond a reasonable time except when some clarifications are required from sellers etc.

The Company has also conducted Secretarial Audit relating to the issue of shares, request for dematerialization of shares, Register of Members and changes in share capital, for every quarter effective from quarter ended 31<sup>st</sup> December, 2002 onwards.

#### 6. a) General Body Meetings :

The Location and time of the last three Annual General Meetings held were as follows:

Financial Year	Date	Time	Location	No. of Special Resolutions passed at the AGMs
2005-06	31.08.06	10.30 a.m.	Hall of Mysore Association, 1 <sup>st</sup> Floor, 393 Bhaudaji Road, Maheswari Udyan (KingCircle), Matunga (Central Railway), Mumbai-400019.	NIL
2004-05	28.07.05	10.00 a.m.	Hall of Mysore Association, 1 <sup>st</sup> Floor, 393 Bhaudaji Road, Maheswari Udyan (KingCircle), Matunga (Central Railway), Mumbai-400019.	NIL
2003-04	19.08.04	3.00 p.m.	Hall of Mysore Association, 1 <sup>st</sup> Floor, 393 Bhaudaji Road, Maheswari Udyan (KingCircle), Matunga (Central Railway), Mumbai-400019.	4

#### b) Extra-Ordinary General Meetings :

The details of Extra-Ordinary General Meetings (EGM's) held in last three years.

Financial Year	Date	Time	Location	Details of Special Resolutions passed at the EGMs
2006-07	22.05.06	10.30 a.m.	Hall of Mysore Association, 1 <sup>st</sup> Floor, 393 Bhaudaji Road, Maheswari Udyan (KingCircle), Matunga (Central Railway), Mumbai-400019.	a) Re-appoint of Vice Chairman and Managing Director. b) Increase in the borrowing limits, u/s 293 (1)(d). c) Raising of Funds through issue of 13% Unsecured Fully Convertible Debentures (FCD's) through Preferential Offer.

No Special Resolutions, requiring voting through postal ballots were put through last year and no such resolutions are proposed to be put through at the ensuing Annual General Meeting of the Company.

#### 7. Disclosures :

A. Disclosure on materially significant related party transactions i.e. transactions of the company of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large :-

- Transactions with related parties as per requirements of Accounting Standard - 18 are disclosed in Notes to Accounts. None of these transactions have potential conflict with interest of the Company at large.

B. Details of non-compliance by the Company, penalties imposed, strictures passed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years :- **NIL**

- The Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreements. Regarding the status of the compliance with the Non-mandatory requirements of the said Clause, the Company has constituted a Remuneration Committee comprising of Non-Executive & Independent Directors.

#### 8. Means of communication :

The Quarterly / Half yearly / Annual Unaudited / Audited financial results of the company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors.

The Quarterly Financial Statements, Corporate Governance Reports & Quarterly Shareholding Pattern statements and Annual Report are also available on the EDIFAR website.

Whenever required advance intimation covering vital information of interest to Shareholder is conveyed to Stock Exchanges.

The Results were published in the "Free Press Journal" and vernacular "Navshakti" news papers. Other Communications with shareholders take place through individual notices of Annual / Extra Ordinary General Meetings, along with the Agenda and Explanatory Statements thereto.

The Management Discussion and Analysis Report is attached with the Directors' Report in the Annual Report.

#### 9. General Shareholder Information :

##### Annual General Meeting of year 2007

*Day, Date month & Time :*

Wednesday, 26<sup>th</sup> September, 2007 AT 02.30 P. M.

*Venue :*

Hall of Mysore Association, 1<sup>st</sup> Floor,  
393 Bhaudaji Road, Maheswari Udyan (KingCircle),  
Matunga (Central Railway), Mumbai - 400019.

#### Financial Calender for 2007-08 (tentative)

Financial Results for

First Quarter	4 <sup>th</sup> Week of July, 2007
Second Quarter	3 <sup>rd</sup> /4 <sup>th</sup> Week of October, 2007
Third Quarter	3 <sup>rd</sup> /4 <sup>th</sup> Week of January, 2008
Audited Annual Results	4 <sup>th</sup> Week of June, 2008

**Date of Book closure :** from 18.09.2007 to 26.09.2007 (both days inclusive).

**Dividend payment date : Dividend on fully paid Equity shares,** subject to the approval of Members the ensuing Annual General Meeting, at 35% i.e. Rs. 3.50 per such fully paid equity share of Rs. 10/- each on or before 25<sup>th</sup> October, 2007.

#### Listing on Stock Exchanges & Stock Code :

The Stock Exchange, Mumbai (BSE) (523539)  
National Stock Exchange of India Ltd (NSE) PRECWIRE

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2007-08.

#### Market Price Data :

Month & Year	BSE		NSE		SENSEX	
	High	Low	High	Low	High	Low
Apr-06	195.00	170.00	192.00	166.00	12102.00	11008.43
May-06	205.00	142.25	203.95	132.45	12671.11	9826.91
Jun-06	156.00	99.00	155.00	102.00	10626.84	8799.01
Jul-06	173.00	130.00	179.00	128.00	10940.45	9875.35
Aug-06	176.95	152.50	183.00	142.80	11794.43	10645.99
Sep-06	182.90	160.70	179.00	157.00	12485.17	11444.18
Oct-06	208.75	164.05	210.00	160.00	13075.85	12178.83
Nov-06	199.00	170.10	206.40	168.00	13799.08	12937.30
Dec-06	195.00	170.10	194.95	170.00	14035.30	12801.65
Jan-07	203.50	162.00	205.00	161.00	14325.92	13303.22
Feb-07	181.00	141.00	184.90	145.00	14723.88	12800.91
Mar-07	154.00	127.50	160.00	127.00	13386.95	12316.10

#### Registrar and Transfer Agents :

M/s. Sharepro Services (India) Private Ltd.  
Satam Estate, 3<sup>rd</sup> Floor, Above Bank of Baroda,  
Cardinal Gracious Road, Chakala, Andheri (East),  
Mumbai - 400 099,  
Tel. No. : (022) 28215168 / (022) 28329828  
Fax No. : (022) 28375646

#### Share Transfer System :

Transfers in physical form are lodged with the Company / Transfer Agents. The Transfer Agents have complete computerised facility for processing the transfers. After verification of the transfers lodged in physical form, the transfer agents prepare a statement of transfers which is reviewed by the Shareholders Grievances Committee of Directors and if in order, the transfers are approved, once in a fortnight. The share certificates duly transferred are then sent by the transfer agents to the transferees, which completes the transaction. In case of any complaint from shareholders for delay in transfer, the matter is actively followed up by the company with the transfer agents and the same is resolved to the satisfaction of the shareholder.

**Shareholding Pattern as on 31.03.2007 :**

Category	No. of Shares held	% of Shareholding
Promoters	6673357	63.78
Mutual Funds and UTI	241527	2.31
Banks, Financial Institutions & Insurance Cos.	500	0.00
Foreign Financial Institutions	867929	8.30
Private Corporate Bodies	297229	2.84
Indian Public	2211338	21.13
NRI/OCBs	170743	1.63
Any others *	1000	0.01
<b>GRAND TOTAL #</b>	<b>10463623</b>	<b>100.00</b>

\* These shares are held by an Independent Directors and their relatives and they are not in control of the Company.

# Excluding 1600 forfeited Equity Shares.

**Distribution of holding as on 31.03.2007 :**

From To	No. of Shareholders		No. of Shares	
	Number	%	Number	%
Less than 501	6716	92.55	832114	7.95
501 - 1000	223	3.07	182880	1.75
1001 - 2000	122	1.68	193655	1.85
2001 - 3000	50	0.69	130390	1.25
3001 - 4000	27	0.37	99956	0.95
4001 - 5000	21	0.29	97359	0.93
5001 - 10000	31	0.43	221393	2.12
10001 & above	67	0.92	8705876	83.20
<b>Total</b>	<b>7257</b>	<b>100.00</b>	<b>10463623</b>	<b>100.00</b>

**Dematerialisation of shares and liquidity :**

The Equity Shares of the Company are in compulsory demat segment. The same are registered with both National Securities Depository Ltd., Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 and Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor, Dalal Street, Mumbai - 400 023, under ISIN No. INE372C01011, common for both. 36.54 % of Company's Share Capital are dematerialised as on 31.03.2007.

The Company's shares are regularly traded on the Stock Exchange, Mumbai and National Stock Exchange of India Ltd.

**Outstanding GDRs / ADRs / Warrants etc - NIL**
**Plant Locations :**

Company's Plants are located at :

Unit I, Unit II (ATLAS WIRES, SILVASSA) & Unit III  
Plot No. 125/2 Amla Hanuman (66KVA) Road,  
Silvassa - 396 230 (Union Territory of Dadra & Nagar Haveli)

PALEJ UNIT (ATLAS WIRES)

Plot No. 3, GIDC, National Highway No. 8,  
Palej 392 220, Dist Bharuch, Gujarat.

Address for correspondence :

Registered Office :

Saiman House, J.A. Raul Street, Sayani Road,  
Prabhadevi, Mumbai - 400 025.

Tel : 2436 0089 / 2437 6281

Fax : 2436 2593 / 2437 0687

Email : pwil@vsnl.com / awl@vsnl.com

**MANAGEMENT DISCUSSION AND ANALYSIS**
**a. Industry structure and development :**

The Company produces Copper Winding Wire of Enamelled/ Paper Covered Strip which are used in the manufacture of both rotating and static electrical equipments, such as electric motors, transformers, switch gears, instruments, consumer and industrial electronics, auto-electricals, refrigerators, air-conditioners, washing machines, domestic appliances, pumps and fans etc. The wire is also used by repairs and re-winding Sector. There are a number of players in the Industry, many in SSI Sector. Therefore, the Markets & Capacities are fragmented in the Country. The Industry has registered sustained growth during last three successive years due to strong economic growth all around witnessed in the Country. Massive investment in Power-Sector may sustain growth in Cable and Wire Industry.

Your Company has commenced manufacturing of Continuously Transposed Conductors (CTC), Paper Insulated Copper Conductors (PICC) and Enamelled Strips during the year and the products have been extremely well accepted by the Customers. Manufacture of CTC is an import-substitution-project and therefore future-growth of your Company is likely to be faster.

Your Company continues to be the Market Leader.

**b. Opportunities and threats:**

The Company's low level of borrowing and good reserves helped it to continue to modernize and install technologically advanced and modern manufacturing plants, thereby giving it an edge in the otherwise extremely competitive market. Power-Sector development is expected to increase demand of our product. India continues to be an electric power-deficit Country. Massive investments in the Power Sector enjoys topmost priority of our Government. Growth of Electrical Equipment Industry is consequently rapid and may continue to be so for atleast a decade or more.

The Company has completed massive Expansion-cum-Diversification Programme during the year and this will significantly broad-base-customers-span and ensure further faster growth of the Company. Some of the very large multinational Heavy-Electrical-Equipment-Manufacturers also have Plants in India and acceptance of the quality of our New Products will facilitate in future opening of vast international markets. Your Company may finalise plans before the end of this Fiscal Year for expansion. Export of Electrical Equipments, Automobiles, etc from India is rapidly increasing. Therefore, besides, domestic markets, export-induced-growth may also open up more opportunities. Barring any unforeseen developments, long-term view offers good opportunities.

However, areas where structural re-orientation of the Policy of the Government needed are :

- i) Further reduction in Import Duty of Copper for providing level-playing field. Maintain Import Duty difference between our Finished Product (Chapter 8544.11) and the Principal Input, Copper (Chapter 7408) at minimum 5% level. Either remove the Enamelled Copper Winding Wires from the list of import duty-free facility hitherto granted to the Electronic Industry or provide the domestic Electrical Winding Wire Industry, duty-free import of Copper and Insulating Varnishes so that supply of such wires to the domestic Electronic Industry, etc can be made at international price. Strict enforcement of Value-Addition and Certificate-of-Origin-Norms for all duty-free / at preferential rate of duty imports of goods covered under Custom Tariff Chapter 85 as well as Chapter 74 so as to protect the interests of the Indian Industry is required.
- ii) High Volatility in the rates of Refined Copper, our Primary Input needs substantial relaxation / liberalisation in the rules relating to the hedging of Copper in international market.
- iii) De-bottleneck infrastructural constraints.

**c. Segment-wise or product-wise performance:**

The Company's core activity is production and sales of only one product i.e. Copper Winding Wire. Despite the decline in production at Palej Unit, overall total production of 17525 MT of finished goods (15342 MT) during the year under review is more by about 14%. First phase of Expansion, Modernization and Diversification has been completed at Silvassa Units. Despite higher outflow towards Interest & Depreciation, Overall performance of the Company including cash flow generated is satisfactory. The Company has discharged during the year all fiscal obligations in time without any delay or default.

Company produced for the first time during the year, CTC, PICC and Enamelled Copper Strips. Technology-Transfer Progress was satisfactory. The quality of New Products was well received by the Consumers. Being the first year of production, teething troubles, were expected but the same have been sorted out. Production of Round Enamelled Copper Wires continued at satisfactory level. Export-growth maintained.

**d. Outlook :**

Strong Economic growth witnessed during last three consecutive years in India has induced rapid development. Ours is a Electric Power-deficit Country. Therefore, massive investment in Electric Power Sector enjoys topmost priority of our Government. This will, in turn, induce fast-track growth of Electrical Equipment Manufacturing Industry.

Some Sectors in the Electrical Industry have registered growth of more than 15% y-o-y during the last three years. Domestic and Industrial consumption of electric power is more than the generation and gap therein is increasing. Only massive/substantial investment in Electric Power Sector over a long period can remove this mis-match.

Since our products are entirely used by this Sector of Industry, demand is therefore likely to increase. Export possibilities have also opened up.

**e. Risks and concerns:**

- i) Volatility in the price of copper in domestic and international markets.
- ii) Please refer also to point (b) above.

**f. Internal control systems and their adequacy :**

Commensurate with the size of your company and the nature of its business, your company has adequate internal control procedures and regular Internal Audit system. This has been confirmed by the Auditors in their report to the members.

**g. Discussion on Financial performance with respect to Operational performance :**

The Average Price of our Principal Input, Copper, during the year was about 60% higher compared to the previous year. Sales of our Finished Products (Net of Taxes) was higher both due to increase in the production and also the increase in the price of our Principal Input, Copper.

Interest outflow is higher at Rs. 525.55 (Rs. 150.91) Lacs. This is mainly due to the expansion and diversification, leading to substantial investment in Capex and resultant drawal against Term Loans. Depreciation during the year Rs. 751 (Rs. 464) Lacs mainly because of installation of new assets of Rs. 3558 Lacs. This also includes installments for Technology Transfer paid to the Italian Collaborator & other Costs related thereto, of Rs. 552 Lacs. Capital Work in Progress as at 31<sup>st</sup> March, 2007 is substantially reduced to Rs. 330.78 (Rs. 1065.75) Lacs. Reserve and Surplus, without revaluation of assets as at 31<sup>st</sup> March, 2007 increased by Rs. 1200 Lacs.

Outstanding Term-Loans as at 31<sup>st</sup> March, 2007 Rs. 3689.87 (Rs. 2363.06) Lacs and as on the date of this Report Rs. 3494.87 Lacs, due to repayments of installments due in the intervening period.

The Company has discharged all fiscal obligations on time without any delay or default.

Unsecured Loans as at 31<sup>st</sup> March, 2007 Rs. 2396.60 (Rs. Nil) Lacs includes FCDs of Rs. 1948.65 Lacs against which Eleven Lacs fully paid equity shares of Rs. 10/- each were issued on or about 23<sup>rd</sup> May, 2007 to the FCD Holders, which will increase thereafter the Equity Capital of the Company by Rs. 110 Lacs and balance amount of Rs. 1838.65 Lacs there against will be credited to Share Premium Reserve Account next year.

Current Investment is higher at Rs. 619.24 (Rs. 217.76) Lacs mainly due to investment in Liquid Cash Plan Fund of UTI for a short term period. Sundry Debtors are higher at Rs. 11121.88 (Rs. 7993.86) Lacs due to higher sales and increase in the cost of the Primary Input. However, average duration of overall credit period for Sundry Debtors has marginally gone down.

Current Liability of Rs. 11108.52 (Rs. 10854.76) Lacs has increased due to increase in the production as well as the cost of primary input.



Foreign Exchange Gain Rs. 33.14 (Loss Rs. 3.73) Lacs is on account of imports of inputs.

Interest Income is higher on account of placement of interest bearing Margins / Deposits against some credit facilities.

Due to substantial CAPEX Investments, Provision for Deferred Tax has increased to Rs.324.28 (Rs.184.69) Lacs Power & Fuel have increased to Rs. 1009.50 (Rs. 834.15) Lacs due to higher production & marginal increase in Tariff. Salaries & Wages have increased on account of recruitment of additional Technicians / Staff / workmen employed for diversification and expansion.

PBT has marginally reduced to Rs. 2545.59 (Rs. 2623.99) Lacs, mainly due to higher interest outflow and higher depreciation. PAT is Rs. 1678.17 (Rs. 1804.84) Lacs.

However PBDIT has increased to Rs.3822.45 (Rs.3238.60) Lacs.

Considering that this being the year of completion of massive expansion and diversification projects, performance of your Company is satisfactory.

**h. Material Developments in Human Resources / Industrial Relations including number of people employed.**

Your company has a stable and well-trained managerial, supervisory and shop-floor level work force. On-going training programmes at various level was undertaken. Industrial relations during the year were satisfactory. The company was constrained to retrench some staff at Palej at a last resort to achieve over-all corporate objectives

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**AUDITORS' REPORT**

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To the Members of  
PRECISION WIRES INDIA LIMITED

1. We have audited the attached Balance Sheet of Precision Wires India Limited, as at 31st March, 2007, the related Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating, the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (the "Act") and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of the written representations received from the directors, as on 31<sup>st</sup> March, 2007, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2007 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Accounting Policies and Notes forming part of the accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
  - (i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2007
  - (ii) in so far as it relates to the Profit and Loss account, of the profit of the Company for the year ended on that date.
  - (iii) in the case of the Cash Flow statement of the cash flows for the year ended on that date.

**FOR S.R. DIVATIA & CO.**  
Chartered Accountants

**Shalin S. Divatia**  
Partner  
Membership No. 39755  
Mumbai,  
Dated : 11<sup>th</sup> June, 2007

## AUDITORS' REPORT

## ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 3 of our Report on even date :

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its business. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The inventory (*except Returnable Plastic Spools lying with Customers*) of the Company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured to/ from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted / taken any loans secured or unsecured, to / from parties listed in the registers maintained under Section 301 of the Companies Act, 1956, clauses iii(b), iii(c) iii(d), iii(e), iii(f) & iii (g) of paragraph 4 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in the internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts/ arrangements that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us the transactions made in pursuance of such contracts / arrangements have been made at prices, which are reasonable having regard to the prevailing market prices, of such goods, materials or services at the relevant time.

- (vi) The Company has not accepted deposits from the public. Hence the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956. We are of the opinion that prima facie the prescribed accounts and records have been maintained and made up. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess as applicable to it.
- (b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute are as follows :

Nature of Statute	Nature of Dues	Amount (Rs.)	Forum where dispute is pending
Gujarat Sales Tax Act	Sales Tax	11,14,630/-	Appellate Tribunal
Central Sales Tax Act	Sales Tax	1,14,892/-	Assessing Authority
Central Excise Act	Excise Duty	4,55,000/-	Appellate Tribunal
Income Tax Act	Income Tax	31,41,503/-	Commissioner of Income Tax (Appeals)

- (x) The Company does not have accumulated losses as at 31<sup>st</sup> March, 2007 The Company has not incurred any cash losses during the financial year covered by the audit or in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the basis of the information and explanations given to us, by the management we are of the opinion that the Company has not defaulted in repayment of its dues to any financial institution, bank or to debenture holders during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

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**AUDITORS' REPORT**

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- (xiii) In our opinion the Company is not a Chit Fund or a Nidhi/ Mutual Benefit Fund / Society. Accordingly in our opinion the provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanation given to us the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet and cashflow statement of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.

- (xix) The Company has not issued any secured debentures
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Thanking you,  
Yours faithfully,  
**FOR S.R. DIVATIA & CO.**  
*Chartered Accountants*

**Shalin S. Divatia**  
*Partner*  
Membership No. 39755  
Mumbai,  
Date : 11<sup>th</sup> June, 2007

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**S.R. DIVATIA & CO.**  
CHARTERED ACCOUNTANTS

To the Members of  
Precision Wires India Limited

We have examined the compliance of conditions of corporate governance by Precision Wires India Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2007, as stipulated in clause 49 of the listing agreement of the Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the abovementioned listing agreement. We have to state that the records of investor grievances are maintained

by the Registrar and Transfer Agents appointed by the Company. The Registrar and Transfer Agents have certified that during the year under review there were no investor grievances pending/unattended to for more than 30 days.

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

**For. S.R. Divatia & Co.**  
Chartered Accountants

**Shalin S. Divatia**  
Partner

Place : Mumbai  
Dated : 11<sup>th</sup> June, 2007

## BALANCE SHEET AS AT 31ST MARCH, 2007

	Schedules	Rupees	As at 31/03/2007 Rupees	Rupees	As at 31/03/2006 Rupees
<b>SOURCES OF FUNDS</b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	1	104,644,230		104,644,230	
Reserves and Surplus	2	<u>993,893,571</u>	1,098,537,801	<u>873,427,388</u>	978,071,618
<b>LOAN FUNDS</b>					
Secured Loans	3		608,618,851		355,444,319
Unsecured Loans	4		239,659,800		—
Deferred Tax Liability	5		<u>131,473,877</u>		99,045,544
<b>TOTAL</b>			<u><b>2,078,290,329</b></u>		<u><b>1,432,561,481</b></u>
<b>APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
Gross Block	6	1,584,491,898		1,231,101,136	
Less : Depreciation		<u>(408,376,963)</u>		<u>(333,880,553)</u>	
Net Block		1,176,114,935		897,220,583	
Capital Work-in-Progress		<u>33,077,666</u>	1,209,192,601	<u>106,575,343</u>	1,003,795,926
<b>INVESTMENTS</b>	7		61,924,934		21,776,418
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>					
Inventories		359,828,402		337,598,484	
Sundry Debtors		1,112,188,391		799,385,808	
Cash and Bank Balances		213,941,540		136,031,313	
Loans and Advances		180,200,674		199,537,360	
Other Current Assets		<u>51,866,080</u>		<u>19,560,033</u>	
		<u>1,918,025,087</u>		<u>1,492,112,998</u>	
<b>Less : CURRENT LIABILITIES AND PROVISIONS</b>	9				
Current Liabilities		1,063,473,080		1,043,679,155	
Provisions		<u>47,379,213</u>		<u>41,797,012</u>	
		<u>1,110,852,293</u>		<u>1,085,476,167</u>	
<b>NET CURRENT ASSETS</b>	(8-9)		807,172,794		406,636,831
<b>MISCELLANEOUS EXPENDITURE</b> (to the extent not written off)	10		—		352,306
<b>TOTAL</b>			<u><b>2,078,290,329</b></u>		<u><b>1,432,561,481</b></u>
<b>Significant Accounting Policies and Notes on Accounts - Schedule</b>	15				

As per our report of even date.

For S.R. Divatia & Co.  
Chartered AccountantsShalin S. Divatia  
Partner  
Membership No. 39755Mumbai,  
Dated : 11<sup>th</sup> June, 2007

For and on behalf of the Board

Mahendra R. Mehta Chairman, Managing Director &amp; CEO

Milan M. Mehta Vice Chairman &amp; Managing Director

Upen Shah Vice President &amp; CFO

Mumbai,  
Dated : 11<sup>th</sup> June, 2007

**PROFIT AND LOSS ACCOUNT FOR  
THE YEAR ENDED ON 31ST MARCH, 2007**

	Schedules	2006/07 Rupees	2005/06 Rupees
<b>INCOME</b>			
Sales and Processing Income	#	6,917,618,252	3,965,841,479
Less : Excise Duty		<u>(1,062,103,874)</u>	<u>(560,652,484)</u>
Net Sales		5,855,514,378	3,405,188,995
Other Income	11	<u>7,622,402</u>	91,26,136
		<u><b>5,863,136,780</b></u>	<u><b>3,414,315,131</b></u>
<b>EXPENDITURE</b>			
Operating Expenses	# 12, 13	5,478,128,525	3,082,815,054
Interest	14	52,555,526	15,091,348
Depreciation	6	<u>75,130,481</u>	<u>46,369,835</u>
<b>TOTAL</b>		<u><b>5,605,814,532</b></u>	<u><b>3,144,276,237</b></u>
<b>Profit before Taxes &amp; Extraordinary Items</b>		<u>257,322,248</u>	<u>270,038,894</u>
Less : Extraordinary Items (Refer Note No. B-11 of Schedule 15)		<u>(2,762,502)</u>	<u>(7,639,575)</u>
<b>Profit before Taxes</b>		<u>254,559,746</u>	<u>262,399,319</u>
Less : Provision for Income Tax		<u>(53,400,000)</u>	<u>(63,600,000)</u>
Less : Provision for Wealth Tax		<u>(28,200)</u>	<u>(38,000)</u>
Add/(Less) : Provision for Deferred Tax		<u>(32,428,333)</u>	<u>(18,469,679)</u>
Add/(Less) : Provision for Fringe Benefit Tax		<u>(1,000,000)</u>	<u>(873,631)</u>
Add/(Less) : Income Tax Adjustments		<u>113,983</u>	<u>1,066,792</u>
<b>Profit after Taxes</b>		<u>167,817,196</u>	<u>180,484,801</u>
Add : Balance brought forward		<u>34,728,888</u>	<u>16,003,099</u>
		<u><b>202,546,084</b></u>	<u><b>196,487,900</b></u>
<b>Less : Appropriations</b>			
Transfer to General Reserve		<u>(120,000,000)</u>	<u>(120,000,000)</u>
Proposed Dividend Rs. 3.50 (Rs. 3.50) per Equity Share)		<u>(40,472,681)</u>	<u>(36,622,681)</u>
Provision for Corporate Tax on Proposed Dividend		<u>(6,878,332)</u>	<u>(5,136,331)</u>
Balance carried forward		<u><b>35,195,071</b></u>	<u><b>34,728,888</b></u>
Earning per Share of Rs.10/- each (in Rs.)			
Basic		<b>16.04</b>	17.25
Diluted		<b>15.98</b>	17.25

(Refer Note B-16 of Schedule 15)

# Refer Note B-5 - Schedule 15

**Significant Accounting Policies and Notes on Accounts - Schedule 15.**

As per our report of even date.

**For S.R. Divatia & Co.**  
Chartered Accountants

**Shalin S. Divatia**  
Partner  
Membership No. 39755

Mumbai,  
Dated : 11<sup>th</sup> June, 2007

For and on behalf of the Board

**Mahendra R. Mehta**      Chairman, Managing Director & CEO

**Milan M. Mehta**      Vice Chairman & Managing Director

**Upen Shah**      Vice President & CFO

Mumbai,  
Dated : 11<sup>th</sup> June, 2007

## SCHEDULES TO BALANCE SHEET

	As at 31/03/2007 Rupees	As at 31/03/2006 Rupees
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>AUTHORISED :</b>		
12,000,000 (12,000,000) Equity Shares of Rs. 10/- each.	120,000,000	120,000,000
3,000,000 (3,000,000) Unclassified Shares of Rs. 10/- each.	<u>30,000,000</u>	<u>30,000,000</u>
	<u>150,000,000</u>	<u>150,000,000</u>
<b>ISSUED :</b>		
10,465,223 (10,465,223) Equity shares of Rs. 10/- each.	104,652,230	104,652,230
<b>SUBSCRIBED :</b>		
10,463,623 (10,463,623) Equity shares fully paid up	104,636,230	104,636,230
Add : Forfeiture of 1,600 (1,600) Equity shares (Amount originally paid up)	<u>8,000</u>	<u>8,000</u>
<b>TOTAL</b>	<u>104,644,230</u>	<u>104,644,230</u>
<b>SCHEDULE 2 : RESERVES AND SURPLUS</b>		
Central and State Government Subsidies	2,000,000	2,000,000
Capital Redemption Reserve	11,698,500	11,698,500
General Reserve :		
Balance as per last Balance Sheet	825,000,000	705,000,000
Add: Transfer from Profit and Loss Account	<u>120,000,000</u>	<u>120,000,000</u>
	945,000,000	825,000,000
Balance in Profit and Loss Account	<u>35,195,071</u>	<u>34,728,888</u>
<b>TOTAL</b>	<u>993,893,571</u>	<u>873,427,388</u>
<b>SCHEDULE 3 : SECURED LOANS</b>		
Term Loan		
– From a Bank	368,986,364	236,306,729
– Interest accrued and due to Bank	<u>2,596,916</u>	<u>1,517,110</u>
	371,583,280	237,823,839
Working Capital borrowings from Banks	<u>237,035,571</u>	<u>117,620,480</u>
<b>TOTAL</b>	<u>608,618,851</u>	<u>355,444,319</u>
(Refer Note B-3 of Schedule 15)		
<b>SCHEDULE 4 : UNSECURED LOANS</b>		
13% Unsecured Fully Convertible Debentures	194,865,000	–
Unsecured Loan - Bank	<u>44,794,800</u>	–
	<u>239,659,800</u>	–
<b>SCHEDULE 5 : DEFERRED TAX LIABILITY (NET)</b>		
Deferred Tax Liability arising on account of Depreciation	<u>135,116,213</u>	102,384,193
	135,116,213	102,384,193
<b>LESS :</b>		
Deferred Tax Assets arising on account of:		
Unamortized/ Unpaid Expenditure	(417,915)	(295,944)
Retirement benefits	<u>(3,224,421)</u>	<u>(3,042,705)</u>
	(3,642,336)	(3,338,649)
<b>TOTAL</b>	<u>131,473,877</u>	<u>99,045,544</u>

## SCHEDULES TO BALANCE SHEET

## SCHEDULE 6 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2006	Additions	Sale / Adjustment	As at 31.03.2007	Upto 01.04.2006	For the Year	On Sale / Adjustment	Upto 31.03.2007	As at 31.03.2007	As at 31.03.2006
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	10,218,351	-	-	10,218,351	-	-	-	-	10,218,351	10,218,351
Buildings	194,106,573	21,471,760	(489,550)	215,088,783	25,829,540	6,564,229	(159,500)	32,234,269	182,854,514	168,277,033
Plant and Machinery	984,640,738	276,230,344	(1,437,384)	1,259,433,698	277,598,279	59,574,111	(162,442)	337,009,948	922,423,750	707,042,459
Technology Transfer Cost	8,237,913	55,193,547	-	63,431,460	5,992,919	6,567,427	-	12,560,346	50,871,114	2,244,994
Vehicles	8,563,869	75,801	(536,153)	8,103,517	3,031,483	716,809	(312,129)	3,436,163	4,667,354	5,532,386
Office Equipments	14,262,802	1,268,952	-	15,531,754	11,753,872	1,094,939	-	12,848,811	2,682,943	2,508,930
Furniture and Fixtures	11,070,890	1,613,445	-	12,684,335	9,674,460	612,966	-	10,287,426	2,396,909	1,396,430
<b>TOTAL</b>	<b>1,231,101,136</b>	<b>355,853,849</b>	<b>(2,463,087)</b>	<b>1,584,491,898</b>	<b>333,880,553</b>	<b>75,130,481</b>	<b>(634,071)</b>	<b>408,376,963</b>	<b>1,176,114,935</b>	<b>897,220,583</b>
Previous Year	(821,545,677)	(416,034,453)	(6,478,994)	(1,231,101,136)	(289,799,125)	(46,369,835)	(2,288,407)	(333,880,553)	(897,220,583)	-
Capital Work in Progress (Including Advances on Capital Account)									33,077,666	106,575,343
									1,209,192,601	1,003,795,926

Buildings include Rs. 1,42,53,393/- (Rs. 14,253,393/-) being the cost of Residential Flats for employees at Palej / Silvassa.

**As at  
31/03/2007  
Rupees**

**As at  
31/03/2006  
Rupees**

## SCHEDULE 7 : INVESTMENTS

(Long Term, other than Trade Investments, at cost, unless otherwise stated)

**Long Term :**
**UNQUOTED**

Government Securities -

6 years National Savings Certificate

(deposited with Government Authorities)

**9,000**

10,000

**Other Investments :**
**UNQUOTED**

100 (NIL) Equity Shares of

Rs. 10/- each of Mogaveera Co-Op Bank Ltd., fully paid

**1,000**

1,000

**QUOTED**

6,957 (6,957) Equity Shares of Rs. 10/-

each of Bank of Baroda, fully paid

(Market Value Rs. 14,96,103/- (Rs. 16,02,197/-))

**1,600,110**

1,600,110

**CURRENT INVESTMENTS**

59,164 (19,821) Units of Rs. 1000/- each of UTI

Liquid Cash Plan Institutional (Dividend) Fund

[Repurchase Value Rs. 6,03,14,824/-

(Rs. 2,01,72,966/-)]

**60,314,824**

20,165,308

**TOTAL**
**60,314,824**

20,165,308

**61,924,934**
**21,776,418**

## SCHEDULES TO BALANCE SHEET

	As at 31/03/2007 Rupees	As at 31/03/2006 Rupees
<b>SCHEDULE 8 : CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>INVENTORIES</b> (At lower of cost or net realisable value)		
Material in Transit	25,545,889	–
Raw Material	72,110,260	62,041,518
Work in Progress	103,419,564	62,889,762
Finished Goods	103,615,959	177,010,914
Stores, Spares and Consumables	31,177,666	19,191,792
Reels and Packing Material	16,130,739	15,340,387
Copper Scrap	7,828,325	1,124,111
	<u>359,828,402</u>	337,598,484
<b>SUNDRY DEBTORS</b> (Unsecured, Considered Good)		
Outstanding for a period exceeding six months	5,716,121	12,688,574
Others	1,106,472,270	786,697,234
	<u>1,112,188,391</u>	799,385,808
<b>CASH AND BANK BALANCES</b>		
Cash on hand	532,565	594,358
Balances with Scheduled Banks		
In Current Accounts	161,951,692	124,744,541
In Term Deposits		
i) Under lien with Bank	43,614,785	2,142,725
ii) Others	–	139,000
In Margin Money Accounts	24,340	115,183
In Dividend Accounts	2,173,635	2,015,928
Remittance in Transit	5,644,523	6,279,578
	<u>213,941,540</u>	136,031,313
<b>LOANS AND ADVANCES</b> (Unsecured, considered good)		
Advances Recoverable in Cash or in kind or for value to be received	20,147,339	95,672,029
Deposits	5,244,253	4,225,043
Advance Payment of Taxes (net)	13,441,836	2,461,237
Balance with Customs and Central Excise Authorities	141,367,246	97,179,051
	<u>180,200,674</u>	199,537,360
<b>OTHER CURRENT ASSETS</b>		
Interest accrued but not due	202,676	327,298
Export benefits accrued	51,663,404	19,232,735
	<u>51,866,080</u>	19,560,033
<b>TOTAL</b>	<u><u>1,918,025,087</u></u>	<u><u>1,492,112,998</u></u>



## SCHEDULES TO BALANCE SHEET

	As at 31/03/2007 Rupees	As at 31/03/2006 Rupees
<b>SCHEDULE 9 : CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES :</b>		
Sundry Creditors		
(i) Total outstanding dues of small scale industrial undertakings	1,804,884	1,641,336
(ii) Total outstanding dues of creditors other than small scale industrial undertakings	<u>978,681,447</u>	<u>974,259,282</u>
	<b>980,486,331</b>	975,900,618
Security Deposits	600,000	600,000
Unclaimed Dividend *	2,173,636	2,015,928
Other Liabilities	<u>80,213,113</u>	<u>65,162,609</u>
	<b>1,063,473,080</b>	1,043,679,155
<b>PROVISIONS :</b>		
Provision for Wealth Tax	28,200	38,000
Proposed Dividend	40,472,681	36,622,681
Provision for Corporate Tax on Dividend	<u>6,878,332</u>	<u>5,136,331</u>
	<b>47,379,213</b>	41,797,012
<b>TOTAL</b>	<b><u>1,110,852,293</u></b>	<b><u>1,085,476,167</u></b>
* There is no amount, due and outstanding, to be credited to Investor Education and Protection Fund.		
<b>SCHEDULE 10 : MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off)		
Amalgamation Expenses	-	352,306
<b>TOTAL</b>	<b><u>-</u></b>	<b><u>352,306</u></b>

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**SCHEDULES TO PROFIT AND LOSS ACCOUNT**


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	2006/07 Rupees	2005/06 Rupees
<b>SCHEDULE 11 : OTHER INCOME</b>		
Interest (Tax Deducted at Source Rs. 1,71,030/- (Rs. 1,404/-)	2,865,118	1,084,891
Income from Investments *	683,515	361,839
Miscellaneous Receipts	447,297	2,501,622
Foreign Exchange Gain / Loss (net)	3,314,083	-
Excess/(Short) Provision of Previous Years	-	57,324
Provision for decline in value of investment written back	-	380,034
Profit on sale of assets	295,926	-
Profit on sale of Investment	16,463	4,740,426
<b>TOTAL</b>	<b>7,622,402</b>	<b>9,126,136</b>
* Refer Note B-10 of Schedule 15		
<b>SCHEDULE 12 :</b>		
<b>(A) (ACCRETION)/DECRETION TO STOCK</b>		
Stock at close		
Finished Goods	(93,114,318)	(155,790,767)
Copper Scrap	(7,828,325)	(1,124,111)
Wire Enamel	(10,501,641)	(21,220,147)
	<u>(111,444,284)</u>	<u>(178,135,025)</u>
LESS :		
Stock at commencement		
Finished Goods	155,790,767	59,246,427
Copper Scrap	1,124,111	-
Wire Enamel	21,220,147	8,505,406
	<u>178,135,025</u>	<u>67,751,833</u>
<b>(ACCRETION) / DECRETION</b>	<b>66,690,741</b>	<b>(110,383,192)</b>
<b>(B) MATERIAL CONSUMED</b>		
Stock at commencement		
Copper Wire Rods	24,273,196	14,143,220
Work-in-progress	62,889,762	36,062,631
Enamels & Chemicals	37,768,322	48,510,164
Others	-	-
(Refer Note B-2C of Schedule 15)		
	<u>124,931,280</u>	<u>98,716,015</u>
Add : Purchases		
Copper Wire Rods	4,917,812,412	2,740,579,706
Enamels & Chemicals	180,815,215	157,589,124
Others	9,468,655	-
	<u>5,108,096,282</u>	<u>2,898,168,830</u>
Less : Stock at close		
Copper Wire Rods	(19,718,472)	(24,273,196)
Work-in-progress	(103,419,564)	(62,889,762)
Enamels & Chemicals	(45,345,236)	(37,768,322)
Others	(7,046,552)	-
(Refer Note B-2C of Schedule 15)		
	<u>(175,529,824)</u>	<u>(124,931,280)</u>
	<b>5,057,497,738</b>	<b>2,871,953,565</b>
Cost of Material Purchased and Sold	-	3,562
Excise Duty on Closing Stock of Finished Goods	(7,032,268)	13,700,768
Material Consumed	<b>5,050,465,470</b>	<b>2,885,657,895</b>
<b>Total Material Consumed (A + B)</b>	<b>5,117,156,211</b>	<b>2,775,274,703</b>

## SCHEDULES TO PROFIT AND LOSS ACCOUNT

	2006/07 Rupees	2005/06 Rupees
<b>SCHEDULE 13 :</b>		
<b>MANUFACTURING, SELLING AND ADMINISTRATIVE EXPENSES</b>		
Packing Material Consumed	33,943,225	28,724,924
Stores and Spares	22,782,736	20,623,506
Power and Fuel	100,950,214	83,415,658
Repairs and Maintenance		
Building	1,301,101	1,134,631
Machineries	17,568,516	20,033,765
Other Assets	1,739,941	1,046,500
Payments and provisions for employees		
Salary, Wages, Bonus etc.	63,271,559	48,748,507
Staff and Labour Welfare	1,593,920	1,027,586
Contributions to Provident and other Funds	3,928,861	5,879,014
Directors' Sitting Fees	394,000	330,000
Rent	4,994,711	4,962,076
Rates and Taxes	1,488,679	1,803,106
Travelling Expenses	4,788,702	3,713,604
Insurance	4,711,926	3,468,572
Freight and Transportation	43,135,784	35,081,144
Commission on Sales	9,143,015	11,288,870
Cash Discount	191,136	27,292
Bad Debts Written Off	1,647,002	-
Goods lost in transit	-	145,052
Other Expenses	42,896,940	32,511,313
Foreign Exchange Loss (net)	-	373,208
Prior Period Expenses	148,040	-
Loss on Sale of Assets (net)	-	7,089
Provision for loss on Fixed Assets scrapped/discarded	-	2,164,219
Preliminary / Deferred Expenses Written Off	-	146,951
Amalgamation Expenses Written Off	352,306	883,764
<b>TOTAL</b>	<b><u>360,972,314</u></b>	<b><u>307,540,351</u></b>
<b>SCHEDULE 14 : INTEREST</b>		
Interest on Fixed Loans	24,724,021	6,773,350
Interest on Debentures	21,110,376	-
Other Interest (Banks & Others)	6,721,129	8,317,998
<b>TOTAL</b>	<b><u>52,555,526</u></b>	<b><u>15,091,348</u></b>

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**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**


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**A. SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statements :**

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company.

**2. Fixed Assets and Depreciation :**

i. Fixed Assets are stated at cost, net of Cenvat credit, where applicable less accumulated depreciation and impairment losses. Cost includes financing and other costs incurred for bringing the assets to its working condition for the intended use. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or construction are capitalised. Cost of fixed assets not ready for their intended use before such date are disclosed under capital work in progress.

ii. Depreciation on Fixed Assets (except those described below) is provided on the Straight Line Method at the rates specified from time to time in Schedule XIV to the Companies Act, 1956 which management considers as being representative of the useful economic life of such assets :

The management estimates the useful life of certain assets as follows :

Office Equipments	5 years
Computer	3 years
Furniture and Fixtures	5 years

Technology Transfer Cost is amortised over a period of 6 years.

iii. Depreciation on additions to assets or on sale of assets as the case may be is calculated pro-rata from the month of such addition or upto the month of such sale.

iv. Assets scrapped / discarded from use and held for disposal, if any, are stated at lower of book value or their estimated net realisable value.

**3. 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 Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**4. Investments :**

Investments that are readily realisable 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 carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary, if any, in the value of the investments.

**5. Inventories :**

i. Inventories are valued on FIFO basis at lower of cost or estimated net realisable value.

ii. In cases where duty paid materials are consumed prior to duty-free import of material for manufacture of products for export, the estimated excess cost of such material over that of duty free materials is carried forward and charged to revenue on consumption of such duty-free materials.

iii. Closing stock of finished goods include Excise duty payable thereon wherever applicable.

**6. Excise duty :**

Credit availed of Excise duty / Service Tax paid on inputs is reduced from the cost of material / services and is carried forward in Current Assets, Loans and Advances pending utilisation.

**7. Amalgamation Expenses :**

Amalgamation Expenses are amortised equally over a period of six years beginning with the year of payment.

**8. Income and Expenditure :**

i. Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred, except those with significant uncertainties.

ii. Sales are recognised at the point of despatch of goods to the customers. Sales are net of discounts, sales tax and returns.

iii. Interest income is recognised on time proportion basis.

iv. Dividend on Investments is accounted when received.

v. Insurance claim receivable is recognised in the year of the loss to the extent ascertainable.

**9. Foreign Currency Transactions :**

i. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.

ii. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign transactions are recognised in the Profit and Loss Account other than those relating to the liabilities for fixed assets that are adjusted to the cost of the related fixed assets.

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**
**10. Forward Contracts :**

Premium or discount on forward contracts are amortised over the life of the contract . Foreign Exchange Forward Contract are re-expressed at the Balance Sheet and Exchange difference between the spot rate at the date of contract and spot rate on the Balance Sheet date is recognised as gain/loss in the Profit & Loss Account, in terms of pronouncement of the Institute of Chartered Accountants of India.

**11. Retirement Benefits :**

- i. Gratuity Benefits are accounted for on the basis of amount determined by actuarial valuation made by Life Insurance Corporation of India (LIC) and are funded accordingly by the approved Trust. Any shortfall between liabilities determined on actuarial basis and funds available is charged to Profit and Loss account. Contribution made to LIC is charged to Profit and Loss Account, except in case of certain employees, where the same is provided on the assumption that such benefit is payable at the end of the year.
- ii. Retirement benefits in the form of provident fund and pension scheme are accounted on accrual basis and charged to the Profit and Loss Account of the year.
- iii. The monetary value of leave encashment benefit is provided on the assumption that such benefit is payable at the end of the year.

**12. Taxes on Income :**

In accordance with Accounting Standard AS 22 - Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and the laws that have been enacted or substantively enacted as of the balance sheet date. Deferred Tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the asset can be realised in future.

**B. NOTES TO ACCOUNTS**
**1. Contingent Liabilities :**

	Rs. Lacs <u>2006/07</u>	Rs. Lacs <u>2005/06</u>
a. Estimated amount of Contracts remaining to be executed on Capital Account (net of advances paid) and not provided for	123.24	575.63
b. Guarantees given by Bank to third parties	200.15	207.89
c. Disputed Income Tax Demands (not acknowledged) against which Company / Department has preferred an appeal	32.39	108.42
d. Disputed Wealth Tax Demands (not acknowledged) against which Company / Department has preferred an appeal	3.40	3.40
e. Disputed demands of Central Excise against erstwhile Atlas Wires Limited pending in Appeal	4.55	4.55
f. Disputed demand of Gujarat Electricity Board pending at Apex Court	4.22	4.22
g. In respect of matter pending in labour court, estimated at	0.75	0.75
h. No provision has been made in the accounts for the liability arising on revision, if any, in the salary and wages of the employees at Palej Unit due and pending from 1st January, 2004 and the same shall be accounted on determination.		

**2. Information pursuant to part II of Schedule VI.**
**2. (A) Capacities and Production (rounded off to the nearest Metric Ton) @**

	Capacity			
	Licensed	Installed		
Winding Wires made of Copper & Rectangular Strips – covered / non-covered	40000*	29020*		
	(38000)*	(21620)*		
* Including Bare Copper Conductors	4600	4600		
	(2300)	(2300)		
Wire Enamels	1500	1500		
	(1500)	(1500)		
Resins / Phenolic Resin	250	0		
	(250)	(0)		
	Production		Production	
	Own Account 2006/07	Own Account 2005/06	Job work basis 2006/07	Job work basis 2005/06
Enamelled Round Copper Winding Wires	13693	13031	3456	2311
Winding Wires Rectangular Wires Others	66	0	310	0
Bare Copper Wires Own account	0	0		
Jobwork - Inter Unit				
Unit I			7	101
Unit II			71	128
Palej Unit			366	89
Unit III			2,465	136
Total	0	0	2,910	454
Wire Enamels	853	899	0	0

(Including captive consumption of 32 MT (68 MT))

@ As certified by the Managing Director

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**

**B. NOTES TO ACCOUNTS (Contd.)****2. (B) Sales and Processing Income**

Sr. No.	Product	M. Tons (Rounded off)	Rupees
1.	Enamelled Round Copper Winding Wires		
	– Own account	13855 (12773)	6,100,112,503 (3,626,433,251)
	– Job work account	3470 (2308)	379,457,378 (199,880,353)
1A.	Other Winding Wires (STRIP/CTC/PICC)		
	– Own account	66 (0)	31,383,391 (0)
	– Job work account	310 (0)	23,848,725 (0)
2.	Bare Copper Wires		
a)	Own account	0 (0)	0 (0)
b)	Jobwork - Inter Unit		
	Unit I	7 (101)	+ (+)
	Unit II	71 (128)	+ (+)
	Palej	366 (89)	+ (+)
	Unit III	2465 (136)	+ (+)
		<u>2909</u> (454)	<u>+</u> (+)

+ Value excluded from Profit & Loss account on consolidation.  
(In addition, Excise Duty paid Rs.460,09,686/- (NIL) on Inter Unit transfer is included in Gross Sales & Excise Duty)

**3. Wire Enamels**

a)	Sale		0 (0)	0 (0)
b)	Inter Unit Transfer			
	Unit I	604 (524)		+ (+)
	Unit II	312 (210)	916 (734)	+ (+)

(In addition, Excise Duty paid Rs. 181,71,831/- (Rs. 126,74,971/-) on Interunit Transfer of Wire Enamel is included in Gross Sales & Excise Duty)

+ Value excluded from Profit & Loss account on consolidation.

4.	Waste and Scrap of Copper	871 (565)	314,800,216 (125,493,012)
5.	Others		2,232,266 (521,711)

(In addition, Excise Duty paid Rs. 16,02,256/- (Rs. 8,38,180/-) on Inter Unit transfer is included in Gross Sales & Excise Duty)

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**
**B. NOTES TO ACCOUNTS (Contd.)**
**2. (C) Opening and Closing Stock**

Sr No.	Product	Opening Stock		Closing Stock	
		Quantity (M.T.) (Rounded off)	Value Rupees	Quantity (M.T.) (Rounded off)	Value Rupees
1.	Copper	95 (80)	24,273,196 (14,143,220)	64 (95)	19,718,472 (24,273,196)
2.	Material in Transit	0 (0)	0 (0)	95 (0)	25,545,889 (0)
3.	Enamels & Chemicals	314 (456)	37,768,322 (48,510,164)	352 (314)	45,345,236 (37,768,322)
4.	Material under process	236 (192)	62,889,762 (36,062,631)	317 (236)	103,419,564 (62,889,762)
5.	Other Raw Material	0 (0)	0 (0)	40 (0)	7,046,552 (0)
6.	Finished Goods				
	(a) – Enamelled Round Copper Winding Wires	476 (251)	155,790,767 (59,246,427)	234 (476)	93,114,318 (155,790,767)
	(b) – Wire Enamel	180 (82)	21,220,147 (8,505,406)	84 (180)	10,501,641 (21,220,147)
7.	Copper Scrap	5 (0)	1,124,111 (0)	23 (5)	7,828,325 (1,124,111)

**2. (D) Raw Material Consumed**

Sr. No.	Description		M. Tons (Rounded off)	Rupees
1.	Copper			
a)	Own Account	#	14136 (13189)	4,881,837,333 (2,703,622,599)
b)	Supplied by customers for production of Enamelled Wire on Job Work basis.		3766 (2311)	Not Applicable (Not Applicable)
c)	For Bare Copper Wire produced			
	For Inter Unit Transfer on job work basis	Unit I	7	+
	For Inter Unit Transfer on job work basis	Unit II	72	+
	For Inter Unit Transfer on job work basis	Palej Unit	367	+
	For Inter Unit Transfer on job work basis	Unit III	2,484	+
			2,931	+
			(454)	(+)
	# / + Quantity and Value of consumption of copper for Bare Wire produced on job work for Inter Unit transfer is included in Quantity and Value of consumption of Copper - Own Account.			
2.	Enamels and Chemicals			
a)	Own Account		1,557 (1,610)	173,238,301 (168,330,966)
	[Includes chemicals used for production of enamels 892 MT (942 MT) / Rs. 8,32,86,469 /- (Rs. 8,00,96,214)]			
3.	Other Raw Material		14 (0)	2,422,103 (0)

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**

<b>B. NOTES TO ACCOUNTS (Contd.)</b>	<b>2006/07 Rupees</b>	<b>2005/06 Rupees</b>
<b>2. (E) Value of Imports calculated on CIF Basis :</b> (Including Material in Transit)		
1. Raw Materials	<b>449,036,059</b>	67,983,608
2. Consumable Stores & Spares and Repairs to Plant	<b>10,451,373</b>	8,259,313
3. Capital Goods	<b>105,352,918</b>	203,111,569
<b>2. (F) Value of Raw Materials and Stores &amp; Spares consumed :</b>	<b>Percentage</b>	<b>Value (Rs)</b>
a. Raw Materials :		
Imported	8 (3)	414,067,217 (79,966,918)
Indigenous	92 (97)	4,643,430,520 (2,791,986,646)
<b>TOTAL</b>	<b>100 (100)</b>	<b>5,057,497,737 (2,871,953,564)</b>
b. Stores & Spares :		
Imported	11 (22)	2,399,788 (4,582,003)
Indigenous	89 (78)	20,382,948 (16,041,503)
<b>TOTAL</b>	<b>100 (100)</b>	<b>22,782,737 (20,623,506)</b>
	<b>2006/07 Rupees</b>	<b>2005/06 Rupees</b>
<b>2. (G) Expenditure in foreign Currency :</b>		
Technology Transfer Cost	<b>46,723,821</b>	394,650
Testing/Membership Fees	<b>135,996</b>	48,423
Miscellaneous payments	<b>95,876</b>	0
Travelling	<b>69,439</b>	1,141,088
<b>2. (H) Amount of Dividend remitted during the year in foreign currency</b>	<b>NIL</b>	<b>NIL</b>
<b>2. (I) Earnings in Foreign Exchange :</b>		
Export of Goods on FOB Basis	<b>22,765,933</b>	8,834,333
<b>2. (J) Remuneration to Auditors (exluding Service Tax) :</b>		
i) Remuneration to Auditors		
(a) Audit Fees	<b>350,000</b>	300,000
(b) Tax Audit Fees	<b>30,000</b>	30,000
(c) Certification Fees	<b>66,999</b>	26,653
(d) Taxation Matters	<b>145,501</b>	15,000
<b>TOTAL</b>	<b>592,500</b>	<b>371,653</b>

In addition to the above, an aggregate sum of Rs. 40,000/- (Previous Year - Rs. 40,000/-) has been paid /is payable to a partner of the firm of Auditors in his personal capacity for Company Law matters.



**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**

<b>B. NOTES TO ACCOUNTS (Contd.)</b>	<b>2006/07 Rupees</b>	<b>2005/06 Rupees</b>
<b>2. (K) Expenses/Debits and (Income / Credits) pertaining to previous year(s) :</b>		
Manufacturing	20,800	17,890
Administration & Selling Expenses	249	(75,214)
Sales Tax	127,240	0
	<b>148,289</b>	<b>(57,324)</b>
<b>2. (L) (a) Computation of profits in accordance with Section 198 of the Companies Act, 1956 :</b>		
Net Profit before Tax	254,559,742	262,399,320
Less :		
Provision for decline in Value of Investment		(380,034)
Profit on Sale of Assets	(295,926)	
Profit on Sale of Investments	(16,463)	(4,740,426)
Add :		
Directors' Remuneration *	18,196,100	18,182,911
Directors' sitting fees	394,000	330,000
Loss on sale of Investments	0	0
Loss on sale of assets	0	7,089
Provision for decline in value of investments	0	0
Loss on Scrapping of Assets	0	2,164,219
Preliminary/Deferred Revenue Expenses	0	146,951
Amalgamation Expenses written off	352,306	883,764
	<b>273,189,758</b>	<b>278,993,793</b>
Net Profit for Section 198 of the Companies Act	<b>273,189,758</b>	<b>278,993,793</b>
10% (10%) of Net Profit as above	<b>27,318,976</b>	<b>27,899,379</b>
Commission payable @ 1% (1%) of Net Profit as above to each of three Directors	8,195,693	8,369,814
- Total 3% (Prev. Year -3%)	-	0
Total Commission for the Year to three working Directors	<b>8,195,693</b>	<b>8,369,814</b>
No adjustment of Depreciation is shown above as the Company depreciates fixed assets based on estimated useful lives not lower than implicit in Schedule XIV of the Companies Act, 1956. Accordingly, rates of depreciation used by the Company are higher than or equal to the minimum prescribed by the Schedule XIV.		
<b>2. (L) (b) Remuneration paid / payable during the year to Managing / Whole time Directors *</b>		
Salary	7,560,000	7,200,000
Leave Encashment	0	210,000
Leave Travel Allowance	630,000	600,000
House Rent Allowance	300,000	300,000
Perquisites	603,207	639,097
Contribution to Provident & Pension Funds	907,200	864,000
	<b>10,000,407</b>	<b>9,813,097</b>
Commission	8,195,693	8,369,814
	<b>18,196,100</b>	<b>18,182,911</b>

\* Excluding Provision for Gratuity Rs. 4,21,157/- (Rs. 2,30,770/-) other than on actuarial valuation and provision for leave salary Rs. 14,38,462/- (Rs. 8,00,000/-).

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**

**B. NOTES TO ACCOUNTS (Contd.)**

3. a) Bank borrowings from Bank of Baroda in addition to personal guarantees of three directors, are secured by a first charge by way of Hypothecation of Machinery, Stock-in-Trade, Book debts and Equitable Mortgage of Land & Factory Buildings of the Company.
- b) Bank borrowings from BNP Paribas, in addition to personal guarantees of three directors, are secured by a Second charge by way of Hypothecation of Stock-in-Trade and Book Debts.

**4. Forward Contracts :**

The Company used forward cover contracts to hedge its exposure to the movements in foreign currency exchange rates. Such forward covers are used to reduce the risk which may result from foreign currency rates fluctuations and is not used by the company for trading or speculation purposes.

**A. Details of Derivative Instruments (for hedging) as on 31.03.2007 :**

Particulars	Amount in FC	Equiv. Amt in Rs.	Purpose
Forward Cover	\$1,153,000	49,901,840	Loans

**B. Details of foreign currency exposure that are not hedged by a derivative instrument or otherwise as on 31.03.2007 :**

Particulars	Amount in FC	Equiv. Amt in Rs.
Sundry Creditors	\$121,580	5,261,982
Sundry Creditors	€37,621	2,172,286
Sundry Creditors	SEK 189,114	1,180,074
Sundry Debtors	\$60,372	2,611,667
Loans	\$567,000	24,539,760

5. In accordance with ASI14 (Revised) on 'Disclosure of Revenue from Sales Transactions' issued by Institute of Chartered Accountants of India, excise duty on sales amounting to Rs.106,21,03,874/- (Rs.560,652,484/-) has been reduced from sales in Profit and Loss account and excise duty on inventory of finished goods amounting to (-) Rs.70,32,268/- (Rs.13,700,968/-) has been accounted in the profit and loss account under Schedule 11 - Material Consumed.
6. As the Company operates in the single business segment of Copper Winding Wires, there are no reportable segments of business as defined under the Accounting Standard AS 17-Segment Reporting issued by The Institute of Chartered Accountants of India.
7. Disclosure of Transactions with related parties as required under Accounting Standard AS 18 on Related Party disclosures issued by The Institute of Chartered Accountants of India are given below :

- a) Relationship : Key Management personnel :
- |                              |                     |                      |
|------------------------------|---------------------|----------------------|
| Chairman & Managing Director | Managing Director   | Whole Time Director  |
| Shri Mahendra R. Mehta       | Shri Milan M. Mehta | Shri Deepak M. Mehta |

Relatives of key management personnel:

Mrs. S. M. Mehta, Wife	Mrs. G. M. Mehta, Wife	Mrs. S. D. Mehta - Wife
	Master A. M. Mehta, Son	Mr. N. D. Mehta, Son
	Miss M. M. Mehta, Daughter	

Mrs. S. M. Mehta is also the mother of Shri Milan M. Mehta and Shri Deepak M. Mehta

Shri Milan M. Mehta and Shri Deepak M. Mehta are brothers and sons of Shri Mahendra R. Mehta

- b) The following transactions were carried out with related parties in the ordinary course of business:

Nature of Transaction	Rupees 2006-07	Rupees 2005-06	
Rent Paid	307,200	307,200	Relatives
Security Deposit Given for Premises (Paid in a Prior Year)	2,000,000	2,000,000	Relatives
Remuneration	18,196,100	18,182,911	Key Management Personnel

- c) The Company does not have any subsidiary Company.

**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**
**B. NOTES TO ACCOUNTS (Contd.)**

8. a) The following being Inter Unit Transactions during the year have been excluded in these Accounts

	<b>2006/07</b>	2005/06
	<b>Rupees</b>	Rupees
1. Sales & Processing Income / Purchase - Copper Wire Rods	<b>14,678,393</b>	1,798,186
2. Sales & Processing Income / Purchase - Enamels etc.	<b>106,009,121</b>	73,676,556
3. Sale & Processing Income / Stores & Spares/Packing	<b>8,111,590</b>	4,762,429
4. Other Income / Other Expenses	<b>90,000</b>	90,000

b) The profit arising on transfer of material by one Unit to another and in Stock as at 31st March 2007 has been excluded from the valuation of relevant closing stock.

9. During the year under review, the Company has purchased and sold the following investments :

Sr. No.	Scheme	Face Value	No. of Units Purchased & Sold	Amount Invested
1.	BOB Liquid (Dividend) Fund	10/-	— (2,904,102)	— (30,000,000)
2.	UTI Liquid Cash Plan Institutional (Dividend) Fund	1000/-	98,602 (83,700)	100,494,806 (85,117,162)

10. Income from Investments consists of (a) Dividends from Companies Rs.55,656/- (Rs 96,000/-) and (b) Dividends from Units of Mutual Funds - Rs. 6,27,859/- (Rs. 2,65,839/-)

11. Extra-ordinary Items

	<b>2006-07</b>	2005-06
(a) Retrenchment Compensation Paid to certain employees	<b>2,762,502</b>	0
(b) Setting up of High Tension Power Distribution Facilities	—	7,639,575

12. (a) Amounts due to Small Scale Industrial Undertakings, and outstanding for a period exceeding 30 days are :1. Sivananda Electronics Rs. 8320/- (NIL).

(b) Under the Micro, Small and Medium Enterprise Development Act, 2006, which came into force on October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not readily available, no disclosures have been made in the accounts.

13. During the year, the Company has made a provision for loss of Rs. NIL (Rs. 21,64,219/-) towards scrapping of certain items of Plant & Machinery on account of technological obsolescence of such machinery.

14. In view of Accounting Standard Interpretation on Accounting for Fixed Asset AS-10, issued by The Institute of Chartered Accountants of India, during the year, Machinery spares of an aggregate purchase cost of Rs.7,74,772/- (Rs. 20,46,681/-) which are meant for specific machines and use whereof is irregular have been capitalised with the cost of relevant Plant and Machinery. Depreciation on the same has been provided on a systematic basis over a period not exceeding the useful life of the principal item of Plant & Machinery. During the year, the written down value of such capitalised spares actually put to use, aggregating to Rs.12,74,942/- (Rs.18,91,902/-) is charged to Profit and Loss Account under the head "Repairs and Maintenance, Machineries". The original cost and accumulated depreciation thereof has been reduced from the Block of Fixed Assets.

15. During the year under review, the Company has issued on private placement basis 11,00,000 (Eleven Lacs), 13% Unsecured Fully Convertible Debentures (FCDs) each of Rs.177.15/- aggregating to Rs.1948.65 lacs. Each FCD is compulsorily convertible on 23.05.2007 into One Equity Share of Rs.10/- fully paid up at premium of Rs.167.15/- Subsequent to the year end these FCDs have been converted into 11,00,000 Equity Shares of Rs.10/- each fully paid in accordance with the terms of issue. Dividend has been provided on the additional shares so issued. Pursuant to the aforesaid conversion of FCDs, the Paid up Equity Share Capital has increased by Rs.1,10,00,000/-.

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**SCHEDULE 15 : SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON ACCOUNTS**


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**B. NOTES TO ACCOUNTS (Contd.)**

16. Earning Per Share (EPS) - EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of equity shares outstanding during the year as stated below.

Basic and Diluted EPS has been calculated on the basis of Weighted Average No. of Shares outstanding as on 31.03.07. Diluted EPS is calculated taking into account the potential Number of Equity Shares on conversion of 11,00,000 (Eleven Lacs) 13% Unsecured Fully Convertible Debentures.

	<u>2006-07</u>	<u>2005-06</u>
a. Profit after tax	<b>167,817,196</b>	180,484,801
b. Number of Shares	<b>10,463,623</b>	10,463,623
c. Basic EPS	<b>16.04</b>	17.25
d. Diluted EPS	<b>15.98</b>	17.25
f. Facevalue per share	<b>10.00</b>	10.00

17. Figures in brackets pertain to the previous year.

18. Previous year's figures have been regrouped/reworked wherever necessary.
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As per our report of even date.

**For S.R. Divatia & Co.**  
Chartered Accountants

**Shalin S. Divatia**

Partner  
Membership No. 39755

Mumbai,  
Dated : 11th June, 2007

For and on behalf of the Board

**Mahendra R. Mehta** Chairman, Managing Director & CEO

**Milan M. Mehta** Vice Chairman & Managing Director

**Upen Shah** Vice President & CFO

Mumbai,  
Dated : 11th June, 2007

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**
**I. Registration Details**

 Registration No.    -       
 Balance Sheet          
Date Month Year

 State Code (Ref. Code List 1)  
       
**II. Capital Raised during the Year (Amount in Rs. Thousands)**

 Public Issue  
        
 Bonus Issue  
      

 Right Issue  
        
 Private Placement  
      
**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

 Total Liabilities  
        

 Total Assets  
        
**Sources of Funds**

 Paid-Up Capital  
         
 Secured Loans  
         
 Deferred Tax Liability  
       

 Reserves & Surplus  
         
 Unsecured Loans  
       
**Application of Funds**

 Net Fixed Assets  
          
 Net Current Assets  
         
 Accumulated Losses  
      

 Investments  
        
 Miscellaneous Expenditure  
       
**IV. Performance of the Company (Amount in Rs. Thousands)**

 Turnover  
          
 + Profit / - Loss Before Tax  
         
 Earning per Share Rs.  
    .  

 Total Expenditure  
          
 + Profit / - Loss After Tax  
         
 Dividend Rate %  
    
**V. Generic Names of Three Principal Products / Service of Company**

Product Description	Item Code No. (ITC Code)
W I N D I N G W I R E S O F	8 5 4 4 1 1 1 0
E N A M E L L E D C O P P E R	
O T H E R W I N D I N G W I R E S	8 5 4 4 1 1 9 0

The Company deals in only one product.

For and on behalf of the Board

<b>Mahendra R. Mehta</b>	Chairman, Managing Director & CEO
<b>Milan M. Mehta</b>	Vice Chairman & Managing Director
<b>Upen Shah</b>	Vice President & CFO

 Mumbai,  
 Dated : 11th June, 2007

**CASH FLOW STATEMENT FOR THE YEAR ENDED  
31ST MARCH, 2007**

	31/03/2007	Rupees in Lacs	31/03/2006
<b>A. Cash Flow From Operating Activities</b>			
<b>Net profit before tax and extraordinary items</b>	2,573.22		2,700.39
<b>Add / (Deduct) : Adjustments for</b>			
Interest	525.56	150.91	
Depreciation (net)	751.30	463.70	
Preliminary Expenses / Deferred Revenue Written off	-	1.47	
Amalgamation Expenses Written off	3.52	8.84	
(Profit)/Loss on sale of assets	(2.96)	0.07	
Imported Spares Written off	12.75	18.92	
(Refer Note No B-14 in Notes to Accounts Sch 15)			
Provision for Loss on Fixed Assets Scrapped / Discarded	-	21.64	
Profit / Loss on sale/write-off of Investment	(0.16)	(47.40)	
Provision for Decline in Value of Investments Written Back	-	(3.80)	
Income from investments	(6.84)	(3.62)	610.73
<b>Operating Profit before working capital changes</b>	<b>3,856.40</b>		<b>3,311.12</b>
<b>Add / (Deduct) Adjustments for :</b>			
Trade and Other Receivables	(3,128.02)	(2,137.88)	
Inventories	(222.30)	(1,349.12)	
Trade and Other Payables	196.36	4,069.39	
Loans and Advances	303.18	(496.60)	
Other Current Assets	(323.06)	(113.42)	(27.63)
<b>Cash generated from operations</b>	<b>682.56</b>		<b>3,283.49</b>
Direct Taxes paid (net of refunds)	(653.05)	(620.03)	(620.03)
<b>Cash flow before extra-ordinary items</b>	<b>29.51</b>		<b>2,663.46</b>
Extraordinary items	(27.63)		(76.40)
<b>Net cash from operating activities</b>	<b>1.88</b>		<b>2,587.06</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES - Inflow / (Outflow)</b>			
Purchase of fixed assets (including Capital Work In Progress)	(2,823.56)	(4,771.14)	
Proceeds from Sale of Fixed assets	8.50	1.27	
Investments in Units of Mutual Funds	(1,404.99)	(1,368.52)	
Proceeds of sale of investments/Units of Mutual Funds	1,003.65	1,373.75	
Income from Investments	6.84	3.62	
<b>Net cash generated / (used) in investing activities</b>	<b>(3,209.56)</b>		<b>(4,761.02)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase in / (Repayment of) term loans	1,337.59	1,828.24	
Increase/(Decrease) in Bank borrowings	1,642.11	582.12	
Interest paid	(525.56)	(150.91)	
Issue/(Redemption) of shares/debentures)	1,948.65		
Dividends paid	(416.01)	(228.07)	
<b>Net cash generated/(used) in financing activities</b>	<b>3,986.78</b>		<b>2,031.38</b>
<b>Net increase/(decrease) in cash equivalents</b>	<b>779.10</b>		<b>(142.58)</b>
<b>Cash and cash equivalents as at 1st April, 2006</b>	<b>1,360.31</b>		<b>1,502.89</b>
<b>Cash and cash equivalents as at 31st March, 2007</b>	<b>2,139.41</b>		<b>1,360.31</b>

Note : Interest Income represents mainly amounts received from customers for delayed payments and income on Bank-Fixed-Deposits under lien with the Bank. Hence the Interest Income is considered as a part of the operational activities of the Company.

As per our report of even date.

For and on behalf of the Board

**For S.R. Divatia & Co.**  
Chartered Accountants

**Mahendra R. Mehta** Chairman, Managing Director & CEO

**Milan M. Mehta** Vice Chairman & Managing Director

**Shalin S. Divatia**  
Partner  
Membership No. 39755

**Upen Shah** Vice President & CFO

Mumbai,  
Dated : 11th June, 2007

Mumbai,  
Dated : 11th June, 2007



## PRECISION WIRES INDIA LIMITED

REGD. OFFICE : SAIMAN HOUSE, J. A. RAUL STREET, OFF SAYANI ROAD,  
PRABHADEVI, MUMBAI - 400 025.

### 18TH ANNUAL GENERAL MEETING 2006-2007

#### PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district  
of \_\_\_\_\_ being a Member/Members of PRECISION WIRES INDIA LIMITED  
hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ or failing him  
\_\_\_\_\_ of \_\_\_\_\_ in the  
district of \_\_\_\_\_ as my/our Proxy to vote for me/us on my/our behalf at the **18th Annual General Meeting**  
of the Company to be held on **Wednesday, 26th September, 2007** at 02.30 p.m. and any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

\*DP ID : \_\_\_\_\_ \*Client ID : \_\_\_\_\_

Reg. Folio No. : \_\_\_\_\_

Signature \_\_\_\_\_

*Please  
affix  
Revenue  
Stamp*

No. of Shares held : \_\_\_\_\_

- NOTES :**
1. A MEMBER ENTITLED TO VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE MEMBER.
  2. THE PROXY FORM DULY COMPLETED MUST BE DEPOSITED AT THE REGISTRERD OFFICE OF THE COMPANY NOT LESS THAN **48 HOURS** BEFORE THE TIME FOR HOLDING THE MEETING.
- \* APPLICABLE FOR MEMBERS HOLDING SHARES IN ELECTRONIC FORM

----- TEAR HERE -----

## PRECISION WIRES INDIA LIMITED

REGD. OFFICE : SAIMAN HOUSE, J. A. RAUL STREET, OFF SAYANI ROAD,  
PRABHADEVI, MUMBAI - 400 025.

#### ATTENDANCE SLIP

(This slip may please be handedover at the entrance of the meeting hall)

Reg. Folio No. : \_\_\_\_\_ \*DP ID : \_\_\_\_\_ \*Client ID : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I hereby record my presence at the **EIGHTEENTH ANNUAL GENERAL MEETING** of the Company to be held on **Wednesday, 26th September, 2007** at the Hall of The Mysore Association, 1st Floor, 393 Bhaudaji Road, Maheshwari Udyan (Kings' Circle), Matunga (Central Railway), Mumbai - 400 019.

Full Name of Shareholders/ Proxy (in Block Letters) \_\_\_\_\_

Signature of the Shareholder / Proxy \_\_\_\_\_

\* APPLICABLE FOR MEMBERS HOLDING SHARES IN ELECTRONIC FORM.