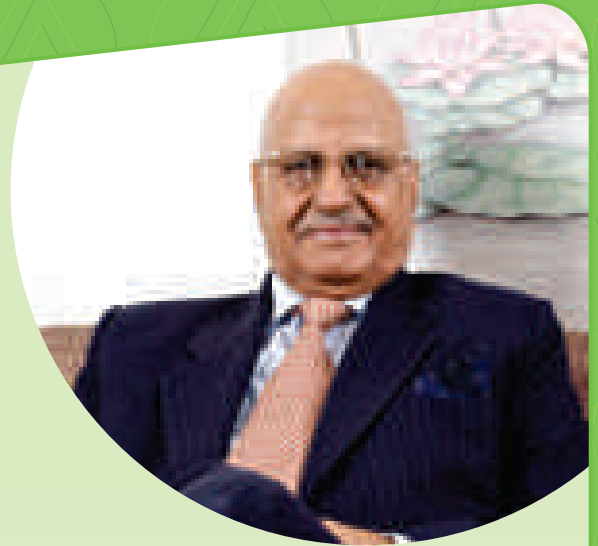




Energising Enriching Lives

Annual
Report 2011



From the Chairman's Desk

Dear Shareholders,

Warm Greetings to you all.

Indo Asian is at the beginning of another exciting chapter in its history after sale of its Switchgear Business Undertaking. It is entering into a higher orbit of performance and growth with new opportunities and challenges. The Company not only continues to focus on its other existing businesses in the areas of lighting, wires & cables and energy meters but also plans to pursue new creative opportunities in the areas of advance lighting systems and new innovative products for energy conservation & management. The Company is intensely working on new innovative strategic plans for faster growth for which the surplus funds will be deployed.

The tremendous power appetite of the Country- whetted by economic growth, rising living standards and requirements of a huge population – translates into abundant growth opportunities for Indo Asian. Your Company is ready with strategies and targets both short-term and long term, to leverage its resources and strengths to exploit these growth opportunities.

Our strategies are aimed at continuous improvement in our products and processes through technological initiatives and upgradation, modernisation, adoption of best practices and global benchmarking.

Looking forward to consistent growth in 2011 - 12 and onwards. We will continue to consolidate and build ever higher standards of customer delight through creative innovations. We aim to grow faster to scale new heights and to set new milestones.

I am grateful to our Board of Directors for their unwavering support and guidance. I take this opportunity to thank all our stakeholders including our customers and shareholders, who have reposed trust and confidence in us and have always extended their consistent support. I look forward to your continued patronage and support.

With kind and cordial regards,

VP Mahendru

Chairman cum Managing Director

Board of Directors

V. P. Mahendru	Chairman-cum-Managing Director
R. C. Bansal	Non-Executive Director
Dr. Sai Ramachandran	Non-Executive Director
A. K. Ghosh	Non-Executive Director
P. K. Ranade	Joint Managing Director
Vinay Mahendru	Executive Director

K.B. Satija	Asstt. Vice President (Corporate Finance)
Kumar Indramani	Manager(Legal) & Company Secretary

Auditors

J. C. Bhalla & Co., Noida

Bankers

State Bank of Patiala
 State Bank of India

Corporate Office

B-88, Sector - 83
 Noida - 201305, (U.P)

Registered Office

1048, Sector-14,
 Sonapat, Haryana - 131001

Plants:

Lighting

- Plot No. 10, Sector 4, SIDCUL,
 Haridwar, Uttarakhand - 249402 ,

Cable & Wires

- Plot No. 10, Sector 4, SIDCUL,
 Haridwar, Uttarakhand - 249402 ,

Energy Meters

- B-62, Sector-83,
 Noida - 201305, (U.P)

Contents

Notice	2
Directors' Report	4
Management Discussion and Analysis Report	7
Corporate Governance Report	9
Auditors' Report	19
Balance Sheet	22
Profit & Loss Account	23
Cash Flow Statement	24
Schedules & Accounts	25
Balance Sheet Abstract	50
Auditors' Report on Consolidated Financial Statement	53
Consolidated Balance Sheet	54
Consolidated Profit & Loss Account	55
Consolidated Cash Flow Statement	56
Consolidated Schedules & Accounts	57
Statement of Interest in Subsidiary Company	76
Subsidiary Company-Financial Statements	77

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of INDO ASIAN FUSEGEAR LIMITED will be held on Saturday, the 11th day of June, 2011 at 9.00 A.M at 51 Kms., G. T. Karnal Road, Murthal, Distt. Sonapat, Haryana - 131027, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account of the Company for the year ended on that date along with the Reports of Directors' and Auditors' thereon.
2. To consider declaration and payment of arrears of Preference Dividend for the financial year ended 31st March, 2007 to 31st March, 2010 and payment of Preference Dividend for the financial year ended 31st March, 2011.
3. To confirm the payment of Special Interim Dividend on Equity Shares for the year ended the 31st March, 2011 as Final Dividend.
4. To appoint a Director in place of Shri A. K. Ghosh, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Vinay Mahendru, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and fix their remuneration.

By order of the Board of Directors

Place : Noida

Dated : 12th May, 2011

(Kumar Indramani)

Manager (Legal) & Company Secretary

IMPORTANT NOTES:

- (i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH 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.**
- (ii) Members/ Proxies should fill in the Attendance Slip for attending the meeting.
- (iii) The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, the 7th June, 2011 to Saturday, the 11th June, 2011 (both days inclusive), for the purpose of Annual General Meeting.
- (iv) Members are requested to bring their copy of Annual Report to the meeting. Members desirous of seeking information on Annual Accounts 2011 are requested to send their queries to the Company Secretary at least 15 days before the time fixed for the meeting so that the required information can be kept ready at the meeting.
- (v) Members who hold shares in dematerialized form are required to bring their Client ID and DP ID numbers for identification of attendance at the meeting.
- (vi) Members are requested to notify and change in their addresses, specifying the full address in block letters with Pin Code of the Post Office to the Company's R & T Agent i.e. Alankit Assignments Ltd., 2E/21 Alankit House, Jhandewalan Extension, New Delhi - 110055. In all correspondence with the Company, members are requested to quote their account/ folio numbers.
- (vii) Members desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 109A of the Company Act, 1956, are requested to submit the prescribed Form 2B for this purpose to the Company.

- (viii) All shareholders are also requested to register their e mail addresses for sending future corporate communication i.e. Annual Report, Notices etc. by the company through e mail to comply with the requirement of Circular issued by the Ministry of Corporate Affairs, New Delhi (General Circular No. 17/2011 & 18/2011 Green initiatives in Corporate Governance).
- (ix) Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed as unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to "Investor Education and Protection Fund" IEPF of the Central Government. Special Interim Dividend declared by the Company during the financial year 2010-11 is still lying in the respective Unpaid Dividend Account of the Company. Members who have not yet encashed the said Dividend are requested to make their claim to the Corporate office of the Company at B 88, Sector 83, Noida- 201305. Kindly note that no claim shall lie against the Company after the unclaimed dividend is transferred to IEPF.

By order of the Board of Directors

Place : Noida

(Kumar Indramani)

Dated :12th May, 2011

Manager (Legal) & Company Secretary

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE RE-APPOINTED.

At this Annual General Meeting, Sh. A. K. Ghosh and Sh. Vinay Mahendru, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

Brief background and functional expertise of the Directors proposed for re-appointment are furnished below along with details of Companies in which they are Directors and the Committees of which they are members:

- a. Sh. A.K.Ghosh has been Director of the Company since 24th June, 2005. He is a Chartered Accountant since 1962 with specialization in Finance and Management.

Sh. A.K.Ghosh does not hold any shares of the Company.

Sh. A.K.Ghosh is not related to any member of the Board of Directors or to any Management Personnel of the Company.

Other Directorships	Board Position held	Committee Memberships held
Name of the Company		
(i) Cico Technologies Ltd.	Director	None
(ii) Gardtools Private Limited	Director	

- b. Sh. Vinay Mahendru has been Director of the Company since 24th June, 2005. He is a Mechanical Engineer and holds a Master degree in Management from the University of Aston, Birmingham, U.K. He is an industrialist.

Sh. Vinay Mahendru holds 2,88,363 equity shares of Rs. 10/- each of the Company. Sh. Vinay Mahendru is the son of Sh. V. P. Mahendru, the Chairman cum Managing Director of the Company.

Other Directorships	Board Position held	Committee Memberships held
Name of the Company:		
(i) IAFL Cables Limited	Director	None
(ii) Advance Metering Technology Ltd.	Director	
(iii) Indo Nordex Lightings Private Limited	Director	
(iv) VPM Technologies Pvt. Ltd.	Director	

By order of the Board of Directors

Place : Noida

(Kumar Indramani)

Dated :12th May, 2011

Manager (Legal) & Company Secretary

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 22nd Annual Report and the audited accounts for the financial year ended March 31, 2011.

Financial Results

The financial performance of the Company for the financial year ended March 31, 2011 is as follows:

Financial Performance

Particulars	(Rs./Cr.)	
	2011	As on 31 st March 2010
Sales & Other Income	134.23	246.19
Operating Profit (EBITDA)	(39.43)	23.84
Financial Charges	7.31	17.92
Depreciation	5.26	7.00
Profit before Extra Ordinary Items	(52.00)	3.92
Extraordinary Item(Profit on Slump Sale of Switchgear Business)	395.13	0.00
Profit before Tax	343.13	0.00
Tax Expense	79.65	1.07
Profit after Tax	263.48	2.85
Add: Profit brought forward from previous year	3.29	5.94
Profit available for appropriation	266.77	8.79
Appropriation:		
i) Transfer to General Reserve	200.00	5.50
ii) Special Interim Dividend on Equity Shares	16.95	-
iii) Arrears of Preference Dividend	0.40	-
iv) Preference Dividend for current year	0.10	-
v) Corporate Tax on Dividend	2.89	-
vi) Balance carried to Balance sheet	46.42	-

Your Company achieved a turnover and other income of Rs.134.23 Cr. for the year ended March 31, 2011 as against Rs. 246.19 Cr. in the previous financial year.

TRANSFER OF BUSINESS

Pursuant to the decision in the meeting of the Board of Directors of the Company held on 22nd July, 2010 and the approval of the Shareholders of the Company through Postal Ballot, the Company has transferred the entire business of developing, manufacturing and selling Low Voltage Miniature Circuit Breakers, Residual Current Circuit Breakers, Air Circuit Breakers, Moulded Case Circuit Breakers, Distribution Boards, Fuses, Fuse Bases, Switches, Feeder Pillars, Contractors, Thermal Overload Relays("Switchgear Business"), which is a separate segment as per AS 17, Segment Reporting, to a wholly owned subsidiary of Legrand France SA by way of Slump Sale as defined under Section 2(42C) of the Income Tax Act, 1961 on a going concern basis w.e.f. 9th September, 2010 for a total value of Rs.530.00 Crores on a Cash and Debt free basis.

Consequent upon the Slump Sale of the Switchgear Business, the current year financial results include the performance of the Switchgear Business Segment upto 8th September, 2010. Accordingly the operating results for the year ended 31st March, 2011 are not comparable with those for the preceding year.

DIVIDEND**(1) DIVIDEND ON EQUITY SHARES**

The Board of Directors at their meeting held on 11th October,2010 had declared and paid a Special Interim Dividend of Rs. 10/-(100%) per share. The total amount of Interim dividend for the year ended 31st March, 2011 is Rs.16.95 Cr.

In order to conserve the available funds for further growth and expansion of the Company's business, the Board of Directors do not recommend any further dividend for the year under review and hence the interim dividend of 100% per equity share paid during the year shall be considered as the final dividend.

(2) DIVIDEND ON PREFERENCE SHARES

The Board of Directors at their meeting held on 11th October, 2010 had approved the payment of arrears of dividend on 1,000,000 10% Cumulative Redeemable Preference Share of Rs. 10/- each held by the foreign collaborators for the Financial year 2007 to 2010.

Further the Board of Directors at their meeting held on 17th March, 2011 had approved the payment of Dividend to 1,000,000 10% Cumulative Redeemable Preference Share of Rs. 10/- each for the Financial year 2010 -2011.

The Tax on Dividend works out Rs. 2.89 Cr. which has since been paid.

REDEMPTION OF PREFERENCE SHARES

The Board of Directors at their meeting held on 17th March, 2011 had approved the redemption of 1,000,000 10% Cumulative Redeemable Preference Shares of Rs. 10/- at par amounting to Rs. 10,000,000/- (Rupees One Crore only) which were allotted to Heinrich Kopp, GmbH of Germany. The effect of redemption of Preference shares has been given in the Annual Accounts of the Company for the current year.

DIRECTORS

In accordance with the Articles of Association of the Company, Shri A. K. Ghosh and Shri Vinay Mahendru, Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The information required to be furnished under Clause 49 of the Listing Agreement is given in the Notice of the Twenty Second Annual General Meeting.

There are no other changes in the Composition of the Board of Directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENTS

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

- i. That in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. That the Directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit or loss of the company for the year under review;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2011, on a going concern basis.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements, the audited Consolidated Financial Statements are annexed to and forming part of this Report.

AUDITORS AND AUDITORS' REPORT

M/s. J.C. Bhalla & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from them, to the effect that their reappointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

The Notes on Accounts referred to in the Auditors' Report are self – explanatory and therefore, do not call for any further comments.

6 Annual Report 2011

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a report on the Corporate Governance for the year under review along with Auditors' Certificate regarding Compliance of Corporate Governance are given in the Annexure-A and B and form part of this Report.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time are not applicable to the Company, since no employee of the Company was in receipt of the remuneration in excess of the limits as specified in the said rules.

PERSONNEL

Personnel relations with all employees and workers remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciation for the devoted services of all the employees and workers of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO

Information required under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998, as amended from time to time, is given in Annexure-C and forms part of Directors' Report.

SUBSIDIARY COMPANY:

During the financial year 2010-11, IAFL Cables Ltd.(formerly Indo Asian Cables Ltd.) has become a wholly owned subsidiary of the Company. The Annual Accounts of the said Company are annexed to and forming part of this Report.

Statement pursuant to Section 212 of the Companies Act, 1956 relating to the Subsidiary Company is annexed to and forming part of this Report. The detailed copy of Annual Report of the subsidiary company will be made available to the shareholders on request and will also be kept for inspection by any shareholder at the Registered/Corporate Office of the your company.

LISTING OF SHARES

The Equity shares of the Company continue to be listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Ltd. (NSE).

FIXED DEPOSITS

During the year, the Company has re-paid all the fixed deposits. The Company has no unclaimed / unpaid deposit.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is presented in a separate section forming part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors express their appreciation for the support and co-operation received from the financial Institutions, Banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staffs and workers of the Company.

On behalf of the Board of Directors

Place: Noida
Dated: 12th May, 2011

(V.P. Mahendru)
Chairman-cum-Managing Director

Management Discussion & Analysis Report

Industry Structure and Development and Future Outlook

Indo Asian Fusegear Limited has been one of the leading manufacturers of Switchgears, Lighting products, Wires & Cables and Energy Meters in India. The Switchgear Business was transferred to wholly owned subsidiary of Legrand France, S.A on a slump sale basis. Upto 8th September, 2010, the Company had operated these businesses, the results of which form part of this report.

The Government is giving continuous thrust on housing and infrastructure sector.

With general improvement in the power condition in urban as well as rural sectors, increase in spending on infrastructure development and increased emphasis on energy conservation, the demand for your Company's products including Energy Efficient Compact Fluorescent Lamps, LEDs, Wires & Cables and Energy Meters etc is growing fast.

Apart from this, Union Government's planned power generation initiatives which, inter- alia, include ambitious Schemes such as the Bachat Lamp Yojna(BLY) and Rajiv Gandhi Grameen Vidyutikaran Yojna(RGGVY) which aims to provide electrification to all towns and villages would trigger sizeable demand for your company's products. This will also ensure improvement in quality of power and its wider use even in far off villages.

Well defined strategies are being implemented in order to cater to the gradual increase in demand of these products and enhance our product share in market.

Your company continues to be committed towards making best of quality products at affordable prices through technology upgradation, value proposition, deep concern for customer satisfaction, at the same time ensuring human as well as environmental safety, thus enhance value addition for the investors and for the society as a whole. No doubt, we will establish our capabilities beyond the Indian borders and enable our clients enjoy the value of our products and services globally.

Consequent upon the Slump Sale of the Switchgear Business, the Company has got adequate funds available at its disposal, which it has planned to utilise for growth of its other businesses which have great future but hitherto could not be exploited to its full potential. The company has identified business opportunities which are futuristic in technology and have substantial growth prospects. The Company has accordingly constituted a Special Committee for the above objectives which after an indepth analysis and considerable planning has considered it prudent and appropriate that in the interest of all stakeholders for higher growth of the Company's business, the businesses of the Company should be restructured by way of merger and demerger through appropriate Scheme of Arrangement. The available funds would be deployed accordingly.

All these measures would help in increasing the sales and profitability of the Company.

In view of the above, the long term outlook of the Company remains positive.

Financial Performance

Financial performance of the Company for the year 2010-11 as compared to the previous year is furnished in detail in Directors' Report.

Segment-wise performance

Switchgear Division

The Switchgear Division recorded turnover of Rs. 84.13 Crores in the financial year 2010-11 i.e prior to sale of Switchgear Business to wholly owned subsidiary of Legrand France as on 8th September, 2010 against the turnover of Rs. 195.22 Crores for the year 2009 - 10.

Lighting Division

The Lighting Division recorded a turnover of Rs. 9.08 Crores for the financial year ended 31st March 2011 as against Rs. 10.62 Crores for the year ended 31st March 2010.

Cable and Wires Division

Cable & Wires Division recorded a turnover of Rs. 28.56 Crores for the financial year ended 31st March, 2011 as against Rs.29.22 Crores for the financial year ended 31st March 2010.

Human Resource Development

The Company continues to provide a platform for individual opportunities and for growth in knowledge and skills of its people. The relationship with all the employees continues to be cordial. The management acknowledges the contribution of its employees and the spirit of commitment demonstrated by them in realising the company's vision. The company has started a number of new initiatives which will further enhance the company's ability to attract and retain high caliber employees for faster growth of the Company's business.

Research and Development

Your company continues its efforts to integrate the R&D activities with the business needs of the company to offer safe, energy efficient, value added products and services to its customers.

Internal control systems and their adequacy

The Company has proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

The Company's internal control systems are further supplemented by an extensive programme of internal audit by an independent firm of Chartered Accountants and periodic review by management.

The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

Risks and Concerns

Domestic Electric Market has very intense competition particularly in the lighting segment. Presence of multinational companies is increasing marketing competition which has resulted in price pressure in the market for all range of products. Your company has accordingly established itself as an innovative Company with a lean and efficient marketing network which manages your Company's supply chain. Accordingly, your Company proposes to address these risks by continuous product development, focused efforts to reduce costs, increase market share by diversifying existing product range and customer base with the addition of new strategic customers and strengthening the existing relationships.

Cautionary Statement

The statements in this report, particularly which relate to Management Discussion and Analysis Report describing the Company's objectives, plans, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement depending on the circumstances.

ANNEXURE “A” TO THE DIRECTORS' REPORT 2011

CORPORATE GOVERNANCE

1. Company's philosophy on the Code of Governance

Corporate Governance is a vital part of INDO ASIAN value system as it builds confidence and trust which leads to more stable and sustained resource flows and long term relationship with its investors and other stakeholders. The driving forces of the Corporate Governance at INDO ASIAN are its core values – Excellence and Customer Satisfaction, Maximizing Long Term Value for Stakeholders, Good Corporate Conduct and Environmental Friendly and INDO ASIAN always remains, at its best, committed to the principles of accountability, integrity, transparency, responsibility and fairness in all its operations

The objective of your Company is not only to meet the statutory requirements but also to go well beyond it by formulating such systems and procedures so as to make the management completely transparent and institutionally sound. The Company is fully committed to follow the procedures and practices in conformity with Clause 49 of the Listing Agreement of the Stock Exchanges, as applicable, Your Directors present the Company's Report on Corporate Governance as under.

2. Board of Directors

I. Composition

The Company has a combination of Executive and Non-Executive Directors. The Board consists of six Directors. Your Company has Executive Chairman and half of the total number of Directors comprises of independent Directors. The number of Non-Executive Directors is not less than 50% of the total number of Directors.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(I)(C)(ii) across all Companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions occupied by them in other Companies.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last AGM, as also the number of Directorships and Committee position as held by them in other Public Limited Companies as on 31st March, 2011 are given below:

Name	Category	No. of Board Meetings Attended during 2010-2011	Whether attended last AGM held on 9 th September 2010	No. of Directorships in other Public Limited Companies	No. of committee positions held in other Public Limited Companies	
					Chairman	Member
Sh. V. P. Mahendru (Chairman-cum-Managing Director)	Promoter Not Independent Executive	14	Yes	--	--	--
Sh. P. K. Ranade (Joint Managing Director)	Promoter Not Independent Executive	14	Yes	--	--	--
Sh. Vinay Mahendru (Executive Director)	Promoter Not Independent Executive	14	Yes	2	--	--
Sh. R. C. Bansal (Director)	Independent Non-Executive	14	Yes	2	--	--
Dr. Sai Ramachandran (Director)	Independent Non-Executive	14	Yes	1	1	--
Sh. A. K. Ghosh (Director)	Independent Non-Executive	14	No	1	--	--

ii. Board Meetings

The Board met Fourteen times on the following dates during the financial year 2010-2011 and the gap between any two meetings did not exceed four months.

- | | | |
|----------------------------------|-------------------------------------|-------------------------------------|
| 1. 7 th April, 2010 | 6. 14 th August, 2010 | 11. 11 th February, 2011 |
| 2. 20 th May, 2010 | 7. 31 st August, 2010 | 12. 14 th February, 2011 |
| 3. 29 th May, 2010 | 8. 22 nd September, 2010 | 13. 26 th February, 2011 |
| 4. 22 nd July, 2010 | 9. 11 th October, 2010 | 14. 17 th March, 2011 |
| 5. 11 th August, 2010 | 10. 14 th November, 2011 | |

3. Audit Committee

i. Terms of reference:

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit management audit. The terms of reference of the Audit Committee are in accordance with the requirements of the Clause 49(II) of the Listing Agreement and as specified by the Board of Directors of the Company and inter-alia, includes:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with Internal Auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

ii. Composition:

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement [Clause 49 II(A)] with Stock Exchanges. It comprises of one Executive Director viz. Sh. P. K. Ranade and two Non-Executive independent Directors viz. Sh. R. C. Bansal and Dr. Sai Ramachandran. Sh. R. C. Bansal, Chartered Accountant by profession, is Chairman of the Audit Committee.

iii. Attendance of Members at the meeting of the Audit Committee during 2010-11:

Members	Meetings Held	Meetings Attended
Sh. R. C. Bansal (Chairman)	4	4
Dr. Sai Ramachandran	4	4
Sh. P. K. Ranade	4	4

4. Remuneration Committee
i. Brief description of terms of reference

The terms of reference of the Committee are to appraise the performance of the executive directors, determine and recommend to the Board, compensation to executive directors including remuneration policy.

The Committee has three non executive members. The Chairman of the committee is an independent Director.

One meeting of remuneration committee was held during the year on April 7, 2010.

ii. Composition, names of Members and Chairman of Remuneration Committee and attendance at its meeting are as under:

Name of Member	Designation	Category	Total Meetings held during the tenure of the member	Meetings attended
Sh. R.C. Bansal	Chairman	Independent Non-Executive Director	1	1
Dr. Sai Ramachandran	Member	Independent Non-Executive Director	1	1
Sh. A.K. Ghosh	Member	Independent Non-Executive Director	1	1

iii. Remuneration Policy

The Remuneration Committee recommends remuneration package after taking into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance & remuneration and recommends such performance criteria, that is in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

a. Executive Directors:

The details of remuneration paid to Executive Directors viz. Sh. V. P. Mahendru, Sh. P. K. Ranade and Sh. Vinay Mahendru are as follows:

Remunerations paid to Executive Directors during 2010-2011

Remunerations paid to Executive Directors during 2010-2011

Sr. No.	Name	Salary & Perquisites Rs.	Commission Rs.	Total Rs.	Period (3 Years w.e.f.)	Severance fees
1.	Sh. V. P. Mahendru	44,82,438	—	44,82,438	24.06.2010	—
2.	Sh. P. K. Ranade	43,87,820	—	43,87,820	24.06.2010	—
3.	Sh. Vinay Mahendru	38,72,415	—	38,72,415	24.06.2010	—
Total		127,42,673	—	127,42,673		

The salary and perquisites include all elements of remuneration i. e. salary and other allowances and benefits including contribution to Provident Fund. The Company does not pay any performance links incentives to any of the above Directors. The Company has so far not issued any stock options to Directors.

b. Non-Executive Directors

The details of the remuneration paid to non-executive directors towards sitting fees for attending the meetings of the Board of Directors and Committees thereof within the limits prescribed under the Companies Act, 1956 during the financial year 2010-11 are given below.

Non-Executive Directors	Sitting Fee (Rs.)
Mr. R.C. Bansal	76000
Dr. Sai Ramachandran	92000
Mr. A.K. Ghosh	60000

5. Shareholders/Investors' Grievances Committee and Share Transfer Committee.

The Board of Directors of the Company has constituted Shareholders/Investors' Grievances Committee comprising (1) Dr. Sai Ramachandran (Chairman) being Independent Non-Executive Director and (2) Sh. Vinay Mahendru being Executive Director. The Committee monitors redressal of investors' grievances.

The Share Department of the Company and the Registrar and Share Transfer Agent, Alankit Assignments Ltd., Delhi, attend all grievances / correspondence expeditiously of the shareholders' and Investors' received directly or through SEBI, Stock Exchanges, Department of Company Affairs, Registrar of Companies, etc. Usually a reply is sent within 15 days of receipt of letter except in the cases that are constrained by dispute or legal impediment.

The Board has nominated Sh. Kumar Indramani, Company Secretary, as Compliance Officer.

The total number of complaints received and replied to the satisfaction of shareholders during the financial year 2010-11 under review was 13 Nos.

Sl. No.	Type of Complaint	No. of Complaints Received	Solved	Pending
1.	Dividend	7	7	---
2.	Annual Report	2	2	---
3.	General	4	4	---

Attendance of Members at the Meeting of the Investors Grievances Committee held during 2010-11:

Members	Meetings Held	Meetings Attended
Dr. Sai Ramachandran (Chairman)	4	4
Sh. Vinay Mahendru	4	4

Share Transfer Committee

The Share Transfer committee of the Company generally meets fortnightly for approving the requests received from shareholders for share transfers, transmission, issue of duplicate share certificates, etc.

Attendance of Members at the Meeting of the Share Transfer Committee held during 2010-11:

S.No.	Members	Designation	Meetings Held	Meetings Attended
1	Mr. P.K. Ranade, Joint Managing Director	Chairman	23	23
2	Mr. Rakesh Dhody, AVP(Legal) & Company Secretary*	Member	23	10
3	Mr. Kumar Indramani, Company Secretary	Member	23	23

* Mr. Rakesh Dhody, AVP (Legal) & Company Secretary had ceased to be employee of the Company with effect from 9th September, 2010 and hence also ceased to be the member of Share Transfer Committee.

6. General Body Meetings

(a) Details of the Annual General Meetings held and special resolutions passed in the last three years:

Year	Category	Date	Meeting Location	Time	Whether any Special Resolutions passed
2007-08	AGM	30.09.2008	51 Kms., G. T. Karnal Road, Murthal, District Sonapat, Haryana	9.30 A.M.	No
2008-09	AGM	30.09.2009	Same as Above	9.30 A.M.	No
2009-10	AGM	09.09.2010	Same as Above	9.00 A.M.	No

(b) Details of the Extra Ordinary General Meetings held and special resolutions passed in the last three years:

Year	Category	Date	Meeting Location	Time	Whether any Special Resolutions passed
2008-09	EGM	02.04.2008	51 Kms, G.T. Karnal Raod, Murthal Dist- Sonapat, Haryana	9.00 A.M.	Yes
2009-10	EGM	25.01.2010	Same as above	9.00 A.M.	Yes
2010-11	EGM	06.05.2010	Same as above	9.00 A.M.	Yes

Postal Ballot:

During the year, consent of the members of the Company was sought by Ordinary/Special Resolution, through postal ballot as under:

(c) Resolution passed through Postal Ballot announced on 30th August, 2010:

Ordinary Resolution – to convey, transfer, assign or otherwise dispose of its Switchgear Business together with their respective assets and liabilities in the manner set out in the Business Transfer Agreement dated 22nd July, 2010 between the Company and Legrand France, S.A as a going concern on a slump sale basis for a consideration of Rupees 495 crores on a cash and debt free basis, as set out in the Business Transfer Agreement and subject to the fulfillment of the terms and conditions and provisions set forth in the Business Transfer Agreement under Section 293(1)(a) of the Companies Act, 1956.

Postal ballot was conducted as per Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001. Mr. Manish Ranjan, a practicing Company Secretary was appointed as Scrutinizer in the above mentioned resolution. The above mentioned resolution was passed by majority of the Shareholders voting in favour of the resolution.

(d) Resolution passed through Postal Ballot announced on 17th November, 2010

Special Resolution - for Shifting of the Registered office of the Company from the State of Haryana to State of Uttarakhand in accordance with Section 17 of the Companies Act, 1956.

Postal ballot was conducted as per Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001. Mr. Manish Ranjan, a practicing Company Secretary was appointed as Scrutinizer in the above mentioned resolution. The above mentioned resolution was passed by majority of the Shareholders voting in favour of the resolution.

However, the Decision to shift the registered office of the Company from the State of Haryana to State of Uttarakhand has been kept in abeyance by the Board.

Procedure for Postal Ballot

After receiving the approval of the Board of Directors, the Notice, Explanatory Statement alongwith the Postal Ballot Form and reply paid self addressed envelope, were dispatched to the members to enable them to consider and vote for or against the proposals within a period of 30 days from the date of dispatch. After the last date of receipt of Postal Ballot, the Scrutinizer, after due verification, submitted his report. Thereafter, the results of the Postal Ballot were declared by the Chairman. The same were posted on the website of the Company and at the Registered Office of the Company. Necessary intimation relating to the voting by Postal Ballot was sent in time to the Stock Exchanges where the Company's shares are listed.

7. Subsidiary Company Information

During the financial year 2010 -11, IAFL Cables Ltd.(formerly Indo Asian Cables Ltd.) which is an unlisted company, has become a wholly owned subsidiary of the Company.

There was no material Subsidiary as on 31.03.2011. Details of transactions with subsidiary are given in Note No. 21 of Schedule of Notes on Accounts.

8. Disclosures

- No transaction of material nature has been entered into by the Company with its Directors or Management and their relatives, etc. that may have a potential conflict with the interests of the Company;
- The Register of Contracts/statement of related party transactions, is placed before the Board/Audit Committee regularly;
- Transactions with related parties are disclosed in Schedule 18 to the Accounts in the Annual Report;
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges or any other statutory authority does not arise.

Compliance with Mandatory / Non-mandatory Requirements

- The Company has complied with all the applicable mandatory requirements of Clause 49 of the Listing Agreement.
- The Company has also adopted the non-mandatory requirements as specified in Annexure 1D to Clause 49 of the Listing Agreement regarding constitution of remuneration committee.

9. Means of Communication

- The quarterly and annual financial results of the Company are published in "The Financial Express" all editions and Jansatta (Hindi Edition, Delhi). The Company regularly intimates un-audited and audited financial results to the Stock Exchanges immediately after the same are taken on record by the Board.
- The Company's Financial Results and official press releases are displayed on the Company's web site www.indoasian.com

14 Annual Report 2011

10. **General Shareholders Information**

i. **Date, Time & Venue of the Annual General Meeting.**

The Twenty Second Annual General Meeting will be held on Saturday, the 11th day of June, 2011 at 9.00 A.M at 51 Kms., G. T. Karnal Road, Murthal, District – Sonapat, Haryana - 131027.

ii. **Financial Calendar**

First Quarter Results	:	Second Week of August 2011
Second Quarter Results	:	Second Week of November 2011
Third Quarter Results	:	Second Week of February 2012
Fourth Quarter Results & Annual Results	:	Second Week of May 2012

iii. **Date of Book Closure**

From 7th June, 2011 to 11th June, 2011(both days inclusive).

iv. **Dividend Payment Date**

During the Financial year 2010-11, the Board in its meeting held on 11th October, 2010 declared a Special Interim Dividend @ 100% i.e. Rs.10/- per equity share and record date 21st October, 2010 was fixed for the aforesaid purpose.

v. **Listing on Stock Exchanges**

1. Bombay Stock Exchange Limited

25th Floor, P. J. Towers, Dalal Street, Mumbai – 400 001.

Telephone : 022-2272-1233-1234

Facsimile : 022-2272-2082/3132

The Company has paid listing fee to The Stock Exchange, Mumbai for the financial years 2010-11 & 2011-12.

2. National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla

Complex, Bandra (E),

Mumbai – 400001.

Telephone : 022-26598235/36

Facsimile : 022-26598237/38022-26598347/48

The Company has paid listing fee to National Stock Exchange of India Limited for the financial years 2010-11 & 2011-12.

vi. **Stock Code/ISIN Code**

The Bombay Stock Exchange Limited : **532658**

National Stock Exchange of India Ltd. : **INDOASIFU**

ISIN No. - NSDL : **INE076H01017**

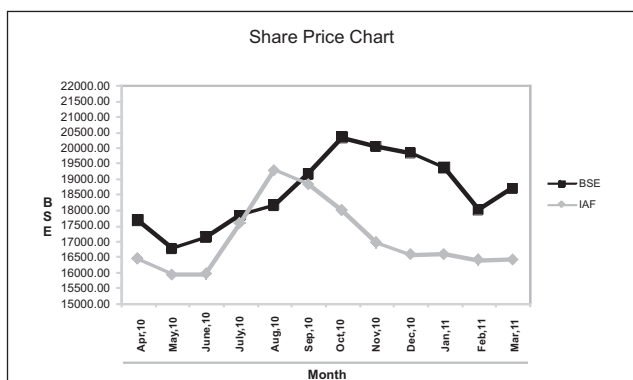
- CDSL : **INE076H01017**

vii. Stock Price and Volume

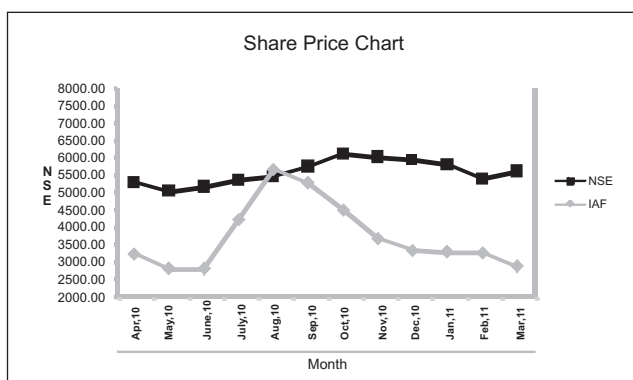
Monthly high and low quotation as also the volume of shares traded on The Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited, (NSE) from 1st April, 2010

2010 – 11	BSE			NSE		
	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)
April	90.85	70.00	1517447	90.95	70.30	1006507
May	77.90	61.65	196731	78.25	61.55	122463
June	77.75	62.30	760637	77.85	61.75	446997
July	138.65	71.35	3051756	138.45	72.00	2648340
August	160.40	122.25	1095236	160.35	122.95	842099
September	144.70	119.00	397860	145.00	118.25	325801
October	141.15	86.15	614519	140.40	84.65	837586
November	99.80	83.15	199964	100.20	83.80	214475
December	92.45	74.55	190523	92.00	74.25	269860
January	93.90	73.90	221864	93.40	70.55	261254
February	89.25	70.25	145224	89.90	73.35	172055
March	88.00	72.00	142991	83.00	60.00	247945

a. Stock Price Movement at BSE.



b. Stock Price Movement at NSE.



viii) Share Transfer System

The shares of the Company are traded in the compulsory dematerialized mode for all investors. The shares sent for transfer in physical form are registered within a fortnight (if in order and complete in all respects) and the share certificates are immediately returned to the shareholders. In respect of requests received for dematerialization of shares, the same is confirmed to the respective depositories i.e. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time. The Transfer Committee constituted by the Company is looking after all share transfers, which meets once in fortnight to consider and approve transfer of shares.

The Company has appointed M/s. Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extension, New Delhi – 110 055 as the Registrar and Transfer Agent (R&TA) of the Company for all aspects of investor servicing relating to shares

ix) Distribution of Shareholding as on 31st March, 2011

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share holding
Up to 500	14593	92.51	2171207	12.81
501 to 1000	606	3.84	498179	2.94
1001 to 2000	281	1.78	438890	2.59
2001 to 3000	87	0.55	219931	1.30
3001 to 4000	39	0.25	138143	0.81
4001 to 5000	30	0.19	139794	0.82
5001 to 10000	66	0.42	481365	2.84
10001 and above	72	0.46	12864119	75.89
Total	15774	100.00	16951628	100.00

x) Dematerialization of Shares and Liquidity

The shares of the Company are in Compulsory Demat mode and 90.46% of the Company's share capital is dematerialised as on 31st March 2011.

xi) Outstanding GDRs/ADRs/Warrants

The company had issued and allotted 890,000 Zero Coupon Convertible Warrants on preferential basis to the persons falling under promoter category at a price of Rs. 70/- on 20th May, 2010 in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. These warrants entitle the holders thereof to apply for and obtain allotment of one equity share of Rs. 10/- each at a premium of Rs. 60/-per share within a period of 18 months from the date of allotment.

Total 890,000 Warrants are outstanding on 31st March, 2011.

xii) Plant Locations:**Lighting Plant :**

Plot No. 10, Sector 4, SIDCUL, Ranipur, Haridwar, Uttarakhand.

Cable & Wires Plant:

Plot No. 10, Sector 4, SIDCUL, Ranipur, Haridwar, Uttarakhand.

Energy Meters Plant:

B-62, Sector- 83, Noida, Distt.-Gautam Budh Nagar, (U.P.) - 201305.

xiii) Investors Correspondence may be addressed to the Compliance Office of the Company:

To contact R&TA for all matters relating to Shares : M/s. Alankit Assignments Ltd. Tel : 011-41540060-63
2E/ 21, Alankit House, Fax: 011-41540064
Jhandewalan Extn., e-mail: alankit@alankit.com
New Delhi - 110 055.

For any other general matters relating to Dividends, Annual Reports or in case of any difficulty/ grievances : Sh. Kumar Indramani
Company Secretary
Indo Asian Fusegear Limited Tel: (0120) 3096811
B-88, Sector-83, Noida, Fax: (0120) 3096800
Distt. Gautam Budh Nagar, email:kumar.indramani@indoasian.com
U.P. 201 305 Website: www.indoasian.com

11. Auditors' Certificate on Corporate Governance

The Auditors' Certificate on Compliance of Clause 49 of the Listing Agreement relating to Corporate Governance forms Annexure to the Directors' Report.

12. Certificate from Chief Executive Officer/ Chief Financial Officer

Certificate from Sh V. P Mahendru, Chairman cum Managing Director and Sh. K. B. Satija, Asstt. Vice President (Corporate Finance) in terms of Clause 49(V) of the Listing Agreement with the Stock Exchange for the financial year ended March 31, 2011 was placed before the Board of Directors of the Company in its meeting held on April 19, 2011.

DECLARATION

Pursuant to Clause 49 of the Listing Agreement as amended, the Code of Conduct (Code) of the Company has been displayed at Company's website www.indoasian.com. All the members of the Board and the Senior Management personnel have affirmed compliance with the code for the year ended March 31, 2011.

(V. P. Mahendru)

Chairman Cum Managing Director

ANNEXURE "B" TO THE DIRECTORS' REPORT

AUDITORS' CERTIFICATE

TO THE MEMBERS OF INDOASIAN FUSEGEAR LIMITED.

We have examined the compliance of the conditions of Corporate Governance by Indo Asian Fusegear Limited for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of 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 the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

Rajesh Sethi

Partner

M. No. 85669

Firm Reg. No : 001111N

For and on behalf of

Place : Noida

Dated: 12th May, 2011

JC Bhalla & Co.

Chartered Accountants

ANNEXURE "C" TO THE DIRECTORS' REPORT

Information under 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 and forming part of the Directors' Report for the year ended 31st March, 2011.

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

A. CONSERVATION OF ENERGY

- I) Energy conservation measures taken:
 - Energy conservation measures have been implemented in the Works as well as in the Company's entire offices nation wide. Some of these include management of energy efficient resources, energy audit cells etc. These measures have resulted in cost savings for the Company.
- II) Additional investments and proposal, if any, being implemented for reduction of consumption of energy:
 - NIL
- III) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact of the cost of production of goods:
 - NIL

IV) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the Schedule thereto:

- NIL

B. TECHNOLOGY ABSORPTION

V) Efforts made in technology absorption as per Form B of the Annexure as follows:

1. Specific areas in which R&D carried out by the Company:
 - Continuous efforts are being made for integration of R&D activities with business needs so as to offer better value added products and services to our customers.
2. Benefits derived as a result of the above R&D:

Multifold benefits were accrued as a result of R&D activities. Apart from strengthening of technical base, benefits have also been reflected in terms of:

 - improvement in products reliability
 - Greater customer satisfaction
 - Improvement in quality
3. Future Plan of Action:-Continue efforts to improve products quality and features.
4. Expenditure on R&D:

	31.03.11	31.03.10
a) Capital	Nil	Nil
b) Recurring	Rs. 2,223,933/-	Rs. 4,621,272/-
c) Total	Rs. 2,223,933/-	Rs. 4,621,272/-
d) Total R & D expenditure as a percentage of total turnover	0.18%	0.19%

Technology absorption, adaptation and innovation:

- i) Efforts, in brief, made towards technology absorption, adaptations and innovation:
 - Efforts to improve productivity and reduce raw material, power and electricity consumption continue.
- ii) Benefits derived as a result of the above efforts:
 - Cost reduction.
- iii) In case of imported technology (imported during the last 5 years reckoned the beginning of the financial year), following information may be furnished: **NIL**
 - a) Technology imported: **NIL**
 - b) Year of import: **N/A**
 - c) Has technology been fully absorbed?: **N/A**
 - d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: **N/A**

C. FOREIGN EXCHANGE EARNING AND OUTGO

VI) Activities relating to exports:

- (a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for production and services; and export plans.

The Company has an independent International Division specifically to promote its exports business by way of exploring new markets for its products and availing the international opportunities that arise from time to time. Exhibitions, active participation in international fairs etc. are some effective measures taken by the Company in this regard.

- (b) Total foreign exchange used : **Rs. 26,414,460/-**
 Total foreign exchange earned : **Rs. 228,403,969/-**

on behalf of the Board of Directors

(V. P. Mahendru)
Chairman Cum Managing Director

Auditors' Report

To The Members of INDOASIAN FUSEGEAR LIMITED

We have audited the attached Balance Sheet of Indo Asian Fusegear Limited as at 31st March 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.

Further to our comments in the Annexure referred to in paragraph 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 purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement are in compliance with the mandatory Accounting Standards, referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable.
- e) On the basis of the written representations received from the Directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 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 together with the notes thereon and attached thereto 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 the case of Balance Sheet, of the state of affairs of the company as at 31st March 2011;
 - ii) in the case of Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Noida
Dated: 19th April, 2011

Rajesh Sethi
Partner
M. No. 85669
Firm Reg. No : 001111N
For and on behalf of
J C Bhalla & Co.
Chartered Accountants

Annexure to the Auditors' Report on the accounts of Indo Asian Fusegear Limited for the year ended 31st March, 2011 as referred to in paragraph 3 of our report of even date

- (I) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at the year-end. We are informed that no material discrepancies have been noticed by the management on such verification as compared with the record of fixed assets maintained by the Company.
- (c) Consequent upon the slump sale of its Switchgear business as stated in Note No. 23 of Schedule 18 of the Notes on Accounts, the Company has sold its fixed assets at Murthal (excluding Land and Building), Noida and Haridwar during the year covered by our report. According to the information & explanations given to us, the company has identified business opportunities which are futuristic in technology and have substantial growth prospects and where the available funds would be deployed. In view of the above, the going concern status of the company is not affected.
- (ii) (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventories lying with the third parties, these have substantially been confirmed by them. In our opinion frequency of verification is reasonable.
- (b) The procedures of physical verification of the inventory followed by the management are reasonable and adequate in relation to size of the Company and nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 3(b), (c) and (d) of the Order are not applicable to the Company for the current year.
- (b) The Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 3(f) and (g) of the Order are not applicable to the Company for the current year.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. The Company has not undertaken any service activity during the year. Further, in our opinion, there is no continuing failure to correct major weaknesses in internal control.
- (v) According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 during the year to be entered in the register maintained under that section. Accordingly commenting on transactions made in pursuance of such contracts or arrangements does not arise.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year within the meaning of Sec 58A & 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- (vii) The Company has an internal audit system commensurate with its size and nature of its business.
- (viii) On the basis of the records produced, we are of the opinion that, prima facie, the cost accounting records prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956 in respect of CFL and Wire units have been maintained by the Company. However, we are not required to and have not carried out any detailed examination of such records.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty and other statutory dues applicable to it and there are no undisputed liabilities as on 31st March 2011 outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the particulars of dues of Excise Duty matters as at 31st March 2011 which have not been deposited on account of any dispute are as follows:

Nature of Dues	Demand in Dispute (Rs.)	Amount deposited (Rs.)	Period to which amount relates	Forum where pending
Excise Duty including Penalty	1,810,652	515,000	August, 1998 to December, 1998	Central Excise and Service Tax Appellate Tribunal, New Delhi
Excise Duty including Penalty	10,450,866	2,500,000	2007-2008	Central Excise and Service Tax Appellate Tribunal, New Delhi
Excise Duty including Penalty	39,484,604	-	May, 2004 to September, 2004	Central Excise and Service Tax Appellate Tribunal, New Delhi
Excise Duty including Penalty	568,024	-	April, 2001 to August, 2004	Central Excise and Service Tax Appellate Tribunal, New Delhi
Total	52,314,146	3,015,000		

- (x) The Company has no accumulated losses as at March 31, 2011. The Company has not incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to information and explanations given to us, the provisions of any special statute applicable to chit fund, nidhi, mutual benefit fund, societies are not applicable to the Company. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has given Corporate guarantees of Saudi Riyals Five Million Five Thousand only to The Saudi British Bank, Riyadh, Saudi Arabia and Saudi Riyals Three Million Two Hundred Thousand only to Saudi Industrial Development Fund for securing the banking facilities extended by it to M/s Saudi National Lamps and Electricals Company Limited, a Joint Venture Company in which the Company is having 20% ownership interest. The terms and conditions thereof are not prejudicial to the interest of the Company.
- (xvi) According to the information and explanations given to us, on an overall basis, term loans have been applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any funds raised from short-term sources towards long-term investments.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of shares to parties covered in the register maintained under Section 301 of the Companies Act, 1956. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not made any public issue during the year.
- (xxi) During the course of examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Place : Noida
Dated: 19th April, 2011

Rajesh Sethi
Partner
M. No. 85669
Firm Reg. No : 001111N
For and on behalf of
J C Bhalla & Co.
Chartered Accountants

INDO ASIAN FUSEGEAR LIMITED
Balance Sheet as at 31st March, 2011

Particulars	Schedule	31.03.11 Rs	31.03.10 Rs
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	1	169,516,280	171,066,280
Share Warrants (Refer Note 13 of Schedule 18)		15,575,000	10,562,500
Reserves & Surplus	2	3,501,734,387	1,038,564,218
LOAN FUNDS			
Secured Loans	3	3,920,927	1,203,296,614
Unsecured Loans	4	-	20,227,475
DEFERRED TAX LIABILITY (NET)		-	4,049,554
(Refer Note 28 of Schedule 18)			
		<u>3,690,746,594</u>	<u>2,447,766,641</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	579,897,685	1,074,848,496
Less: Depreciation		243,619,998	459,970,697
Net Block		<u>336,277,687</u>	<u>614,877,799</u>
Capital Work In Progress		<u>34,800,930</u>	<u>108,441,118</u>
		<u>371,078,617</u>	<u>723,318,917</u>
Pre-operative Expenditure Pending Allocation	6	-	-
INVESTMENTS	7	2,964,008,635	118,662,351
CURRENT ASSETS, LOAN & ADVANCES			
-Inventories		126,169,899	636,161,028
-Sundry Debtors		155,733,029	1,209,692,675
-Cash and Bank Balances		118,935,834	89,554,655
-Loans and Advances		<u>901,251,702</u>	<u>1,302,090,464</u>
		<u>1,302,090,464</u>	<u>367,827,690</u>
LESS: CURRENT LIABILITIES & PROVISIONS	9		
-Liabilities		90,911,486	566,407,364
-Provisions		<u>855,519,636</u>	<u>946,431,122</u>
		<u>946,431,122</u>	<u>131,043,311</u>
NET CURRENT ASSETS		<u>355,659,342</u>	<u>1,605,785,373</u>
		<u>3,690,746,594</u>	<u>2,447,766,641</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	18		

As per our report of even date annexed.

Rajesh Sethi
Partner
Membership No. 85669
Firm Reg. No. 001111N

Kumar Indramani
Manager (Legal) &
Company Secretary

K. B. Satija
Asstt. Vice President
Corporate Finance

P. K. Ranade
Joint Managing
Director

V. P. Mahendru
Chairman - Cum
Managing Director

for & on behalf of
J. C. Bhalla & Co.
Chartered
Accountants

Place : Noida
Dated : 19th April, 2011

INDO ASIAN FUSEGEAR LIMITED
Profit & Loss Account for the Year Ended 31st March, 2011

Particulars	Schedule	31.03.11 Rs	31.03.10 Rs
INCOME			
Gross Sales and Operating Revenues	10	1,229,980,454	2,350,588,508
Less : Excise Duty		23,891,938	49,254,823
Net Sales and Operating Revenues		<u>1,206,088,516</u>	<u>2,301,333,685</u>
Other Income	11	112,393,088	111,360,129
		<u>1,318,481,604</u>	<u>2,412,693,814</u>
EXPENDITURE			
Material Cost	12	771,339,223	1,277,445,818
Manufacturing Expenses	13	104,104,630	189,863,037
Administration & Other Expenses	14	557,647,893	487,143,432
Selling & Distribution Expenses	15	207,790,559	181,466,995
Financial Expenses	16	73,118,462	179,154,483
Depreciation (*) ¹		52,580,707	70,020,735
		<u>1,766,581,474</u>	<u>2,385,094,500</u>
(Less)/Add : Net (Increase)/Decrease in Finished Goods and Work-in-Progress	17	71,911,332	(11,606,972)
		<u>1,838,492,806</u>	<u>2,373,487,528</u>
Profit / (Loss) before Extraordinary Items		<u>(520,011,202)</u>	39,206,286
Extraordinary Items (Refer Note 23 of Schedule 18)		3,951,311,732	-
Profit before Tax		<u>3,431,300,530</u>	39,206,286
Less : Income Tax Expense			
- Current Tax		805,000,000	7,675,000
- Deferred Tax		(4,049,554)	2,873,842
- Wealth Tax		306,144	42,134
- Excess Provision for Tax for earlier years		(4,794,705)	-
- Wealth Tax Paid for earlier years		-	99,432
Profit after Tax		<u>2,634,838,645</u>	28,515,878
Brought forward from Previous Year		32,900,106	59,384,228
Profit Available for Appropriation		<u>2,667,738,751</u>	<u>87,900,106</u>
Appropriation:			
General Reserve		2,000,000,000	55,000,000
Special Interim Dividend on Equity Shares		169,516,280	-
Preference Dividend paid		1,000,000	-
Arrears of Preference Dividend paid		4,000,000	-
Tax on Dividend		28,984,973	-
Balance transferred to Balance Sheet		464,237,498	32,900,106
		<u>2,667,738,751</u>	<u>87,900,106</u>
Earnings Per Share (Refer Note No.27 of Schedule 18)			
Basic and Diluted EPS before Extraordinary Items			
- Basic		(30.96)	1.79
- Diluted		(30.96)	1.78
Basic and Diluted EPS after Extraordinary Items			
- Basic		159.16	1.79
- Diluted		157.43	1.78
(Face Value of Rs 10/- each)			
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	18		

(*) Net of Rs.1,967,223/- (Previous year Rs. 3,407,112/-) transferred from Merger Adjustment Account
 As per our report of even date annexed.

Rajesh Sethi
 Partner
 Membership No. 85669
 Firm Reg. No. 001111N

Kumar Indramani
 Manager(Legal) &
 Company Secretary

K. B. Satija
 Asstt. Vice President
 Corporate Finance

P. K. Ranade
 Joint Managing
 Director

V. P. Mahendru
 Chairman - Cum
 Managing Director

for & on behalf of
 J. C. Bhalla & Co.
 Chartered
 Accountants

Place : Noida
 Dated : 19th April, 2011

Cash Flow Statement for the Year Ended 31st March, 2011

Particulars	31.03.11 (Rs.)	31.03.10 (Rs.)
A. Cash Flow from Operating Activities		
Net Profit before tax and extra ordinary items	(520,011,202)	39,206,286
Adjustments for :		
Depreciation / Amortisation	52,580,707	70,020,735
Interest Income	(6,756,788)	(2,348,804)
Dividend Income	(62,903,984)	-
Interest Charged	79,875,250	181,503,287
Loss/(Profit) on sale of Fixed Assets	(15,924,021)	(94,273,467)
Loss/(Profit) on sale of Investments	5,665,000	-
Provision for Doubtful Debts	161,228,843	-
Provisions no longer required written back	(246,188)	-
Operating profit before Working Capital Changes	(306,492,383)	194,108,037
Adjustments for :		
Trade and Other Receivables	190,756,484	(39,504,819)
Inventories	54,623,605	(47,055,257)
Trade payables and Other Liabilities	(111,744,924)	(42,938,742)
Cash generated from Operations	(172,857,218)	64,609,219
Direct Taxes Paid	(791,174,680)	(9,999,032)
Net Cash from Operating Activities	(964,031,898)	54,610,187
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(30,179,981)	(99,084,424)
Sale of Fixed Assets	31,257,143	177,746,346
Pre-operative Expenditure pending allocation	-	21,241,334
Purchase of Investments	(4,028,510,284)	(8,366,000)
Sale of Investments	1,283,275,000	-
Amount received on Slump Sale	5,300,000,000	-
Expenses incurred on Slump Sale	(162,602,560)	-
Interest Received	6,432,019	2,552,761
Dividend Received	62,903,984	-
Net Cash used in Investing Activities	2,462,575,321	94,090,017
C. Cash Flow from Financing Activities		
Proceeds from Issuance of Share Warrants / Capital	47,262,500	50,562,500
Proceeds from Borrowings	1,000,000	45,706,093
Repayment of Borrowings	(1,216,836,581)	(107,178,211)
Interest Paid	(87,086,910)	(180,170,582)
Redemption of Preference Share Capital	(10,000,000)	-
Preference Dividend Paid	(5,000,000)	-
Special Interim Dividend Paid	(169,516,280)	-
Tax on Dividend Paid	(28,984,973)	-
Net Cash from Financing Activities	(1,469,162,244)	(191,080,200)
Net (Decrease)/Increase in Cash & Cash Equivalents	29,381,179	(42,379,996)
Cash & Cash Equivalents at start of the year	89,554,655	131,934,651
Cash & Cash Equivalents at close of the year	118,935,834	89,554,655

Cash and cash equivalents include Rs.74,267,036/- (Previous Year Rs Rs.1,884,683/-) on account of Margin Money which is held for more than three months and is not available for use by the Company.

As per our report of even date annexed

Rajesh Sethi Partner Membership No. 85669 Firm Reg. No. 001111N	Kumar Indramani Manager(Legal) & Company Secretary	K. B. Satija Asstt. Vice President Corporate Finance	P. K. Ranade Joint Managing Director	V. P. Mahendru Chairman - Cum Managing Director
--	--	--	--	---

for & on behalf of
J.C. Bhalla & Co.
Chartered Accountants

Place : Noida
Dated : 19th April, 2011

**SCHEDULE-1
 SHARE CAPITAL**

Particulars	31.03.11 Rs	31.03.10 Rs
AUTHORISED		
19,000,000 (Previous year 19,000,000) Equity Shares of Rs.10/- each	190,000,000	190,000,000
6,000,000 (Previous year 6,000,000) Preference Shares of Rs.10/- each	60,000,000	60,000,000
	250,000,000	250,000,000
ISSUED, SUBSCRIBED & PAID UP		
16,951,628 (Previous year 16,106,628) Equity Shares of Rs 10/-each fully paid up	169,516,280	161,066,280
Of the above Shares 14,276,100 (Previous year 14,276,100) shares are allotted as fully paid up under the Scheme of Arrangement without payments being received in cash.		
Of the above Shares 280,528 (Previous year 280,528) Shares are allotted as fully paid up upon the conversion of 8% Convertible Preference Shares allotted to the Equity Shareholders of erstwhile Indo Kopp Limited under the Scheme of Arrangement.		
Nil (Previous year 1,000,000) 10% Cumulative Redeemable Preference Shares of Rs.10/-each fully paid up (allotted as fully paid up under the Scheme of Arrangement without payments being received in cash) (Refer Note 20 of Schedule 18)	-	10,000,000
Total	169,516,280	171,066,280

**SCHEDULE-2
 RESERVES AND SURPLUS**

Particulars	31.03.11 Rs	31.03.10 Rs
CAPITAL RESERVE		
Balance as per last Balance Sheet	36,891,000	12,191,000
Addition during the year	-	24,700,000
	36,891,000	36,891,000
SECURITIES PREMIUM ACCOUNT		
Balance as per last Balance Sheet	219,890,220	187,890,220
Addition during the year	33,800,000	32,000,000
	253,690,220	219,890,220
GENERAL RESERVE		
Balance as per last Balance Sheet	707,274,702	652,274,702
Add: Amount transferred from Profit and Loss Account	2,000,000,000	55,000,000
	2,707,274,702	707,274,702
MERGER ADJUSTMENT ACCOUNT		
Balance as per last Balance Sheet	41,608,190	45,015,302
Less: Amount transferred from Profit and Loss Account	1,967,223	3,407,112
	39,640,967	41,608,190
PROFIT AND LOSS ACCOUNT		
Balance as per Profit and Loss Account	464,237,498	32,900,106
Total	3,501,734,387	1,038,564,218

**SCHEDULE-3
SECURED LOANS**

Particulars		31.03.11 Rs	31.03.10 Rs
Banks			
-Cash Credit		-	766,092,339
Term Loans			
- Karnataka Bank Limited	-	17,999,443	
- Punjab National Bank	-	353,000,000	
- State Bank of India - I	-	12,499,500	
- State Bank of India - II	-	18,584,737	
- State Bank of Patiala	-	24,430,126	
- Interest accrued and Due	-	3,766,581	430,280,387
Vehicle Loans			
- From Banks	3,496,741	5,702,516	
- From Others	424,186	1,221,372	6,923,888
Total		3,920,927	1,203,296,614

Notes :

- Cash Credit facility from Banks was secured primarily against hypothecation by way of pari-passu charge on entire present and future current assets of the Company and collaterally by second pari-passu charge over Company's immovable properties situated at Murthal, Noida, Jalandhar and Haridwar together with all buildings and structure thereon and all plant and machinery therein or to be therein and personally guaranteed by three Directors of the Company.
- Term Loans from Punjab National Bank and State Bank of India -II were secured by pari-passu first charge over the Company's immovable properties situated at Murthal, Noida, Jalandhar and Haridwar together with all buildings and structure thereon and or to be thereon and all Plant and Machinery attached to the earth or any thing permanently fastened to any thing attached to the earth and personally guaranteed by three Directors of the Company.
- Term Loans from Other Banks were secured by pari-passu first charge over the Company's immovable properties situated at Murthal, Noida, Jalandhar and Haridwar together with all buildings and structure thereon and or to be thereon and all Plant and Machinery attached to the earth or any thing permanently fastened to any thing attached to the earth.
- During the year the Company has repaid the entire amount of Cash Credit facility and Term Loans availed by it from Banks out of the proceeds received on Slump Sale of Switchgear Business. The charge of respective Banks over the assets hypothecated to them has also been released.
- Vehicle Loans from Banks and Others are secured by way of hypothecation of vehicles.
- Secured loans falling due for repayment within one year Rs.2,310,217/- (Previous year Rs.126,137,359/-).

**SCHEDULE-4
UNSECURED LOANS**

Particulars		31.03.11 Rs	31.03.10 Rs
Fixed Deposits			
a) Directors		-	1,474,563
b) Members		-	695,662
c) Others		-	18,057,250
(Due within one year Nil, Previous year Rs.4,084,206/-)			
Total		-	20,227,475

**SCHEDULE-5
FIXED ASSETS**

S. No.	Assets	Gross Block				Depreciation/ Amortisation				Net Block		
		As At	Additions	Sale/Adjustment	As At	As At	For The	Adjustment	Upto	As At	As At	
		01.04.10	On account of	Others	31.03.11	01.04.10	Year	On account of	31.03.11	31.03.11	31.03.10	31.03.10
	Intangible Assets											
1	Computer Software	13,571,299	1,732,500	-	572,000	3,836,069	1,323,042	4,873,307	-	285,804	286,196	9,735,230
	Tangible Assets											
1	Land - Lease Hold	78,033,867	-	66,781,777	11,252,090	5,683,956	218,798	5,212,216	-	690,538	10,561,552	72,349,911
2	Land - Free Hold	64,411,200	-	-	64,411,200	-	-	-	-	-	64,411,200	64,411,200
3	Building	205,967,739	55,949,190	147,940,829	113,976,100	78,444,819	9,934,675	(*)36,622,199	-	51,757,295	62,218,805	127,522,920
4	Lease Hold Improvements	9,301,242	-	-	9,301,242	4,287,898	1,860,248	-	-	6,146,146	3,153,096	5,013,344
5	Plant & Machinery	578,765,816	6,137,985	258,002,411	296,626,793	282,171,116	31,713,189	149,716,448	15,217,050	148,950,807	147,675,986	296,594,700
6	Furniture & Fixtures	30,729,284	1,450,319	18,288,267	13,811,225	18,866,201	2,300,817	12,814,616	50,264	8,302,138	5,509,087	11,863,083
7	Office Equipments	10,073,036	479,719	6,726,335	3,796,324	6,477,049	439,951	4,683,678	14,939	2,218,383	1,577,941	3,595,987
8	Fans Coolers & A.C.	13,285,468	530,210	7,666,328	6,063,693	6,893,217	750,364	4,865,095	39,096	2,739,390	3,324,303	6,392,251
9	Vehicles	25,117,253	26,397,684	2,614,276	48,900,661	16,252,844	3,703,311	2,364,155	-	17,592,000	31,308,661	8,864,409
10	Computers	38,279,346	2,935,059	35,230,379	5,984,026	33,173,322	1,638,890	31,446,437	-	3,365,775	2,618,251	5,106,024
11	Electrical Fittings	7,312,946	3,543,117	5,343,093	5,202,331	3,884,206	664,645	2,852,500	126,629	1,569,722	3,632,609	3,428,740
TOTAL		1,074,848,496	99,155,783	563,325,494	30,781,100	579,997,685	459,970,697	54,547,930	255,450,651	15,447,978	336,277,687	614,877,799
	Capital Work in Progress										34,800,930	108,441,118
GRAND TOTAL		1,074,848,496	99,155,783	563,325,494	30,781,100	579,997,685	459,970,697	54,547,930	255,450,651	15,447,978	371,078,617	723,318,917
AS AT 31.03.10		1,062,642,265	126,871,103	-	114,664,872	1,074,848,496	417,734,843	73,427,847	-	31,191,993	459,970,697	614,877,799

Notes :

- (*) Includes Rs.1,967,223/- (Previous year Rs.3,407,112/-) transferred to Merger Adjustment Account.
- Additions to fixed assets includes Nil (Previous year Rs. 325,085/-) on account of capitalisation of Borrowing Costs.
- Capital Work in Progress includes capital advances of Rs.41,56,500/- (Previous year Rs.68,115,058/-).

**SCHEDULE-6
PRE-OPERATIVE EXPENDITURE PENDING ALLOCATION**

Particulars	31.03.11 Rs	31.03.10 Rs
Opening Balance (A)	-	21,241,334
Additions During the year		
MATERIAL COST		
- Opening Stock	-	2,215,039
- Add Purchases	-	1,765,502
Freight Inward, Cartage & Octroi	-	43,964
- Less Closing Stock	-	2,541,122
Sub-Total (B)	-	1,483,383
MANUFACTURING EXPENSES		
- Testing Charges	-	228,011
- Job Work Charges	-	117,785
Sub-Total (C)	-	345,796
ADMINISTRATION AND OTHER EXPENSES		
- Salary	-	1,508,883
- P.F. Contribution and Administration Charges	-	80,003
- ESI Contribution	-	17,051
- Travelling & Conveyance	-	152,360
- Employees Welfare and training expenses	-	42,753
- Printing and Stationery	-	9,232
- Postage, Telegram & Telephone	-	9,238
- Other Repairs	-	26,962
- Medical Expenses	-	40,647
- Miscellaneous Expenses	-	84,918
- Legal & Professional Charges	-	346,300
Sub-Total (D)	-	2,318,347
FINANCIAL EXPENSES		
- Bank Charges	-	13,776
Sub-Total (E)	-	13,776
Total (A+B+C+D+E)	-	25,402,636
Less : Other Income	-	1,606,260
Total	-	23,796,376
Less : Allocated to Fixed Assets	-	21,031,978
Charged to Profit & Loss Account	-	2,764,398
Total Amount Carried to Balance Sheet	-	-

**SCHEDULE-7
INVESTMENTS**

Particulars	31.03.11 Rs	31.03.10 Rs
LONG TERM INVESTMENTS		
Non Trade Investments		
Investment in Shares - Unquoted		
Hausmann Elektrik Pvt. Ltd. : Nil (Previous Year 440,000) Equity Shares of Rs.10/- each fully paid up	-	4,400,000
IAFL Power Distribution & Infrastructure (P) Ltd. (Formerly Indo Asian Power Distribution & Infrastructure (P) Ltd.) Nil (Previous Year 165,000) Equity Shares of Rs.10/- each fully paid up	-	1,650,000
IAFL Power Distribution & Infrastructure (P) Ltd. (Formerly Indo Asian Power Distribution & Infrastructure (P) Ltd.) 2,650,000 (Previous Year Nil) 10% Convertible Preference Shares of Rs.10/- each fully paid up	26,500,000	-

Contd.

Particulars	31.03.11 Rs	31.03.10 Rs
Investment in Subsidiary Company		
IAFL Cables Ltd.(Formerly Indo Asian Cables Limited) 8,640,000 (Previous Year 50,000) Equity Shares of Rs.10/- each fully paid up	86,400,000	500,000
Investment in Joint Ventures		
Saudi National Lamps and Electricals Company Ltd 40,000 (Previous Year 40,000) Cash Shares of Saudi Riyals 50 each fully paid up	25,732,351	25,732,351
Indo Simon Electric Private Limited (Formerly Indo Asian Simon Private Limited) 10,598,050 (Previous Year 8,638,000) Equity Shares of Rs.10/- each fully paid up	105,980,500	86,380,000
Investment in Units of Mutual Funds-Unquoted		
BNP Paribas Fixed Term Fund - Growth 10,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	100,000,000	-
HDFC Monthly Income Plan - Long Term - Growth 4,366,259 (Previous Year Nil) Units of Face Value of Rs.10/- each	100,000,000	-
ICICI Prudential FMP Series 54-24 Months Plan Cumulative 8,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	80,000,000	-
ICICI Prudential Interval Fund Plan-IV Cumulative 17,157,515 (Previous Year Nil) Units of Face Value of Rs.10/- each	200,000,000	-
Reliance Fixed Horizon Fund-XVII Series 13 Growth Plan 14,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	140,000,000	-
Reliance Monthly Income Plan - Growth Plan 10,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	100,000,000	-
State Bank of India Debt Fund Series-370 Days Growth 50,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	500,000,000	-
State Bank of India Debt Fund Series-370 Days Growth 20,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	200,000,000	-
Kotak FMP 370 Days Series 9 - Growth 20,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	200,000,000	-
CURRENT INVESTMENTS		
Non Trade Investments		
Investment in Units of Mutual Funds-Unquoted		
State Bank of India Debt Fund Series-90 Days Dividend 20,000,000 (Previous Year Nil) Units of Face Value of Rs.10/- each	200,000,000	-
SBI SHF Ultra Short Term Institutional Plan Daily Dividend 89,885,647 (Previous Year Nil) Units of Face Value of Rs.10/- each	899,395,784	-
Total	2,964,008,635	118,662,351
Aggregate value of Investments		
- Quoted	-	-
- Unquoted	244,612,851	118,662,351
- Mutual Funds	2,719,395,784	-

30 Annual Report 2011

Contd.

-Investments purchased and sold during the year

Mutual Fund Units	Face Value (Rs)	Numbers	Cost (Rs)
SBI Magnum Insta Cash Fund - Daily Dividend Option	10	232,319,152	3,891,415,490
SBI-SHF-Ultra Short Term Fund-Institutional Plan-Daily Dividend	10	402,047,771	4,832,890,000
SBI-Debt Fund Series-90 Days-35-Dividend	10	150,000,000	1,500,000,000
SBI-Debt Fund Series-90 Days-36-Dividend	10	14,000,000	140,000,000

SCHEDULE-8

CURRENT ASSETS, LOANS AND ADVANCES

Particulars	31.03.11 Rs	31.03.10 Rs
A. INVENTORIES:		
(As per inventory taken, valued and certified by the Management)		
i. Raw Material	30,956,171	134,769,201
ii. Work in Progress	5,990,183	312,261,971
iii. Finished Goods	89,223,545	189,129,856
	<u>126,169,899</u>	<u>636,161,028</u>
B. SUNDRY DEBTORS:		
(Unsecured Considered good unless otherwise stated)		
i. Exceeding six months	53,539,867	422,361,922
ii. Other Debts	102,193,162	787,330,753
	<u>155,733,029</u>	<u>1,209,692,675</u>
C. CASH AND BANK BALANCES		
i. Cash in Hand	722,731	870,031
ii. Cheques in Hand	9,964,747	37,014,451
iii. Balance with Scheduled Banks in :		
- Current Account	33,360,754	29,093,575
- Fixed Deposits	620,566	20,691,915
- Margin Money (Against Bank Guarantees & Letters of Credit)	74,267,036	1,884,683
	<u>108,248,356</u>	<u>51,670,173</u>
	<u>118,935,834</u>	<u>89,554,655</u>
D. LOANS AND ADVANCES		
(Unsecured Considered good unless otherwise stated)		
i. Advances recoverable in cash or kind or for value to be received (*)	59,692,235	253,332,909
ii. Security Deposit	3,360,783	8,853,273
iii. Advance Income Tax	837,577,319	91,776,123
iv. Advance Excise Duty & Custom Duty	621,365	13,226,364
v. Advance Service Tax	-	639,021
(*) (including Rs.278,86,811/- lacs (Previous Year Nil) due from Indo Simon Electric Pvt. Ltd. a Joint Venture Company)	901,251,702	367,827,690
Total	<u>1,302,090,464</u>	<u>2,303,236,048</u>

**SCHEDULE-9
 CURRENT LIABILITIES AND PROVISIONS**

Particulars	31.03.11 Rs	31.03.10 Rs
A. CURRENT LIABILITIES:		
1. Sundry Creditors		
- Micro, Small and Medium Enterprises (Refer Note - 16 of Schedule-18)	-	526,530
- Others	46,697,453	420,789,761
2. Advances from Customers	1,771,633	347,692
3. Security Deposits	5,061,725	12,705,459
4. Other Liabilities	33,822,585	132,037,922
5. Unpaid Dividend	3,558,090	-
(A)	<u>90,911,486</u>	<u>566,407,364</u>
B. PROVISIONS:		
1. Provision for Taxation	846,873,391	91,735,436
2. Provision for Gratuity	6,653,837	28,788,547
3. Provision for Compensated Absences	1,467,290	7,488,743
4. Provision for Excise Duty on Finished Goods	525,118	3,030,585
(B)	<u>855,519,636</u>	<u>131,043,311</u>
Total(A+B)	<u>946,431,122</u>	<u>697,450,675</u>

**SCHEDULE-10
 GROSS SALES AND OPERATING REVENUES**

Particulars	31.03.11 Rs	31.03.10 Rs
A. SALES		
-Domestic	1,025,025,993	1,865,312,595
-Export	201,362,733	469,674,556
GROSS SALES	<u>1,226,388,726</u>	<u>2,334,987,151</u>
B. OPERATING REVENUES		
-Export Incentives	3,591,728	15,601,357
Total	<u>1,229,980,454</u>	<u>2,350,588,508</u>

**SCHEDULE-11
 OTHER INCOME**

Particulars	31.03.11 Rs	31.03.10 Rs
Dividend on Non-Trade Current Investments	62,903,984	-
Profit on Sale of Fixed Assets (Net)	15,924,021	94,273,467
Rental Income	1,578,928	-
Provisions no longer required written back	246,188	-
Exchange Rate Difference	5,511,178	2,403,631
Miscellaneous Income	24,730,206	14,683,031
Sundry Balances Written Back	1,498,583	-
Total	<u>112,393,088</u>	<u>111,360,129</u>

**SCHEDULE-12
MATERIAL COST**

Particulars	31.03.11 Rs	31.03.10 Rs
A) Raw Material Consumed		
Opening Stock	134,769,201	99,320,916
Add: Purchases	691,483,115	1,222,644,250
Freight Inward, Cartage & Octroi	8,966,617	17,384,555
	<u>835,218,933</u>	<u>1,339,349,721</u>
Less: Material Transferred on Slump Sale	121,100,757	-
Less: Closing Stock	30,956,171	134,769,201
	<u>683,162,005</u>	<u>1,204,580,520</u>
B) Purchase of Trading Goods	88,177,218	72,865,298
Total	<u>771,339,223</u>	<u>1,277,445,818</u>

**SCHEDULE-13
MANUFACTURING EXPENSES**

Particulars	31.03.11 Rs	31.03.10 Rs
Wages & Bonus	46,431,601	100,506,800
Contribution to Provident Fund and Administration charges	3,393,021	4,896,218
ESI Contribution	1,464,201	1,915,516
Testing Charges	7,092,945	9,614,185
Power, Fuel and Electricity	18,386,969	28,296,877
Building Repairs	3,541,744	2,240,150
Machinery Repairs	7,181,615	9,896,651
Labour Work Charges	13,339,372	29,466,055
Excise Duty Provided on Finished Goods (including Rs.27,48,044/- on a/c of Material trfd on Slump Sale)	3,273,162	3,030,585
Total	<u>104,104,630</u>	<u>189,863,037</u>

**SCHEDULE-14
ADMINISTRATION AND OTHER EXPENSES**

Particulars	31.03.11 Rs	31.03.10 Rs
Salary & Bonus (including Rs.9,165,000/- paid to Directors, Previous year Rs.6,984,000/-)	190,890,073	262,499,893
P.F. Contribution and Admn. Charges (including Rs.273,600/- paid for Directors, Previous year Rs.298,800/-)	7,424,553	12,710,306
ESI Contribution	862,347	1,924,303
Rent (including Rs.3,485,514/- paid to Directors, Previous year Rs.4,605,500/-)	16,908,094	18,808,046
Rates and Taxes	3,782,539	3,995,314
Travelling and Conveyance	44,536,257	53,293,964
Employees welfare and training expenses	5,664,684	13,228,830
Printing and Stationery	2,982,972	4,613,360
Postage, Telegram & Telephone	8,565,588	13,584,703
Insurance (including Rs.59,382/- paid for Directors, Previous year Rs.58,237/-)	3,461,190	3,676,031
Other Repairs	6,378,925	10,547,681
Medical Expenses (including Rs.484,691/- paid for Directors, Previous year Rs.425,495/-)	4,400,846	5,977,339
Charity & Donation	605,500	18,151
Provision for Doubtful Debts	161,228,843	-
Bad Debts written off	49,266,372	31,222,940
Loss on Sale of Investments	5,665,000	-
Directors Sitting fees	228,000	200,000
Vehicle maintenance	3,646,423	5,018,434
Miscellaneous Expenses	12,417,344	15,519,698
Legal & Professional Charges	28,400,308	30,304,439
Exchange Rate Difference	332,035	-
Total	<u>557,647,893</u>	<u>487,143,432</u>

**SCHEDULE-15
 SELLING & DISTRIBUTION EXPENSES**

Particulars	31.03.11 Rs	31.03.10 Rs
Freight and Cartage Outwards	31,821,432	61,314,508
Advertisement	17,434,970	16,557,456
Selling Commission	8,375,150	8,260,964
Sales Discount	122,203,914	60,388,225
Business Promotion	26,672,000	31,481,698
Samples	1,025,131	3,283,840
Tender Charges	50,000	-
Turnover Tax	207,962	180,304
Total	207,790,559	181,466,995

**SCHEDULE-16
 FINANCIAL EXPENSES**

Particulars	31.03.11 Rs	31.03.10 Rs
INTEREST		
-Fixed Loan	22,374,028	57,509,352
-Others	52,036,314	108,112,064
Bank Charges	5,464,908	15,881,871
	<u>79,875,250</u>	<u>181,503,287</u>
Less: Interest received (Gross)	6,756,788	2,348,804
(Tax Deducted at Source Rs. 657,705/- previous year Rs. 270,099/-)		
Total	73,118,462	179,154,483

**SCHEDULE-17
 (INCREASE)/DECREASE IN FINISHED GOODS
 AND WORK IN PROGRESS**

Particulars	31.03.11 Rs	31.03.10 Rs
A) STOCK AT COMMENCEMENT		
Work in Progress	312,261,971	321,213,402
Finished Goods	<u>189,129,856</u>	<u>168,571,453</u>
		489,784,855
Less: Material Transferred on Slump Sale	<u>334,266,767</u>	-
	<u>167,125,060</u>	489,784,855
B) STOCK AT CLOSE		
Work in Progress	5,990,183	312,261,971
Finished Goods	<u>89,223,545</u>	<u>189,129,856</u>
		501,391,827
(Increase)/Decrease	71,911,332	(11,606,972)

SCHEDULE – 18**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE****A) SIGNIFICANT ACCOUNTING POLICIES :****1. Basis of preparation of Financial Statements :-**

The financial statements are prepared under the historical cost convention on the accrual basis of accounting, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

2. Fixed Assets :-**(a) Tangible Assets**

Fixed Assets are accounted at cost of acquisition (net of cenvat availed) inclusive of inward freight, duties, taxes and incidentals related to acquisition and installation including interest on loan taken for the acquisition of assets upto the date of commissioning of assets. Pre-operating expenses for major projects are also capitalised, wherever appropriate. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work-in-Progress

The revalued amounts of Fixed Assets revalued are presented in the Balance Sheet by restating the net book value by adding thereon the net increase on account of revaluation.

(b) Intangible Assets

Intangible Assets are stated at cost of acquisition. Costs relating to development of Computer Software are capitalized. Software expenses, other than development costs, are expensed off in the year they are incurred.

3. Depreciation / Amortisation :-

Depreciation is provided on pro-rata basis on W.D.V. method at the rates prescribed by Schedule XIV to the Companies Act, 1956 except Leasehold Improvements which are amortized over the period of Lease i.e. five years and Computer Software is amortized over a period of five years.

Premium on leasehold land is amortized over the period of lease.

100% depreciation is provided in respect of assets upto Rs.5,000/-.

Depreciation on the revalued portion of Fixed Assets is charged to the Merger Adjustment Account.

4. Inventories :-

Inventories are valued as under :-

- | | | |
|-------------------------|---|--|
| i) Raw Material | - | At lower of cost determined on FIFO basis or net realisable value. |
| ii) Work-in-Progress | - | At lower of cost or net realisable value. |
| iii) Finished Goods | | |
| - Manufactured | - | At lower of cost including excise duty or net realisable value. |
| - Bought out | - | At cost. |
| iv) Material in Transit | - | At cost. |

5. Revenue Recognition :-**Sales :**

Sale of goods is recognised at the point of despatch of finished goods to customers. Sales are inclusive of excise duty and exclusive of sales tax.

Investing and other Activities :

Income on account of interest and other activities are recognized on an accrual basis. Dividends are accounted for when the right to receive the payment is established.

6. Transactions in Foreign Currency :-

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency monetary items (including forward contracts) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items (including forward contracts) are recognized as income or expense in the year in which they arise .

The premium or discount arising at the inception of a forward contract, which are not intended for trading purpose, is amortised as expense or income over the life of the contract.

7. Employee Benefits

(a) Short Term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.

(b) Long Term Employee Benefits

(i) Defined Contribution Plan

Provident Fund and Employees' State Insurance Schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employees and the employer make monthly contributions to the plan at a pre-determined rate (presently 12.0%) of the Employees' Basic Salary and Dearness Allowance. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the Employees' State Insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Profit and Loss Account. The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined benefit plan

Leave Encashment – Liability on account of unavailed earned leave at the year end is provided as per the actuarial valuation according to Projected Unit Credit Method.

Gratuity – Liability on account of Gratuity at the year end is provided as per the actuarial valuation according to the Projected Unit Credit Method.

(iii) Actuarial gains or losses arising from such transactions are charged to revenue in the year in which they arise.

8. Borrowing Costs:-

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets upto the date when such assets are ready for intended use. Other Borrowing Costs are charged as an expense in the year in which these are incurred.

9. Investments :-

Long Term Investments are stated at cost after deducting provision, if any, made for decline, other than temporary, in the values. Current Investments are stated at lower of cost and market / fair value.

10. Taxation :-

Tax expense comprises both current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing difference between taxable income and accounting income that are capable of reversal in one or more subsequent period(s) and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

11. Earnings Per Share :-

Basic Earnings per equity share is computed by dividing net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period. The Diluted Earnings per share is calculated on the same basis as Basic Earnings per share, after adjusting for the effects of potential dilutive equity shares.

12. Segment Reporting :-

Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated Corporate Expenses".

13. Leases :-

Operating Lease – As Lessee

Lease Rentals in respect of assets taken on 'Operating Lease' are charged to the Profit and Loss Account on an actual basis.

14. Pre-operative Expenditure :-

The Expenditure incurred by the Company from the date of setting up of a new unit, up to the date of commencement of commercial production of the unit is treated as Pre-operative expenditure to be capitalised as a part of the indirect cost of construction. The amount of such expenditure is apportioned over the individual assets in an equitable manner in the year of commencement of Commercial Production of the unit. The amounts not directly attributable to fixed assets are charged to the Profit and Loss Account in the year in which such expenditure is incurred.

15. Impairment of Assets :-

Assets that are subject to amortisation/depreciation are reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets' fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

16. Provisions , Contingent Liabilities and Contingent Assets:-

Provisions are recognized when the Company has a present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

B) NOTES ON ACCOUNTS :**1. Contingent Liabilities :-**

- i) Capital commitments (net of advance) Rs. 94.32 lacs (Previous year Rs. 644.98 lacs).
- ii) Bank Guarantees Rs. 678.25 lacs (Previous year Rs. 1,976.33 lacs).
- iii) Guarantees to Banks and others on behalf of Joint Venture Company Rs. 948.00 lacs (Previous year Rs. 874.02 lacs)
- iv) Bills Discounted with Banks outstanding as at 31st March, 2011 – Nil (Previous year Rs. 179.81 lacs).
- v) Income Tax demands against which the Company has preferred appeals – Nil (Previous year Rs. 335.75 lacs).
- vi) Sales Tax demands against which the company has preferred appeals – Nil (Previous year Rs. 3.10 lacs).
- vii) Excise duty demands against which the company has preferred appeals Rs 523.14. lacs (Previous year Rs. 124.94 lacs). The Company has already deposited a sum of Rs.30.15 lacs (Previous year Rs. 32.34 lacs) against the aforesaid demands.
- viii) Central Excise Appeal filed by the Department Rs 17.04 lacs (Previous year Nil)

2. Managerial Remuneration :-

Particulars	31.03.11 (Rs.)	31.03.10 (Rs.)
Salary	7,800,000	6,114,000
House Rent Allowance/Rent Free Accommodation	3,900,000	3,057,000
Contribution to Provident Fund	273,600	298,800
Others	769,073	483,732
	12,742,673	9,953,532

3. Miscellaneous expenses include 'Payment to Auditors' as follows :-

Particulars	31.03.11 (Rs.)	31.03.10 (Rs.)
Audit Fee	1,560,000	1,485,000
Other Services	309,875	224,875
Service Tax	187,190	176,117

4. Provision for income tax has been made without considering some taxes and amounts which will be paid before filing of Income Tax Return as provided under Section 43-B of the Income Tax Act, 1961.

5. In the opinion of Board, the current assets, loans and advances are approximately of the value stated, if realized, in the ordinary course of business. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.

6. During the year, the Company has made provision for excise duty on stocks lying at the year end in various units amounting to Rs.525,118/- (Previous year Rs. 3,030,585/-) and has included the said amounts in the valuation of inventories. This has no effect on the profit for the year.
7. Lease Payments under an operating lease are recognised as an expense in the statement of Profit and Loss on a straight line basis over the lease term. Accordingly Rs.16,908,094/- has been charged to Profit and Loss Account during the year (Previous year Rs. 18,808,046/-).

The total of future minimum lease rent payable under operating lease for each of the following periods is as under

Particulars	31.03.11 (Rs.)	31.03.10 (Rs.)
Not later than one year	13,386,952	10,754,678
Later than one year and not later than five years	12,401,819	14,911,878
Later than five years	5,440,000	18,277,458

8. The Profit and Loss Account includes previous year debit adjustments amounting to Rs.380,487/- (Previous year Rs. 203,928/-) on account of following :-

Particulars	31.03.11 (Rs.)	31.03.10 (Rs.)
Purchases	344,457	-
Machinery Repairs	11,934	8,005
Processing / Labour charges	-	193,856
Freight & Cartage	-	1,967
Interest	24,096	-
Total	380,487	203,928

9. The Company has incurred Rs.2,223,933/- (Previous year Rs. 4,621,272/-) on Research & Development during the year which has been debited to Establishment and Miscellaneous Expenses .
10. Export sales include Indirect Export amounting to Rs.5,363,225/- (Previous year Rs.18,463,116/-).
11. The balances of Debtors, Advances and Creditors are subject to confirmation.
12. The company has paid annual listing fees to Bombay Stock Exchange Limited and National Stock Exchange of India Limited where its equity shares are listed.
13. Pursuant to the special resolution passed at the Extra Ordinary General Meeting of the members of the Company held on 6th May, 2010, the company has made preferential allotment of 890,000 Zero Coupon Warrants to the Promoters, each warrant convertible into one equity share of Rs.10/- each at a price of Rs.70/- per equity share at any time within 18 months from the date of allotment of Warrants on preferential basis by private placement to the promoters of the Company as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
14. During the year ended 31st March, 2011, the Company has converted 845,000 Zero Coupon Convertible Warrants issued by private placement on preferential basis to the promoters of the Company into 845,000 fully paid Equity Shares of Rs.10/- each at a price of Rs.50/- per Warrant. The difference between the Conversion Price and the face value of the equity shares has been credited to Securities Premium Account.

15. Financial Reporting of Interest in Joint Ventures

Investments include Rs.1,317.12 Lacs (previous year Rs. 1,121.12 Lacs) representing Company's interest in the following jointly controlled entities as at 31.03.2011

Name of the Company	Contribution towards Equity (Rs./lacs)	Country of Residence	%age Holding of Indo Asian
Saudi National Lamps and Electricals Company Limited	257.32	Saudi Arabia	20%
Indo Simon Electric Private Limited (Formerly IndoAsian Simon Pvt. Ltd.)	1,059.80	India	50%
Total	1,317.12		

The financial data in respect of Indo Simon Electric Pvt. Ltd. for the year 31st March,2011 and Saudi National Lamps and Electricals Company Limited for year ended 31st December, 2010 is based on their Provisional Accounts.

The aggregate amount of each of the Assets, Liabilities, Income and Expenditure related to interest of the Company in the jointly controlled entities are as under :

Saudi National Lamps and Electricals Company Limited

Assets & Liabilities		(In Rs.)
Particulars	As at 31.12.10	As at 31.12.09
Liabilities		
Share Capital	23,840,000	24,746,400
Capital	36,930,825	21,547,675
Partners Loan	74,441,902	71,241,463
Loan Funds	4,412,321	4,610,114
Current Liabilities & Provisions	139,625,048	122,145,652
Total	139,625,048	122,145,652
Assets		
Net Fixed Assets including CWIP	100,797,387	79,545,729
Current Assets, Loans and Advances	16,862,754	8,977,828
Miscellaneous Expenditure to the extent not written off or adjusted	3,249,793	33,622,095
Profit and Loss Account	18,715,114	-
Total	139,625,048	122,145,652

Statements of Income & Retained Earnings		(In Rs.)
Particulars	Year ending 31.12.10	Year ending 31.12.09
Sales	11,198,060	-
Cost of Sales	(16,624,438)	-
Gross Profit	(5,426,378)	-
Selling General and Administrative Expenses	(9,136,394)	-
Operating Income	(14,562,772)	-
Financial Cost	(4,152,342)	-
Accumulated Losses	(18,715,114)	-

Indo Simon Electric Private Limited		(In Rs.)
Assets & Liabilities		
Particulars	As at 31.03.11	As at 31.03.10
Liabilities		
Share Capital	105,980,500	86,380,500
Loan Funds	80,777,882	72,350,118
Current Liabilities & Provisions	16,222,550	20,146,278
Total	202,980,932	178,876,896
Assets		
Net Fixed Assets including CWIP	112,460,590	114,372,157
Current Assets, Loans and Advances	41,059,184	53,534,730
Miscellaneous Expenditure to the extent not written off or adjusted	154,165	231,248
Profit and Loss Account	49,306,993	10,738,761
Total	202,980,932	178,876,896

Income & Expenditure		(In Rs.)
Particulars	As at 31.03.11	As at 31.03.10
Income		
Income from Operation	27,165,527	45,005,351
Other Income	-	6,900,142
Total	27,165,527	51,905,493
Expenses		
Material Cost	14,090,940	17,963,258
Manufacturing Expenses	8,532,088	2,949,831
Administration and Other Expenses	28,539,209	29,482,962
Financial Expenses	6,066,515	2,690,620
Depreciation	8,505,007	7,547,754
	65,733,759	60,634,425
Profit / (Loss) before Tax	(38,568,232)	(8,728,932)
Provision for Tax	-	-
Profit / (Loss) after Tax	(38,568,232)	(8,728,932)

16. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Disclosure of Sundry Creditors is based on the information available with the Company regarding the status of suppliers as defined under the Micro, Small & Medium Enterprises Development Act, 2006.

(In Rs.)

S.No.	Particulars	31.03.11	31.03.10
1.	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	Nil	5,26,530
2.	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	1,49,500
4.	The amount of interest accrued and remaining due and payable at the end of each accounting year; and	Nil	1,49,500
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

17. Figures of the previous year have been regrouped/re-classified wherever necessary to make them comparable with the current year's figures.

18. The Board of Directors had declared a special interim dividend of Rs.10 per share (100%) amounting to Rs.169,516,280/- in its meeting held on 11th October, 2010 which has since been paid. The tax on special interim dividend amounting to Rs.28,154,535/- has also been paid.

19. During the year, the Company has paid arrears of Dividend on 10% Cumulative Redeemable Preference Shares upto 31st March, 2010 amounting to Rs.4,000,000/-. The tax on the above Preference Dividend amounting to Rs.664,350/- has also been paid.

20. During the year, the Company has redeemed 10% Cumulative Redeemable Preference Shares worth Rs.10,000,000/- held by Heinrich Kopp GmbH, Germany at par alongwith Preference Dividend of Rs.1,000,000/- for year ended 31st March, 2011. The tax on the above Preference Dividend amounting to Rs.166,088/- has also been paid.

21. Related Party Disclosure

i) Disclosures as required by Accounting Standard (AS-18) "Related Party Disclosures" are given below:

A. Subsidiary Company

IAFL Cables Ltd. (Formerly Indo Asian Cables Ltd.)

B. Investing Parties with whom the Company is a JV Partner

1. Indo Simon Electric Pvt. Ltd. (Formerly Indo Asian Simon Pvt. Ltd.)
2. Saudi National Lamps and Electricals Company Limited

C. Directors, Key Management Personnel

1. Mr. V.P.Mahendru- Chairman cum Managing Director
2. Mr.P.K.Ranade- Joint Managing Director
3. Mr. Vinay Mahendru- Executive Director

D. Relatives of Directors, Key Management Personnel

1. Mr. Vivek Mahendru - President (Operations)
2. Mr.Vimal Mahendru - President(Corporate Affairs)
3. Mr. Vikram Ranade - Vice President(Technologies)
4. Mr. Prashant Ranade - Vice -President(Procurement)
5. Mrs. Bela Mahendru*
6. Mrs. Ratna Mahendru*

7. Mrs. Richa Mahendru*
8. Mrs. Kaushalya Gujral*
9. Mr. O.P.Mahendru*
10. Mrs. Ameeta Ranade#
11. Mrs. Asha Chaturvedi#
12. Mrs.Shama Guleri#
13. Mrs. Uma Sharma#
14. P.K.Ranade(H.U.F.)#

*Relatives of Mr. V.P.Mahendru

#Relatives of Mr. P.K.Ranade

E. Group Company

IAFL Power Distribution & Infrastructure Pvt. Ltd.

(Formerly Indo Asian Power Distribution & Infrastructure Pvt. Ltd.)

F. LLP firms in which relatives of Directors are partners

1. VPM Industrial Services Corporation LLP
2. PKR Hitech Industrial Corporation LLP

S.No.	Nature of Transaction	Amount (Rs.)	
		31.03.11	31.03.10
1	Sales		
a.	Indo Simon Electric Private Limited	1,155,458	13,331,093
b.	Saudi National Lamps & Electricals Company Ltd	-	1,199,352
	Total	1,155,458	14,530,445
2	Miscellaneous Income		
a.	Indo Simon Electric Private Limited	19,992,000	-
	Total	19,992,000	-
3	Interest Received		
a.	Indo Simon Electric Private Limited	1,207,568	-
	Total	1,207,568	-
4	Remuneration paid		
a.	Mr. V.P.Mahendru	4,482,438	3,563,856
b.	Mr. P.K.Ranade	4,387,820	3,431,236
c.	Mr. Vinay Mahendru	3,872,415	2,958,440
d.	Mr. Vivek Mahendru	3,892,772	2,967,087
e.	Mr. Vimal Mahendru	3,851,393	2,953,581
f.	Mr. Vikram Ranade	2,797,967	1,763,701
g.	Mr. Prashant Ranade	2,306,404	1,457,593
	Total	25,591,209	19,095,494
5	Rent paid		
a.	Mr. V.P.Mahendru	561,600	561,600
b.	Mr. Vinay Mahendru	163,914	375,500
c.	Mr. Vivek Mahendru	163,914	375,500
d.	Mr. Vimal Mahendru	163,914	375,500
e.	Mr. Vikram Ranade	221,529	504,750
f.	Mr. Prashant Ranade	281,819	644,948
g.	Mrs. Ameeta Ranade	60,290	140,197
h.	Mrs. Bela Mahendru	40,194	94,408
i.	Mrs. Ratna Mahendru	40,193	94,408
j.	Mrs. Richa Mahendru	40,193	91,580
	Total	1,737,560	3,258,391

S.No.	Nature of Transaction	Amount (Rs.)	
		31.03.11	31.03.10
6	Interest paid on Fixed Deposits		
a.	Mr. P.K.Ranade	150,257	183,986
b.	Mrs. Ameeta Ranade	11,659	14,265
c.	Mr. Vikram Ranade	43,976	53,848
d.	Mrs. Kaushalaya Gujral	7,377	8,939
e.	Mr. O.P.Mahendru	21,600	27,201
f.	Mrs. Asha Chaturvedi	109,651	78,115
g.	Mrs. Shama Guleri	37,252	37,518
h.	Mrs. Uma Sharma	180,316	217,590
i.	Mrs. Richa Mahendru	14,668	17,961
	Total	576,756	639,423
7	Loans Given		
a.	Indo Simon Electric Private Limited	26,800,000	-
	Total	26,800,000	-
8	Refund of Fixed Deposits		
a.	Mr. P.K.Ranade	1,474,563	-
b.	Mrs. Ameeta Ranade	135,104	-
c.	Mr. Vikram Ranade	420,378	-
d.	Mrs. Kaushalaya Gujral	73,301	-
e.	Mr. O.P.Mahendru	237,206	-
f.	Mrs. Asha Chaturvedi	1,420,498	-
g.	Mrs. Shama Guleri	435,531	-
h.	Mrs. Uma Sharma	1,831,435	-
i.	Mrs. Richa Mahendru	140,180	-
	Total	6,168,196	-
9	Issue of Share Warrants		
a.	Mr. V.P.Mahendru	7,787,500	-
b.	Mr. P.K.Ranade	-	2,843,750
c.	Mr. Vinay Mahendru	-	1,626,250
d.	Mr. Vivek Mahendru	-	1,626,250
e.	Mr. Vimal Mahendru	-	1,622,500
f.	Mr. Vikram Ranade	3,893,750	-
g.	Mr. Prashant Ranade	3,893,750	-
h.	Mrs. Ameeta Ranade	-	2,843,750
	Total	15,575,000	10,562,500
10	Allotment of Equity Share Capital		
a.	Mr. P.K.Ranade	9,750,000	10,750,000
b.	Mr. Vinay Mahendru	6,505,000	6,170,000
c.	Mr. Vivek Mahendru	6,505,000	6,170,000
d.	Mr. Vimal Mahendru	6,490,000	6,160,000
e.	Mrs. Ameeta Ranade	11,375,000	10,750,000
f.	VPM Industrial Services Corporation LLP	1,625,000	-
	Total	42,250,000	40,000,000

S.No.	Nature of Transaction	Amount (Rs.)	
		31.03.11	31.03.10
11	Special Interim Dividend Paid		
a.	Mr. V.P.Mahendru	97,220	-
b.	Mr. P.K.Ranade	4,158,400	-
c.	Mr. Vinay Mahendru	2,883,630	-
d.	Mr. Vivek Mahendru	2,953,400	-
e.	Mr. Vimal Mahendru	3,009,780	-
f.	Mr. Vikram Ranade	997,970	-
g.	Mr. Prashant Ranade	997,970	-
h.	P.K.Ranade (HUF)	21,600	-
i.	Mrs. Ameeta Ranade	5,453,600	-
j.	Mrs. Bela Mahendru	599,910	-
k.	Mrs. Ratna Mahendru	669,680	-
l.	Mrs. Richa Mahendru	543,530	-
m.	VPM Industrial Services Corporation LLP	24,903,060	-
n.	PKR Hitech Industrial Corporation LLP	24,030,670	-
	Total	71,320,420	-
12	Share Application Money given		
a.	IAFL Cables Limited	4,644,000	1,956,000
b.	IAFL Power Distribution & Infrastructure Pvt. Ltd.	1,780,000	6,410,000
	Total	6,424,000	8,366,000
13	Conversion of Share Application Money to Share Capital		
a.	IAFL Cables Limited	85,300,000	-
b.	Indo Simon Electric Private Limited	-	4,880,000
	Total	85,300,000	4,880,000
14	Conversion of Share Application Money to Preference Share		
a.	IAFL Power Distribution & Infrastructure Pvt. Ltd.	26,500,000	-
	Total	26,500,000	-
15	Purchase of Investments		
a.	VPM Industrial Services Corporation LLP	600,000	-
	Total	600,000	-
16	Balance outstanding at the year end		
	Payable		
a.	Mr. V.P.Mahendru	201,074	587,900
b.	Mr. P.K.Ranade	405,881	1,795,597
c.	Mr. Vinay Mahendru	5,858	376,269
d.	Mr. Vivek Mahendru	300,240	287,963
e.	Mr. Vimal Mahendru	107,683	432,024
f.	Mr. Vikram Ranade	23,227	522,039
g.	Mr. Prashant Ranade	29,261	119,902
h.	Mrs. Ameeta Ranade	-	280,096
i.	Mrs. Bela Mahendru	-	28,476
j.	Mrs. Ratna Mahendru	-	70,606
k.	Mrs. Richa Mahendru	-	262,957
l.	Mrs. Kaushalaya Gujral	-	86,180
m.	Mr. O.P.Mahendru	-	253,749
n.	Mrs. Asha Chaturvedi	-	753,152
o.	Mrs. Shama Guleri	-	152,511
p.	Mrs. Uma Sharma	-	2,106,706
	Total	1,073,224	8,116,127

S.No.	Nature of Transaction	Amount (Rs.)	
		31.03.11	31.03.10
Receivables			
a.	Indo Simon Electric Pvt. Ltd.	4,711,579	3,864,215
b.	Saudi National Lamps & Electricals Company Ltd	28,623,799	28,851,136
Total		33,335,378	32,715,351
Loan Outstanding			
a.	Indo Simon Electric Pvt. Ltd.	27,886,811	-
Total		27,886,811	-

22. Disclosure under Accounting Standard 15 (Revised)

As per Accounting Standard (AS-15) (Revised 2005) "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below:

(a) Defined Contribution Plans

	31.03.11 (Rs.)	31.03.10 (Rs.)
Employer's Contribution to Provident Fund *	10,817,574	17,606,524
Employer's Contribution to ESI **	2,326,548	3,839,819

(*) Included in Contribution to Provident Fund and Administration Charges (Refer Schedule 13 and 14)

(**) Included in ESI Contribution (Refer Schedules 13 and 14)

(b) Defined Benefit Plans(Rs.)

	Funded (*)		Non – Funded			
	Gratuity #		Gratuity #		Leave Encashment #	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
Current service cost	-	684,504	984,799	3,376,599	405,338	2,139,374
Interest cost	-	-	1,892,189	1,562,725	524,212	523,759
Expected Return on Plan Assets	-	99,517	-	-	-	-
Actuarial (gain)/loss	-	-	(22,895,602)	1,418,057	(6,209,496)	476,547
Past service cost	-	-	-	-	-	-
Curtailement and Settlement Cost/ (credit)	-	-	-	-	-	-
Net Cost	-	584,987	(20,018,614)	6,357,381	(5,279,946)	3,139,680

Included in Wages, Salary and Bonus (Refer Schedules 13 and 14)

(c) Actuarial Assumptions

	Gratuity		Leave Encashment	
	31.03.11	31.03.10	31.03.11	31.03.10
Discount Rate	7.00%	7.00%	7.00%	7.00%
Expected Rate of increase in Compensation Levels	5.00%	5.00%	5.00%	5.00%
Expected Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Expected Average remaining working lives of employees (years)	23.28	23.42	23.30	24.08

d) Reconciliation of opening and closing balances of benefit obligations and plan assets.

(Rs.)

	Funded (*)		Non – Funded			
	Gratuity		Gratuity		Leave Encashment	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
Change in Projected Benefit Obligation (PBO)						
Projected Benefit Obligation at beginning of year	-	3,169,694	27,031,275	22,324,641	7,488,741	7,482,270
Current service cost	-	684,504	984,799	3,376,599	405,338	2,139,374
Interest cost	-	-	1,892,189	1,562,725	524,212	523,759
Benefits paid	-	(1,446,977)	(358,824)	(1,650,747)	(741,505)	(3,133,209)
Curtailement and Settlement cost	-	-	-	-	-	-
Contribution by plan participants	-	-	-	-	-	-
Past services cost	-	-	-	-	-	-
Actuarial (gain) / loss	-	-	(22,895,602)	1,418,057	(6,209,496)	476,547
Projected Benefit Obligation at year end	-	2,407,221	6,653,837	27,031,275	1,467,290	7,488,741
Change in plan assets :						
Fair value of plan assets at beginning of year	-	1,662,724	-	-	-	-
Expected return on plan assets	-	99,517	-	-	-	-
Actuarial (gain) / loss	-	-	-	-	-	-
Employer contribution	-	-	-	-	-	-
Contribution by plan participants	-	334,685	-	-	-	-
Settlement cost	-	-	-	-	-	-
Benefits paid	-	1,446,977	-	-	-	-
Fair value of plan assets at year end	-	649,949	-	-	-	-
Net funded status of the plan	-	(1,757,272)	(6,653,837)	(27,031,275)	(1,467,290)	(7,488,741)
Net amount recognized	-	(1,757,272)	(6,653,837)	(27,031,275)	(1,467,290)	(7,488,741)

(*) As the company has closed its operations at Jalandhar Plant and has discontinued the Group Gratuity Policy for the said unit from the LIC, hence the figures in respect of the current year have not been given.

23. Slump Sale of Switchgear Business

Pursuant to the decision in the meeting of the Board of Directors of the Company held on 22nd July, 2010 and the approval of the Shareholders of the Company through Postal Ballot, the Company has transferred the entire business of developing, manufacturing and selling Low Voltage Miniature Circuit Breakers, Residual Current Circuit Breakers, Air Circuit Breakers, Moulded Case Circuit Breakers, Distribution Boards, Fuses, Fuse Bases, Switches, Feeder Pillars, Contractors, Thermal Overload Relays ("Switchgear Business"), which is a separate segment as per AS 17, Segment Reporting, to a wholly owned subsidiary of Legrand France SA by way of Slump Sale as defined under Section 2(42C) of the Income Tax Act, 1961 on a going concern basis w.e.f. 9th September, 2010 for a total value of Rs.530.00 Crores on a Cash and Debt free basis

The Extra Ordinary Item of Rs. 3,951,311,732/- shown in the Profit and Loss Account represents the profit on account of this arrangement which has been computed as under:-

	(In Rs.)
Total Value received on Slump Sale	5,300,000,000
Less : Value of Net Assets transferred on Slump Sale	
Total Assets Transferred	1,576,807,025
Less : Total Liabilities Transferred	<u>390,721,317</u>
	<u>1,186,085,708</u>
Balance	4,113,914,292
Less : Expenses incurred on Slump Sale	<u>162,602,560</u>
Profit on Slump Sale	<u>3,951,311,732</u>

24. Segment Information for the year ended 31st March 2011
Information about Business segments – Primary
Business Segments

The company has considered business segment as the primary segment for disclosure. The products included in each of the reported business segments are as follows :-

Switchgear includes MCBs, HRC Fuses, Feeder Pillars, RCCBs, Distribution Boards, Switches etc.

Lighting includes Compact Fluorescent Lamps, Fluorescent Tube Lights and Luminaires etc.

Cable and Wires includes Wires and Cables etc.

Segment Revenue relating to each of the above business segments includes Other Income, where applicable.

The above business segments have been identified considering :

- the nature of products and services
- the differing risks and returns
- the organization structure, and
- the internal financial reporting systems.

Information About Business Segments - Primary

(Rs.)

	Switchgear (*)		Lighting		Cable & Wires		Unallocated		Total	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
1. Segment Revenue										
a) External Revenue (Including other Operating Income)	841,361,488	1,941,577,643	90,835,074	106,187,006	285,639,732	292,215,513	12,144,160	10,608,346	1,229,980,454	2,350,588,508
b) Inter Segment Revenue	-	-	-	-	-	-	-	-	-	-
Income from Operations	841,361,488	1,941,577,643	90,835,074	106,187,006	285,639,732	292,215,513	12,144,160	10,608,346	1,229,980,454	2,350,588,508
Less : Excise Duty	22,691,670	45,149,718	-	3,290,465	-	-	1,200,268	814,640	23,891,938	49,254,823
Total Revenue	818,669,818	1,896,427,925	90,835,074	102,896,541	285,639,732	292,215,513	10,943,892	9,793,706	1,206,088,516	2,301,333,685
2. Segment Result	18,399,897	297,721,894	(391,585,346)	(21,680,485)	(62,882,912)	(13,646,878)	(24,640,194)	(13,060,467)	(460,708,555)	249,334,064
Profit / (Loss)										
Interest & Bank Charges									73,118,462	179,154,483
Unallocated Corporate Expenses/(Income)									(13,815,815)	30,973,295
Profit/(Loss) before Extraordinary Items									(520,011,202)	39,206,286
Extraordinary Items									3,951,311,732	-
Profit before Tax									3,431,300,530	39,206,286
Provision for Income Tax									805,000,000	7,675,000
Excess Provision for Tax for earlier years									(4,794,705)	-
Wealth Tax									306,144	42,134
Wealth Tax paid for earlier years									-	99,432
Deferred Tax									(4,049,554)	2,873,842
Profit after Tax									2,634,838,654	28,515,878
3. Other Information										
Segment Assets	-	1,862,720,166	220,118,889	530,849,249	256,856,147	265,016,459	89,356,304	36,638,501	566,331,340	2,695,224,375
Unallocated Corporate Assets									4,070,846,376	449,992,941
Total Assets									4,637,177,716	3,145,217,316
Segment Liabilities	-	406,271,950	21,937,238	55,190,129	45,995,802	113,824,996	11,887,251	10,362,953	79,820,291	585,650,028
Unallocated Corporate Liabilities									870,531,758	1,339,374,290
Total Liabilities									950,352,049	1,925,024,318
Capital Expenditure (including Capital Work in Progress)	8,344,506	41,250,999	2,320,630	24,401,855	-	9,228,711	5,824,262	24,000,162		
Depreciation (Net of transfer to Merger Adjustment Account)	13,702,649	31,559,567	15,802,651	19,536,773	9,714,478	8,968,024	5,216,180	3,344,888		
Non-cash expenses other than depreciation	13,080,953	6,173,326	158,614,067	24,990,268	34,514,492	42,655	4,542,590	641		

(*) Consequent upon the Slump Sale of the Switchgear Business as stated in Note 23 above, the current year's financial results include the performance of the Switchgear Business Segment upto 8th September 2010 only. Accordingly, the results for the year ended 31st March, 2011 are not comparable with the results for the previous year.

Notes:-

- i. Segment results represent Profit/(loss) before Interest and Tax.
- ii. Capital Expenditure pertains to gross additions made to fixed assets during the year including capital work in progress.
- iii. Segment Assets include Fixed Assets, Current Assets & Loans and Advances directly attributable to respective business segments.
- iv. Segment Liabilities include Current Liabilities and Provisions directly attributable to respective business segments.
- v. The accounting policies used to derive reportable segment results are consistent with those described in the "Significant Accounting Policies" note to the financial statements.

Information about Geographical Segments – Secondary

The Company has operations within India as well as with entities located in other countries. The information relating to the Geographical Segments in respect of the operations of the Company is given as under :-

Segment Revenue from external customers based on geographical location of customers

	31.03.11 Rs.	31.03.10 Rs.
Within India	1,033,980,946	1,899,377,067
European Union	52,571,709	168,769,577
Other Countries	143,427,799	282,441,864
Total	1,229,980,454	2,350,588,508

Carrying Amount of Segment Assets by geographical location

	31.03.11 Rs.	31.03.10 Rs.
Within India	4,604,143,917	3,024,067,240
European Union	-	34,670,255
Other Countries	33,033,799	86,479,821
Total	4,637,177,716	3,145,217,316

Additions to Fixed Assets and Intangible Assets by geographical location

	31.03.11 Rs.	31.03.10 Rs.
Within India	99,155,783	126,871,103
European Union	-	-
Other Countries	-	-
Total	99,155,783	126,871,103

25. Discontinuing Operations

The Slump sale of Switchgear Business constitutes "Discontinuing Operations" within the meaning of Accounting Standard (AS 24) on "Discontinuing Operations".

The following statement shows the revenue and expenses of continuing and discontinuing operations.

(Rs./Lacs)

Particulars	Continuing Operations	Discontinuing Operations	Total
	Lighting, Cable & Wires and Unallocated	Switchgear	
Sales/Income from Operations	3,886.19	8,377.70	12,263.89
Less: Excise Duty	12.00	226.92	238.92
Net Sales/Income from Operations	3,874.19	8,150.78	12,024.97
Other Operating Income	-	35.92	35.92
Operating Expenses	9,572.50	8,081.25	17,653.75
Pre-tax Profit / (Loss) from Operating activities	(5,698.31)	105.45	(5,592.86)
Other Income	1,045.38	78.55	1,123.93
Profit / (Loss) before Interest	(4,652.93)	184.00	(4,468.93)
Interest			731.18
Profit / (Loss) before Tax			(5,200.11)

The carrying amount of assets of the Switchgear Business at the closing date was Rs 15,768.07 lacs (as on 1st April 2010 Rs 18,627.20 lacs) and liabilities was Rs 3,907.21 lacs (as on 1st April 2010 Rs 4,062.72 lacs)

26. The Company has given interest bearing inter corporate loan aggregating to Rs. 268.00 lacs (Previous Year Rs. Nil) to Indo Simon Electric Pvt. Ltd. (Formerly Indo Asian Simon Pvt. Ltd.), a Company with whom it is a Joint Venture Partner during the year. The maximum amount outstanding during the year was Rs. 278.87 lacs (Previous Year Rs. Nil). The Balance outstanding as on 31.03.11 is Rs. 278.87 lacs (Previous Year Nil). The above loan is re-payable on demand.

27. Earnings Per Share (EPS)

a) Basic and Diluted Earnings Per Share (Before Extra Ordinary Items)

	Unit	31.03.11	31.03.10
Net Profit attributable to Equity Shareholders	Rs.	(512,333,031)	27,487,494
Weighted Average number of Equity Shares outstanding during the year	Nos.	16,548,806	15,328,546
Earnings Per Share (Basic)	Rs.	(30.96)	1.79
Effect of Dilutive Securities:-Number of Shares under Option	Nos.	890,000	845,000
Number of Shares that would have been issued at fair value	Nos.	707,392	734,272
Total number of Shares	Nos.	16,731,414	15,439,274
Earnings Per Share (Diluted)	Rs.	(30.96)	1.78

b) Basic and Diluted Earnings Per Share (Including Extra Ordinary Items)

	Unit	31.03.11	31.03.10
Net Profit attributable to Equity Shareholders	Rs.	2,633,978,701	27,487,494
Weighted Average number of Equity Shares outstanding during the year	Nos.	16,548,806	15,328,546
Earnings Per Share (Basic)	Rs.	159.16	1.79
Effect of Dilutive Securities:-Number of Shares under Option	Nos.	890,000	845,000
Number of Shares that would have been issued at fair value	Nos.	707,392	734,272
Total number of Shares	Nos.	16,731,414	15,439,274
Earnings Per Share (Diluted)	Rs.	157.43	1.78

28. **Elements of Deferred Tax Liability / (Asset) (Net) created for tax effect of timing differences as at 31st March, 2011 are as under**

(In Rs.)

	31.03.11	31.03.10
Difference between Book Depreciation and Depreciation under Income Tax Act, 1961	1,525,447	15,266,671
Expenditure deferred under Section 43 B of Income Tax Act, 1961	(346,052)	(2,202,836)
Provision for Gratuity	(1,772,954)	(9,014,281)
Provision for Doubtful Debts	(53,556,191)	-
Total Deferred Tax Liability / (Asset) (Net)	(54,149,750)	4,049,554

The Company has not recognised Deferred Tax Asset on a prudent and conservative basis.

29(A) **Information in respect of licenced capacity/ installed capacity and actual production for each class of goods (as certified by the management being technical matter)**

Items	Unit	Licenced Capacity		Installed Capacity		Actual Production	
		31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
MCBs	Poles	N.A.	N.A.	N.A. (*)	15,500,000	4,428,163	12,732,095
Compact Fluorescent Lamps	Nos.	N.A.	N.A.	4,800,000	4,800,000	610,664	1,513,629
Fluorescent Tube Lights	Nos.	N.A.	N.A.	N.A. (^)	800,000	4,620	172,170
HRC Fuses	Nos.	N.A.	N.A.	N.A. (*)	N.A.	611,744	2,149,336
Feeder Pillars	Nos.	N.A.	N.A.	N.A. (*)	N.A.	-	29
RCCBs	Nos.	N.A.	N.A.	N.A. (*)	N.A.	88,262	208,086
Adaptors	Nos.	N.A.	N.A.	N.A.	N.A.	-	18,985
Distribution Boards	Nos.	N.A.	N.A.	N.A. (*)	N.A.	61,154	155,491
Switches	Nos.	N.A.	N.A.	N.A. (*)	N.A.	7,184	26,234
Energy Meters	Nos.	N.A.	N.A.	N.A.	N.A.	17,186	10,694
Wires	Coils	N.A.	N.A.	N.A.	N.A.	177,172	247,440

(*) Refer Note 23

(^) The Company has since sold the Plant and Machinery for manufacture of Fluorescent Tube Lights

B (I) Details of Turnover and Stocks in respect of Finished Goods:

(Previous year figures are in brackets)

Items	Unit	Turnover(#)		Opening Stock		Closing Stock	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)
MCBs	Poles	4,655,244	337,490,649	1,407,273	49,378,336	-	-
		(12,266,273)	(897,848,132)	(941,451)	(31,457,698)	(1,407,273)	(49,378,336)
Compact Fluorescent Lamps	Nos.	678,324	34,195,228	104,230	5,740,515	36,570	1,938,283
		(1,535,911)	(84,273,014)	(126,512)	(5,780,388)	(104,230)	(5,740,515)
Fluorescent Tube Lights	Nos.	17,358	190,632	12,738	78,104	-	-
		(330,112)	(7,474,160)	(170,680)	(5,322,391)	(12,738)	(78,104)
HRC Fuses	Nos.	665,490	58,485,997	187,716	11,838,098	-	-
		(2,104,133)	(158,037,739)	(142,513)	(5,719,897)	(187,716)	(11,838,098)
Feeder Pillars	Nos.	-	-	-	-	-	-
		(29)	(2,615,638)	-	-	-	-
RCCBs	Nos.	82,124	83,827,054	19,879	12,019,918	-	-
		(226,816)	(191,419,581)	(38,609)	(22,728,447)	(19,879)	(12,019,918)
Energy Meters	Nos.	12,225	12,812,481	389	232,012	5,350	5,623,349
		(10,305)	(10,608,346)	-	-	(389)	(232,012)
Distribution Boards	Nos.	45,002	133,280,778	22,015	10,835,041	-	-
		(155,177)	(306,694,264)	(21,701)	(5,167,794)	(22,015)	(10,835,041)
Switches	Nos.	7,005	36,457,432	5,519	11,621,526	-	-
		(23,241)	(61,301,636)	(2,526)	(8,107,514)	(5,519)	(11,621,526)
Adaptors	Nos.	-	-	-	-	-	-
		(20,145)	(1,767,724)	(1,160)	(52,837)	-	-
Wires	Coils	193,618	282,593,708	52,777	51,342,018	36,331	65,602,236
		(239,823)	(290,345,727)	(45,160)	(40,371,431)	(52,777)	(51,342,018)
Others			149,009,255		30,157,254		-
			(231,320,677)		(21,379,893)		(30,157,254)
Total			1,128,343,214		183,242,822		73,163,868
			(2,243,706,638)		(146,088,290)		(183,242,822)

(#) excluding Material transferred on Slump Sale of Switchgear Business.

B (ii) Details of Turnover and Stocks in respect of Trading Items:

(Previous year figures are in brackets)

Items	Turnover(#)		Opening Stock		Closing Stock	
	Qty. (Nos)	Value (Rs.)	Qty. (Nos)	Value (Rs.)	Qty. (Nos)	Value (Rs.)
1. Distribution Boards	109,382	29,655,648	5,540	2,048,395	-	-
	(228,418)	(64,193,182)	(9,081)	(1,371,252)	(5,540)	(2,048,395)
2. Lighting Products		56,449,214		3,206,715		15,525,787
		(12,126,728)		(5,485,288)		(3,206,715)
Others		11,940,650		631,924		533,890
		(14,960,603)		(15,626,623)		(631,924)
Total		98,045,512		5,887,034		16,059,677
		(91,280,513)		(22,483,163)		(5,887,034)

(#) excluding Material transferred on Slump Sale of Switchgear Business.

{C} Raw Material Consumed (Principal Items)

S.No.	Items	Unit	31.03.11		31.03.10	
			Qty.	Value (Rs.)	Qty.	Value (Rs.)
1	Copper	Kg.	617,079.66	277,990,258	907,362.46	313,029,400
2	Brass	Kg.	56,473.68	19,722,077	129,320.56	39,461,451
3	Silver Inlaid Copper	Kg.	12,425.16	25,047,469	36,920.36	45,553,539
4	Plastic Moulding Powder	Kg.	213,449.71	23,602,761	588,644.20	67,717,637
5	CRC Sheets	Kg.	281,450.56	12,347,071	810,158.86	32,489,316
6	Aluminium Sheets	Kg.	69,795.00	10,686,186	634.30	94,557
7	Powder	Kg.	22,459.00	2,852,889	3,929.00	494,405
8	Starters	Nos.	111,800.00	304,296	158,000.00	450,132
9	Glass Tubes	Kg.	44,960.00	1,228,851	173,835.00	3,003,939
10	Glass	Kg.	-	-	88,554.00	1,200,789
11	Poly Vinyl Chloride (PVC)	Kg.	341,222	22,552,389	427,865.00	24,996,728
12	Semi Finished Components Including others			286,827,758		676,088,627
	Total			683,162,005		1,204,580,520

(D) Percentage of Consumption of Imported and Indigenous Raw Materials :

	31.03.11		31.03.10	
	(Rs.)	(%)	(Rs.)	(%)
1 Indigenous	557,668,168	81.63%	1,022,031,098	84.85%
2 Imported (C.I.F. Value)	125,493,837	18.37%	182,549,422	15.15%
	683,162,005	100.00%	1,204,580,520	100.00%

(E) CIF Value of Imports :

	31.03.11 (Rs.)	31.03.10 (Rs.)
1 Raw Material (including components stores & spares)	131,925,922	180,959,172
2 Finished Goods	-	1,674,487
3 Capital Goods	3,319,345	1,743,713

(F) Expenditure in Foreign Currency (on accrual basis)

- Redemption of Preference Share Capital	10,000,000	-
- Travelling	7,980,606	2,296,380
- Others	3,433,854	466,094

(G) Remittance in Foreign Currency on account of Dividend:

i) Preference Dividend		
Number of Non-Resident Shareholders	1	1
Number of Preference Shares held	1,000,000	1,000,000
Years for which Dividend Paid	2006-07 to 2010-11	-
Dividend (Rs.)	5,000,000	-
ii) Special Interim Dividend		
Number of Non-Resident Shareholders	105	N.A
Number of Equity Shares held	183,727	
Year for which Dividend Paid	2010-11	
Dividend (Rs.)	1,837,370	

(H) Earnings in Foreign Exchange :

- Export of goods (FOB Value)	197,446,826	416,211,158
- Sale of Plant & Machinery	30,957,143	-

Balance Sheet Abstract & Company's General Business Profile

I. Registration Details

Registration No.	:	35580	State Code	:	05
Balance Sheet Date	:	31.03.11			

II. Capital raised during the period (Amount in Rs. Thousands)

Public Issue	:	NIL	Rights Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	8450
Share Warrants	:	15575			

III. Position of Mobilization and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	:	4637178	Total Assets	:	4637178
Sources of Funds					
Paid Up Capital	:	169516	Share Warrants	:	15575
Reserve & Surplus	:	3501734	Secured Loans	:	3921
Unsecured Loans	:	NIL	Deferred Tax Liability	:	NIL
Application of Funds					
Net Fixed Assets (including Capital WIP)	:	371078	Investments	:	2964008
Net Current Assets	:	355660	Pre-operative Expenditure pending allocation	:	NIL
Accumulated Losses	:	NIL			

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

Turnover (Gross Revenue)	:	1318482	Total Expenditure	:	1838493
+/- Profit/Loss Before Tax(*)	:	+3431301	+/- Profit/Loss After Tax(*)	:	+2634839
Earning per Share(Basic) in Rs.(*)	:	159.16	Dividend Rate%	:	100

(*)including Extraordinary items

V. Generic names of three Principal products/services of the Company

Item Code No. (ITC Code)	:	85362030
Product Description	:	MINIATURE CIRCUIT BREAKERS(#)
Item Code No. (ITC Code)	:	85393100
Product Description	:	COMPACT FLUORESCENT LAMPS
Item Code No. (ITC Code)	:	85449000
Product Description	:	ELECTRICALCABLES
(#) Since Discontinued		

Signature to Schedules 1 to 18

As per our report of even date annexed.

Rajesh Sethi
Partner
Membership No. 85669
Firm Reg. No. 001111N

Kumar Indramani
Manager(Legal) &
Company Secretary

K. B. Satija
Asstt. Vice President
Corporate Finance

P. K. Ranade
Joint Managing
Director

V. P. Mahendru
Chairman - Cum
Managing Director

for & on behalf of
J. C. Bhalla & Co.
Chartered
Accountants

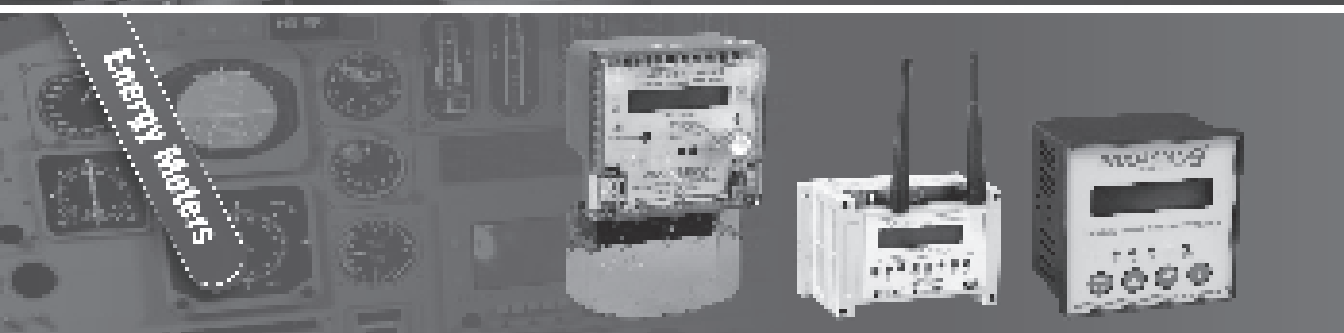
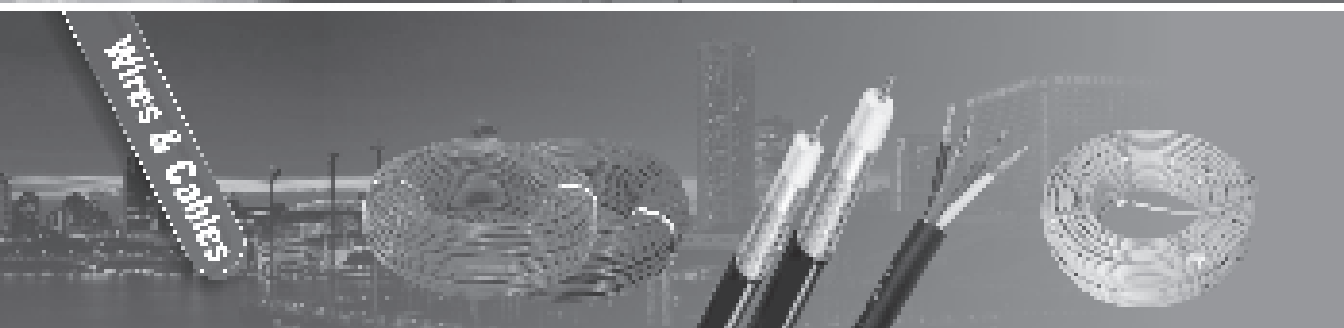
Place : Noida
Dated : 19th April, 2011

Consolidated Financial Statements

- Auditors' Report on Consolidated Financial Statement
- Consolidated Balance Sheet
- Consolidated Profit & Loss Account
- Consolidated Cash Flow Statement
- Consolidated Schedules & Accounts

INDOASIAN®

energy management



You can rely upon Indo Asian

Auditors' Report on the Consolidated Financial Statements of INDOASIAN FUSEGEAR LIMITED

To The Board of Directors of Indo Asian Fusegear Limited

1. We have audited the attached consolidated Balance Sheet of Indo Asian Fusegear Limited and its subsidiary as at 31st March 2011, and also the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the management of Indo Asian Fusegear Limited. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In respect of the Consolidated Financial Statements, we did not audit the financial statements of the subsidiary i.e. IAFL Cables Ltd. (Formerly Indo Asian Cables Limited), included herein with the Company's share of total assets of Rs.804.03 lacs as at 31st March 2011, total revenue of Rs. Nil and cash flow amounting to (Rs. 2.36 lacs) for the year ended on that date. These figures include intra company balances and intra company transactions eliminated on consolidation. These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, in so far as it relates to the amount included in respect of the subsidiary, is based solely on the report of such other auditors.
4. We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21, Consolidated financial statements as referred to in section 211(3C) of the Companies Act, 1956.
5. The company's Interest in the assets, liabilities, income and expenses of the jointly controlled entities viz. M/s Saudi National Lamps and Electricals Company Limited and M/s Indo Simon Electric Private Limited has not been consolidated as per the "Financial Reporting of interest in Joint Ventures"(AS 27). (Refer Note No.15 of Schedule 17)

Based on our audit and on consideration of the report of the other auditors on separate financial statements, and to the best of our information and according to the explanations given to us, *subject to our comments in para 5 above*, we are of the opinion that the attached consolidated financial statements read with the notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of consolidated Balance Sheet, of the consolidated state of affairs of the company and its subsidiary as at 31st March 2011;
- ii) in the case of consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- iii) in the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Noida
Dated: 19th April, 2011

Rajesh Sethi
Partner
M. No. 85669
Firm Reg. No : 001111N
For and on behalf of
J C Bhalla & Co.
Chartered Accountants

INDO ASIAN FUSEGEAR LIMITED
Consolidated Balance Sheet as at 31st March, 2011

Particulars	Schedule	31.03.11 Rs
SOURCES OF FUNDS		
SHAREHOLDERS FUNDS		
Share Capital	1	169,516,280
Share Warrants (Refer Note 13 of Schedule 17)		15,575,000
Reserves & Surplus	2	3,501,734,387
LOAN FUNDS		
Secured Loans	3	3,920,927
DEFERRED TAX LIABILITY (NET)		
(Refer Note 27 of Schedule 17)		-
		<u>3,690,746,594</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block	4	639,193,574
Less: Depreciation		243,718,849
Net Block		<u>395,474,725</u>
Capital Work In Progress		<u>35,418,791</u>
		<u>430,893,516</u>
Pre-operative Expenditure Pending Allocation	5	5,901,892
INVESTMENTS		
	6	2,877,608,635
CURRENT ASSETS, LOANS & ADVANCES		
-Inventories		126,169,899
-Sundry Debtors		155,733,029
-Cash and Bank Balances		119,058,133
-Loans and Advances		<u>921,717,928</u>
		1,322,678,989
LESS: CURRENT LIABILITIES & PROVISIONS		
-Liabilities	8	91,011,058
-Provisions		<u>855,519,636</u>
		<u>946,530,694</u>
NET CURRENT ASSETS		
		<u>376,148,295</u>
MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		194,256
		<u>3,690,746,594</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		
	17	

As per our report of even date annexed.

Rajesh Sethi
Partner
Membership No. 85669
Firm Reg. No. 001111N

Kumar Indramani
Manager (Legal) &
Company Secretary

K. B. Satija
Asstt. Vice President
Corporate Finance

P. K. Ranade
Joint Managing
Director

V. P. Mahendru
Chairman - Cum
Managing Director

for & on behalf of
J. C. Bhalla & Co.
Chartered
Accountants

Place : Noida
Dated : 19th April, 2011

INDO ASIAN FUSEGEAR LIMITED
Consolidated Profit & Loss Account for the Year Ended 31st March, 2011

Particulars	Schedule	31.03.11 Rs
INCOME		
Gross Sales and Operating Revenues	9	1,229,980,454
Less : Excise Duty		23,891,938
Net Sales and Operating Revenues		1,206,088,516
Other Income	10	112,393,088
		<u>1,318,481,604</u>
EXPENDITURE		
Material Cost	11	771,339,223
Manufacturing Expenses	12	104,104,630
Administration & Other Expenses	13	557,647,893
Selling & Distribution Expenses	14	207,790,559
Financial Expenses	15	73,118,462
Depreciation (*) ¹		52,580,707
		<u>1,766,581,474</u>
(Less)/Add : Net (Increase)/Decrease in Finished Goods and Work-in-Progress	16	71,911,332
		<u>1,838,492,806</u>
Profit / (Loss) before Extraordinary Items		(520,011,202)
Extraordinary Items (Refer Note 22 of Schedule 17)		3,951,311,732
Profit before Tax		<u>3,431,300,530</u>
Less : Income Tax Expense		
- Current Tax		805,000,000
- Deferred Tax		(4,049,554)
- Wealth Tax		306,144
- Excess Provision for Tax for earlier years		(4,794,705)
Profit after Tax		<u>2,634,838,645</u>
Brought forward from Previous Year		32,900,106
Profit Available for Appropriation		<u>2,667,738,751</u>
Appropriation:		
General Reserve		2,000,000,000
Special Interim Dividend on Equity Shares		169,516,280
Preference Dividend paid		1,000,000
Arrears of Preference Dividend paid		4,000,000
Tax on Dividend		28,984,973
Balance transferred to Balance Sheet		464,237,498
		<u>2,667,738,751</u>
Earnings Per Share (Refer Note No.26 of Schedule 17)	17	
Basic and Diluted EPS before Extraordinary Items		
- Basic		(30.96)
- Diluted		(30.96)
Basic and Diluted EPS after Extraordinary Items		
- Basic		159.16
- Diluted		157.43
(Face Value of Rs 10/- each)		
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	17	

(*)¹ Net of Rs.1,967,223/- transferred from Merger Adjustment Account
 As per our report of even date annexed.

Rajesh Sethi
 Partner
 Membership No. 85669
 Firm Reg. No. 001111N

Kumar Indramani
 Manager(Legal) &
 Company Secretary

K. B. Satija
 Asstt. Vice President
 Corporate Finance

P. K. Ranade
 Joint Managing
 Director

V. P. Mahendru
 Chairman - Cum
 Managing Director

for & on behalf of
 J. C. Bhalla & Co.
 Chartered
 Accountants

Place : Noida
 Dated : 19th April, 2011

Consolidated Cash Flow Statement for the Year Ended 31st March, 2011

Particulars	31.03.11 Rs
A. Cash Flow from Operating Activities	
Net Profit before tax and extra ordinary items	(520,011,202)
Adjustments for :	
Depreciation / Amortisation	52,580,707
Interest Income	(6,756,788)
Dividend Income	(62,903,984)
Interest Charged	79,875,250
Loss/(Profit) on sale of Fixed Assets	(15,924,021)
Loss/(Profit) on sale of Investments	5,665,000
Provision for Doubtful Debts	161,228,843
Provisions no longer required written back	(246,188)
Operating profit before Working Capital Changes	(306,492,383)
Adjustments for :	
Trade and Other Receivables	190,692,646
Inventories	54,623,605
Trade payables and Other Liabilities	(111,756,250)
Cash generated from Operations	(172,932,382)
Direct Taxes Paid	(791,174,680)
Net Cash from Operating Activities	(964,107,062)
B. Cash Flow from Investing Activities	
Purchase of Fixed Assets	(30,401,981)
Sale of Fixed Assets	31,257,143
Pre-operative Expenditure pending allocation	60,992
Purchase of Investments	(4,028,266,284)
Sale of Investments	1,283,275,000
Amount received on Slump Sale	5,300,000,000
Expenses incurred on Slump Sale	(162,602,560)
Interest Received	6,432,019
Dividend Received	62,903,984
Net Cash used in Investing Activities	2,462,658,313
C. Cash Flow from Financing Activities	
Proceeds from Issuance of Share Warrants / Capital	47,262,500
Proceeds from Borrowings	1,000,000
Repayment of Borrowings	(1,216,836,581)
Interest Paid	(87,086,910)
Redemption of Preference Share Capital	(10,000,000)
Preference Dividend Paid	(5,000,000)
Special Interim Dividend Paid	(169,516,280)
Tax on Dividend Paid	(28,984,973)
Net Cash from Financing Activities	(1,469,162,244)
Net (Decrease)/Increase in Cash & Cash Equivalents	29,389,007
Cash & Cash Equivalents at start of the year	89,669,126
Cash & Cash Equivalents at close of the year	119,058,133

Cash and cash equivalents include Rs.74,267,036/- on account of Margin Money which is held for more than three months and is not available for use by the Company.

As per our report of even date annexed

Rajesh Sethi
Partner
Membership No. 85669
Firm Reg. No. 001111N
for & on behalf of
J.C. Bhalla & Co.
Chartered Accountants

Kumar Indramani
Manager(Legal) &
Company Secretary

K. B. Satija
Asstt. Vice President
Corporate Finance

P. K. Ranade
Joint Managing
Director

V. P. Mahendru
Chairman - Cum
Managing Director

Place : Noida

Dated : 19th April, 2011

**SCHEDULE-1
 SHARE CAPITAL**

Particulars	31.03.11 Rs
AUTHORISED	
19,000,000 Equity Shares of Rs.10/- each	190,000,000
6,000,000 Preference Shares of Rs.10/- each	60,000,000
	<u>250,000,000</u>
ISSUED, SUBSCRIBED & PAID UP	
16,951,628 Equity Shares of Rs 10/- each fully paid up	169,516,280
Of the above Shares 14,276,100 shares are allotted as fully paid up under the Scheme of Arrangement without payments being received in cash.	
Of the above Shares 280,528 Shares are allotted as fully paid up upon the conversion of 8% Convertible Preference Shares allotted to the Equity Shareholders of erstwhile Indo Kopp Limited under the Scheme of Arrangement.	
Nil 10% Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up (allotted as fully paid up under the Scheme of Arrangement without payments being received in cash) (Refer Note 19 of Schedule 17)	-
Total	<u>169,516,280</u>

**SCHEDULE-2
 RESERVES AND SURPLUS**

Particulars	31.03.11 Rs
CAPITAL RESERVE	
Opening Balance	36,891,000
Addition during the year	<u>-</u>
	36,891,000
SECURITIES PREMIUM ACCOUNT	
Opening Balance	219,890,220
Addition during the year	<u>33,800,000</u>
	253,690,220
GENERAL RESERVE	
Opening Balance	707,274,702
Add: Amount transferred from Profit and Loss Account	<u>2,000,000,000</u>
	2,707,274,702
MERGER ADJUSTMENT ACCOUNT	
Opening Balance	41,608,190
Less: Amount transferred from Profit and Loss Account	<u>1,967,223</u>
	39,640,967
PROFIT AND LOSS ACCOUNT	
Balance as per Profit and Loss Account	<u>464,237,498</u>
Total	<u>3,501,734,387</u>

SCHEDULE-3
SECURED LOANS

Particulars	31.03.11 Rs
Vehicle Loans	
- From Banks	3,496,741
- From Others	<u>424,186</u>
	3,920,927
Total	<u>3,920,927</u>

Notes :

- Vehicle Loans from Banks and Others are secured by way of hypothecation of vehicles.
- Secured loans falling due for repayment within one year Rs.2,310,217/-

**SCHEDULE-4
FIXED ASSETS**

(in Rs.)

S. No.	Assets	Gross Block					Depreciation / Amortisation				Net Block	
		As At	Additions	Sale/Adjustment	As At	As At	For The	Adjustment	Upto	As At		
		01.04.10	On account of Slump Sale	Others	31.03.11	01.04.10	Year	On account of Slump sale	Others	31.03.11	31.03.11	
Intangible Assets												
1	Computer Software	13,571,299	1,732,500	14,731,799	-	572,000	3,836,069	1,323,042	4,873,307	-	285,804	286,196
Tangible Assets												
1	Land - Lease Hold	78,033,867	-	66,781,777	-	11,252,090	5,683,956	218,798	5,212,216	-	690,538	10,561,552
2	Land - Free Hold	123,215,716	222,000	-	-	123,437,716	-	-	-	-	-	123,437,716
3	Building	205,967,739	55,949,190	147,940,829	-	113,976,100	78,444,819	9,934,675	36,622,199	-	51,757,295	62,218,805
4	Lease Hold Improvements	9,301,242	-	-	-	9,301,242	4,287,898	1,860,248	-	-	6,148,146	3,153,096
5	Plant & Machinery	578,765,816	6,137,985	258,002,411	30,274,597	296,626,793	282,171,116	31,713,189	149,716,448	15,217,050	148,950,807	147,675,986
6	Furniture & Fixtures	30,801,137	1,450,319	18,288,267	80,111	13,883,078	18,889,857	2,309,541	12,814,616	50,264	8,334,518	5,548,560
7	Office Equipments	10,098,536	479,719	6,726,335	30,096	3,821,824	6,484,239	442,498	4,683,678	14,939	2,228,120	1,593,704
8	Fans Coolers & A.C.	13,412,568	530,210	7,666,328	85,657	6,190,793	6,926,117	763,467	4,865,095	39,096	2,785,393	3,405,400
9	Vehicles	25,117,253	26,397,684	2,614,276	-	48,900,661	16,252,844	3,703,311	2,364,155	-	17,592,000	31,308,661
10	Computers	38,279,346	2,935,059	35,230,379	-	5,984,026	33,173,322	1,638,890	31,446,437	-	3,365,775	2,618,251
11	Electrical Fittings	7,357,866	3,543,117	5,343,093	310,639	5,247,251	3,889,413	670,169	2,852,500	126,629	1,580,453	3,666,798
TOTAL		1,133,922,385	99,377,783	563,325,494	30,781,100	639,193,574	460,039,650	54,577,828	255,450,651	15,447,978	243,718,849	395,474,725
Capital Work In Progress												
												35,418,791
GRAND TOTAL		1,133,922,385	99,377,783	563,325,494	30,781,100	639,193,574	460,039,650	54,577,828	255,450,651	15,447,978	243,718,849	430,893,516

Notes :

- (*) Includes Rs.1,967,223/- transferred to Merger Adjustment Account.
- Additions to fixed assets includes Nil on account of capitalisation of Borrowing Costs.
- Capital Work in Progress includes capital advances of Rs.4,156,500/-

**SCHEDULE-5
PRE-OPERATIVE EXPENDITURE PENDING ALLOCATION**

Particulars	31.03.11
	Rs
Opening Balance (A)	5,932,985
Additions During the year	
ADMINISTRATION AND OTHER EXPENSES	
Miscellaneous Expenses	75,866
Legal & Professional Charges	33,515
Sub-Total (B)	109,381
FINANCIAL EXPENSES	
Bank Charges	722
Sub-Total (C)	722
DEPRECIATION	
Depreciation	29,898
Sub-Total (D)	29,898
Total (A+B+C+D)	6,072,986
Less : Other Income	171,094
Total Amount Carried to Balance Sheet	5,901,892

SCHEDULE-6
INVESTMENTS

Particulars	31.03.11 Rs
LONG TERM INVESTMENTS	
Non Trade Investments	
Investment in Shares - Unquoted	
IAFL Power Distribution & Infrastructure (P) Ltd. (Formerly Indo Asian Power Distribution & Infrastructure (P) Ltd.) 2,650,000 10% Convertible Preference Shares of Rs.10/- each fully paid up	26,500,000
Investment in Joint Ventures	
Saudi National Lamps and Electricals Company Ltd 40,000 Cash Shares of Saudi Riyals 50 each fully paid up	25,732,351
Indo Simon Electric Private Limited (Formerly Indo Asian Simon Private Limited) 10,598,050 Equity Shares of Rs.10/- each fully paid up	105,980,500
Investment in Units of Mutual Funds-Unquoted	
BNP Paribas Fixed Term Fund - Growth 10,000,000 Units of Face Value of Rs.10/- each	100,000,000
HDFC Monthly Income Plan - Long Term - Growth 4,366,259 Units of Face Value of Rs.10/- each	100,000,000
ICICI Prudential FMP Series 54-24 Months Plan Cumulative 8,000,000 Units of Face Value of Rs.10/- each	80,000,000
ICICI Prudential Interval Fund Plan-IV Cumulative 17,157,515 Units of Face Value of Rs.10/- each	200,000,000
Reliance Fixed Horizon Fund-XVII Series 13 Growth Plan 14,000,000 Units of Face Value of Rs.10/- each	140,000,000
Reliance Monthly Income Plan - Growth Plan 10,000,000 Units of Face Value of Rs.10/- each	100,000,000
State Bank of India Debt Fund Series-370 Days Growth 50,000,000 Units of Face Value of Rs.10/- each	500,000,000
State Bank of India Debt Fund Series-370 Days Growth 20,000,000 Units of Face Value of Rs.10/- each	200,000,000
Kotak FMP 370 Days Series 9 - Growth 20,000,000 Units of Face Value of Rs.10/- each	200,000,000
CURRENT INVESTMENTS	
Non Trade Investments	
Investment in Units of Mutual Funds-Unquoted	
State Bank of India Debt Fund Series-90 Days Dividend 20,000,000 Units of Face Value of Rs.10/- each	200,000,000
SBI SHF Ultra Short Term Institutional Plan Daily Dividend 89,885,647 Units of Face Value of Rs.10/- each	899,395,784
Total	2,877,608,635
Aggregate value of Investments	
- Quoted	-
- Unquoted	158,212,851
- Mutual Funds	2,719,395,784

Contd.

Investments purchased and sold during the year

Mutual Fund Units	Face Value (Rs)	Numbers	Cost (Rs)
SBI Magnum Insta Cash Fund - Daily Dividend Option	10	232,319,152	3,891,415,490
SBI-SHF-Ultra Short Term Fund-Institutional Plan-Daily Dividend	10	402,047,771	4,832,890,000
SBI-Debt Fund Series-90 Days-35-Dividend	10	150,000,000	1,500,000,000
SBI-Debt Fund Series-90 Days-36-Dividend	10	14,000,000	140,000,000

**SCHEDULE-7
CURRENT ASSETS, LOANS AND ADVANCES**

Particulars		31.03.11 Rs
A. INVENTORIES: (As per inventory taken, valued and certified by the Management)		
i. Raw Material		30,956,171
ii. Work in Progress		5,990,183
iii. Finished Goods		89,223,545
		<u>126,169,899</u>
B. SUNDRY DEBTORS: (Unsecured Considered good unless otherwise stated)		
i. Exceeding six months		53,540,018
ii. Other Debts		102,193,011
		<u>155,733,029</u>
C. CASH AND BANK BALANCES		
I. Cash in Hand		722,731
ii. Cheques in Hand		9,964,747
iii. Balance with Scheduled Banks in :		
- Current Account	33,483,053	
- Fixed Deposits	620,566	
- Margin Money (Against Bank Guarantees & Letters of Credit)	74,267,036	108,370,655
		<u>119,058,133</u>
D. LOANS AND ADVANCES (Unsecured Considered good unless otherwise stated)		
i. Advances recoverable in cash or kind or for value to be received (*)		80,158,461
ii. Security Deposit		3,360,783
iii. Advance Income Tax		837,577,319
iv. Advance Excise Duty & Custom Duty		621,365
(*) (including Rs.278,86,811/- lacs due from Indo Simon Electric Pvt. Ltd. a Joint Venture Company)		921,717,928
		<u>1,322,678,989</u>

**SCHEDULE-8
CURRENT LIABILITIES AND PROVISIONS**

Particulars		31.03.11 Rs
A. CURRENT LIABILITIES:		
1. Sundry Creditors		
-Micro, Small and Medium Enterprises (Refer Note - 16 of Schedule-17)		-
-Others		46,796,805
2. Advances from Customers		1,771,633
3. Security Deposits		5,061,725
4. Other Liabilities		33,822,805
5. Unpaid Dividend		3,558,090
		<u>91,011,058</u>

(A)

Contd.

Particulars	31.03.11
Rs	
B. PROVISIONS:	
1. Provision for Taxation	846,873,391
2. Provision for Gratuity	6,653,837
3. Provision for Compensated Absences	1,467,290
4. Provision for Excise Duty on Finished Goods	525,118
(B)	855,519,636
Total(A+B)	946,530,694

**SCHEDULE-9
 GROSS SALES AND OPERATING REVENUES**

Particulars	31.03.11
Rs	
A. SALES	
-Domestic	1,025,025,993
-Export	201,362,733
GROSS SALES	1,226,388,726
B. OPERATING REVENUES	
-Export Incentives	3,591,728
Total	1,229,980,454

**SCHEDULE-10
 OTHER INCOME**

Particulars	31.03.11
Rs	
Dividend on Non-Trade Current Investments	62,903,984
Profit on Sale of Fixed Assets (Net)	15,924,021
Rental Income	1,578,928
Provisions no longer required written back	246,188
Exchange Rate Difference	5,511,178
Miscellaneous Income	24,730,206
Sundry Balances Written Back	1,498,583
Total	112,393,088

**SCHEDULE-11
 MATERIAL COST**

Particulars	31.03.11
Rs	
A) Raw Material Consumed	
Opening Stock	134,769,201
Add: Purchases	691,483,115
Freight Inward, Cartage & Octroi	8,966,617
	835,218,933
Less: Material Transferred on Slump Sale	121,100,757
Less: Closing Stock	30,956,171
	683,162,005
B) Purchase of Trading Goods	88,177,218
Total	771,339,223

SCHEDULE-12
MANUFACTURING EXPENSES

Particulars	31.03.11 Rs
Wages & Bonus	46,431,601
Contribution to Provident Fund and	
Administration charges	3,393,021
ESI Contribution	1,464,201
Testing Charges	7,092,945
Power, Fuel and Electricity	18,386,969
Building Repairs	3,541,744
Machinery Repairs	7,181,615
Labour Work Charges	13,339,372
Excise Duty Provided on Finished Goods (including Rs.27,48,044/- on a/c of Material trfd on Slump Sale)	3,273,162
Total	104,104,630

SCHEDULE-13
ADMINISTRATION AND OTHER EXPENSES

Particulars	31.03.11 Rs
Salary & Bonus (including Rs.9,165,000/- paid to Directors)	190,890,073
P.F. Contribution and Admn. Charges (including Rs.273,600/- paid for Directors)	7,424,553
ESI Contribution	862,347
Rent (including Rs.3,485,514/- paid to Directors)	16,908,094
Rates and Taxes	3,782,539
Travelling and Conveyance	44,536,257
Employees welfare and training expenses	5,664,684
Printing and Stationery	2,982,972
Postage, Telegram & Telephone	8,565,588
Insurance (including Rs.59,382/- paid for Directors)	3,461,190
Other Repairs	6,378,925
Medical Expenses (including Rs.484,691/- paid for Directors)	4,400,846
Charity & Donation	605,500
Provision for Doubtful Debts	161,228,843
Bad Debts written off	49,266,372
Loss on Sale of Investments	5,665,000
Directors Sitting fees	228,000
Vehicle maintenance	3,646,423
Miscellaneous Expenses	12,417,344
Legal & Professional Charges	28,400,308
Exchange Rate Difference	332,035
Total	557,647,893

**SCHEDULE-14
 SELLING & DISTRIBUTION EXPENSES**

Particulars	31.03.11
	Rs
Freight and Cartage Outwards	31,821,432
Advertisement	17,434,970
Selling Commission	8,375,150
Sales Discount	122,203,914
Business Promotion	26,672,000
Samples	1,025,131
Tender Charges	50,000
Turnover Tax	207,962
Total	207,790,559

**SCHEDULE-15
 FINANCIAL EXPENSES**

Particulars	31.03.11
	Rs
INTEREST	
-Fixed Loan	22,374,028
-Others	52,036,314
Bank Charges	5,464,908
	79,875,250
Less: Interest received (Gross)	6,756,788
(Tax Deducted at Source Rs. 657,705/-)	
Total	73,118,462

**SCHEDULE-16
 (INCREASE)/DECREASE IN FINISHED GOODS
 AND WORK IN PROGRESS**

Particulars	31.03.11
	Rs
A) STOCK AT COMMENCEMENT	
Work in Progress	312,261,971
Finished Goods	189,129,856
	<u>501,391,827</u>
Less: Material Transferred on Slump Sale	334,266,767
	<u>167,125,060</u>
B) STOCK AT CLOSE	
Work in Progress	5,990,183
Finished Goods	89,223,545
	<u>95,213,728</u>
(Increase)/Decrease	<u>71,911,332</u>

SCHEDULE – 17**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED ACCOUNTS FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE****A) PRINCIPLES OF CONSOLIDATION :**

1. The Consolidated Financial Statements relate to Indo Asian Fusegear Limited (“the Company”) and its subsidiary company, which have been prepared in accordance with the Accounting Standard on “Consolidated Financial Statements” (AS-21).
2. The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 – “Consolidated Financial Statements”.
3. The difference between the cost of investments in the subsidiary company, over the company’s portion of equity of the subsidiary, at the date on which investment is made is recognized in the Financial Statements as Goodwill on consolidation.
4. The difference between the company’s portion of equity of the subsidiary over the cost of investments by the company, at the date on which investment is made is treated as Capital Reserve on consolidation.
5. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements.
6. Investments other than in subsidiary company have been accounted as per Accounting Standard (AS) 13 – “Accounting for Investments”.
7. Other Significant Accounting Policies :

These are set out under “Significant Accounting Policies” as given in the Standalone Financial Statements of Indo Asian Fusegear Limited.

B) NOTES ON ACCOUNTS TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :

1. The Subsidiary company considered in the consolidated financial statements is :

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest 31.03.2011
IAFL Cables Limited (Formerly Indo Asian Cables Ltd.)	India	100%

2. **Contingent Liabilities :-**

- i) Capital commitments (net of advance) Rs. 94.32 lacs.
- ii) Bank Guarantees Rs. 678.25 lacs.
- iii) Guarantees to Banks and others on behalf of Joint Venture Company Rs. 948.00 lacs.
- iv) Excise duty demands against which the company has preferred appeals Rs 523.14 lacs. The Company has already deposited a sum of Rs.30.15 lacs against the aforesaid demands.
- v) Central Excise Appeal filed by the Department Rs 17.04 lacs.

3. **Managerial Remuneration :-**

Particulars	31.03.11 (Rs.)
Salary	7,800,000
House Rent Allowance/Rent Free	
Accommodation	3,900,000
Contribution to Provident Fund	273,600
Others	769,073
	12,742,673

4. Miscellaneous expenses include 'Payment to Auditors' as follows :-

Particulars	31.03.11
	Rs
Audit Fee	1,565,000
Other Services	309,875
Service Tax	187,705

5. Provision for income tax has been made without considering some taxes and amounts which will be paid before filing of Income Tax Return as provided under Section 43-B of the Income Tax Act, 1961.
6. In the opinion of Board, the current assets, loans and advances are approximately of the value stated, if realized, in the ordinary course of business. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.
7. During the year, the Company has made provision for excise duty on stocks lying at the year end in various units amounting to Rs.525,118/- and has included the said amounts in the valuation of inventories. This has no effect on the profit for the year.
8. Lease Payments under an operating lease are recognised as an expense in the statement of Profit and Loss on a straight line basis over the lease term. Accordingly Rs.16,908,094/- has been charged to Profit and Loss Account during the year.

The total of future minimum lease rent lease rent payable under operating lease for each of the following periods is as under

Particulars	31.03.11
	Rs
Not later than one year	13,386,952
Later than one year and not later than five years	12,401,819
Later than five years	5,440,000

9. The Profit and Loss Account includes previous year debit adjustments amounting to Rs.380,487/- on account of following :-

Particulars	31.03.11
	Rs
Purchases	344,457
Machinery Repairs	11,934
Interest	24,096
Total	380,487

10. The Company has incurred Rs.2,223,933/- on Research & Development during the year which has been debited to Establishment and Miscellaneous Expenses .
11. Export sales include Indirect Export amounting to Rs.5,363,225/-.
12. The balances of Debtors, Advances and Creditors are subject to confirmation.
13. Pursuant to the special resolution passed at the Extra Ordinary General Meeting of the members of the Company held on 6th May, 2010, the company has made preferential allotment of 890,000 Zero Coupon Warrants to the Promoters, each warrant convertible into one equity share of Rs.10/- each at a price of Rs.70/- per equity share at any time within 18 months from the date of allotment of Warrants on preferential basis by private placement to the promoters of the Company as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
14. During the year ended 31st March, 2011, the Company has converted 845,000 Zero Coupon Convertible Warrants issued by private placement on preferential basis to the promoters of the Company into 845,000 fully paid Equity Shares of Rs.10/- each at a price of Rs.50/- per Warrant. The difference between the Conversion Price and the face value of the equity shares has been credited to Securities Premium Account.
15. **Financial Reporting of Interest in Joint Ventures**

Investments include Rs.1,317.12 Lacs representing Company's interest in the following jointly controlled entities as at 31.03.2011

Name of the Company	Contribution towards Equity (Rs./lacs)	Country of Residence	%age Holding of Indo Asian
Saudi National Lamps and Electricals Company Limited	257.32	Saudi Arabia	20%
Indo Simon Electric Private Limited (Formerly Indo Asian Simon Pvt. Ltd.)	1,059.80	India	50%
Total	1,317.12		

The company's proportionate share in each of the assets, liabilities, income and expenses in respect of the above entities has not been consolidated as per the "Financial Reporting of Interests in Joint Ventures " (AS-27) as their accounts are under compilation.

The aggregate amount of each of the Assets, Liabilities, Income and Expenditure related to interest of the Company in the jointly controlled entities are as under :

Saudi National Lamps & Electricals Co. Ltd.

Assets & Liabilities		(In Rs.)
Particulars		As at 31.12.10
Liabilities		
Share Capital		
Capital		23,840,000
Partners Loan		36,930,825
Loan Funds		74,441,902
Current Liabilities & Provisions		4,412,321
Total		139,625,048
Assets		
Net Fixed Assets including CWIP		100,797,387
Current Assets, Loans and Advances		16,862,754
Miscellaneous Expenditure to the extent not written off or adjusted		3,249,793
Profit and Loss Account		18,715,114
Total		139,625,048

Statements of Income & Retained Earnings		(In Rs.)
Particulars		Year ending 31.12.10
Sales		11,198,060
Cost of Sales		(16,624,438)
Gross Profit		(5,426,378)
Selling, General and Administrative Expenses		(9,136,394)
Operating Income		(14,562,772)
Financial Cost		(4,152,342)
Accumulated Losses		(18,715,114)

Indo Simon Electric Private Limited

Assets & Liabilities		(In Rs.)
Particulars		As at 31.03.11
Liabilities		
Share Capital		105,980,500
Loan Funds		80,777,882
Current Liabilities & Provisions		16,222,550
Total		202,980,932
Assets		
Net Fixed Assets including CWIP		112,460,590
Current Assets, Loans and Advances		41,059,184
Miscellaneous Expenditure to the extent not written off or adjusted		154,165
Profit and Loss Account		49,306,993
Total		202,980,932

Income & Expenditure

Particulars	Year ending 31.03.11
Income	
Income from Operation	27,165,527
Other Income	-
Total	27,165,527
Expenses	
Material Cost	14,090,940
Manufacturing Expenses	8,532,088
Administration and Other Expenses	28,539,209
Financial Expenses	6,066,515
Depreciation	8,505,007
Total	65,733,759
Profit / (Loss) before Tax	(38,568,232)
Provision for Tax	-
Profit / (Loss) after Tax	(38,568,232)

The financial data in respect of Indo Simon Electric Pvt. Ltd. for the year 31st March, 2011 and Saudi National Lamps and Electricals Company Limited for year ended 31st December, 2010 is based on their Provisional Accounts.

16. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Disclosure of Sundry Creditors is based on the information available with the Company regarding the status of suppliers as defined under the Micro, Small & Medium Enterprises Development Act, 2006.

(In Rs.)

S.No.	Particulars	31.03.11
1.	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	Nil
2.	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil
4.	The amount of interest accrued and remaining due and payable at the end of each accounting year; and	Nil
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil

17. The Board of Directors had declared a special interim dividend of Rs.10 per share (100%) amounting to Rs.169,516,280/- in its meeting held on 11th October, 2010 which has since been paid. The tax on special interim dividend amounting to Rs.28,154,535/- has also been paid.

18. During the year, the Company has paid arrears of Dividend on 10% Cumulative Redeemable Preference Shares upto 31st March, 2010 amounting to Rs.4,000,000/-. The tax on the above Preference Dividend amounting to Rs.664,350/- has also been paid.

19. During the year, the Company has redeemed 10% Cumulative Redeemable Preference Shares worth Rs.10,000,000/- held by Heinrich Kopp GmbH, Germany at par alongwith Preference Dividend of Rs.1,000,000/- for year ended 31st March, 2011. The tax on the above Preference Dividend amounting to Rs.166,088/- has also been paid.

20. Related Party Disclosure

i) Disclosures as required by Accounting Standard (AS-18) "Related Party Disclosures" are given below:

A. Investing Parties with whom the Company is a JV Partner

1. Indo Simon Electric Pvt. Ltd. (Formerly IndoAsian Simon Pvt. Ltd.)
2. Saudi National Lamps and Electricals Company Limited

B. Directors, Key Management Personnel

1. Mr. V.P.Mahendru - Chairman cum Managing Director
2. Mr.P.K.Ranade - Joint Managing Director
3. Mr. Vinay Mahendru - Executive Director

C. Relatives of Directors, Key Management Personnel

1. Mr. Vivek Mahendru - President (Operations)
2. Mr.Vimal Mahendru - President(Corporate Affairs)
3. Mr. Vikram Ranade - Vice President(Technologies)
4. Mr. Prashant Ranade - Vice -President(Procurement)
5. Mrs. Bela Mahendru*
6. Mrs. Ratna Mahendru*
7. Mrs. Richa Mahendru*
8. Mrs. Kaushalya Gujral*
9. Mr. O.P.Mahendru*
10. Mrs. Ameeta Ranade#
11. Mrs. Asha Chaturvedi#
12. Mrs.Shama Guleri#
13. Mrs. Uma Sharma#
14. P.K.Ranade(H.U.F.)#

*Relatives of Mr. V.P.Mahendru

#Relatives of Mr. P.K.Ranade

D. Group Company

IAFL Power Distribution & Infrastructure Pvt. Ltd.
(Formerly IndoAsian Power Distribution & Infrastructure Pvt. Ltd.)

E. LLP firms in which relatives of Directors are partners

1. VPM Industrial Services Corporation LLP
2. PKR Hitech Industrial Corporation LLP

S.No.	Nature of Transaction	31.03.11 Rs
1	Sales	
a.	Indo Simon Electric Private Limited	1,155,458
	Total	1,155,458
2	Miscellaneous Income	
a.	Indo Simon Electric Private Limited	19,992,000
	Total	19,992,000
3	Interest Received	
a.	Indo Simon Electric Private Limited	1,207,568
	Total	1,207,568
4	Remuneration paid	
a.	Mr. V.P.Mahendru	4,482,438
b.	Mr. P.K.Ranade	4,387,820
c.	Mr. Vinay Mahendru	3,872,415
d.	Mr. Vivek Mahendru	3,892,772
e.	Mr. Vimal Mahendru	3,851,393
f.	Mr. Vikram Ranade	2,797,967
g.	Mr. Prashant Ranade	2,306,404
	Total	25,591,209

S.No.	Nature of Transaction	31.03.11 Rs
5	Rent paid	
a.	Mr. V.P.Mahendru	561,600
b.	Mr. Vinay Mahendru	163,914
c.	Mr. Vivek Mahendru	163,914
d.	Mr. Vimal Mahendru	163,914
e.	Mr. Vikram Ranade	221,529
f.	Mr. Prashant Ranade	281,819
g.	Mrs. Ameeta Ranade	60,290
h.	Mrs. Bela Mahendru	40,194
i.	Mrs. Ratna Mahendru	40,193
j.	Mrs. Richa Mahendru	40,193
	Total	1,737,560
6	Interest paid on Fixed Deposits	
a.	Mr. P.K.Ranade	150,257
b.	Mrs. Ameeta Ranade	11,659
c.	Mr. Vikram Ranade	43,976
d.	Mrs. Kaushalaya Gujral	7,377
e.	Mr. O.P.Mahendru	21,600
f.	Mrs. Asha Chaturvedi	109,651
g.	Mrs. Shama Guleri	37,252
h.	Mrs. Uma Sharma	180,316
i.	Mrs. Richa Mahendru	14,668
	Total	576,756
7	Loans Given	
a.	Indo Simon Electric Private Limited	26,800,000
	Total	26,800,000
8	Refund of Fixed Deposits	
a.	Mr. P.K.Ranade	1,474,563
b.	Mrs. Ameeta Ranade	135,104
c.	Mr. Vikram Ranade	420,378
d.	Mrs. Kaushalaya Gujral	73,301
e.	Mr. O.P.Mahendru	237,206
f.	Mrs. Asha Chaturvedi	1,420,498
g.	Mrs. Shama Guleri	435,531
h.	Mrs. Uma Sharma	1,831,435
i.	Mrs. Richa Mahendru	140,180
	Total	6,168,196
9	Issue of Share Warrants	
a.	Mr. V.P.Mahendru	7,787,500
b.	Mr. Vikram Ranade	3,893,750
c.	Mr. Prashant Ranade	3,893,750
	Total	15,575,000
10	Allotment of Equity Share Capital	
a.	Mr. P.K.Ranade	9,750,000
b.	Mr. Vinay Mahendru	6,505,000
c.	Mr. Vivek Mahendru	6,505,000
d.	Mr. Vimal Mahendru	6,490,000
e.	Mrs. Ameeta Ranade	11,375,000
f.	VPM Industrial Services Corporation LLP	1,625,000
	Total	42,250,000

S.No.	Nature of Transaction	31.03.11 Rs
11	Special Interim Dividend Paid	
a.	Mr. V.P.Mahendru	97,220
b.	Mr. P.K.Ranade	4,158,400
c.	Mr. Vinay Mahendru	2,883,630
d.	Mr. Vivek Mahendru	2,953,400
e.	Mr. Vimal Mahendru	3,009,780
f.	Mr. Vikram Ranade	997,970
g.	Mr. Prashant Ranade	997,970
h.	P.K.Ranade (HUF)	21,600
i.	Mrs. Ameeta Ranade	5,453,600
j.	Mrs. Bela Mahendru	599,910
k.	Mrs. Ratna Mahendru	669,680
l.	Mrs. Richa Mahendru	543,530
m.	VPM Industrial Services Corporation LLP	24,903,060
n.	PKR Hitech Industrial Corporation LLP	24,030,670
	Total	71,320,420
12	Share Application Money given	
a.	IAFL Power Distribution & Infrastructure Pvt. Ltd.	1,780,000
	Total	1,780,000
13	Conversion of Share Application Money to Preference Share	
a.	IAFL Power Distribution & Infrastructure Pvt. Ltd.	26,500,000
	Total	26,500,000
14	Purchase of Investments	
a.	VPM Industrial Services Corporation LLP	600,000
	Total	600,000
15	Balance outstanding at the year end	
	Payable	
a.	Mr. V.P.Mahendru	201,074
b.	Mr. P.K.Ranade	405,881
c.	Mr. Vinay Mahendru	5,858
d.	Mr. Vivek Mahendru	300,240
e.	Mr. Vimal Mahendru	107,683
f.	Mr. Vikram Ranade	23,227
g.	Mr. Prashant Ranade	29,261
	Total	1,073,224
	Receivables	
a.	Indo Simon Electric Pvt. Ltd.	4,711,579
b.	Saudi National Lamps & Electricals Company Ltd	28,623,799
	Total	33,335,378
	Loan Outstanding	
a.	Indo Simon Electric Pvt. Ltd.	27,886,811
	Total	27,886,811
21.	Disclosure under Accounting Standard 15 (Revised)	
	As per Accounting Standard (AS-15) (Revised 2005) "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below:	
	(a) Defined Contribution Plans	
		31.03.11 Rs
	Employer's Contribution to Provident Fund *	1,08,17,574
	Employer's Contribution to ESI **	23,26,548
	(*) Included in Contribution to Provident Fund and Administration Charges (Refer Schedule 12 and 13)	
	(**) Included in ESI Contribution (Refer Schedules 12 and 13)	

(b) Defined Benefit Plans

(Rs.)

	Funded (*)	Non – Funded	
	Gratuity #	Gratuity #	Leave Encashment #
	31.03.11	31.03.11	31.03.11
Current service cost	-	984,799	405,338
Interest cost	-	1,892,189	524,212
Expected Return on Plan Assets	-	-	-
Actuarial (gain) / loss	-	(22,895,602)	(6,209,496)
Past service cost	-	-	-
Curtailement and Settlement Cost / (credit)	-	-	-
Net Cost	-	(20,018,614)	(5,279,946)

Included in Wages, Salary and Bonus (Refer Schedules 12 and 13)

(c) Actuarial Assumptions

	Gratuity 31.03.11	Leave Encashment 31.03.11
Discount Rate	7.00%	7.00%
Expected Rate of increase in Compensation Levels	5.00%	5.00%
Expected Rate of Return on Plan Assets	N.A.	N.A.
Expected Average remaining working lives of employees (years)	23.28	23.30

(d) Reconciliation of opening and closing balances of benefit obligations and plan assets.

(Rs.)

	Funded (*)	Non – Funded	
	Gratuity	Gratuity	Leave Encashment
	31.03.11	31.03.11	31.03.11
Change in Projected Benefit Obligation (PBO)			
Projected Benefit Obligation at beginning of year	-	27,031,275	7,488,741
Current service cost	-	984,799	405,338
Interest cost	-	1,892,189	524,212
Benefits paid	-	(358,824)	(741,505)
Curtailement and Settlement cost	-	-	-
Contribution by plan participants	-	-	-
Past services cost	-	-	-
Actuarial (gain)/loss	-	(22,895,602)	(6,209,496)
Projected Benefit Obligation at year end	-	6,653,837	1,467,290
Change in plan assets :			
Fair value of plan assets a beginning of year	-	-	-
Expected return on plan assets	-	-	-
Actuarial (gain)/loss	-	-	-
Employer contribution	-	-	-
Contribution by plan participants	-	-	-
Settlement cost	-	-	-
Benefits paid	-	-	-
Fair value of plan assets at year end	-	-	-
Net funded status of the plan	-	(6,653,837)	(1,467,290)
Net amount recognized	-	(6,653,837)	1,467,290)

(*) As the company has closed its operations at Jalandhar Plant and has discontinued the Group Gratuity Policy for the said unit from the LIC, hence the figures in respect of the current year have not been given.

22. Slump Sale of Switchgear Business

Pursuant to the decision in the meeting of the Board of Directors of the Company held on 22nd July, 2010 and the approval of the Shareholders of the Company through Postal Ballot, the Company has transferred the entire business of developing, manufacturing and selling Low Voltage Miniature Circuit Breakers, Residual Current Circuit Breakers, Air Circuit Breakers, Moulded Case Circuit Breakers, Distribution Boards, Fuses, Fuse Bases, Switches, Feeder Pillars, Contractors, Thermal Overload Relays ("Switchgear Business"), which is a separate segment as per AS 17, Segment Reporting, to a wholly owned subsidiary of Legrand France SA by way of Slump Sale as defined under Section 2(42C) of the Income Tax Act, 1961 on a going concern basis w.e.f. 9th September, 2010 for a total value of Rs.530.00 Crores on a Cash and Debt free basis.

The Extra Ordinary Item of Rs. 3,951,311,732/- shown in the Profit and Loss Account represents the profit on account of this arrangement which has been computed as under:-

	(In Rs.)
Total Value received on Slump Sale	5,300,000,000
Less : Value of Net Assets transferred on Slump Sale	
Total Assets Transferred	1,576,807,025
Less : Total Liabilities Transferred	390,721,317
Balance	4,113,914,292
Less : Expenses incurred on Slump Sale	162,602,560
Profit on Slump Sale	3,951,311,732

23. Segment Information for the year ended 31st March 2011

Information about Business segments – Primary**Business Segments**

The company has considered business segment as the primary segment for disclosure. The products included in each of the reported business segments are as follows :-

Switchgear includes MCBs, HRC Fuses, Feeder Pillars, RCCBs, Distribution Boards, Switches etc.

Lighting includes Compact Fluorescent Lamps, Fluorescent Tube Lights and Luminaires etc.

Cable and Wires includes Wires and Cables etc.

Segment Revenue relating to each of the above business segments includes Other Income, where applicable.

The above business segments have been identified considering :

- a) the nature of products and services
- b) the differing risks and returns
- c) the organization structure, and
- d) the internal financial reporting systems.

Segment Information for the Year Ended 31st March, 2011
Information About Business Segments - Primary

Rs.

	Switchgear (*) 31.03.11	Lighting 31.03.11	Cable & Wires 31.03.11	Unallocated 31.03.11	Total 31.03.11
1. Segment Revenue					
a) External Revenue (Including other Operating Income)	841,361,488	90,835,074	285,639,732	12,144,160	1,229,980,454
b) Inter Segment Revenue	-	-	-	-	-
Income from Operations	841,361,488	90,835,074	285,639,732	12,144,160	1,229,980,454
Less : Excise Duty	22,691,670	-	-	1,200,268	23,891,938
Total Revenue	818,669,818	90,835,074	285,639,732	10,943,892	1,206,088,516
2. Segment Result (Profit / Loss)	18,399,897	(391,585,346)	(62,882,912)	(24,640,194)	(460,708,555)
Interest & Bank Charges					73,118,462
Unallocated Corporate Expenses/(Income)					(13,815,815)
Profit before Extraordinary Items					(520,011,202)
Extraordinary Items					3,951,311,732
Profit before Tax					3,431,300,530
Provision for Income Tax					805,000,000
Excess Provision for Tax for earlier years					(4,794,705)
Wealth Tax					306,144
Deferred Tax					(4,049,554)
Profit after Tax					2,634,838,645
3. Other Information					
Segment Assets	-	220,118,889	256,856,147	89,356,304	566,331,340
Unallocated Corporate Assets					4,070,945,948
Total Assets					4,637,277,288
Segment Liabilities	-	21,937,238	45,995,802	11,887,251	79,820,291
Unallocated Corporate Liabilities					870,631,330
Total Liabilities					950,451,621
Capital Expenditure (including Capital Work in Progress)	8,344,506	2,320,630	-	5,824,262	
Depreciation (Net of transfer to Merger Adjustment Account)	13,702,649	15,802,651	9,714,478	5,216,180	
Non-cash expenses other than depreciation	13,080,953	158,614,067	34,514,492	4,542,590	

(*) Consequent upon the Slump Sale of the Switchgear Business as stated in Note 22 above, the current year's financial results include the performance of the Switchgear Business Segment upto 8th September 2010 only.

Notes:-

- i. Segment results represent Profit/(loss) before Interest and Tax.
- ii. Capital Expenditure pertains to gross additions made to fixed assets during the year including capital work in progress.
- iii. Segment Assets include Fixed Assets, Current Assets & Loans and Advances directly attributable to respective business segments.
- iv. Segment Liabilities include Current Liabilities and Provisions directly attributable to respective business segments.
- v. The accounting policies used to derive reportable segment results are consistent with those described in the "Significant Accounting Policies" note to the financial statements.

Information about Geographical Segments – Secondary

The Company has operations within India as well as with entities located in other countries. The information relating to the Geographical Segments in respect of the operations of the Company is given as under :-

Segment Revenue from external customers based on geographical location of customers

	31.03.11 Rs.
Within India	1,033,980,946
European Union	52,571,709
Other Countries	143,427,799
Total	1,229,980,454

Carrying Amount of Segment Assets by geographical location

	31.03.11 Rs.
Within India	4,604,243,489
European Union	-
Other Countries	33,033,799
Total	4,637,277,288

Additions to Fixed Assets and Intangible Assets by geographical location

	31.03.11 Rs.
Within India	99,377,783
European Union	-
Other Countries	-
Total	99,377,783

24. Discontinuing Operations

The Slump sale of Switchgear Business constitutes "Discontinuing Operations" within the meaning of Accounting Standard (AS 24) on "Discontinuing Operations".

The following statement shows the revenue and expenses of continuing and discontinuing operations.

(Rs./Lacs)

Particulars	Continuing Operations	Discontinuing Operations	Total
	Lighting, Cable & Wires and Unallocated	Switchgear	
Sales/Income from Operations	3,886.19	8,377.70	12,263.89
Less: Excise Duty	12.00	226.92	238.92
Net Sales/Income from Operations	3,874.19	8,150.78	12,024.97
Other Operating Income	-	35.92	35.92
Operating Expenses	9,572.50	8,081.25	17,653.75
Pre-tax Profit / (Loss) from Operating activities	(5,698.31)	105.45	(5,592.86)
Other Income	1,045.38	78.55	1,123.93
Profit / (Loss) before Interest	(4,652.93)	184.00	(4,468.93)
Interest			731.18
Profit / (Loss) before Tax			(5,200.11)

The carrying amount of assets of the Switchgear Business at the closing date was Rs 15,768.07 lacs (as on 1st April 2010 Rs 18,627.20 lacs) and liabilities was Rs 3,907.21 lacs (as on 1st April 2010 Rs 4,062.72 lacs)

25. The Company has given interest bearing inter corporate loan aggregating to Rs. 268.00 lacs to Indo Simon Electric Pvt. Ltd. (Formerly Indo Asian Simon Pvt. Ltd.), a Company with whom it is a Joint Venture Partner during the year. The maximum amount outstanding during the year was Rs. 278.87 lacs. The Balance outstanding as on 31.03.11 is Rs. 278.87 lacs. The above loan is re-payable on demand.

26. Earnings Per Share (EPS)
a) Basic and Diluted Earnings Per Share (Before Extra Ordinary Items)

	Unit	31.03.11
Net Profit attributable to Equity Shareholders	Rs.	(512,333,031)
Weighted Average number of Equity Shares outstanding during the year	Nos.	16,548,806
Earnings Per Share (Basic)	Rs.	(30.96)
Effect of Dilutive Securities:-Number of Shares under Option	Nos.	890,000
Number of Shares that would have been issued at fair value	Nos.	707,392
Total number of Shares	Nos.	16,731,414
Earnings Per Share (Diluted)	Rs.	(30.96)

b) Basic and Diluted Earnings Per Share (Including Extra Ordinary Items)

	Unit	31.03.11
Net Profit attributable to Equity Shareholders	Rs.	2,633,978,701
Weighted Average number of Equity Shares outstanding during the year	Nos.	16,548,806
Earnings Per Share (Basic)	Rs.	159.16
Effect of Dilutive Securities:-		
Number of Shares under Option	Nos.	890,000
Number of Shares that would have been issued at fair value	Nos.	707,392
Total number of Shares	Nos.	16,731,414
Earnings Per Share (Diluted)	Rs.	157.43

27. Elements of Deferred Tax Liability/(Asset) (Net) created for tax effect of timing differences as at 31st March, 2011 are as under :-

	(In Rs.)
	31.03.11
Difference between Book Depreciation and Depreciation under Income Tax Act, 1961	1,525,447
Expenditure deferred under Section 43 B of Income Tax Act, 1961	(346,052)
Provision for Gratuity	(1,772,954)
Provision for Doubtful Debts	(53,556,191)
Total Deferred Tax Liability / (Asset) (Net)	(54,149,750)

The Company has not recognised Deferred Tax Asset on a prudent and conservative basis.

28. Previous year figures have not been given as the company has prepared consolidated financial statement for the first time.

As per our report of even date annexed

Rajesh Sethi
 Partner
 Membership No. 85669
 Firm Reg. No. 001111N

Kumar Indramani
 Manager(Legal) &
 Company Secretary

K. B. Satija
 Asstt. Vice President
 Corporate Finance

P. K. Ranade
 Joint Managing
 Director

V. P. Mahendru
 Chairman - Cum
 Managing Director

for & on behalf of
 J.C. Bhalla & Co.
 Chartered Accountants

Place : Noida
 Dated : 19th April, 2011

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary Company	IAFL Cables Ltd. (Formerly Indo Asian Cables Limited)
Financial year of the Company ended on	31.03.11
Number of shares in the subsidiary company held by Indo Asian Fusegear Limited - Equity Shares	8,640,000
The extent of interest in subsidiary company of Indo Asian Fusegear Limited as at the above date	100%
The net aggregate of profits, less losses, of the subsidiary company so far as it concerns the members of Indo Asian Fusegear Limited	
(i) Dealt with in the accounts of Indo Asian Fusegear Limited amounted to :	
(a) for the subsidiary's financial year ended March, 31 2011	Nil
(b) for previous financial years of the subsidiary since it became subsidiary of Indo Asian Fusegear Limited	Nil
(ii) Not dealt with in the accounts of Indo Asian Fusegear Limited amounted to :	
(a) for the subsidiary's financial year ended March 31, 2011	Nil
(b) for previous financial years of the subsidiary since it became subsidiary of Indo Asian Fusegear Limited	Nil
Change in the interest of Indo Asian Fusegear Limited between the end of the subsidiary's financial year and March 31, 2011	Nil

Place : Noida
Dated : 19th April, 2011

Kumar Indramani
Manager(Legal) &
Company Secretary

K. B. Satija
Asstt. Vice President
Corporate Finance

P. K. Ranade
Joint Managing
Director

V. P. Mahendru
Chairman -Cum
Managing Director

AUDITORS' REPORT

To
The Members of
IAFL Cables Ltd.
(Formerly Indo Asian Cables Limited)

We have audited the attached Balance Sheet of IAFL Cables Ltd (Formerly Indo Asian Cables Ltd) as at 31 March 2011. This financial statement is the responsibility of the company's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We have conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence to support the financial statement amounts, and the disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the companies (Auditor's Report) Order, 2003 amended vide Companies (Auditors Report) (Amendment) order, 2004 issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.

Further to our comments in the Annexure referred to 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 purposes of our audit.
- b) In our opinion proper books of account as required by the law have been kept by the company so far as appears from our examination of those books.
- c) The Balance Sheet dealt with by this report is in agreement with the books of account.
- d) In our opinion the Balance Sheet dealt with by this report complies with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act 1956.
- e) On the basis of written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 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 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.
- (l) In the case of balance Sheet, of the state of affairs of the Company as at 31st March 2011.

For Daver Sikri & Co.
Chartered Accountants

(Sanjay Sikri)
Prop.
M. No. 86644
Firm Regd. No. 007884N

Place: New Delhi
Date: 18.04.2011

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in the Auditors' Report to the Members of IAFL Cables Limited (Formerly Indo Asian Cables Ltd) for the year ended 31st March 2011.

We report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The physical assets have been physically verified by the management at the year end. We are informed that no material discrepancies have been noticed by the management on such verification as compared with the records of fixed assets maintained by the Company.
- c. The Company has not disposed off a substantial part of its fixed assets during the year.
2. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of fixed assets. The company has not undertaken any service activity during the year. The Company has no inventory. Further during the course of our audit, we have not come across any instances of major weaknesses in internal control that in our opinion, require correction but have so continued without correction.
3. According to the information and explanations furnished to us, the company has not
 - a. granted any loans, secured/unsecured to companies firms or other parties whose particulars are recorded in the register maintained under Section 301 of the Companies Act 1956.
 - b. taken any loans secured or unsecured from Companies, Firms, or other parties covered in the register maintained under Section 301 of the Act.
4. Based on the information and explanations given to us, there are no transactions which come under the purview of Section 301 of the Companies Act 1956.
5. The company has not accepted any deposits from public and consequently, the directives issued by the Reserve Bank of India, the provisions of Sections 58A and 58AA or any other provisions of the Companies Act and the rules framed there under are not applicable.
6. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
7. As the Company has not commenced production, the maintenance of cost records is not applicable.
8. According to the information furnished to us, the company is regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Investor Education Protection Fund and Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it and there were no undisputed statutory dues in arrears, as at the date of Balance Sheet under Report, for a period of more than six months from the date they become payable.
9. The Company has no accumulated losses as at 31st March 2011. The Company has not incurred cash losses in the financial year ended on that date, and in the immediately preceding financial year.
10. The Company has not defaulted in repayment of its dues to financial institutions and banks at the date of Balance Sheet.
11. The Company has not granted any loans or advance on the basis of security by way of pledge of shares, debentures and other securities.
12. The company is not a chit fund, nidhi, mutual benefit fund or a society.
13. The company is not dealing in or trading in shares, securities, debentures and other investments.
14. 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.
15. The Company has not obtained any Term Loans.
16. The Company has not raised any funds raised on short-term basis.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
18. The company has not issued any debentures.
19. During the course of examination of the accounts of the Company in accordance with generally accepted auditing practices, we have not come across any instances of fraud on or by the company, nor have we been informed by the management, of any such instance being noticed or reported during the year.

**For Daver Sikri & Co.
Chartered Accountants**

(Sanjay Sikri)
Prop.

M. No. 86644

Firm Regd. No. 007884N

IAFL CABLES LIMITED
 (Formerly Indo Asian Cables Limited)
Balance Sheet as at 31st March, 2011

(In Rs.)

Particulars	Sch. No.	As at 31.03.2011	As at 31.03.2010
SOURCES OF FUNDS			
Share Holders Funds:			
- Share Capital	1	86,400,000	1,100,000
- Share Application Money		-	85,056,000
TOTAL		<u>86,400,000</u>	<u>86,156,000</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block		59,259,889	59,073,889
Less Depreciation		<u>98,851</u>	<u>68,953</u>
Net Block		59,197,038	59,004,936
Capital Work in Progress		617,861	617,861
Current Assets, Loans & Advances:			
- Cash & Bank Balances	2	122,299	114,471
- Loans & Advances		<u>20,466,226</u>	<u>20,402,388</u>
		20,588,525	20,516,859
Less: Current Liabilities & Provisions:			
Current Liabilities & Provisions			
- Sundry Creditors	3	99,572	110,898
- Provisions		<u>-</u>	<u>-</u>
Net Current Assets		<u>20,488,953</u>	<u>20,405,961</u>
Miscellaneous Expenditure			
(to the extent not written off or adjusted)			
- Preliminary Expenses		194,256	194,256
- Pre Operative Expenditure	4	<u>5,901,891</u>	<u>5,932,985</u>
TOTAL		<u>86,400,000</u>	<u>86,156,000</u>
Notes on Accounts	5		

As per our report of even date attached

for Daver Sikri & Co.
Chartered Accountants
for IAFL Cables Limited
(Formerly Indo Asian Cables Limited)
Sanjay Sikri
 (Proprietor)
 M.No. 86644
 Firm Regn. NO. 007884N

Vinay Mahendru
 (Director)

Vikram Ranade
 (Director)

 Place : New Delhi
 Date : 18.04.2011

IAFL CABLES LIMITED
(Formerly Indo Asian Cables Limited)

Schedules forming part of the Balance Sheet as at 31st March 2011

(In Rs.)

Particulars	Amount 31.03.2011	Amount 31.03.2010
-------------	----------------------	----------------------

SCHEDULE 1**Share Capital****Authorized Share Capital:**

1,00,00,000 Equity Shares of Rs. 10/- each	100,000,000	100,000,000
--	-------------	-------------

Issued, Subscribed and Paid-up Share Capital:

86,40,000 (Previous Year 1,10,000) Equity Shares of Rs.10/- each fully paid	86,400,000	1,100,000
--	------------	-----------

Total	86,400,000	1,100,000
--------------	-------------------	------------------

Fixed Assets

(In Rs.)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2010	Addition	Sale	Total	As on 1.4.2010	For the Year	Written Back	Total	As on 31.03.2011	As on 31.03.2010
Land	58,804,516	222,000	-	59,026,516	-	-	-	-	59,026,516	58,804,516
Office Equipment	25,500	-	-	25,500	7,190	2,547	-	9,737	15,763	18,310
Air Conditioners	127,100	-	-	127,100	32,900	13,103	-	46,003	81,097	94,200
Furniture & Fixtures	71,853	-	-	71,853	23,656	8,724	-	32,380	39,473	48,197
Electrical Fittings	44,920	-	-	4,920	5,207	5,524	-	10,731	34,189	39,713
Total	59,073,889	222,000	-	59,295,889	68,953	29,898	-	98,851	59,197,038	59,004,936
As at 31.03.2010	57,144,164	1,929,725	-	59,073,889	34,916	34,037	-	68,953	59,004,936	

SCHEDULE - 2**CURRENT ASSETS, LOANS AND ADVANCES****A. CURRENT ASSETS**

Balance with Scheduled Banks in Current Account	122,299	114,471
---	---------	---------

Total	122,299	114,471
--------------	----------------	----------------

B. Loans & Advances

(unsecured, considered good and recoverable in cash or in kind or for value to be received)

Advances for project	20,414,976	20,350,417
----------------------	------------	------------

Other Advances	51,250	51,971
----------------	--------	--------

Total	20,466,226	20,402,388
--------------	-------------------	-------------------

IAFL CABLES LIMITED
(Formerly Indo Asian Cables Limited)

Schedules forming part of the Balance Sheet as at 31st March 2011

(In Rs.)

Particulars	Amount 31.03.2011	Amount 31.03.2010
SCHEDULE - 3		
Current Liabilities and Provisions		
Sundry Creditors		
Due to Micro, Small, medium enterprises	-	-
Others	99,352	109,898
TDS Payable	220	1,000
Total	99,572	110,898
SCHEDULE - 4		
Pre-Operative Expenditure		
Opening Balance	5,932,985	5,464,305
Audit Fees	5,515	5,515
Bank Charges	722	1,659
Filing Fees	18,365	7,180
Legal & Professional Charges	28,000	-
Employees welfare & Training expenses	-	1,700
Miscellaneous Expenses	57,500	112,355
Postage Telegram & Telephone	-	13,380
Printing & Stationery	-	517
Travelling & Conveyance	-	7,583
Vehicle Maintenance	-	13,475
Electricity Expenses	-	14,307
Fringe Benefit Tax	-	582
Exchange Rate Difference	(64,559)	371,955
Miscellaneous Receipts	(106,535)	(125,314)
Repairs & Maintenance	-	9,749
Depreciation	29,898	34,037
Total	5,901,891	5,932,985

SCHEDULE -5**Notes to accounts forming part of the Balance Sheet as at 31st March 2011**

1. The company was incorporated on the 12th of November 2007, and has not yet commenced commercial activities; therefore no Profit & Loss Account has been prepared.
2. All expenses incurred on the project have been classified as "Pre-operative Expenses" which shall be amortized upon commencement of commercial operations.
3. Payment to auditors on account of Audit fee amounting to Rs 5,000.00 and Service tax Rs 515.00 is included under the head of "Pre operative Expenses", (Previous year Rs 5,000.00 and Service Tax Rs 515.00).
4. The Company has changed its name from Indo Asian Cables Limited to IAFL Cables Ltd with effect from the 24th day of February 2011.
5. During the year the company has become a wholly owned subsidiary company of Indo Asian Fusegear Limited with effect from 22nd March, 2011.
6. Disclosures pursuant to The Micro, Small and Medium Enterprises Development Act 2006.

The classification of the enterprises for purposes of disclosure under The Micro, Small and Medium Enterprises Development Act 2006 has been done based upon the declarations received by the company from its suppliers

- A. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the Accounting year

Principal Amount Due	NIL
Interest on above	NIL

- B. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day for the year

NIL

- C. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006

NIL

- D. The amount of interest accrued and remaining unpaid

NIL

- E. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006

NIL

for Daver Sikri & Co.
Chartered Accountants

for IAFL Cables Limited
(Formerly Indo Asian Cables Limited)

Sanjay Sikri
(Proprietor)
M.No. 86644
Firm Regn. NO. 007884N

Vinay Mahendru
(Director)

Vikram Ranade
(Director)

Place : New Delhi
Date : 18.04.2011

INDO ASIAN FUSEGEAR LIMITED

Regd. Office: 1048, Sector-14, Sonapat, Haryana – 131 001

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERENCE OF THE MEETING HALL. Joint shareholders may obtain additional slip at the venue of the meeting.

DP Id.*		Master Folio No.	
Client Id.*		No. Shares	
Name and address of the Shareholder :			

I hereby record my presence at the 22nd Annual General Meeting of the Company held on Saturday, 11th day of June, 2011, at 9:00 A.M. at 51 Kms, G.T. Karnal Road, Murthal, Distt. Sonapat, Haryana – 131 027.

* Application for investors holding share in electronic form.

Signature of Shareholder / Proxy

PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE MEETING



INDO ASIAN FUSEGEAR LIMITED

Regd. Office: 1048, Sector-14, Sonapat, Haryana – 131 001

PROXY FORM

DP Id.*		Master Folio No.	
Client Id.*		No. Shares	

I/Weof.....being a member/ members of INDO ASIAN FUSEGEAR LIMITED hereby appoint ofor failing himof as my/our proxy to vote for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Saturday, 11th day of June, 2011, at 9:00 A.M. at any adjournment thereof.

** I wish my above Proxy to vote in the manner as indicated in the box below:-

Resolution	In favour	Against
1) Adoption of Accounts, Reports of the Board of Directors and Auditors		
2) Payment of arrears of Preference Dividend for the Financial Year 2007 to 2010 and payment of Preference Dividend for the Financial Year 2010-11		
3) Re-appointment of Sh. A.K Ghosh, Director		
4) Re-appointment of Sh. Vinay Mahendru, Director		
5) Appointment of Auditors		

Notes:- (1) The proxy, to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the aforesaid meeting. (2) A Proxy need not be a member of the Company. (3) ** This is only optional. Please put a "X" in the appropriate column against the resolutions indicate in the box. If you leave the "For" or "Against" column blank against any all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this.....day of.....2011.

Signature.....

Affix a Re 1/- Revenue Stamp

* Applicable for investors holding shares in electronic form.



*Bringing Joy
Through Power*

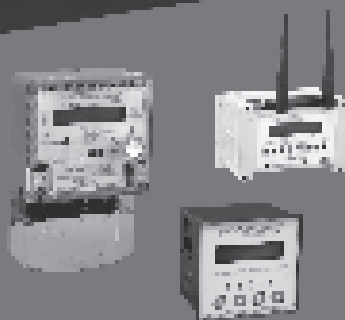
OUR RANGE OF PRODUCTS



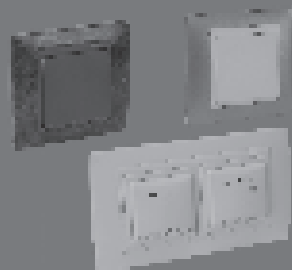
Lighting



Wires & Cables



Energy Meters



Modular Switches

Corporate Office Noida



**Lighting, Wires & Cables Plant
Haridwar**



**Modular Switches Plant
Haridwar**



Book Post

If undelivered please return to:

INDO ASIAN FUSEGEAR LIMITED

B-88, Sector-83, Noida-201 305 U.P. (India)

Phones: +91-120-3096700/701,

Fax: +91-120-3096800

E-mail: corporate@indoasian.com

www.indoasian.com