

**SAKTHI NETHERLANDS B.V.**  
**BALANCE SHEET AS AT 31-12-2010**

|  | Schedule<br>No. | As at<br>31.12.2010<br>(Rs. In Lakhs) | As at<br>31.12.2009 |
|--|-----------------|---------------------------------------|---------------------|
| <b>I. SOURCES OF FUNDS :</b>                       |                 |                                       |                     |
| <b>(1) SHAREHOLDERS' FUNDS :</b>                   |                 |                                       |                     |
| (a) Share Capital                                  | 1               | 18.66                                 | 19.79               |
| (b) Reserves and Surplus                           | 2               | 60,536.37                             | 64,322.83           |
| TOTAL  |                 | 60,555.03                             | 64,342.62           |
| <b>II. APPLICATION OF FUNDS :</b>                  |                 |                                       |                     |
| <b>(1) INVESTMENTS</b>                             | <b>3</b>        | <b>71,279.39</b>                      | 75,596.28           |
| <b>(2) (i) CURRENT ASSETS, LOANS AND ADVANCES:</b> |                 |                                       |                     |
| (a) Cash and Bank balances                         | 4               | 1.77                                  | 1.40                |
| (b) Loans and Advances                             | 5               | 742.30                                | 781.22              |
| Balance brought forward                            |                 | 744.07                                | 782.62              |
| (ii) LESS : CURRENT LIABILITIES AND PROVISIONS     | 6               | 11,468.42                             | 12,036.28           |
| Net Current Assets (i) - (ii+iii)                  |                 | (10,724.35)                           | (11,253.66)         |
| TOTAL  |                 | 60,555.04                             | 64,342.62           |

**SAKTHI NETHERLANDS**  
**PROFIT & LOSS ACCOUNT FOR PERIOD ENDED 31.12.2010**

|  | Schedule<br>No. | Figures for the                     |                                      |
|--|-----------------|-------------------------------------|--------------------------------------|
|  |                 | Current year<br>ended<br>31.12.2010 | Previous year<br>ended<br>31.12.2009 |
| (Rs. In Lakhs)   |                 |                                     |                                      |
| <b>I. INCOME:</b>  |                 |                                     |                                      |
| Other income   | 7               | --                                  | 515.90                               |
| TOTAL  |                 | <u>--</u>                           | <u>515.90</u>                        |
| <b>I. EXPENDITURE:</b>   |                 |                                     |                                      |
| Manufacturing expenses   | 8               | 1.26                                | 1.60                                 |
| Interest Charges   | 9               | 93.99                               | 0.00                                 |
| Any other expenses   | 10              | 18.09                               | 184.00                               |
| TOTAL  |                 | <u>113.34</u>                       | <u>185.60</u>                        |
| <b>II. PROFIT BEFORE TAX</b>   |                 | <b>(113.34)</b>                     | <b>330.30</b>                        |
| <b>Less: Income -tax Expenses:-</b>                                    |                 |                                     |                                      |
| Corporate Income Tax   |                 | --                                  | --                                   |
| Deffered Tax   |                 | --                                  | --                                   |
| <b>III. PROFIT /LOSS AFTER TAX</b>                                     |                 | <b>(113.34)</b>                     | <b>330.30</b>                        |
| <b>IV. ADD :BALANCE OF LOSS BROUGHT FORWARD<br/>FROM PREVIOUS YEAR</b> |                 | <b>18.79</b>                        | <b>(310.38)</b>                      |
| <b>V. SURPLUS / DEFICIT CARRIED OVER</b>                               |                 | <u><b>(94.55)</b></u>               | <u>19.92</u>                         |

As at                      As at  
**31.12.2010**            31.12.2009  
(Rs. In Lakhs)

**SCHEDULE - 1**

**SHARE CAPITAL:**

**AUTHORISED:**

|                                   |       |       |
|-----------------------------------|-------|-------|
| 1,45,000 Shares of Euro 1.00 each | 91.70 | 97.25 |
| TOTAL                             | 91.70 | 97.25 |

**ISSUED, SUBSCRIBED AND PAID UP:**

|                                 |       |       |
|---------------------------------|-------|-------|
| 29,500 Shares of Euro 1.00 each | 18.66 | 19.79 |
| TOTAL                           | 18.66 | 19.79 |

**SCHEDULE - 2**

**RESERVES AND SURPLUS:**

**SECURITIES PREMIUM ACCOUNT:**

|                                     |           |           |
|-------------------------------------|-----------|-----------|
| Balance as per last Balance sheet   | 60,630.92 | 64,302.91 |
| Transfer from Profit & Loss account | (94.55)   | 19.92     |
| TOTAL                               | 60,536.37 | 64,322.83 |

**SCHEDULE - 3**

**INVESTMENT**

|                                       |           |           |
|---------------------------------------|-----------|-----------|
| - Sakthi European Foreign Sales Corpn | 60,744.46 | 64,423.32 |
| - Sakthi Service GmbH                 | 10,534.93 | 11,172.96 |
| TOTAL                                 | 71,279.39 | 75,596.28 |

**SCHEDULE - 4**

**CASH AND BANK BALANCES:**

**Bank balances :-**

**Scheduled Banks :-**

|                  |      |      |
|------------------|------|------|
| Current accounts | 1.77 | 1.40 |
| TOTAL            | 1.77 | 1.40 |

**SCHEDULE - 5**

**LOANS AND ADVANCES :**

|  |        |        |
|--|--------|--------|
| Loans and Advances to Subsidiary Companies | 742.30 | 759.70 |
| Advance to Others                          | --     | 21.52  |
| TOTAL                                      | 742.30 | 781.22 |

**As at**                      **As at**  
**31.12.2010**              **31.12.2009**  
**(Rs. In Lakhs)**

**SCHEDULE - 6**

**CURRENT LIABILITIES AND PROVISIONS**

**A. Current Liabilities:**

**Sundry Creditors & Others**

|  |                  |           |
|--|------------------|-----------|
| Loans/Advances from Holding/Subsidiary Companies | <b>11,467.13</b> | 12,034.46 |
| Liabilities for Expenses:-                       |                  |           |
| - Administration fee payable                     | <b>0.66</b>      | 1.15      |
| - Tax adviser fees payable                       | <b>0.63</b>      | 0.67      |
| <b>TOTAL</b>                                     | <b>11,468.42</b> | 12,036.28 |

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| Year ended<br>31.12.2010<br>(Rs. In Lakhs) | Year ended<br>31.12.2009 |
|--|--------------------------|
|--|--------------------------|

**SCHEDULE - 7**

**OTHER INCOME**

|                             |           |               |
|-----------------------------|-----------|---------------|
| Sundry Balances Written off | --        | 515.90        |
| TOTAL                       | <u>--</u> | <u>515.90</u> |

**SCHEDULE - 8**

**MANUFACTURING EXPENSES:**

|       |             |             |
|-------|-------------|-------------|
| Rent  | 1.26        | 1.60        |
| TOTAL | <u>1.26</u> | <u>1.60</u> |

**SCHEDULE - 9**

**INTEREST CHARGES:**

|        |              |           |
|--------|--------------|-----------|
| Others | 93.99        | --        |
| TOTAL  | <u>93.99</u> | <u>--</u> |

**SCHEDULE - 10**

**ANY OTHER EXPENSES:**

|                                   |              |               |
|-----------------------------------|--------------|---------------|
| Administrative and other expenses | 18.01        | 16.14         |
| Bank Charges                      | 0.08         | 0.17          |
| Sundry Balances written off       | --           | 167.69        |
| TOTAL                             | <u>18.09</u> | <u>184.00</u> |