

SAKTHI PORTUGAL
BALANCE SHEET AS AT 31-12-2010

	Schedule No.	As at 31.12.2010	As at 31.12.2009
(Rs. In Lakhs)			
I. SOURCES OF FUNDS :			
(1) SHAREHOLDERS' FUNDS :			
(a) Share Capital	1	4,133.02	4,047.98
(b) Reserves and Surplus	2	11,837.74	9,631.25
		<u>15,970.76</u>	<u>13,679.23</u>
(2) LOAN FUNDS :			
(a) Secured loans	3	2,902.83	2,892.73
(b) Unsecured loans	4	13,078.34	14,362.73
		<u>15,981.17</u>	<u>17,255.46</u>
(3) DEFERRED TAX LIABILITY			
TOTAL		<u>32,279.28</u>	<u>30,934.69</u>
II. APPLICATION OF FUNDS :			
(1) FIXED ASSETS AND INTANGIBLE ASSETS:			
Gross Block		26,548.14	42,547.33
Less : Depreciation		4,296.98	21,588.21
		<u>22,251.16</u>	<u>20,959.12</u>
Add: Capital Work in Progress		101.02	358.51
Net Block	5A	<u>22,352.18</u>	<u>21,317.63</u>
INTANGIBLE ASSETS	5B	791.68	78.34
(2) INVESTMENTS			
	6	56.92	--
(3) DEFERRED TAX ASSET			
		--	1,340.51
(4) (i) CURRENT ASSETS, LOANS AND ADVANCES:			
(a) Inventories	7	10,303.64	9,607.48
(b) Sundry Debtors	8	5,701.59	4,999.68
(c) Cash and Bank balances	9	1,200.70	1,187.36
(d) Other Current Assets	10	125.44	18.60
(e) Loans and Advances	11	3,136.25	3,650.69
		<u>20,467.62</u>	<u>19,463.81</u>
Balance brought forward			
(ii) LESS : CURRENT LIABILITIES AND PROVISIONS:	12	14,061.93	13,892.67
Net Current Assets (i) - (ii+iii)		<u>6,405.69</u>	<u>5,571.14</u>
(5) BALANCE IN PROFIT & LOSS ACCOUNT			
		2,672.81	2,627.07
TOTAL		<u>32,279.28</u>	<u>30,934.69</u>

SAKTHI PORTUGAL
PROFIT & LOSS ACCOUNT FOR PERIOD ENDED 31.12.2010

	Schedule No.	Figures for the	
		Current year ended 31.12.2010	Previous year ended 31.12.2009
(Rs. In Lakhs)			
I. INCOME:			
Sales	13	40897.45	33557.96
Less: Excise duty collected		--	--
		40897.45	33557.96
Interest Gross		121.52	515.69
Other income	14	1083.42	685.96
Stock adjustment		481.68	(859.27)
TOTAL		42584.07	33900.34
II. EXPENDITURE:			
Steel Scrap & Pig Iron Consumed:	15		
i) Opening stock		3745.16	3843.83
ii) Purchases		19054.97	13177.52
		22800.13	17021.35
Less: Closing stock		4294.00	3739.26
		18506.13	13282.09
Manufacturing expenses	16	9238.93	9698.62
Excise Duty on Stock adjustments			
Salaries, Wages and other Employees benefits	17	8148.63	7812.87
Interest Charges	18	960.63	1468.37
Any other expenses	19	2137.30	2771.05
Intangible Assets Written off		977.16	0.00
Depreciation			
Less: Transfer to Revaluation Reserve		1945.14	2634.01
TOTAL		41913.92	37667.01
III. PROFIT/LOSS BEFORE PROVISION WRITTEN BACK		670.15	(3766.67)
Excess Provision Written Back		--	154.26
IV. PROFIT BEFORE TAX		670.15	(3612.41)
Less: Income -tax Expenses:-			
Corporate Income Tax		58.53	9.52
Deffered Tax		114.75	(840.61)
V. PROFIT /LOSS AFTER TAX		496.87	(2781.32)
VI. ADD :BALANCE OF LOSS BROUGHT FORWARD FROM PREVIOUS YEAR		(3169.68)	154.25
VII. SURPLUS / DEFICIT CARRIED OVER		(2672.81)	(2627.07)

	As at 31.12.2010 (Rs. In Lakhs)	As at 31.12.2009
SCHEDULE - 1		
SHARE CAPITAL:		
AUTHORISED:		
12,07,092 Shares of 5 EUROS each	4,133.02	4,047.98
TOTAL	<u>4,133.02</u>	<u>4,047.98</u>
SUBSCRIBED AND PAID UP:		
Subscribed and Paid up :		
12,07,092 Shares of 5 EUROS each	4,133.02	4,047.98
TOTAL	<u>4,133.02</u>	<u>4,047.98</u>
SCHEDULE - 2		
RESERVES AND SURPLUS:		
SHARE PREMIUM/CAPITAL RESERVE		
Balance as per last Balance sheet	11,837.74	9,631.25
TOTAL	<u>11,837.74</u>	<u>9,631.25</u>
SCHEDULE - 3		
SECURED LOANS:		
LOANS AND ADVANCES:		
FROM BANKS		
Term Loan - Barclays	1,106.70	1,341.40
Working Capital Loans from Bank	1,796.13	1,551.33
TOTAL	<u>2,902.83</u>	<u>2,892.73</u>
SCHEDULE - 4		
UNSECURED LOANS		
Short term Loans and Advances		
From Banks	6,126.36	9,063.21
From Others	5,841.11	3,958.12
Other Loans and Advances		
From Banks	1,110.87	1,341.40
TOTAL	<u>13,078.34</u>	<u>14,362.73</u>

SCHEDULE - 5

FIXED ASSETS:

(Rs. In Lakhs)

PARTICULARS	<----- GROSS BLOCK ----->				<----- DEPRECIATION ----->				<----- NET BLOCK ----->	
	AS ON 01.01.2010	ADDITIONS	TRANSFERS ADJUSTMENTS	AS ON 31.03.2011	UPTO 31.12.2009	FOR THE YEAR	WITHDRAWN	UPTO 31.03.2011	AS ON 31.12.2009	AS ON 31.03.2011
1. LAND	1109.80	-		1109.80	-			-	1109.80	1109.80
2. BUILDINGS	5886.01	235.02		6121.03	300.32	301.20		601.52	5585.69	5519.51
3. PLANT AND MACHINERY	19736.20	675.02	1306.90	19104.32	2864.40	1620.80	954.10	3531.11	16871.80	15573.21
4. OFFICE EQUIPMENT, FURNITURE AND FIXTURES	212.99	-		212.99	141.20	23.14		164.35	71.79	48.65
TOTAL	26945.01	910.04	1306.90	26548.14	3305.93	1945.14	954.10	4296.98	23639.08	22251.16
5. WORK IN PROGRESS	338.04	496.05	733.07	101.02	-	-	-	-	338.04	101.02
TOTAL FOR THE YEAR	27283.04	1406.09	2039.97	26649.16	3305.93	1945.14	954.10	4296.98	23977.12	22352.18
TOTAL FOR THE PREVIOUS YEAR	26254.87	12059.35	11031.18	27283.04	1030.81	2275.12	-	3305.93	25224.06	23977.12

SCHEDULE - 5A

INTANGIBLE ASSETS:

(Rs. in Lakhs)

PARTICULARS	<----- GROSS BLOCK ----->			AS ON 31.03.2011	<----- AMORTISATION ----->			<----- NET BLOCK ----->	
	AS ON 01.01.2010	ADDITION	DELETIONS		UPTO 31.12.2009	FOR THE YEAR	UPTO 31.03.2011	AS ON 31.12.2009	AS ON 31.03.2011
TECHNICAL KNOWLEDGE	3846.45	661.41	-	4507.86	2739.02	977.16	3716.18	1107.43	791.68
TOTAL FOR THE YEAR	3846.45	661.41	-	4507.86	2739.02	977.16	3716.18	1107.43	791.68
TOTAL FOR THE PERVIOUS YEAR	3768.11	78.34	-	3846.45	2668.51	70.51	2739.02	1099.60	1107.43

	As at 31.12.2010 (Rs. In Lakhs)	As at 31.12.2009
SCHEDULE - 6		
INVESTMENT		
- Investment in Bonds	56.92	--
TOTAL	<u>56.92</u>	<u>--</u>
SCHEDULE - 7		
STOCK-IN-TRADE:		
i) Finished goods:		
Iron Castings	4,097.28	4,004.53
ii) Raw materials		
Steel scrap, pig iron and others	4,007.90	3,739.26
iii) Stock in Process:-		
Iron Castings in Process	2,198.46	1,863.69
TOTAL	<u>10,303.64</u>	<u>9,607.48</u>
SCHEDULE - 8		
SUNDRY DEBTORS:		
Unsecured - considered good:		
i) Debts outstanding for a period exceeding six months		
Debtors	5,701.59	4,999.68
TOTAL	<u>5,701.59</u>	<u>4,999.68</u>
SCHEDULE - 9		
CASH AND BANK BALANCES:		
i) Cash on hand	4.12	6.65
ii) Bank balances :-		
Sheduled Banks :-		
Depsoit accounts	1,196.58	1,180.71
TOTAL	<u>1,200.70</u>	<u>1,187.36</u>
SCHEDULE - 10		
OTHER CURRENT ASSETS:		
Outstanding income and interest receivable	93.99	18.60
Others	31.45	--
TOTAL	<u>125.44</u>	<u>18.60</u>
SCHEDULE - 11		
LOANS AND ADVANCES :		
Unsecured:		
(Considered good - recoverable in cash or in kind)		
Advance recoverable in cash or in kind/value to be received	92.40	--
- Group Companies	259.20	697.39
Amount owed by others		
- Group Companies	2,784.65	2,953.30
TOTAL	<u>3,136.25</u>	<u>3,650.69</u>

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

SCHEDULE - 12

CURRENT LIABILITIES AND PROVISIONS

A. Current Liabilities:

Sundry Creditors

Liabilities for purchases, Expenses & Others	7,379.40	6,132.48
Liabilities for capital Expenditure	4,128.97	7,505.97
Group Companies	524.28	254.22
- Sundry Accruals	2,029.28	--
TOTAL	14,061.93	13,892.67

	Year ended 31.12.2010	Year ended 31.12.2009
	(Rs. In Lakhs)	
SCHEDULE - 13		
SALES:		
Goos for resale	48.80	0.00
Finished goods	40848.65	33557.96
TOTAL	<u>40897.45</u>	<u>33557.96</u>
SCHEDULE - 14		
OTHER INCOME :		
Services rendered	542.77	502.23
Supplementary income	229.02	0.00
Extraordinary income and gains	0.00	97.46
Other operating income	311.63	86.27
TOTAL	<u>1083.42</u>	<u>685.96</u>
SCHEDULE - 15		
STOCK ADJUSTMENT:		
(A) OPENING STOCK:		
Iron Castings	3476.63	4928.34
Iron Castings in process	1757.27	1928.93
TOTAL (A)	<u>5233.90</u>	<u>6857.27</u>
(B) CLOSING STOCK:		
Iron Castings	3517.12	4134.31
Iron Castings in process	2198.46	1863.69
TOTAL (B)	<u>5715.58</u>	<u>5998.00</u>
TOTAL (B) - (A)	<u>481.68</u>	<u>-859.27</u>

Year ended Year ended
31.12.2010 31.12.2009
(Rs. In Lakhs)

SCHEDULE - 16

MANUFACTURING EXPENSES:

Consumption of stores & spares	3108.25	2983.90
Power and Fuel	3791.70	2962.08
Rent	226.21	305.16
Rates and Taxes	--	153.16
Insurance	206.88	224.44
Repairs and Maintenance		
Building Maintenance	487.81	--
Machinery and Electrical	1418.08	996.11
Other Operating Expenses	--	2073.77
TOTAL	9238.93	9698.62

SCHEDULE - 17

SALARIES, WAGES AND OTHER EMPLOYEES BENEFITS:

Salaries and Wages, Bonus, etc.,	5991.47	5465.90
Contribution to P.F. and other funds	1379.41	1421.40
Workmen and Staff Welfare expenses	777.75	925.57
TOTAL	8148.63	7812.87

SCHEDULE - 18

INTEREST CHARGES:

Working capital loans	960.63	1468.37
TOTAL	960.63	1468.37

SCHEDULE - 19

ANY OTHER EXPENSES:

Travelling expenses	67.48	101.41
Freight and Transport	1481.24	1246.72
Printing, Postage, Telephone & Telex	76.08	564.07
Legal and Professional charges	512.50	858.85
TOTAL	2137.30	2771.05