



APAR INDUSTRIES LIMITED

(AN ISO 9001:2000 COMPANY)

Reg. Office :- 301, Panorama Complex, R.C. Dutt Road, Vadodara - 390 007.

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in million)

| Sr. No. | Particulars | Standalone Financials | | Consolidated Financials | |
|---------|--|---------------------------------|------------------|---------------------------------|------------------|
| | | Year ended 31st March (Audited) | | Year ended 31st March (Audited) | |
| | | 2011 | 2010 | 2011 | 2010 |
| 1 | Net Sales/income from operations | 27,184.69 | 19,980.54 | 30,283.00 | 22,355.45 |
| | Other operating income | 69.02 | 163.95 | 60.38 | 157.56 |
| | Total Income | 27,253.71 | 20,144.49 | 30,343.38 | 22,513.01 |
| 2 | Expenditure | | | | |
| | (a)(Increase)/decrease in stock-in-trade and work-in-progress | (10.85) | (212.28) | (37.01) | (238.65) |
| | (b) Consumption of raw materials | 21,018.86 | 15,467.18 | 23,171.14 | 17,242.26 |
| | (c) Purchase of traded goods | 809.84 | 361.69 | 809.84 | 361.69 |
| | (d) Employees cost | 250.28 | 206.48 | 396.34 | 339.54 |
| | (e) Depreciation and amortisation | 137.09 | 118.79 | 205.16 | 185.13 |
| | (f) Other expenditure | 3,485.42 | 2,938.75 | 4,126.30 | 3,277.85 |
| | (g) Total | 25,690.64 | 18,880.61 | 28,671.77 | 21,167.82 |
| 3 | Profit from operations before other income, interest and exceptional items (1-2) | 1,563.07 | 1,263.88 | 1,671.61 | 1,345.19 |
| 4 | Other income | 1.49 | 2.44 | 1.49 | 2.44 |
| 5 | Profit before interest and exceptional items (3+4) | 1,564.56 | 1,266.32 | 1,673.10 | 1,347.63 |
| 6 | Interest (net) | (32.06) | 195.60 | 134.65 | 331.99 |
| 7 | Profit after interest but before exceptional items (5-6) | 1,596.62 | 1,070.72 | 1,538.45 | 1,015.64 |
| 8 | Exceptional items | 1.97 | 22.61 | - | 11.56 |
| 9 | Profit (+) / Loss (-) from ordinary activities before tax (7-8) | 1,594.65 | 1,048.11 | 1,538.45 | 1,004.08 |
| 10 | Tax expense | 536.12 | 186.74 | 578.04 | 223.86 |
| 11 | Net Profit from ordinary activities after tax (9-10) | 1,058.53 | 861.37 | 960.41 | 780.22 |
| 12 | Minority interest - (Profit)/Loss | - | - | (7.15) | 67.21 |
| 13 | Net Profit from ordinary activities after tax (11-12) | 1,058.53 | 861.37 | 953.26 | 847.43 |
| 14 | Extraordinary items (net of tax) | - | 555.54 | - | 603.08 |
| 15 | Net Profit for the period/year (13-14) | 1,058.53 | 305.83 | 953.26 | 244.35 |
| 16 | Paid-up equity share capital (Face value of the share Rs. 10 each) | 323.36 | 323.36 | 323.36 | 323.36 |
| 17 | Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year | 3,423.93 | 2,606.48 | 3,190.85 | 2,510.34 |
| 18 | Earnings Per Share (EPS) | | | | |
| | - Basic and Diluted (not annualised) before extraordinary items for the period, for the year to date and for the previous year | 32.74 | 26.64 | 29.48 | 26.21 |
| | - Basic and Diluted (not annualised) after extraordinary items for the period, for the year to date and for the previous year | 32.74 | 9.46 | 29.48 | 7.56 |
| 19 | Public Shareholding | | | | |
| | Number of shares | 11,999,135 | 12,240,567 | 11,999,135 | 12,240,567 |
| | Percentage of shareholding | 37.11% | 37.85% | 37.11% | 37.85% |
| 20 | Promoters and Promoter Group Shareholding | | | | |
| | a) Pledged / encumbered | | | | |
| | Number of shares | Nil | Nil | Nil | Nil |
| | Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group) | Nil | Nil | Nil | Nil |
| | Percentage of shares (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil |
| | b) Non-encumbered | | | | |
| | Number of shares | 20,336,896 | 20,095,464 | 20,336,896 | 20,095,464 |
| | Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group) | 100.00% | 100.00% | 100.00% | 100.00% |
| | Percentage of shares (as a % of the total share capital of the Company) | 62.89% | 62.15% | 62.89% | 62.15% |

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in million)

| Particulars | Standalone Financials | | Consolidated Financials | |
|--|---------------------------------|------------------|---------------------------------|------------------|
| | Year Ended 31st March (Audited) | | Year ended 31st March (Audited) | |
| | 2011 | 2010 | 2011 | 2010 |
| Segment Revenue | | | | |
| Conductors | 13,258.17 | 9,857.98 | 13,258.17 | 9,857.98 |
| Transformer and Speciality Oils | 13,950.77 | 10,251.52 | 15,435.98 | 11,065.49 |
| Power and Telecom Cables | | | 3,151.69 | 1,826.21 |
| Others/Unallocated | 55.15 | 42.41 | 43.13 | 42.40 |
| Total | 27,264.09 | 20,151.91 | 31,888.97 | 22,792.08 |
| Less: Inter - Segment Revenue | 10.38 | 7.42 | 1,545.59 | 279.07 |
| Net Sales/Income from operations | 27,253.71 | 20,144.49 | 30,343.38 | 22,513.01 |
| Segment Results before tax and interest | | | | |
| Conductors | 467.63 | 601.03 | 467.63 | 601.03 |
| Transformer and Speciality Oils | 1,360.07 | 879.54 | 1,602.34 | 1,099.37 |
| Power and Telecom Cables | | | (113.78) | (127.46) |
| Others | 7.32 | 6.29 | 7.32 | 6.29 |
| Total | 1,835.02 | 1,486.86 | 1,963.51 | 1,579.23 |
| Less : Interest (net) | (32.06) | 195.60 | 134.65 | 331.99 |
| : Un-allocable expenditure net of Un-allocable income | 272.43 | 243.15 | 290.41 | 243.16 |
| Total Profit (+)/loss(-) before tax | 1,594.65 | 1,048.11 | 1,538.45 | 1,004.08 |
| Capital Employed | | | | |
| (Segment Assets - Segment Liabilities) | | | | |
| Conductors | 1,732.21 | 1,232.41 | 1,732.21 | 1,232.41 |
| Transformer and Speciality Oils | 1,408.31 | 1,302.21 | 1,989.38 | 1,624.38 |
| Power and Telecom Cables | | | 1,184.67 | 1,028.19 |
| Others/Unallocated | 1,818.54 | 1,351.83 | 60.95 | 640.39 |
| Total | 4,959.05 | 3,886.45 | 4,967.21 | 4,525.37 |

Notes:

- The Consolidated Financial Results include the results of three subsidiary companies and one joint venture company and two down-stream subsidiary companies.
- The Company has issued and allotted 3,636,363 Equity Shares (10.11% post-allotment) of Rs. 10 each at a premium of Rs. 210 per share on Preferential Allotment basis on 4th May, 2011 to Templeton Strategic Emerging Markets Fund III, L.D.C. Post-allotment, the paid-up capital of the Company has been increased to Rs 35,97,23,940 consisting of 3,59,72,394 Equity shares of Rs 10 each fully paid.
- The Board of Directors of the Company at its meeting held today, recommended the final dividend for the financial year 2010-11 @ Rs. 3.50 (35%) per share aggregating to Rs.125.90 million on 3,59,72,394 Equity Shares of Rs. 10 each fully paid. This will be paid after declaration by members at the ensuing Annual General Meeting. Total dividend for financial year 2010-11 including Interim Dividend of Rs 2.50 per share already paid is Rs 6 Per share (60%).
- The Company has entered into non-speculative commodity forward contracts in order to hedge its exposure to fluctuations in the metal prices against requisite firm price sales contracts (received / to be received) for its Conductor segment. The mark-to-market loss on such contracts amounting to Rs. 280.40 million as at 31st March, 2011 (out of which a gain of Rs. 119.63 million relate to the year ended 31st March, 2011 and balance relate to period prior to 1st April, 2010) has not been provided in the financial statements, as in the opinion of the management, such loss is notional in nature and the said loss would get extinguished on execution of firm sale price orders corresponding to these commodity forward contracts. The auditors have qualified their report on this matter.
- Draft Rehabilitation Scheme (DRS) of Uniflex Cables Limited (UCL), a subsidiary company which, *inter alia*, includes Scheme of Amalgamation of UCL with the Company with cut-off date as 31st March, 2010 has been submitted to Board for Industrial and Financial Reconstruction (BIFR) by Operating Agency (OA) appointed by BIFR, for its final consideration. The shareholders of the Company have approved the DRS subject to the approval of BIFR and other regulatory approval. If the above Scheme of Amalgamation is approved by the BIFR, the financials would stand as under:

(Rs. in million)

| Particulars | Standalone financials (as at 31st March, 2011) | | Consolidated financials (as at 31st March, 2011) | |
|----------------------------|---|-------------------|---|-------------------|
| | Pre-amalgamation | Post-amalgamation | Pre-amalgamation | Post-amalgamation |
| Sales (net of excise duty) | 27,184.69 | 29,206.24 | 30,283.00 | 30,283.00 |
| Profit before tax | 1,594.65 | 1,311.83 | 1,538.44 | 1,538.44 |
| Profit after tax | 1,058.53 | 1,174.23 | 953.26 | 1,351.78 |
| Earnings per share | 32.74 | 33.71 | 29.48 | 38.81 |
| Share Capital | 323.36 | 348.34 | 323.36 | 348.34 |
| Reserve and Surplus | 3,423.93 | 3,468.47 | 3,190.85 | 3,589.37 |

Further DRS also envisage issue of one equity share of Rs 10 each of the Company to the shareholders of the UCL in exchange of ten equity shares of Rs 10 each held by them in UCL. Such allottees shall be entitled to above final dividend of Rs 3.50 per share recommended by the directors at its meeting held today, only if the new shares are allotted to them before the declaration of said final dividend at the ensuing 22nd Annual General Meeting.

- Marine Cables & Wires Private Limited (MCWPL), a wholly owned subsidiary of UCL has been declared as a sick company by the BIFR. For its' expeditious revival, the MCWPL has prepared a Draft Rehabilitation Proposal which, *inter alia*, includes a Scheme of Amalgamation with the Company with effect from 1st April, 2010 (Transfer Date). The shareholders of the Company have approved the DRS subject to the approval of BIFR and other regulatory approval. The said draft proposal has been furnished to the Operating Agency (OA) appointed by BIFR and all concerned parties. The OA report to BIFR in this regard is awaited. The effect of the Scheme of Amalgamation will be accounted for in the financial statements on completion of the amalgamation process.
- There were no pending investor complaints at the beginning of the quarter. During the quarter ended 31st March, 2011, the Company has received two complaints, which has been attended and resolved. No Complaints remain unresolved as at 31st March, 2011.
- Statement of Assets and Liabilities is given below :
- Previous period / year figures have been regrouped, wherever necessary.
- The above financial results were reviewed by the Audit Committee of Directors and approved by the Board of Directors at its meeting held today.

For Apar Industries Limited

Place : Mumbai
Date : 27th May, 2011

(Kushal N. Desai)
Managing Director

Statement of Assets and Liabilities

(Rs.in million)

| Sr. No. | Particulars | Standalone Financials | | Consolidated Financials | |
|---------|---|-----------------------|------------------|-------------------------|------------------|
| | | 31.03.2011 | 31.03.2010 | 31.03.2011 | 31.03.2010 |
| 1 | Shareholders' funds: | | | | |
| | (a) Share capital | 323.36 | 323.36 | 323.36 | 323.36 |
| | (b) Reserve and surplus | 3,423.93 | 2,606.48 | 3,190.85 | 2,510.34 |
| | Total | 3,747.29 | 2,929.84 | 3,514.21 | 2,833.70 |
| 2 | Minority interest | | | 5.21 | 3.21 |
| 3 | Loan funds | 1,118.29 | 876.29 | 1,359.00 | 1,616.56 |
| 4 | Deferred tax liability | 93.48 | 80.32 | 88.80 | 71.90 |
| 5 | Total | 4,959.05 | 3,886.45 | 4,967.21 | 4,525.37 |
| 1 | Goodwill | - | - | - | - |
| 2 | Fixed assets | 1,256.28 | 1,208.75 | 1,861.75 | 1,810.63 |
| 3 | Investments | 315.54 | 317.51 | 0.23 | 0.23 |
| 4 | Current Assets, loans and advances | | | | |
| | (a) Inventories | 4,273.36 | 3,782.88 | 4,926.29 | 4,391.83 |
| | (b) Sundry debtors | 6,338.93 | 3,784.27 | 6,931.74 | 4,243.23 |
| | (c) Cash and bank balances | 3,832.70 | 4,697.07 | 4,146.62 | 4,888.24 |
| | (d) Other current assets | - | - | - | - |
| | (e) Loans and advances | 3,126.95 | 2,047.92 | 1,778.08 | 1,735.89 |
| | Total | 17,571.94 | 14,312.14 | 17,782.73 | 15,259.19 |
| 5 | Less : Current liabilities and provisions | | | | |
| | (a) Liabilities | 13,815.40 | 11,742.43 | 14,293.28 | 12,327.73 |
| | (b) Provisions | 369.30 | 209.52 | 384.22 | 216.96 |
| | Total | 14,184.70 | 11,951.95 | 14,677.51 | 12,544.69 |
| 6 | Net current assets | 3,387.23 | 2,360.19 | 3,105.22 | 2,714.51 |
| 7 | Miscellaneous expenditure (not written off or adjusted) | | | | |
| | Total | 4,959.05 | 3,886.45 | 4,967.21 | 4,525.37 |