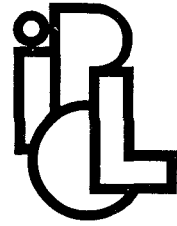


ISO 9001:2000
TS 16949:2002
ISO 14001:2004
OHSAS 18001:2007
Certified Company



**34th ANNUAL REPORT
2008-2009**

INVESTMENT & PRECISION CASTINGS LTD

BOARD OF DIRECTORS :

Dr. Abhinandan K. Jain	Chairman
Shri B. F. Tamboli	Vice Chairman
Shri I. F. Tamboli	
Shri P. S. Shenoy	
Shri B. Rangarajan	
Shri Mehul B. Tamboli	
Shri P. A. Subramanian	Managing Director
Shri Piyush I. Tamboli	Executive Director
Shri Vaibhav B. Tamboli	Executive Director

BANKERS :

Bank of Baroda
Lokhand Bazar, Main Branch,
Bhavnagar, Gujarat

AUDITORS :

Sanghavi & Company
Chartered Accountants
Bhavnagar

REGISTERED OFFICE & WORKS :

Nari Road, Bhavnagar
Gujarat 364 006.
Telephone (91) (278) 2523300 to 304
Fax (91) (278) 2523500 to 502
E-Mail direct1@ipcl.in
Website www.ipcl.in

ISIN : INE155E01016

BSE Scrip Code : 504786

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY-FOURTH ANNUAL GENERAL MEETING OF INVESTMENT & PRECISION CASTINGS LIMITED WILL BE HELD ON SEVENTEENTH DAY OF AUGUST 2009 AT HOTEL NILAMBAUG PALACE, BHAVNAGAR, AT 1630 HOURS, to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at March 31, 2009 and Profit & Loss Account for the period ending on that date and the report of the Board Of Directors and Auditors thereon, and to consider and adopt Compliance Certificate received from Practicing Company Secretary in pursuance of provision of section 383A (1) of the Companies Act, 1956, as amended.
2. To declare Dividend.
3. To appoint a Director in place of Shri M. B. Tamboli, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. Abhinandan K. Jain, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Shri B. Rangarajan, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Registered Office:
Nari Road
Bhavnagar, Gujarat 364 006
Dated: May 17, 2009

BY ORDER OF THE BOARD OF DIRECTORS
P. A. Subramanian
MANAGING DIRECTOR

Notes:

1. A member entitled to attend and vote at the above meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. Register of Members shall remain closed from 8.8.2009 to 17.8.2009 (both days inclusive).
3. Members are requested to notify change of address, if any.
4. Members desiring any information pursuant to an item on the Agenda are requested to write sufficiently early so as to reach the Company at least 7 days prior to the AGM, to enable the Management to keep the information available at the meeting.
5. Members holding shares in demat form are requested to bring their Client ID and DPID numbers and photo identity for easy identification of attendance at the meeting.
6. Under the provisions of Section 205-C of the Companies Act, 1956, dividends remaining unpaid/unclaimed for a period over 7 years will be transferred to the Investor Education & Protection Fund (IEPF) of the Central Government. The members may write to the Company for claiming the amount if any, relating to following years before it is transferred to the IEPF.

Financial year ended	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEP fund
2001-2002	17.7.2002	16.7.2009	15.8.2009
2002-2003	16.7.2003	15.7.2010	14.8.2010
2003-2004	17.7.2004	16.7.2011	15.8.2011
2004-2005	23.7.2005	22.7.2012	21.8.2012
2005-2006	21.7.2006	25.7.2013	24.8.2013
2006-2007	28.7.2007	27.7.2014	26.8.2014
2007-2008	28.6.2008	27.6.2015	26.7.2015

7. Dividend, if sanctioned at the meeting, will be payable to the members whose names appear on the Company's Register of Members on the Record Date 7.8.2009, and to those members who hold the shares in demat form as per the record of Depositories, National Securities Depository Ltd. (NSDL) and Central Depository System (India) Ltd. (CDSL), as on the close of the day before start of Book Closure date from 8.8.2009 to 17.8.2009, both days inclusive.
8. Payment of Dividend through Electronic Clearing Service (ECS) facility:
- 8.1 Reserve Bank of India's Electronic Clearance Service (ECS) Facility provides investors an option to collect dividend directly through their bank accounts rather than receiving the same through post.
- 8.2 The Company has already started making payment of Dividend to the members through the said Electronic Clearing Service (ECS) facility since F. Y. 2006-2007.
- 8.3 Investors holding shares in physical form may send their ECS Mandate Form duly filled in, to the Company, R&TA. ECS Mandate Form is enclosed (Annexure A) for immediate use of investors. However, if shares are held in dematerialised form, ECS mandate has to be sent to the concerned Depository Participant (DP) directly in the format prescribed by the DP.

Registered Office:
Nari Road
Bhavnagar, Gujarat 364 006
Dated: May 17, 2009

BY ORDER OF THE BOARD OF DIRECTORS
P. A. Subramanian
MANAGING DIRECTOR

DIRECTORS' REPORT: 2008-2009

To
The Members

The Directors have pleasure in presenting the Directors' Report and audited statement of accounts of the Company for the period ended on March 31, 2009.

1. Financial Results :

	(Rs. in Lacs)	
	<u>2008-2009</u>	<u>2007-2008</u>
Total Income	4469.13	6235.07
Profit Before Taxation	598.26	879.01
Less: Provision for Taxation:		
1. Current	252.00	296.00
2. Deferred	(-) 40.16	0.93
3. Fringe Benefit Tax	3.83	4.30
Profit After Taxation	382.59	577.78
Adding thereto:		
1. Balance brought forward from last Balance Sheet	10.00	10.00
2. Prior Period Adjustment	0.00	0.00
Making a total amount available for appropriation of	392.59	587.78
Which has been appropriated as follows:		
1. Proposed Dividend	62.00	99.20
2. Corporate Dividend Tax	10.54	16.86
3. General Reserve	310.05	461.72
Leaving a balance to be carried forward	10.00	10.00

2. **Operations:** The total Income during the year shows decrease of 28 % over the previous year. The Profit Before Tax shows decrease of around 32 %. The income and margins have been under pressure on account of recessionary trends in the domestic economy.
3. **Dividend:** The Directors are pleased to recommend a Dividend for the period ended March 31, 2009 @ Rs. 1.25 per share, on 49,60,000 Equity Shares for financial year 2008-2009 amounting to Rs. 62.00 Lacs as against Rs. 2.00 per share, amounting to Rs. 99.20 Lacs for last financial year 2007-2008, subject to approval of the members at this Annual General Meeting.
4. **Research & Development:** Product Development and Process Improvements actively continued during the year.
5. **Wind Power Project:** The company's Wind Turbine Generator which was commissioned on 21.6.2006 is operating satisfactorily.
6. **Subsidiary Company:** The company has transferred its 100 % shareholding in Wholly Owned Subsidiary Tamboli Castings Limited to Tamboli Capital Limited, the transferee company according to the terms of the Scheme of Arrangement and Demerger as approved by the Hon'ble High Court of Judicature, Ahmedabad vide its Order dated February 13, 2009. Therefore, Tamboli Castings Limited is no longer a subsidiary of the company effective from 13.2.2009. In view of the aforesaid change company is not required to report consolidated accounts as done till last financial year 2007-2008.

7. Directors:

- a) Shri M. B. Tamboli, Dr. Abhinandan K. Jain and Shri B. Rangarajan retire by rotation as required by the Companies Act, 1956, and being eligible, offer themselves for re-election.
- b) Shri I. F. Tamboli has resigned as Chairman of the Board of Directors of the Company effective from 24.3.2009. However, Shri I. F. Tamboli continues to be a Director on the Board of Directors of the Company effective from 24.3.2009.
- c) Dr. Abhinandan K. Jain, Independent Director has been appointed as Chairman of the Board of Directors effective from 24.3.2009.

8. Personnel: Industrial relations continued to be cordial and productive during the year.

9. Particulars of Employees: Information in accordance with sub-section (2A) of Section 217 of the Companies Act, 1956, is annexed herewith.

10. Directors' Responsibility Statement: Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the Operating Management, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b) they have selected prudent accounting policies;
- c) they 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;
- d) they have prepared the annual accounts on a going concern basis.

11. Segment Reporting: As all the manufacture is of one class of products, segmentwise reporting of the results is not applicable to your Company.

12. Accounting for Taxes on income: Deferred Tax Asset of Rs. 40.16 Lacs, resulting from application of the Accounting Standard AS-22, has been credited to the amount available for appropriation for the present Financial Year, 2008-2009.

13. Corporate Governance: The company has complied with amended Clause 49 of listing agreement concerning strength of independent directors on the Board before March 31, 2009. Please see the enclosed Annexure for details.

14. Management Discussion & Analysis: The Management Discussion & Analysis is also enclosed.

15. Auditors: The members will be requested at the forthcoming Annual General Meeting to appoint Auditors and fix their remuneration. M/s. Sanghavi & Co., the existing Auditors, are eligible for re-appointment.

16. Compliance Certificate: A copy of this certificate is enclosed with this report.

17. Appreciation: The Directors thank the Bankers, Bank of Baroda, and the concerned authorities of the Government for their co-operation, and also record their appreciation for the efforts put in by the employees.

Registered Office:
Nari Road
Bhavnagar, Gujarat 364 006
Dated: May 17, 2009

ON BEHALF OF THE BOARD OF DIRECTORS
Dr. Abhinandan K. Jain
CHAIRMAN

ANNEXURE TO DIRECTORS' REPORT

Particulars of Employee(s) as required u/s. 217(2A) of the Companies Act, 1956, forming part of the Directors' Report for the year ended on March 31, 2009

A. Employed throughout the financial year:

Sr. No.	Name	Age	Qualification	Designation	Experience (in years)	Remuneration Gross Rs.	Nature of Duties	Joining Date	Particulars of previous employment
1.	Shri B. F. Tamboli	66	B.E. (Met.)	Vice Chairman	41	17,93,067/-	As assigned by the Board from time to time	1.1.1989	—
2.	Shri P. A. Subramanian	63	B.Sc. (Engg.)	Managing Director	41	15,69,027/-	As assigned by the Board from time to time	21.4.1986	General Manager United Wire Ropes Ltd.
3.	Shri P. I. Tamboli	43	B.Sc. MBA	Executive Director	19	12,79,200/-	As assigned by the Board from time to time	12.6.2003	Senior Executive (Operations) SteelCast Ltd.
4.	Shri V. B. Tamboli	33	B.E. (Mech.) MBA	Executive Director	9	12,94,080/-	As assigned by the Board from time to time	23.3.2000	—

B. Employed for a part of the financial year:

Sr. No.	Name	Age	Qualification	Designation	Experience (in years)	Remuneration Gross Rs.	Nature of Duties	Joining Date	Particulars of previous employment
1.	Shri M. B. Tamboli	37	B.Sc.	Executive Director	19	1,78,180/- (1.4.08 to 31.5.08)	As assigned by the Board from time to time	12.6.2003	Executive Director Tamboli Exim Limited

- Notes:
- Gross remuneration includes Basic Salary, monthly allowances, commission and Company's contribution to Provident, Gratuity and Superannuation Funds.
 - The conditions of employment are contractual and terminable by three months' notice from either side.

Registered Office:
Nari Road
Bhavnagar, Gujarat 364 006
Dated: May 17, 2009

ON BEHALF OF THE BOARD OF DIRECTORS
Dr. Abhinandan K. Jain
CHAIRMAN

MANAGEMENT DISCUSSION & ANALYSIS

A INDUSTRY STRUCTURE & DEVELOPMENT:

The global financial crisis and recessionary conditions have cast their shadow on the Indian economy. Growth has slowed down significantly in most of the engineering sector. This has affected the foundry industries also.

Sales Turnover went down from Rs. 6235.07 Lacs to Rs. 4469.13 Lacs, a decrease of 28 % and PBT decreased from Rs. 879.01 Lacs to Rs. 598.26 Lacs, a decline of 32 %.

B OPPORTUNITIES, THREATS, RISKS & CONCERNS:

1. Opportunities:

Although the Indian Automotive Industry is also facing a decline in growth compared to last year, most of the car manufacturers have come up with new model launches to increase market share.

The Government focus on boost to infrastructure sectors especially power generation, offers opportunity for growth to the Company.

2. Threats:

The Free Trade Agreements with neighbouring countries, pose some threat.

The prevailing global slowdown/recession and its impact to domestic economy is matter of concern.

3. Risks & Concerns:

Interest rates continue to be high in the present recessionary situations which may make economic recovery slow. High levels of unemployment together with anxieties about possible loss of employment may cause decline in sales of consumer durables.

Global economic recovery may take longer than expected, which will affect exports from India.

Our Company is working on areas like increasing productivity, continuous improvement and cost reduction at various levels to counter the above risks.

C OUTLOOK:

The present economic scenario in the wake of the global recessionary conditions presents a period of uncertain growth. Our company cannot be an exception. But the Company is aggressively pursuing new market development efforts to sustain and grow in this environment.

D INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate systems of internal control and documented procedures covering all financial and operating functions. These have been designed to provide reasonable assurance with regard to maintaining proper accounting controls, monitoring economy and efficiency of operations, protecting assets from unauthorised use or losses, and ensuring reliability of financial and operational information.

An Audit Committee of the Board of Directors comprising of Independent Directors and Whole Time Directors, which is functional from 2005-06 Financial Year, has reviewed regularly the audit plans, significant audit findings, adequacy of internal controls as well as compliance with Accounting Standards.

E FINANCIAL PERFORMANCE:

Turnover (sales and other income from operations), net of Excise Duties, decreased by 28 % from Rs. 6235.07 Lacs to Rs. 4469.13 Lacs.

Expenditure decreased by over 27 % from Rs. 5356.06 Lacs to Rs. 3870.87 Lacs, primarily as a result of drop in the turnover and decrease in cost of inputs in line with recessionary trend in the domestic market and change in Product Mix during the year. During the year interest and depreciation cost decreased from Rs. 391.64 Lacs to Rs. 372.88 Lacs, a decrease of over 4%.

Profit before depreciation, interest and tax decreased by over 23 %, from Rs. 1270.66 Lacs to Rs. 971.14 Lacs.

The Company's Profit Before Tax (PBT) decreased by 32 % from Rs. 879.01 Lacs to Rs. 598.26 Lacs.

F HUMAN RESOURCES:

Industrial relations continued to be cordial and productive during the year.

G CAUTIONARY STATEMENT:

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets, change in the Government regulations, tax laws and other statutes and incidental factors.

COMPLIANCE CERTIFICATE

To
The Members,
INVESTMENT & PRECISION CASTINGS LIMITED

I have examined the registers, records, books and papers of INVESTMENT & PRECISION CASTINGS LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. the Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder as stated in Annexure 'B' to this Certificate.
3. the Company is a public company within the meaning under section 3(1)(iv) of the Act.
4. the Board of Directors duly met six times on 29th April 2008; 31st July, 2008; 26th October, 2008; 25th January, 2009; 24th February, 2009 and 24th March, 2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.
5. the Company closed its Register of Members from 21st June, 2008 to 28th June, 2008 and necessary compliance of section 154 of the Act has been made.
6. the annual general meeting for the financial year ended on 31st March, 2008 was held on 28th June, 2008 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. one extra ordinary meeting was held during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. the company has not advanced any loan to its directors and/or persons or firms or companies referred to in the section 295 of the Act.
9. the Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section and to the extent applicable.
10. the Company has made necessary entries in the register maintained under section 301 of the Act.
11. the Company has obtained necessary approval from the members pursuant to section 314 of the Act wherever applicable.
12. no duplicate share certificates were issued during the financial year under review.
13. the Company has;
 - (i) delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) deposited the amount of declared dividend in a separate Bank Account on 30th June, 2008 which is within five days from the date of declaration of such dividend.

- (iii) paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been retained in the Company's Account No. 1372230000030 with HDFC Bank Limited;
 - (iv) transferred the amounts in unpaid dividend account which have remained unclaimed or unpaid for a period of seven years as required to be transferred to Investor Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of directors have been duly made.
 15. the appointment of the Whole-time Directors has been made in compliance with provisions of section 269 read with Schedule XIII of the Act.
 16. no appointment of sole-selling agents was made during the financial year.
 17. the Company was not required, during the financial year, to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or other authorities as may be prescribed under the various provisions of the Act.
 18. the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. the Company has not issued any shares/debentures/other securities during the financial year.
 20. the Company has not bought back any shares during the financial year ending 31st March, 2009.
 21. the Company has not redeemed any preference shares/debentures during the financial year.
 22. the Company was not required to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. the Company has not invited/accepted any deposits including unsecured loans within the provisions of sections 58A during the financial year.
 24. the amounts borrowed by the Company from financial institutions, banks and others during the financial year ending 31st March, 2009 are within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act has been passed in duly convened general meeting.
 25. the Company has not made any loans and has not given guarantees or provided securities to other bodies corporate during the financial year under scrutiny and the Company has made investments in compliance with the provisions of the Act, but was not required to make any entries in the register pursuant to section 372A (8)(e) of the Act.
 26. the Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
 27. the Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
 28. the Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
 29. the Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
 30. the Company has not altered its articles of association during the year under scrutiny.
 31. no prosecutions were initiated against and no show cause notices were received by the Company for alleged offenses under the Act.
 32. the Company has not received any amount as security from its employees during the financial year under scrutiny.

33. the Company was not required to deposit both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Place : Ahmedabad
Dated : 15th May, 2009

Signature: sd/-
Name of Company Secretary: BIPIN S. ACHARYA
C. P. No. 8 FCS 424
B/3, Ripple Apartments, Near Hindu Mahila
Milan Mandir, Narayan Nagar, Paldi,
Ahmedabad-380007.

Encl: Annexures 'A' and 'B'

Annexure 'A'

Registers as maintained by the Company:

1. Register of Charges under section 143
2. Register of Members under section 150
3. Register of Contracts under section 301
4. Register of Directors etc. under section 303
5. Register of Directors' Shareholdings under section 307

Annexure 'B'

Forms and Returns as filed by the Company with the Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2009: NIL

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2009.

Sr. No.	Form Number	Filed under section	For	Remarks
1.	e-Form 17	138	Satisfaction of charge of IDBI Bank Ltd. For Rs. 180.00 Lacs satisfied on 14.3.2008	—
2.	e-Form 32	303	Change in designation of Shri M. B. Tamboli from Whole-time Director to Director on 31.5.2008.	—
3.	e-Form 23AC & 23ACA for Annual Accounts & Reports for 2007-2008	220	adoption at annual general meeting on 28.6.2008	—
4.	e-Form 66 for Compliance Certificate	383A(1)	certifying compliances of the statutory provisions under the Act during 2007-2008.	—
5.	e-Form 20B for Annual Return upto 28-06-2008	159	Annual General Meeting held on 28.6.2008	—
6.	e-Form 8	125;127;135	notifying the particulars of the creation of charge for Rs. 37.15 crores for working capital and term loans in favour of Bank of Baroda on 11.7.2008.	—

Sr. No.	Form Number	Filed under section	For	Remarks
7.	e-Form 1 (IEPF)	205(A)	intimation regarding the payment of unpaid dividend of Rs. 19,750/- on 17.8.2008 for the financial year 2000-2001.	—
8.	e-Form 25C	198; 269; 309; 310 & Sch. XIII	Re-appointment of Shri P. I. Tamboli as Whole-time Director on 1.6.2008	—
9.	e-Form 61	391 to 394	Filing of Notice of Company Petition No. 225/08 filed with to Regional Director, Mumbai in the matter of scheme of arrangement and demerger between Investment Division of Investment & Precision Castings Ltd. and Tamboli Capital Limited u/s 391-394 of the Companies Act, 1956	—
10.	e-Form 21	391 to 394	Filing of certified copy of Order No. 4141/09 received from Hon'ble High Court of Ahmedabad, Gujarat for approval of scheme of arrangement and demerger between Investment Division of Investment & Precision Castings Ltd. and Tamboli Capital Ltd.	—
11.	Physical copy of Petition No. 225/08	—	Physical Copy of Notice of Company Petition No. 225/08 filed with to ROC, Gujarat in the matter of scheme of arrangement and demerger between Investment Division of Investment & Precision Castings Ltd. and Tamboli Capital Limited u/s 391-394 of the Companies Act, 1956	—
12.	Physical copy of Certified Court Order No.4141/09 dated 13.2.2009	—	Physical filing of certified copy of Order No. 4141/09 received from Hon'ble High Court of Ahmedabad, Gujarat for approval of scheme of arrangement and demerger between Investment Division of Investment & Precision Castings Ltd. and Tamboli Capital Ltd.	—

Signatures to Annexures 'A' and 'B'

Place : Ahmedabad
Dated : 15th May, 2009

Signature: sd/-
Name of Company Secretary: BIPIN S. ACHARYA
C. P. No. 8 FCS 424
B/3, Ripple Apartments, Near Hindu Mahila
Milan Mandir, Narayan Nagar, Paldi,
Ahmedabad-380007.

CORPORATE GOVERNANCE

1.0 BOARD OF DIRECTORS:

The Board of Directors comprises nine Directors out of which three are Non-Executive Directors as on the date of the accompanying Notice as on date, May 17, 2009. The Company has a Non-executive and Non-Promoter Director as the Chairman and one third of the total strength of the Board comprises independent Directors. The company has thus complied with amended Clause 49 of listing agreement concerning strength of independent directors on the Board before March 31, 2009. The day-to-day operations of the Company are being overseen by Shri B. F. Tamboli. None of the Directors on the Company's Board is a member on more than ten Committees and Chairman of more than five Committees across all the companies in which he is a Director. The composition of the Board, details of remuneration paid, attendance at the Board Meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM), number of Directorships memberships/chairmanships in public companies(including the Company) is annexed herewith.

Information on appointment or re-appointment of Directors as required under Listing Agreement is given below:

Sr. No.	Name	Date of Birth	Date of Re-appointment	Expertise In specific functional areas	No. of other Directorship
1.	Shri P. I. Tamboli	2.5.1966	1.6.2008	Experience of foundry and industrial marketing of castings and pecking materials	3

During the year under review, six Board Meetings were held on dates 29.4.2008, 31.7.2008, 26.10.2008, 25.1.2009, 24.2.2009 and on date 24.3.2009.

2.0 Audit Committee:

Presently, the composition of the Audit Committee is as under:

1.	Chairman	:	Mr. B. K. Rangarajan, (Independent Director)
2.	Members	:	DR. A. K. Jain, (Independent Director)
		:	Shri P. A. Subramanian, Shri V. B. Tamboli (Whole Time Directors)

During the year under review, the Audit Committee met four times on dates 28.4.2008, 31.7.2008, 26.10.2008 and on date 25.1.2009.

3.0 Investor's Grievance Committee:

Presently, the composition of the Investors' Grievance Committee is as under:

1.	Chairman	:	Dr. A. K. Jain, (Independent Director)
2.	Members	:	Mr. B. K. Rangarajan, (Independent Director)
		:	Shri P. A. Subramanian, Shri V. B. Tamboli (Whole Time Directors)

The status on the total number of Complaints received during the year were as follows:

#	Complaints pending at the beginning of the year	:	Nil
#	Complaints received during the year	:	13
#	Complaints redressed and replied during the year	:	13
#	Complaints pending at the end of the year.	:	Nil

4.0 Remuneration Committee:

Presently, the composition of the Remuneration Committee is as under:

1.	Chairman	:	Dr. A. K. Jain, (Independent Director)
2.	Members	:	Mr. B. K. Rangarajan, (Independent Director)
		:	Mr. P. S. Shenoy, (Independent Director)
		:	Mr. B.F. Tamboli, (Whole Time Director)

4.1 Scope of the Remuneration Committee:

The Remuneration Committee recommend/review remuneration of Whole time Directors.

5.0 As per the provision of Section 205 A read with Section 205 C of the Companies Act, the Company has transferred unpaid dividends to the Investor Education and Protection Fund (IEPF).

6.0 Means of communication:

Half-yearly reports sent to each household of shareholders	Yes
Quarterly and Half Yearly Results	Published in The Economic Times & Maharashtra Times, Mumbai and Financial Express, Ahmedabad
Any Website where displayed	www.ipcl.in
Whether it displays official news releases and presentations made to institutional investors or to the analysts.	Yes
Whether Management Discussion & Analysis is a part of the Annual Report	Yes

7.0 Disclosures:

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoters, directors, management and subsidiaries that had a potential conflict with the interest of the Company.

The Company has complied with various rules and regulations prescribed by stock exchanges, SEBI or any other statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

8.0 General Shareholder information:**8.1 Annual General Meeting:**

Date & Time	:	August 17, 2009 at 4.30 p.m.
Venue	:	Hotel Nilambaug Palace, Bhavangar.
Registered Office	:	Nari Road, Bhavnagar, Gujarat 364 006.
Telephone Nos.	:	2523300 to 04
Facsimile Nos.	:	2523501 to 03
E-mail	:	direct1@ipcl.in

8.2 Financial Calendar:

Quarter ending	:	30th June 2008	30th September 2008	31st December 2009	31st March 2009
Reporting Month	:	July 2008	October 2008	January 2009	May 2009

8.3 The Company has paid annual listing fees to The Bombay Stock Exchange Limited (BSE) in respect of the financial year 2008-2009.

8.4 Market Price Data:

Market Price Data: High, Low during each month in last financial year:

Months	BSE High	BSE Low	Months	BSE High	BSE Low	Months	BSE High	BSE Low
April 08	111.25	90.15	August 08	122.00	84.00	Dec 08	52.80	43.00
May 08	117.20	95.70	Sept. 08	103.30	69.00	Jan 09	52.00	36.00
June 08	107.00	82.40	Oct 08	80.00	45.05	Feb 09	58.30	33.60
July 08	93.50	71.10	Nov 08	63.90	46.20	Mar 09	49.90	24.75

8.5 Registrar and Transfer Agent:

MCS LIMITED

101, Shatdal Complex, 1st Floor, Opp. Bata Show Room,
Ashram Road, Ahmedabad, Gujarat 380 009.

TELEPHONES: 079 26582878; 26584027 Fax 079 26581296

E-MAIL : mcsamd@reliancemail.net

8.6 Distribution of Shareholding as at end of 31st March 2009:

Category	No. of Shares held	Percentage (%) of Shareholding
Promoters	25,12,000	50.65
Nationalised Banks	0	0
Financial Institutions	2,80,000	5.64
Non Resident Indian	1,18,501	2.39
Others	20,49,499	41.32
Total	49,60,000	100.00

8.7 Distribution Schedule as on 31st March, 2009:

Number of Shares held	Shares held in				No. of Holders			
	Physical	%	Electronic	%	Physical	%	Electronic	%
Upto 250	2177	0.18	231441	6.16	25	11.85	2966	73.31
251 to 500	5264	0.44	166154	4.42	13	6.16	440	10.87
501 to 1000	83500	6.93	224220	5.97	105	49.76	294	7.27
1001 to 2000	64600	5.36	259411	6.91	41	19.43	173	4.28
2001 to 3000	7200	0.60	95857	2.55	3	1.42	38	0.94
3001 to 4000	29600	2.46	145164	3.87	9	4.27	40	0.99
4001 to 5000	9600	0.80	67969	1.81	2	0.94	15	0.37
5001 to 10000	32000	2.66	291942	7.77	4	1.90	42	1.03
10001 and above	970198	80.57	2273703	60.54	9	4.27	38	0.94
Total	1204139	100.00	3755861	100.00	211	100.00	4046	100.00

CEO/CFO CERTIFICATION:

To
The Board of Directors

(a) We have reviewed the attached financial statements and the cash flow statement for the year ended on 31 March 2009.

To the best of our knowledge and belief, we certify that:

- (i) these statements do not contain any materially un-true statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the company. We certify that no deficiencies in the design or operation of internal control were found.
- (d) We have indicated to the auditors about;
- (i) no significant changes in internal control during the year;
 - (ii) no significant changes in accounting policies during the year.
 - (iii) no instances of any fraud during the year under review.

Place : Bhavnagar
Dated : 17.5.2009

(P. A. Subramanian)
MANAGING DIRECTOR

(Vaibhav B. Tamboli)
EXECUTIVE DIRECTOR

CERTIFICATE

To,
The members of Investment & Precision Castings Ltd.

We have examined the compliance of conditions of Corporate Governance by Investment & Precision Castings Limited for the year ended 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.

We state that no investors' grievance(s) is/are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

Place : Bhavnagar
Date : 17.5.2009

For and on behalf of
Sanghavi & Company,
Chartered Accountants,
Manoj Ganatra
Partner, Membership No. 043485

Board of Directors:

Name of the Director	Category	Remuneration paid , Rs.				F.Y. 2008-2009		As on 17.5.2009		
		Salary & Perks 2008-09	Sitting Fees 2008-09	Commis- sion 2008-09	Total 2008-2009	Attendance at		No. of Direc- torship	Committee Positions	
						BM	Last AGM		Mem- ber*	Chair- man
Mr. I. F. Tamboli	Non-Executive, Promoter	-	30,000	-	30,000	3	Yes	4	-	-
Mr. B. F. Tamboli	Executive Vice Chairman, Promoter	11,34,720	-	6,58,347	17,93,067	5	Yes	5	1	-
Dr. Abhinandan K. Jain	Non-Executive Chairman, Independent	-	90,800	-	90,800	5	Yes	1	1	2
Mr. B. Rangarajan	Non-Executive, Independent	-	80,800	-	80,800	4	No	2	2	1
Mr. P. S. Shenoy	Non-Executive, Independent	-	50,000	-	50,000	5	Yes	6	1	-
Mr. P. A. Subramanian	Executive, Managing Director Non-Promoter	9,10,680	-	6,58,347	15,69,027	6	Yes	1	2	-
Mr. P. I. Tamboli	Executive Director, Promoter	7,85,440	-	4,93,760	12,79,200	5	Yes	3	-	-
Mr. M. B. Tamboli	Executive Director, Promoter upto 31.5.2008	95,680	-	82,500	1,78,180	5	Yes	3	-	-
	Non-Executive Director, Promoter effective from 1.6.2008	-	40,000	-	40,000					
Mr. V. B. Tamboli	Executive Director, Promoter	8,00,320	-	4,93,760	12,94,080	5	Yes	3	2	-
Total		37,26,840	2,91,600	23,86,714	64,05,154	*Member does not include chairman				

- Notes:
1. Shri Mehul B. Tamboli, director and Shri Vaibhav B. Tamboli, executive director are sons of Shri B. F. Tamboli, vice chairman.
 2. Shri Piyush I. Tamboli, executive director is son of Shri I. F. Tamboli, director.
 3. Shri I. F. Tamboli, director and Shri B. F. Tamboli, vice chairman are brothers.

AUDITORS' REPORT

To
The Members of
INVESTMENT & PRECISION CASTINGS LIMITED

We have audited the attached Balance Sheet of Investment & Precision Castings Limited as at 31st March 2009 and also the Profit & Loss Account and the Cash Flow Statement of the Company 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 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph (1) above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (iv) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statements dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956, to the extent applicable;
 - (v) Based on the written representations made by the directors of the company and according to the information and explanations given to us, no director is disqualified as on 31st March 2009 from being appointed as director under clause (g) of sub-section (1) of section 274 of the Companies Act 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with all the notes thereon 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:
 - (a) in the case of the Balance Sheet, of the State of affairs of the company as at 31st March, 2009;
 - (b) in the case of the Profit & Loss Account, of the **PROFIT** for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Bhavnagar
Dated: May 17, 2009

For **SANGHAVI & COMPANY**
Chartered Accountants
MANOJ GANATRA
Partner
Membership No. 043485

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 1 of the report of even date of the Auditors to the members of INVESTMENT & PRECISION CASTINGS LIMITED on the accounts for the year ended 31st March 2009.

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. In respect of fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, fixed assets are physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on physical verification.
 - c) There was no substantial disposal of fixed assets during the year.
2. In respect of inventories:
 - a) The inventories were physically verified by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. In respect of loans granted or taken to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - a) The Company has granted unsecured loans to the companies covered in the register maintained under section 301 of the companies act, 1956. The number of companies to which loans are granted, is one and the amount involved in the transactions and the year-end balance is Rs. 536.00 Lacs and Rs. Nil respectively.
 - b) The rate of interest and other terms and conditions of loans given by the company, are prima facie not prejudicial to the interest of the company except that no interest is charged on such loans.
 - c) There is no amounts outstanding at the end of the year against the loans granted by the Company.
 - d) The Company has not taken any loans, secured or unsecured, from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956:
 - a) Based on the audit procedures applied by us and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
 - b) According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at the prices which are prime facie reasonable having regard to the prevailing market prices at the relevant time, wherever such comparison is possible.

6. The Company has not accepted any deposits within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
7. In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
8. As informed to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
9. In respect of statutory and other dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues to the extent applicable, with the appropriate authorities during the year.
 - b) The following are the amounts which are not deposited on account of dispute:

Nature of payment	Rs.	Forum where dispute is pending
Sales Tax	1,194,660	Jt. Commissioner (Appeals) - Commercial Tax
Income Tax	7,245,223	Income Tax Appellate Tribunal; Refer note No. 11 (iv) (a).
Income Tax	3,922,611	Commissioner of Income Tax (Appeals); Refer note No. 11 (iv) (b).

10. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current or the immediately preceding financial year.
11. Based on our audit procedures and the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not obtained any borrowings from any financial institutions or by way of debentures.
12. The Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) are not applicable to the company.
14. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
16. Terms loans obtained have been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short-term basis, prima facie, have not been used during the year for long-term investment.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Bhavnagar
Dated: May 17, 2009

For **SANGHAVI & COMPANY**
Chartered Accountants
MANOJ GANATRA
Partner
Membership No. 043485

BALANCE SHEET AS AT MARCH 31, 2009

		31st March 2009 (Rs.)		31st March 2008 (Rs.)	
SOURCES OF FUNDS:					
SHAREHOLDERS' FUNDS					
Share Capital	A	49,600,000		49,600,000	
Reserves & Surplus	B	<u>303,096,497</u>	<u>352,696,497</u>	<u>374,154,458</u>	<u>423,754,458</u>
Deferred Tax Liabilities (net)			19,162,000		23,178,000
LOAN FUNDS:					
Secured Loans	C		<u>65,569,551</u>		<u>110,068,393</u>
TOTAL			<u>437,428,048</u>		<u>557,000,851</u>
APPLICATION OF FUNDS:					
FIXED ASSETS					
Gross Block	D	276,397,766		287,076,103	
Less : Depreciation		<u>126,265,557</u>		<u>103,550,394</u>	
		150,132,209		183,525,709	
Capital Work in Progress		<u>14,268,022</u>	<u>164,400,231</u>	—	<u>183,525,709</u>
INVESTMENTS	E		—		42,610,250
CURRENT ASSETS, LOANS AND ADVANCES:					
a) Inventories		83,219,972		76,837,562	
b) Sundry Debtors		154,056,762		133,231,216	
c) Cash & Bank Balances		32,710,075		77,841,285	
d) Loans and Advances		<u>49,744,872</u>		<u>101,800,529</u>	
		319,731,681		389,710,592	
Less: Current Liabilities and Provisions	G	<u>46,703,864</u>		<u>58,845,700</u>	
Net Current Assets			<u>273,027,817</u>		<u>330,864,892</u>
TOTAL			<u>437,428,048</u>		<u>557,000,851</u>
NOTES ON ACCOUNTS	N				
The accompanying Schedules A to N are an integral part of these Financial Statements.					

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: May 17, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
P. A. Subramanian
DIRECTORS
Bhavnagar
Dated: May 17, 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

		2008-2009 (Rs.)	2007-2008 (Rs.)
INCOME:			
Sales and Operational Income	H	444,513,755	618,548,979
Other Income	I	2,398,828	4,958,221
TOTAL		<u>446,912,583</u>	<u>623,507,200</u>
EXPENDITURE:			
Change in Inventory	J	-10,981,981	-5,963,677
Materials and Manufacturing Expenses	K	278,259,427	408,163,637
Administrative and Other Expenses	L	82,520,926	94,241,510
Interest	M	5,819,715	9,592,858
Depreciation		31,468,674	29,571,477
TOTAL		<u>387,086,761</u>	<u>535,605,805</u>
Profit Before Taxation		59,825,822	87,901,395
Less: Provision for			
Income Tax : Current		25,200,000	29,600,000
Deferred		-4,016,000	93,038
Fringe Benefit Tax		382,700	430,000
Profit after Taxation		<u>38,259,122</u>	<u>57,778,357</u>
Add: Balance brought forward from the last year		1,000,000	1,000,000
Amount Available For Appropriation		<u>39,259,122</u>	<u>58,778,357</u>
APPROPRIATIONS:			
a) Dividend		6,200,000	9,920,000
b) Corporate Dividend Tax		1,053,690	1,685,904
c) General Reserve		31,005,432	46,172,453
Balance Carried to Balance Sheet		<u>1,000,000</u>	<u>1,000,000</u>
Earning Per Share		7.71	11.65
Nominal value of Share		10.00	10.00
NOTES ON ACCOUNTS	N		
The accompanying Schedules A to N are an integral part of these Financial Statements.			

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: May 17, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
P. A. Subramanian
DIRECTORS
Bhavnagar
Dated: May 17, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

	2008-2009 (Rs.)		2007-2008 (Rs.)	
A Cash Flow from operating activities:				
Net Profit Before Tax And Extraordinary Items		598.25		879.01
Adjustments for:				
Depreciation		314.69		295.71
Loss (Profit) on sale of fixed assets		(3.96)		(8.56)
Dividend Received		(0.53)		(15.14)
Interest		41.97		83.95
		<u>352.17</u>		<u>355.96</u>
Operating Profit Before Working Capital changes		950.42		1234.97
Adjustments for:				
Trade and Other Receivables		(297.47)		1070.21
Inventories		(63.82)		(55.90)
Trade Payables		(78.88)		(75.50)
		<u>(440.17)</u>		<u>938.81</u>
Cash Generated From Operations		510.25		2173.78
Interest Paid		(57.82)		(98.14)
Direct Taxes Paid		(228.83)		(324.99)
		<u>(286.65)</u>		<u>(423.13)</u>
Net Cash from operating activities		223.60		1750.65
B Cash Flow from investing activities:				
Purchase of Fixed Assets		(305.62)		(431.04)
Sale of Fixed Assets		186.15		265.02
Purchase of Investments		(5.00)		(101.33)
Demerger Expenses and Investment transfer		(23.63)		0.00
Interest Received		15.85		14.19
Dividend Received		0.53		15.14
		<u>0.53</u>		<u>15.14</u>
Net Cash used in investing activities		(131.72)		(238.02)
C Cash Flow from financing activities:				
Proceeds from Long Term Borrowings (net)		—		—
Proceeds from Short Term Borrowings (net)		—		—
Repayments of loans borrowed		(444.98)		(869.55)
Loan lent to a Subsidiary Company		—		(7.00)
Dividend Paid		(98.21)		(113.60)
		<u>(98.21)</u>		<u>(113.60)</u>
Net Cash used in financing activities		(543.19)		(990.15)
Net Increase in Cash and Cash Equivalents		(451.31)		522.48
Cash And Cash Equivalents as at beginning of the year		778.41		255.93
		<u>778.41</u>		<u>255.93</u>
Cash And Cash Equivalents as at end of the year		<u>327.10</u>		<u>778.41</u>

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: May 17, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
P. A. Subramanian
DIRECTORS
Bhavnagar
Dated: May 17, 2009

SCHEDULE- A Share Capital	31.03.2009 (Rs.)	31.03.2008 (Rs.)
Authorised:		
10,400,000 Equity Shares of Rs. 10 each	104,000,000	104,000,000
10,000 11 % Redeemable Cumulative Preference Shares of Rs. 100 each	1,000,000	1,000,000
TOTAL	<u>105,000,000</u>	<u>105,000,000</u>
Issued, Subscribed and Paid up:		
4,960,000 Equity Shares of Rs. 10 each	49,600,000	49,600,000
Of the above, 4,650,000 shares of Rs. 10 each were issued as fully paid up bonus shares by capitalising General Reserve.		
TOTAL	<u>49,600,000</u>	<u>49,600,000</u>
SCHEDULE - B Reserves & Surplus	31.03.2009 (Rs.)	31.03.2008 (Rs.)
General Reserve :		
As per last Balance Sheet	373,154,458	326,982,005
Less: * Amount debited as per the Scheme of Arrangement and Demerger between the Company and Tamboli Capital Ltd. (Refer Note No. 2)	102,063,393	—
Add: Transferred from Profit & Loss account	<u>31,005,432</u>	<u>46,172,453</u>
	302,096,497	373,154,458
Profit & Loss Account	<u>1,000,000</u>	<u>1,000,000</u>
TOTAL	<u>303,096,497</u>	<u>374,154,458</u>
SCHEDULE - C Secured Loans	31.03.2009 (Rs.)	31.03.2008 (Rs.)
Working Capital Finance from Bank of Baroda	28,622,514	43,079,818
Term Loans from Bank of Baroda	36,947,037	42,217,410
Term loans from IDBI Bank	—	24,771,165
TOTAL	<u>65,569,551</u>	<u>110,068,393</u>

Note:

Working Capital Finance and Term Loans from Bank of Baroda are secured by hypothecation of inventories and book debts and mortgage on all movable and immovable properties and further guaranteed by one of the directors in his personal capacity.

Term Loans from IDBI Bank in the previous year were secured by first charge on the assets purchased out of the said loan and further guaranteed by one of the directors in his personal capacity. (due within one year Rs. 195.48 Lacs.)

SCHEDULE - D Fixed Assets

(Amount in Rupees)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2008	Additions during the Year	Sales or Adjustments	As on 31.3.2009	As on 1.4.2008	For the Year	On Deductions/ Adjustments	Up to 31.3.2009	As at 31.3.2009	As at 31.3.2008
LAND	9,652,566	--	--	9,652,566	--	--	--	--	9,652,566	9,652,566
BUILDINGS	32,363,356	3,973,554	1,145,182	35,191,728	7,502,976	1,563,209	53,343	9,012,842	26,178,886	24,860,380
PLANT & MACHINERY	225,313,074	10,805,221	24,139,208	211,979,087	86,003,692	27,270,424	7,454,447	105,819,669	106,159,418	139,309,382
OFFICE EQUIPMENT	10,124,097	242,086	186,517	10,179,666	5,965,635	1,207,842	79,209	7,094,268	3,085,398	4,158,462
FURNITURE & FIXTURES	2,629,407	162,499	172,878	2,619,028	1,710,322	155,569	117,890	1,748,001	871,027	919,085
VEHICLES	6,993,603	1,111,038	1,328,950	6,775,691	2,367,769	1,271,631	1,048,623	2,590,777	4,184,914	4,625,834
TOTAL	287,076,103	16,294,398	26,972,735	276,397,766	103,550,394	31,468,675	8,753,512	126,265,557	150,132,209	183,525,709
PREVIOUS YEAR	274,216,120	45,321,145	32,461,162	287,076,103	80,793,871	29,571,477	6,814,954	103,550,394	183,525,709	193,422,249

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Depreciation Rates, (%)

Assets	Depreciation Rate, (%)
Factory Building	5.00
Non Factory Building	3.00
Plant & Machinery:	
- Single Shift	8.00
- Double Shift	12.00
- Triple Shift	15.00
Office Equipment	10.00
Computers	25.00
Furniture & Fixtures	10.00
Vehicles	20.00

SCHEDULE - E Investments	31.03.2009 (Rs.)	31.03.2008 (Rs.)
Long Term Investments: (Unquoted) In Subsidiary Company: 2,900,000 equity shares of Rs. 10 each in Tamboli Castings Limited, a wholly owned subsidiary company.	—	29,000,000
Current Investments:	—	13,610,250
TOTAL	—	42,610,250
SCHEDULE - F Current Assets, Loans And Advances	31.03.2009 (Rs.)	31.03.2008 (Rs.)
I CURRENT ASSETS:		
1. Inventories (as taken, valued and certified by the management)		
a) Stores & Spares (at cost)	21,938,400	28,951,393
b) Raw Material (at cost)	10,671,837	8,258,415
c) Semi-finished Goods (at estimated cost)	39,450,943	28,279,903
d) Finished Goods	11,158,792	11,347,851
(at lower of cost or market value)	83,219,972	76,837,562
2. Sundry Debtors (Unsecured considered good)		
Over six months	19,349,419	10,453,285
Others	134,707,343	122,777,931
3. Cash & Bank Balances:		
Cash on Hand	309,885	255,512
Balances with Scheduled Banks:		
- In current accounts	26,702,784	36,996,864
- Unclaimed Dividend accounts	697,406	588,909
- In fixed deposits accounts	5,000,000	40,000,000
TOTAL I	269,986,809	287,910,063
II LOANS AND ADVANCES: (Unsecured considered good)		
a) Balance with excise authorities in current account	240,422	4,053,564
b) Deposits	7,362,615	6,651,243
c) Advances recoverable in cash or kind or for value to be received	36,568,485	27,315,171
d) Loan to a wholly-owned subsidiary company	—	53,600,000
e) Loans and Advances to employees	1,004,273	1,225,436
f) Advance payment of taxes (net of provision)	4,569,077	8,955,115
TOTAL II	49,744,872	101,800,529
TOTAL I + II	319,731,681	389,710,592

SCHEDULE - G Current Liabilities and Provisions	31.03.2009 (Rs.)		31.03.2008 (Rs.)	
I Current Liabilities:				
Sundry Creditors	19,022,266		21,989,578	
Advances from Customers	101,491		166,107	
Interest accrued but not due	416,154		377,698	
Investors Education & Protection Fund:				
Unclaimed Dividend	649,454		550,776	
Statutory Liabilities	3,009,551		5,282,077	
Other Liabilities	<u>9,725,570</u>	32,924,486	<u>11,091,311</u>	39,457,547
II Provisions:				
Provision for Bonus	4,000,756		4,686,107	
Provision for Employees' Leave Encashment	1,944,628		3,002,097	
Provision for Gratuity	580,304		94,045	
Proposed Dividend	6,200,000		9,920,000	
Corporate Dividend Tax	<u>1,053,690</u>	<u>13,779,378</u>	<u>1,685,904</u>	<u>19,388,153</u>
TOTAL		<u>46,703,864</u>		<u>58,845,700</u>

SCHEDULE - H Sales And Other Operational Income	2008-2009 (Rs.)		2007-2008 (Rs.)	
Sales	490,349,702		701,597,174	
Less: Excise Duty	<u>51,338,259</u>	439,011,443	<u>95,935,635</u>	605,661,539
Exchange Rate Difference		-24,342		-215,323
Job Work Charges Income		<u>5,526,654</u>		<u>13,102,763</u>
TOTAL		<u>444,513,755</u>		<u>618,548,979</u>
SCHEDULE - I Other Income	2008-2009 (Rs.)		2007-2008 (Rs.)	
Profit on Sale of Assets (net)		396,310		856,427
Sundry Balances Written Back (Net)		—		446,391
Interest Received (net)		1,584,904		1,419,132
Dividend Received		53,375		1,513,617
Lease Rent Income		—		372,055
Insurance Claim Received		43,978		11,258
Miscellaneous Income		<u>320,261</u>		<u>339,341</u>
TOTAL		<u>2,398,828</u>		<u>4,958,221</u>
SCHEDULE - J Change In Inventory	2008-2009 (Rs.)		2007-2008 (Rs.)	
Closing Stock:				
Semi-finished Goods	39,450,943		28,279,903	
Finished Goods	<u>11,158,792</u>	50,609,735	<u>11,347,851</u>	39,627,754
Opening Stock :				
Semi-finished Goods	28,279,903		23,102,993	
Finished Goods	<u>11,347,851</u>	39,627,754	<u>10,561,084</u>	33,664,077
Change in Inventory		<u>-10,981,981</u>		<u>-5,963,677</u>
SCHEDULE - K Materials And Manufacturing Expenses	2008-2009 (Rs.)		2007-2008 (Rs.)	
Raw Materials Consumed:				
Opening Stock	8,258,415		9,186,549	
add : Purchases (net of sales)	59,013,636		113,525,188	
	<u>67,272,051</u>		<u>122,711,737</u>	
less : Closing Stock	<u>10,671,837</u>	56,600,214	<u>8,258,415</u>	114,453,322
Manufacturing Expenses :				
Stores and Spares	92,671,520		139,942,622	
Power & Fuel	71,719,946		82,001,603	
Machinery Repairs	2,592,031		2,863,473	
Fettling and other external process expenses	47,268,839		57,877,395	
Other manufacturing expenses	<u>7,406,877</u>	221,659,213	<u>11,025,222</u>	293,710,315
TOTAL		<u>278,259,427</u>		<u>408,163,637</u>

SCHEDULE - L Administrative And Other Expenses	2008-2009 (Rs.)		2007-2008 (Rs.)	
Personnel Cost:				
Salaries, Wages, Bonus etc.	41,628,302		46,252,835	
Directors' Remuneration	6,113,554		7,823,563	
Contribution to PF, ESI and other Funds	6,271,948		5,787,756	
Employees Welfare Expenses	721,552	54,735,356	1,063,801	60,927,955
Sales and Distribution Expenses:				
Sales Expenses	8,879,919		14,615,626	
Sales Commission	1,772,281	10,652,200	1,973,270	16,588,896
Establishment Expenses:				
Travelling and Conveyance (including Directors' travelling Rs. 1,756,227; previous year Rs. 1,970,524)	3,195,261		3,633,567	
Building Repairs	1,643,329		2,139,824	
Insurance Premiums	635,444		1,012,069	
Payments to Auditors	183,500		133,528	
Directors' Sitting Fees	291,600		175,300	
Rent, Rates and Taxes	689,011		566,608	
Legal and Professional Charges	1,354,833		1,205,390	
Advertisement Expenses	348,520		343,964	
Bank Discount and Commission	1,846,964		1,132,243	
Donations	60,000		68,750	
Sundry Debit Balance written off (net)	163,931		—	
General Expenses	6,720,977	17,133,370	6,313,416	16,724,659
TOTAL		82,520,926		94,241,510
SCHEDULE - M Interest	2008-2009 (Rs.)		2007-2008 (Rs.)	
Interest to Bank (Net):				
Working Capital Finance		—		787,657
Term Loans		5,819,715		8,805,201
TOTAL		5,819,715		9,592,858

SCHEDULE - N

Figures in the brackets are the figures for the previous year, unless otherwise stated.

All the amounts are stated in Indian Rupees, unless otherwise stated.

Notes forming part of the accounts for the year ended 31st March, 2009**1.0 Significant Accounting Policies:**

1.1 Basis of Accounting: The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956 and are based on the historical cost convention on accrual basis.

1.2 Use of Estimates: The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 Fixed Assets: Fixed Assets are stated at cost less depreciation. Depreciation up to 1995-96 is provided on Straight Line Method at the rates and in the manner specified in the Schedule XIV in accordance with the provisions of section 205 (2) (b) of the Companies Act, 1956. From the year 1996-97, the company has, on the basis of technological evaluation, re-determined the useful life of the assets and depreciation thereon is provided accordingly at the rates stated in the Schedule D to the accounts, which are higher than the rates specified in the Schedule XIV to the Companies Act, 1956.

1.4 Investments:

Long term investments are stated at cost. Provision, if any, is made for permanent diminution in the value of investments.

Current investments are stated at lower of cost or market value.

Dividend/interest are accounted for as and when right to receive the same is established.

1.5 Inventories: Raw materials and Stores & Spares are valued at cost on weighted average basis. semi finished goods are valued at estimated cost. Finished goods are valued at lower of the cost or net realisable value.

1.6 Sales: Sales comprise sale of goods and other related charges.

1.7 Excise and Custom Duty: Excise Duty in respect of goods manufactured by the company is, according to the method consistently followed by the company, accounted for at the time of removal of goods from the factory for sale.

However, excise duty payable on the closing stock of finished goods is provided for in the accounts. Purchases of goods and fixed assets are accounted for net of excise cenvat credit availed. Custom duty paid on import of materials is dealt with in respective materials accounts.

1.8 Employee Benefits:**Post-employment benefit plans:**

i) **Defined Contribution Plan:** Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the company is made in accordance with the scheme with Life Insurance Corporation of India.

ii) **Defined Benefit Plan:** The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains are recognised in full in the profit and loss account for the period in which they occur.

Contribution in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost and as reduced by the fair value of respective fund.

Short-term employee benefits: The undiscounted amount of short-term benefits expected to be paid in exchange for services rendered by employee is recognised during the period when the employee renders the service.

1.9 Research and Development: Revenue expenditure on Research and Development is charged against the profit for the year in which it is incurred. Capital expenditure on Research and Development is shown as an addition to the fixed assets and is depreciated on the same basis as other fixed assets.

1.10 Borrowing Costs: Net cost of borrowed funds for the projects till completion are capitalised and included in the cost of fixed assets. Other borrowing costs are recognised as expenses in the period in which they are incurred.

1.11 Foreign Currencies Transactions: Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit & loss account. Current assets and current liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising therefrom is dealt with in the profit & loss account.

1.12 Taxation: Provisions are made for current tax and fringe benefit tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Deferred tax is recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.13 Earning per Share: Basic earning per Share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year.

1.14 Provision and Contingencies: The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow or where a realisable estimate of the obligation can not be made.

2.0 The Hon'ble High Court of Gujarat has by its Order dated February 13, 2009 sanctioned Scheme of Arrangement and Demerger under sections 391 and 394 of the Companies Act, 1956 for demerger of Investment Division of the Company, Investment & Precision Castings Limited to the Transferee Company, Tamboli Capital Limited.

In terms of the Scheme of Arrangement and Demerger, the assets of the Investment Division of the Company as on the Appointed Date, i.e. 1st May, 2008 have been transferred to the Transferee Company, Tamboli Capital Limited at Rs. 99,200,000.

The said transfer of assets alongwith the relevant expenses on demerger as well as investment of Rs. 500,000 in the Transferee Company are debited to the general reserve of the company as directed by the High Court of Gujarat.

3.0 Advance payment of Taxes is shown net of provision for taxes Rs. 2054.62 Lacs including current year's provision of Rs. 255.83 Lacs.

4.0 Balances with Sundry Debtors, Sundry Creditors and for Advances are subject to confirmations from the respective parties. In absence of such confirmations, balances as per books have been relied upon by the Auditors.

- 5.0 The Company has not received information from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interests paid/payable under this act have not been given.
- 6.0 Deferred tax asset of Rs. 4,016,000 arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts, and as claimed under the Income Tax Act, is credited to the profit & loss account. Details of the balance of Rs. 19,162,000 are as under:

Particulars	Rs.
Depreciation	20,098,649
Disallowance u/s 43B of the Income Tax Act	(936,649)
Total	19,162,000

- 7.0 The management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard AS-28 issued by the Institute of Chartered Accountants of India. Based on the judgement of the management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.
- 8.0 As the company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risks and returns, the disclosure requirements of Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.
- 9.0 Advances recoverable in cash or in kind or for value to be received includes:

Particulars	Rs.
Advances to suppliers	10,493,098
Advance against purchase of Investments	14,000,000
Prepaid Expenses	1,453,159
Interest Receivable	62,705
Loans to ancillary units	3,595,037
Other Advances and Receivables	6,964,486

- 10.0 In the opinion of the Directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realised in the ordinary course of the business. The provision of all known liabilities is adequate and not in excess of the amount reasonably required.

11.0 Contingent Liabilities:

- (i) Guarantees given by the bank and counter guaranteed by the company: Rs. Nil (735,000)
- (ii) In respect of Central Sales Tax for which 'C' forms are pending for collection Rs. 10,834,000 (19,619,000)
- (iii) In respect of disputed Sales Tax liabilities Rs. 1,194,660 (1,194,660).
- (iv) Income Tax related exposures Rs. 16,524,044 (13,278,343) includes:
 - a) Income Tax demand of Rs. 12,601,433 (previous year 12,601,433) relating to assessment years 2003-04 and 2004-05. CIT (Appeals) has ruled in favour of the company and deleted demand of Rs. 7,127,438 from the said demand. However, the Company or the income tax department has preferred appeals before the ITAT against the said order of CIT (Appeals).
 - b) Income Tax demand of Rs. 3,922,611 for which the company has preferred an appeal before CIT(Appeals)

12.0 Personnel cost includes managerial remuneration as under:

Particulars	2008-2009 (Rs.)	2007-2008 (Rs.)
Salaries and Allowances	3,108,000	3,168,000
Contribution to PF and Superannuation Fund	6,18,840	616,200
Commission	2,386,714	4,039,363
Total	6,113,554	7,823,563

13.0 Computation of net profit in accordance with section 198 read with section 349 and 350 of the companies Act, 1956:

Particulars	2008-2009 (Rs.)	2007-2008 (Rs.)
Profit Before Tax as per Accounts	59,825,822	87,901,393
Add: Managerial Remuneration	6,113,554	7,823,563
Add: Directors' Sitting Fees	291,600	175,300
Add: (Profit)/Loss on sale of Assets/Investments	(396,310)	(856,427)
	65,834,666	95,043,829

Commission @ 1 % or 0.75 % of the above, as the case may be, to four Whole Time Directors, Rs. 2,386,714/-

14.0 Payments to Auditors:

Particulars	2008-2009 (Rs.)	2007-2008 (Rs.)
Audit Fees	75,000	80,000
Taxation Matters	59,000	21,528
For certification and other matters.	49,500	32,000

15.0 Disclosure as per AS-15 (Revised) on "Employee Benefit" for the year ended 31st March 2009:

Gratuity Plan:

Particulars	Amount, Rs.
A. Change in the defined benefit obligations:	
Defined benefit obligations as at 1st April 2008:	12,630,428
Service cost	1,188,845
Interest cost	1,170,443
Actuarial loss / (Gain)	—
Benefits paid	601,456
Defined benefit obligations as at 31st March 2009 (a)	14,388,260
B. Change in plan assets:	
Fair value of plan assets as at 1st April 2008:	12,536,383
Expected return on plan assets	1,170,443
Contributions by employer	702,586
Actuarial loss / (Gain)	—
Benefits paid	601,456
Fair value of plan assets as at 31st March 2009 (b)	13,807,956

Particulars	Amount, Rs.
Present Value of unfunded obligations (a-b)	580,304
The net amount recognized in the statement of profit and loss for the year ended 31st March 2009 is as follows:	
Current service cost	1,188,845
Interest cost	1,170,443
Expected return on plan assets	1,170,443
Net actuarial loss / (gain) recognized	—
Net amount recognized	1,188,845
Actual Return on Plan Assets	1,170,443
The principal actuarial assumptions used as at 31st March 2009 are as follows:	
Discount Rate	8.00%
Expected rate of return on plan assets	9.25%
Rate of increase in compensation levels	5.00%

16.0 Related Party Disclosures:

16.1 Subsidiary : Tamboli Castings Limited (up to 30.4.2008)

Nature of Transactions		2008-2009 Amount, Rs.	2007-2008 Amount, Rs.
1.	Sale of materials	144,452	13,825,293
2.	Sale of Fixed Assets	—	24,718,369
3.	Lease Rent Receipts	—	372,055
4.	Purchase of materials	—	10,236,582
5.	Machining charges Receipts	—	13,102,763
6.	Loans granted	—	700,000
7.	Outstanding balance: Loans and advances	—	53,600,000
	Sundry Debtors	—	2,035,337

16.2 Associates: a) Tamboli Exim Limited, b) Mebhav Investment Private Limited,
c) Tamboli Castings Limited (w.e.f. 1.5.2008)

16.3 Key Management Personnel: a) Shri B. F. Tamboli, b) Shri P. A. Subramanian
c) Shri Piyush I. Tamboli, d) Shri Mehul B. Tamboli (upto 31.5.2008)
e) Shri Vaibhav B. Tamboli

Nature of Transactions		2008-2009 Amount, Rs.	2007-2008 Amount, Rs.
Associates:			
1.	Purchases of Materials and Services	1,387,521	1,072,180
2.	Sale of Fixed Assets	22,449,874	—
3.	Sale of Materials	16,462,478	—
4.	Job Work: Machining Charges	5,473,892	—
5.	Outstanding balance: Sundry Creditors	20,974	19,449
	Sundry Debtors	23,322	—
	Advance Recoverable	11,628	—
Key Management Personnel:			
6.	Remuneration	6,113,554	7,823,568

17.0 Quantitative Information (as certified by the management):

A. Installed Capacity:

Year	Kgs
2008-2009	1,200,000
2007-2008	1,200,000

B. Details of Production, Sales and Stocks of Castings (Finished Goods):

Production* Kg	Sales		Opening Stock		Closing Stock	
	Kg	Rs.	Kg	Rs.	Kg	Rs.
707,486	696,724	439,011,443	27,142	11,347,851	37,904	11,158,792
(985,392)	(982,714)	(605,661,539)	(24,464)	(10,561,084)	(27,142)	(11,347,851)

* Net of rejections

C. Consumption of Raw Materials:

Item	2008-2009		2007-2008	
	Kg	Rs.	Kg	Rs.
a) Scrap	681,691	31,945,849	1,033,904	80,219,771
b) Ferro Alloys	73,233	24,654,365	130,404	34,233,551
c) Total	754,924	56,600,214	1,164,308	114,453,322

D. Percentage of Consumption:

Item	2008-2009		2007-2008	
	%	Rs.	%	Rs.
Raw Materials:				
a) Imported	5.77	3,264,711	1.34	1,533,067
b) Indigenous	94.23	53,335,503	98.66	112,920,255
c) Total	100.00	56,600,214	100.00	114,453,322

Item	2008-2009		2007-2008	
	%	Rs.	%	Rs.
Stores & Spares:				
a) Imported	0.45	418,291	1.21	1,693,115
b) Indigenous	99.55	92,253,229	98.79	138,249,507
c) Total	100.00	92,671,520	100.00	139,942,622

E. Imports on CIF Basis: (Payment basis):

Item	2008-2009 (Rs.)	2007-2008 (Rs.)
Raw materials	4,726,262	895,744
Stores & Spares	118,518	839,023

F. Earnings and Expenditure in Foreign Currency:

Item		2008-2009 (Rs.)	2007-2008 (Rs.)
Earnings	: N. A.	—	—
Expenditure	: Travelling Expenses	279,907	300,153
	: Others	6,273	—

G. Payment of Dividend to Non-resident shareholders:

Number of Shareholders	79
Amount of Dividend Rs.	236,240
Year to which dividend relates	2007-08

18.0 Figures of the previous year have been regrouped and rearranged wherever necessary.

Signatures to Schedules A to N

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: May 17, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
P. A. Subramanian
DIRECTORS
Bhavnagar
Dated: May 17, 2009

**Balance Sheet abstract and Company's general business profile as per Schedule VI,
Part (IV) of The Companies Act, 1956**

I Registration Details:

Registration No.	:	L99999GJ1975PTC000269
State Code	:	4
Balance sheet Date	:	31.03.2009

II Capital raised during the year :**(Rs. In Lacs)**

Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

III Position of mobilisation and deployment of funds:

Total Liabilities	:	4,374.28
Total Assets	:	4,374.28

Source of Funds:

Paid up Capital	:	496.00
Reserves & Surplus	:	3,030.96
Deferred Tax Liabilities	:	191.62
Secured Loans	:	655.70

Application of Funds:

Net Fixed Assets	:	1,644.00
Investments	:	—
Net Current Assets	:	2,730.28
Miscellaneous Expenditure	:	—

IV Performance of the Company:

Total Income	:	4,469.13
Total Expenditure	:	3,870.87
Profit Before Tax	:	598.26
Profit After Tax	:	382.59
Earnings per Share, (Rs.)	:	7.71
Dividend Rate, (%)	:	12.50

V Generic names of three Principal Products/Services of the Company:*(as per monetary items)*

Item code	:	331104000
Product Description	:	Investment Castings

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

MANOJ GANATRA

Partner

Bhavnagar

Dated: May 17, 2009

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli**P. A. Subramanian**

DIRECTORS

Bhavnagar

Dated: May 17, 2009

ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORM**(For use by Investors holding shares in physical form)**

To,
 Investment & Precision Castings Limited
 C/o. MCS Limited, 101, Shatdal Complex, 1st Floor,
 Opp. Bata Show Room, Ashram Road
 Ahmedabad, Gujarat 380 009

Dear sirs,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill-in the information in CAPITAL LETTERS in ENGLISH ONLY

For shares held in physical formMaster Folio No. **For shares held in electronic form**DP Id Client Id

FOR OFFICE USE ONLY

ECS
Ref. No.

Name of Sole/First holder

Bank Name

Branch Name

Branch Code

(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank). Please attach a xerox copy of a cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the banks name, branch name and code number.

Account Type (Please Tick (✓) wherever applicable) → Savings Current Cash Credit

A/c No. (as appearing in the cheque book) →

Effective date of this mandate →

I, hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness of information supplied as above, the Company/MCS Ltd, will not be held responsible. I agree to avail ECS facility provided by RBI, as and when implemented by RBI/Investment & precision Castings Limited)

I further undertake to inform the Company any change in my Bank/branch and account number.

Dated : _____

(Signature of Sole/First holder)

Notes:

- Whenever the Shares in the given folio are entirely dematerialised, then this ECS mandate form will stand cancelled
- For Shares held in dematerialised mode nomination is required to be filed with the Depositor Participant in their prescribed form.

INVESTMENT & PRECISION CASTINGS LIMITED

Reg. Office: Nari Road, Bhavnagar, Gujarat, India 364 006.

PROXY FORM

I/We residing at.....

being a Member/Members of Investment & Precision Castings Limited, with my/our shareholding details as shown below, hereby appoint.....

residing at

or failing him/her,

residing at

as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Seventeenth August 2009 and/or at any adjournment thereof.

Number of Equity Share held		
Folio Number		
If Demat	DP ID	
Shares	Client ID	

As witness my/our hand(s) is set this day of 2009.

Signed by the said.....

Affix
1 Rupee
Revenue
Stamp

.....

Note: The proxy must be returned so as to reach the Registered Office of the Company at Nari Ro Bhavnagar not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.

Book-Post

To

If undelivered please return to:
INVESTMENT & PRECISION CASTINGS LTD
NARI ROAD, BHAVNAGAR
GUJARAT, INDIA 364 006