



ISO / TS16949 : 2002
Registered

24th

Annual Report

2009-2010



TALBROS ENGINEERING LIMITED



TALBROS ENGINEERING LIMITED

24TH ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS

RAJESH TALWAR (Chairman & Managing Director)
TUSHAR K. CHOPRA (Director)
TARUN TALWAR (Director)
M.L. GUPTA (Director)

BANKER

BANK OF INDIA

AUDITORS

M/s. RAKESH RAJ & ASSOCIATES
CHARTERED ACCOUNTANTS
PLOT NO. 565, SECTOR-7B,
FARIDABAD 121 006 (HARYANA)

REGISTERED OFFICE

PLOT NO. 74-75, SECTOR-6,
FARIDABAD 121 006 (HARYANA)
PHONES : 0129-4284300

WORKS

PLOT NO. 74-75, SECTOR-6,
FARIDABAD - 121 006 (HARYANA)
PLOT NO. 35-38
INDL. AREA, HATHIN,
DISTT. PALWAL (HARYANA)

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NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of Talbro's Engineering Limited will be held on Saturday, the 25th day of September, 2010 at 11.30 a.m. at hotel "Delite", 17, Neelam Bata Road, NIT, Faridabad, Haryana, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date and the report of Board of Directors' and Auditors' thereon.
2. To declare dividend on the equity shares for the financial year 2009-10.
3. To appoint a Director in place of Mr. Mohan Lal Gupta, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Rakesh Raj & Associates, Chartered Accountants, Regn. No.005145N Plot No. 565, Sector-7B, Faridabad be and are hereby reappointed as the statutory auditors of the Company and they will hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at a remuneration, as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:
"RESOLVED THAT pursuant to Article 52 and Article 53 of the Articles of Association of the Company and in

Place : Faridabad
Date : 20.08.2010

NOTES

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself. A proxy need not be a member of the Company. The duly completed proxy forms should be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting. The proxy form is given in this Annual Report.
2. A proxy may not vote except on poll.

accordance with the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, the consent of the company be and is hereby accorded for the revision of remuneration of Shri Tarun Talwar, Director of the company with effect from 01.10.2010 for the remainder of his tenure and he shall receive the remuneration as per details given hereunder:

A. Remuneration:

- (a) Basic Salary: Rs. 50,000/- P.M.
- (b) House Rent Allowance: Rs. 25,000/- P.M.
- (c) Conveyance Allowance Rs. 3,500/- P.M.
- (d) Reimbursement of Medical expenses Rs. 2,500/- P.M.
- (e) Others Rs. 12,195/- P.M.
- (f) Contribution towards Provident Fund & Superannuation Fund or Annuity Fund -As per Rules of the Company Rs. 6,805/- P.M.

RESOLVED FURTHER THAT subject to provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII of the Companies Act, 1956 and other applicable provisions, in case of inadequacy of profits, Board of Directors be and is hereby authorized to pay the remuneration, by way of salary, dearness allowance, perquisites, commission and other allowances, which shall not exceed 5 per cent of its net profits in place of above fixed remuneration and if no decision is being made regarding payment of remuneration by way of commission in case of adequacy of profit, the above salary will continue.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary and incidental to give effect to this resolution and to delegate the power for this purpose.

By order of the Board
for Talbro's Engineering Limited

(RAJESH TALWAR)
Chairman & Managing Director

3. The Register of Members and Share Transfer Books of the Company will remain closed from September 21, 2010 to September 25, 2010, both days inclusive, for determining the names of the members eligible to receive dividend on equity shares, if declared in the meeting.
4. Final dividend on equity shares as recommended by the directors for the year ended March 31, 2010,



TALBROS ENGINEERING LIMITED

when declared at the meeting will be paid after October 01, 2010:

- i. To those members whose name appear on the Company's register of members, after giving effect to all the valid transfers in physical form lodged with M/s. Beetal Financial & Computer Services Private Limited, Share Transfer Agent of the Company, on or before September 25, 2010.
 - ii. In respect of shares held in electronic form, to those "deemed members" whose name appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on September 25, 2010.
5. The members holding shares in physical form are requested to notify immediately change of address, if any, to the Share Transfer Agent of the Company i.e. M/s. Beetal Financial & Computer Services Private Limited, BEETAL HOUSE, 3rd Floor, 99, Madangir, B/H Local Shopping Complex, New Delhi-110062.
6. Members who hold the shares in demat form are requested to notify immediately change of address, if any, to their concerned Depository Participant (DP) and not to the company
7. Members desiring any information on the accounts at the meeting are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
8. Members are requested to take their seats in the Meeting Hall before the scheduled time of commencement of the Annual Proceedings.
9. Please bring your attendance slip along with Annual Report to the meeting as the same will not be distributed in the meeting.
10. Members/Proxies may also please note that only Tea/ Coffee will be served and no gift will be distributed at the venue of Annual General Meeting or elsewhere.

By order of the Board
for Talbro's Engineering Limited

(Rajesh Talwar)
Chairman & Managing Director

Place : Faridabad
Date : 20.08.2010

ANNEXURE TO THE NOTICE DATED 20th AUGUST, 2010.

(Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956)

As required under section 173(2) of the Companies Act, 1956 the following Explanatory Statement sets out all material facts relating to Special Business mentioned in the Notice:

ITEM No. 5

Mr. Tarun Talwar, s/o Shri Rajesh Talwar, Chairman and Managing Director of the company, has joined this organization in 2009 as Manager-Operations. The company richly benefited by his vision and expertise, so the Board of directors appointed him as an Additional Director of the company pursuant to section 260 of the Companies Act, 1956 w.e.f 15.05.2009 in the Board meeting held on 30.04.2009 and reappointed as a whole time director liable to retire by rotation in the annual general meeting held on 19th September, 2009.

The remuneration committee considered that the company is growing and thereby increasing the job responsibility of

the director. The committee and the Board hence felt that his hard work should be suitably remunerated. The committee and the Board, subject to the members' approval is therefore revising the remuneration of Mr. Tarun Talwar with effect from 01.10.2010 for the remainder of his tenure as set out in the item No. 5 of the notice.

The aforesaid remuneration as given in the respective proposed resolution as applicable to whole time director of the Company is within the limits as specified in Section II of Part II of Schedule XIII of the Companies Act, 1956.

Your Directors recommend the resolution for your approval.

None of the directors except Mr. Tarun Talwar himself is interested in the proposed resolution.

The above may also be treated as disclosure to members under Sec. 302 of the Companies Act, 1956.

By order of the Board
for Talbro's Engineering Limited

RAJESH TALWAR
Chairman & Managing Director

Place : Faridabad
Date : 20.08.2010



TALBROS ENGINEERING LIMITED

DIRECTORS' REPORT

To The Members,

The Directors have pleasure in presenting 24th Annual Report of the Company together with the audited accounts for the year ended on 31st March 2010.

FINANCIAL HIGHLIGHTS:

Financial Results:	(Rs. in Lacs)	
	Year Ended 31st March, 2010	Year Ended 31st March, 2009
Sales Turnover (Gross)	6,636.84	6,843.66
Profit before Interest and Depreciation	502.36	563.89
Less: Interest	198.61	310.72
Depreciation	155.17	152.64
Profit before Taxation	148.58	100.53
Less: Provision for Current Tax & F.B.T.	23.12	35.46
Provision for Deferred Tax	22.14	(1.36)
Profit After Tax	103.32	66.43
Add: Balance brought forward from the previous year	536.51	470.08
Profit Available for Appropriation	639.83	536.51
Appropriations:		
Proposed Dividend	35.26	—
Corporate Dividend Tax	5.85	—
Transfer to General Reserve	10.40	—
Balance Carried Forward	588.32	536.51
Total	639.83	536.51

DIVIDEND & APPROPRIATION OF PROFITS:

We recommend a dividend of Rs. 2.50 per share. The total dividend payout amount including Corporate Dividend Tax is Rs. 41.11 lacs as against Rs. Nil in the previous year. Dividend including dividend tax as a percentage of profit after tax before exceptional items is 39.79 % as compared to Nil in the previous year. The register of members and share transfer books will remain closed from September 21, 2010 to September 25, 2010 (both days inclusive). Our annual general meeting has been scheduled for September 25, 2010.

OPERATIONS:

- I. Your company has shown sales turnover of Rs. 6,636.84 Lacs in this financial year ended on 31.03.2010 as against Rs. 6,843.66 Lacs for the previous financial year. Net profit after tax for this year is Rs. 103.32 Lacs as compared to Rs. 66.43 Lacs for the previous financial year.
- II. Reserves & Surplus as on 31.03.2010 will stand at Rs. 1,013.50 Lacs as against the paid-up capital of Rs.1,41.01 Lacs.

EXPORTS:

Exports turnover (F.O.B. value) for the year ended on 31.03.2010 was Rs. 1,165.42 Lacs as compared to Rs. 917.82 Lacs for the previous financial year.

BUSINESS OUTLOOK FOR THE COMING YEAR:

The outlook for this year is very healthy. We expect significant increase in both production and sale. Export will continue to be a leader. Rs. 5 Crore investment plan is under implementation for both modification and enhancement of existing capacity.

During the first three-month period from April-June 2010 of the Financial Year 2010-11, the company has already booked total sales growth of 30.09%. The growth in export market alone during this period is 58.25%.

PERSONNEL:

The particulars of employees covered pursuant to Sec.217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended on 31st march 2010 are given in the Annexure to this report.

FIXED DEPOSITS:

There are no unclaimed deposits at the year-end.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

Particulars required under section 217 (1) of the Companies Act, 1956 relating to conservation of energy, technology absorption and research and development activities are given in the Annexure to this report.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Expenditure in foreign exchange for Furniture & Fixture Rs. 6,20,538/-, Entertainment Expenses Rs.74,869/- and for Foreign Travel amounted to Rs. 20,73,794/-. Meanwhile, earning in foreign exchange value of export on F.O.B. basis is Rs.11,65,42,190/-.

AUDITORS' OBSERVATION:

The observation made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

DIRECTORS:

During the year under review, we recommended the induction of Mr. Tarun Talwar in the Board. We thank you for your support in confirming his appointment as whole time



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director liable to retire by rotation in our Annual General Meeting held on 19th September 2009.

In accordance with the provision of the Companies Act, 1956 and the Company's Articles of the Association, Mr. Mohan Lal Gupta retire by rotation and being eligible offer himself for re-appointment.

AUDITORS:

The Statutory Auditors of the company M/s.Rakesh Raj & Associates, Chartered Accountants, Regn. No. 005145N, Plot No.565, Sector-7B, Faridabad retire at the forthcoming Annual General Meeting. The company has received intimation under Section 224(1-B) of the Companies Act, 1956 from them regarding their eligibility to be re-appointed as Statutory Auditors. The Directors recommend their re-appointment.

INFORMATION REGARDING LISTING OF SHARES AT DELHI STOCK EXCHANGE:

Equity shares of the company including shares issued during Rights Issue are listed with The Delhi Stock Exchange Association Ltd. The Company has duly paid the listing fee for the year 2010-2011.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) That in the preparation of the accounts for the financial year ended on 31st March 2010, the applicable accounting standards have been followed and there is no material departure from the applicable Accounting Standards;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and

prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended on 31st March 2010 on a going concern basis.

DEMATERIALIZATION OF SHARES:

The Company has entered into the Agreement with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) for dematerialization/rematerialization of securities. M/s. Beetal Computer & Financial Services (P) Ltd., New Delhi has been appointed as Electronic Share Transfer Agent in addition to Physical Share Transfer Agent.

COMPLIANCE CERTIFICATE:

As per provisions of Sec. 383A of the Companies Act, 1956, Compliance Certificate from Ms. Mayuri Gupta, Company Secretary is annexed herewith.

ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation of the hard work with dedication put in by all the employees and working directors of the Company. The Directors also wish to place on record their sincere thanks for the assistance given by the Bank of India and State of Haryana.

The Directors are also grateful to the shareholders, dealers and customers who have reposed their confidence in the company and are hopeful of their continued support in future.

For and on behalf of the Board

Place : Faridabad
Date : 20.08.2010

Rajesh Talwar
Chairman & Managing Director

TALBROS ENGINEERING LIMITED



ANNEXURE TO THE DIRECTORS' REPORT U/S 217(1) (e) OF THE COMPANIES ACT, 1956

FORM A

1. FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Current Year 2009-2010	Previous Year 2008-2009
A. Power and Fuel Consumption		
1. Electricity		
(A) Purchased		
Unit	50,22,201	47,00,820
Total Amount	Rs. 2,24,03,690	Rs.2,09,84,224
Rate Per Unit	Rs.4.46	Rs.4.46
(B) Own Generation		
(i) Through Diesel Generator		
Unit	20,20,627	14,23,354
Unit per ltr of Diesel Oil	5.74	5.54
Cost per Unit	Rs.5.40	Rs.5.80
(ii) Through Steam Turbine/Generator Unit	NIL	NIL
Unit per-ltr of Fuel Oil/Gas Cost/Unit	NIL	NIL
2. Coal (Specify Quality and where used)	NIL	NIL
Quantity (Tonnes)		
Total Cost		
Average Rate		
3. LDO		
Quantity (ltrs.)	13,12,000	9,28,000
Total Amount	Rs. 3,01,62,521	Rs.2,29,48,152
Average Rate	Rs. 22.99	Rs.24.73
4. Others/Internal Generation (Please give details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate Per Unit	NIL	NIL
B. Consumption per unit of Production	Current Year	Previous Year
	1	2
Products (with details) Unit Axles		
Electricity (units)	9.48	9.16
LDO (K.ltrs)	1.96	1.54
Coal (Specify Quality)	NIL	NIL
C. Consumption per unit of Production	Current Year	Previous Year
	1	2
Products (with details) Unit King pins		
Electricity (units)	NIL	4.12
LDO (ltrs)	NIL	0.62
Coal (Specify Quality)	NIL	NIL
Others (Specify)	NIL	NIL



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FORM B (See rule 2)

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Details of efforts made in technology absorption are given below.

Research and development (R&D)

1. Specific areas in which R&D company. : Research & Development work is carried out on a continuous basis to develop:
 - a) New Products
 - b) New Materials
 - c) New Processes
2. Benefits derived as a result of the above R&D. : New Products are being developed.
3. Future plan of action. : Company is in search of technical assistance to further reduce rejection, improve productivity and widen products range.
4. Expenditure on R&D
 - a) Capital : Nil
 - b) Recurring : Nil
 - c) Total : Nil
 - d) Total R&D expenditure : Nil

As percentage of total turnover.

Technology absorption, adaptation and innovation

1. Efforts : Continuous efforts are being made to achieve higher quality standards and to expand the range of its products.
2. Benefits : Constant review of material construction and design resulting in increased acceptability of products.
3. Imported technology : Continuous access to latest technology is required to expand export as well as domestic market.

PARTICULARS OF EMPLOYEES COVERED PURSUANT TO SEC.217 (2A) OF THE COMPANIES, ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 FOR THE YEAR ENDED ON 31.03.2010

Name & Age	Designation / Nature of Duties	Remuneration Rs In lacs	Qualification & Experience	Date of commencement of Employment	Last employment
Rajesh Talwar 59 Years	Chairman & Managing Director General Management of affairs of the company	Gross (29.64) Net (19.65)	B.Tech(IITK) MBA MS 33 Years	18/01/1989	Joint Managing Director Talbro's Automotive Components Ltd.

Note: Mr Rajesh Talwar is related to Mr. Tarun Talwar, director of the company and holds more than 2% of share capital of the company as on 31st March, 2010.

COMPLIANCE CERTIFICATE

To
The Members

TALBROS ENGINEERING LIMITED
Plot No.74-75, Sector-6,
Faridabad-121006 (Haryana)

I have examined the registers, records, books and papers of **TALBROS ENGINEERING LIMITED** as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2010 (the financial year). 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 hereby certify that:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns on the dates 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 limit prescribed under the Act and the rules made there under.
3. The company being a public limited company has the minimum prescribed paid up capital.
4. The Board of Directors duly met 8 (Eight) times on 30th April 2009, 16th July 2009, 20th August 2009, 15th September 2009, 30th October 2009, 22nd December 2009, 30th January 2010 & 26th February 2010 in respect of which meetings proper notices were given and the proceedings were duly recorded and signed in the minutes book maintained for the purpose.
5. The Company closed its Register of Members from 17th September 2009 to 19th September 2009 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 2009 was held on 19th September, 2009 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. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its directors or persons or firms or companies referred to in the section 295 of the Act.
9. The Company has entered into contracts of job working with M/s. J.T. Engineering Pvt. Ltd., a company falling under the category of related party. However, the transactions are made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central Government, as the case may be.
12. The Company has issued duplicate share certificate (s) during the financial year after complying with all the statutory formalities under the Act.
13. The Company:
 - (i) has delivered all certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. However, there was no allotment of securities during the financial year.
 - (ii) was not required to deposit any amount in a separate bank account, as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the Company, as no dividends was declared during the financial year.
 - (iv) there is no application money due for the refund, unclaimed/ unpaid dividend, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years.
 - (v) has duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the company is duly constituted. Mr. Tarun Talwar, s/o Shri Rajesh Talwar, Chairman and Managing Director of the company was appointed as an Additional Director of the company pursuant to section 260 of the Companies Act, 1956 w.e.f 15.05.2009 and Mr. Karan Talwar resigned from the post of directorship w.e.f 15.05.2009. All the necessary documents were uploaded on the MCA portal.



TALBROS ENGINEERING LIMITED

15. Mr. Tarun Talwar, s/o Shri Rajesh Talwar, Chairman and Managing Director of the company was re-appointed as a whole time director in the annual general meeting held on 19.09.2009. All the necessary documents were uploaded on the MCA portal.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities 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 there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the 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 from the public during the financial year, as specified under sections 58A and 58AA read with Companies (Acceptance of Deposits) Rules 1975. However, the company has accepted deposits **from the persons other than public** and has filed the copy of Statement in lieu of Advertisement / necessary particulars as required, with the Registrar of Companies, NCT of Delhi & Haryana. The Company has also filed Return of Deposits with the Registrar of Companies/ Reserve Bank of India/ other authorities in respect of the deposits accepted from the public during the previous financial year.
24. The amounts borrowed by the Company from banks and others during the financial year are within the borrowing limits of the Company and necessary resolutions as per section 293(1)(d) of the Act was passed in Annual General Meeting held on 25th November, 1995.
25. The Company has not invested / given guarantees or provided securities to other bodies corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum of Association with respect to Situation of the Registered office of the Company from one state to another during the financial year.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the Objects of the Company during the financial year.
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the financial year.
29. The Company has not altered the provisions of the Memorandum of Association with respect to Share Capital of the company during the year.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted its own Provident Fund and as such the provisions of section 418 of the Act, are not applicable to the Company.

Place : Faridabad
Date : 20.08.2010

Mayuri Gupta
Company Secretary
C.P. No. 5930

ANNEXURE 'A'

Registers as maintained by the Company:

Statutory Registers:

S. No.	Name of Register(s)	Under Section
1.	Register of Investment	49
2.	Register of charges & instrument creating charges	135 & 143
3.	Register of Deposits	58A
4.	Register of Members & Index thereof	150 & 151
5.	Register & Returns	163
6.	Minutes Book of General Meetings, Board Meetings & Meetings of Share Transfer Committee.	193
7.	Books of Accounts	209
8.	Register of particulars of contracts in which directors are interested.	301
9.	Register of Director, Managing Director, Manager, Secretary.	303
10.	Register of Directors' Shareholdings	307
11.	Register of loans and Investments	372A
Other Registers:		
12.	Register of share transfers.	
13.	Register of Directors' attendance.	
14.	Register of duplicate share certificates	

ANNEXURE 'B'

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or any other Authorities during the financial year ended on 31/03/2010.

S. No.	Forms & Returns	(U/s)	For	Filed on
1.	Form 32	260	For appointment and resignation of Mr. Tarun Talwar as Additional director and Mr. Karan Talwar, respectively.	07.06.2009
2.	Form-62 (Annual Return of Fixed Deposits)	58A	For the Financial year ended on 31st March 2009.	27.06.2009
3.	Form-62 (Statement in Lieu of Advertisement)	58A read with Rule 4A of the Companies (Acceptance of Deposit) Rules, 1975	For the Financial year ended on 31st March 2009.	19.09.2009
4.	Form 66 (Compliance Certificate)	383A	For the financial year ended on 31st March 2009.	15.10.2009
5.	Form-23AC & 23ACA (Annual Report/Balance Sheet)	220	For the financial year ended on 31st March 2009.	15.10.2009
6.	Form 32	260	For appointment of Mr. Tarun Talwar as whole time director.	15.10.2009
7.	Form-20B (Annual Return)	159	For the financial year ended on 31st March 2009.	18.11.2009
8.	Form No. 8	125	Creation of charge	26.03.2010



AUDITORS' REPORT

To The Members of Talbro's Engineering Limited

We have audited the attached Balance Sheet of Talbro's Engineering Limited as at March 31, 2010 and also the Profit and Loss Account 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 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 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 (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - a) 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.
- b) In our opinion the Company, as required by law, has kept proper books of accounts, so far as it appears from our examination of such books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards specified in Section 211 (3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion, and to the best of our information and according to the explanations given to us, the said financial Statements read together with the Accounting Policies and the Notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - i) In case of Balance Sheet, of the state of affairs of the company as at March 31, 2010; and
 - ii) In case of Profit and Loss Account, of the profit of the company for the year ended on that date.
 - iii) In case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place : Faridabad
Date : 20.08.2010

for **Rakesh Raj & Associates**
Chartered Accountants
Regn. No. 005145N
Raj Kumar Agarwal
Partner
M. No. 83352

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date on the accounts of Talbro's Engineering Limited for the year ended on 31st March 2010).

1. a) The Company has maintained proper books showing full particulars, including quantitative details and situation of fixed assets.
b) All the Fixed assets have been physically verified by the management at reasonable intervals during the year. According to the information and explanations given to us, no material discrepancies have been noticed on such physical verifications as compared to book records.
c) During the year the company has not disposed off a substantial part of its fixed assets.
2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
b) 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 is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
3. a) According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
b) In our opinion and according to the information and explanation given to us, the company has taken loans and deposits from companies / parties covered in the register maintained under section 301 of the Companies Act, 1956. The no of parties are 5 and maximum amount involved during the year was Rs.94,81,436 and year-end balance of such loans and deposits was Rs.94,45,069.
c) In our opinion, the rate of interest and other terms and conditions on which the loans and deposits has been taken from companies / parties covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
d) In respect of loans and deposits taken by the company, the principal and the interest has been paid regularly.
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, for the purchase of inventory and fixed assets and for the sale of goods.
During the course of audit, no major weakness has been noticed in these internal controls.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the transactions that need to be entered in to the register maintained under section 301 of the Companies Act, 1956 have been so entered.
b) Based on the audit procedures applied by us and according to the information and explanations provided by the management, having regards to comments in 5 a) above, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of the five lacs rupees in respect of any party during the year have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
6. During the year the company has accepted deposits from persons other than public and necessary provisions of the Companies Act, 1956 and rules framed therein, has been complied with.
7. In our opinion, the Company has an in-house internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Act. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. a) The Company is generally regular in depositing dues with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Customs Duty, Excise Duty, Cess and other material Statutory Dues applicable to it. According to information and explanations given to us, there are no arrears of outstanding Statutory Dues as mentioned above as at 31st March, 2010 for a period of more than six months from the date they become payable.
b) According to the information & explanations given to us, there are no dues in respect of Sales Tax, Income-Tax, Customs Duty, Excise Duty, Cess that have not been deposited with the appropriate authorities on account of dispute except the following:-



TALBROS ENGINEERING LIMITED

Name of Statute	Nature of the dues	Amount (Rs.)	Forum where dispute is Pending	Assessment Year
I.T. Act*	Income Tax	77,000.00	Confirmed	2000-01
I.T. Act	Income Tax	1,25,896.00	A.O.	2002-03
I.T. Act	Income Tax	62,820.00	ITAT	2005-06
I.T. Act	Income Tax	18,745.00	CIT(A)	2006-07

* Demand not raised by Income Tax Authority till Date.

10. The Company has no accumulated losses at the end of the financial year and has not incurred any cash losses in such financial year.
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a Nidhi mutual benefit fund / society. Therefore, the provisions of the clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

Accordingly, the provision of clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.

15. The company has not given any guarantees during the year for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, we report the term loans have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds raised on short-term basis have been partially used for long-term investment.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures. Accordingly, the provision of clause 4 (xix) of Companies (Auditor's Report) Order 2003 is not applicable to the Company.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Faridabad
Date : 20.08.2010

for Rakesh Raj & Associates
Chartered Accountants
Regn. No. 005145N
Raj Kumar Agarwal
Partner
M. No. 83352

TALBROS ENGINEERING LIMITED



BALANCE SHEET AS AT MARCH 31, 2010

PARTICULARS	SCHEDULE	As at March 31, 2010		As at March 31, 2009	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
SHAREHOLDER'S FUNDS					
Share Capital	1	1,41,01,400		1,41,01,400	
Reserves and Surplus	2	10,13,49,607	11,54,51,007	9,51,58,507	10,92,59,907
LOAN FUNDS :					
Secured Loans	3	12,49,62,792		14,61,88,247	
Unsecured Loans	4	1,15,48,552	13,65,11,344	1,37,28,808	15,99,17,055
DEFERRED TAX LIABILITY (NET)			1,33,18,643		1,11,04,312
TOTAL			<u>26,52,80,994</u>		<u>28,02,81,274</u>
APPLICATIONS OF FUNDS					
FIXED ASSETS					
Gross Block	5	27,60,28,599		25,24,44,668	
LESS: Depreciation		12,90,49,539		11,44,63,306	
Net Block		<u>14,69,79,060</u>		<u>13,79,81,362</u>	
Capital Work-in-Progress		7,10,950		11,20,529	
			14,76,90,010		13,91,01,891
INVESTMENTS			8,60,000		8,60,000
CURRENT ASSETS, LOANS AND ADVANCES					
Inventories	7	8,23,85,290		7,32,34,616	
Sundry Debtors	8	8,26,91,585		12,69,57,238	
Cash & Bank Balances	9	84,63,468		74,96,852	
Loans And Advances	10	3,50,23,274		3,53,89,214	
		<u>20,85,63,617</u>		<u>24,30,77,920</u>	
LESS: CURRENT LIABILITIES AND PROVISIONS					
Current Liabilities & Provisions	11	9,18,32,633		10,27,58,537	
		<u>11,67,30,984</u>		<u>14,03,19,383</u>	
NET CURRENT ASSETS			11,67,30,984		14,03,19,383
TOTAL			<u>26,52,80,994</u>		<u>28,02,81,274</u>
ACCOUNTING POLICIES AND NOTES TO ACCOUNTS		19			

As per our report of even date
 For **RAKESH RAJ & ASSOCIATES**
 Chartered Accountants
 Regn. No. 005145N
Raj Kumar Agarwal
 Partner
 M. No. 83352
 Place : Faridabad
 Date : 20.08.2010

Rajesh Talwar
 Chairman & Managing Director

Tarun Talwar
 Director

V.K. Datta
 Manager - Finance



TALBROS ENGINEERING LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

PARTICULARS	SCHEDULE	Year ended March 31, 2010 Rs.	Year ended March 31, 2009 Rs.
INCOME			
Sales	12	66,36,84,424	68,43,65,575
Less : Excise Duty		<u>4,21,13,676</u>	<u>6,73,52,403</u>
Other Income	13	1,68,00,540	1,03,86,360
Increase / (Decrease) in Stocks	14	<u>1,11,64,306</u>	<u>(3,85,21,170)</u>
		<u>64,95,35,594</u>	<u>58,88,78,362</u>
EXPENDITURE			
Raw Material Consumed	15	32,23,02,205	31,11,55,358
Employee Remuneration & Benefits	16	5,49,40,621	4,92,60,366
Manufacturing, Administrative & Other Expenses	17	22,20,56,936	17,20,74,211
Finance Cost	18	1,98,60,863	3,10,71,709
Depreciation		1,55,47,066	1,52,93,485
Less: Charged from Revaluation Reserve		<u>(29,849)</u>	<u>(29,849)</u>
		<u>63,46,77,842</u>	<u>57,88,25,280</u>
		<u>1,48,57,752</u>	<u>1,00,53,082</u>
PROFIT BEFORE TAX			
Less : Provision for Tax			
- Current Tax		24,75,000	31,50,000
- Fringe Benefit Tax		—	4,00,000
- Deferred Tax		22,14,331	(1,35,768)
- Tax adjusted for earlier years		<u>(1,63,086)</u>	<u>(3,914)</u>
		1,03,31,507	66,42,764
PROFIT BROUGHT FORWARD FROM EARLIER YEAR			
		<u>5,36,51,102</u>	<u>4,70,08,338</u>
AVAILABLE FOR APPROPRIATION			
		<u>6,39,82,609</u>	<u>5,36,51,102</u>
APPROPRIATIONS:			
Proposed Dividend		35,25,350	—
Tax on Proposed Dividend		5,85,208	—
Transfer to General Reserve		10,39,510	—
AMOUNT CARRIED OVER TO BALANCE SHEET		<u>5,88,32,541</u>	<u>5,36,51,102</u>
		<u>6,39,82,609</u>	<u>5,36,51,102</u>
Earnings per Share (Rs.)		7.33	4.71
Accounting Policies and Notes to Accounts	19		

As per our report of even date
For **RAKESH RAJ & ASSOCIATES**
Chartered Accountants
Regn. No. 005145N
Raj Kumar Agarwal
Partner
M. No. 83352
Place : Faridabad
Date : 20.08.2010

Rajesh Talwar
Chairman & Managing Director

Tarun Talwar
Director

V.K. Datta
Manager - Finance

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

	As at March 31, 2010		As at March 31, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 1 - SHARE CAPITAL				
AUTHORISED:				
30,00,000 (30,00,000) Equity Shares of Rs. 10/- each		<u>3,00,00,000</u>		<u>3,00,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP:				
14,10,140 (14,10,140) Equity Shares of Rs.10/- each fully paid up (out of the above Shares, 7,00,000 Equity Shares allotted as fully paid up on 16.3.96 to shareholders of Talbro's Automotive Components Limited., pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Delhi Wherein the Engineering Division of Talbro's Automotive Components Ltd. has been transferred to and vested in the Company)		<u>1,41,01,400</u>		<u>1,41,01,400</u>
TOTAL		<u><u>1,41,01,400</u></u>		<u><u>1,41,01,400</u></u>
SCHEDULE 2 - RESERVES AND SURPLUS :				
(a) REVALUATION RESERVE :				
As per last Balance Sheet	11,78,907		12,08,756	
Less: Transferred to Profit & Loss A/c	<u>29,849</u>	11,49,058	<u>29,849</u>	11,78,907
(b) CAPITAL SUBSIDY				
As per last Balance Sheet		76,29,905		76,29,905
(c) SHARE PREMIUM				
		70,50,700		70,50,700
(d) CAPITAL RESERVE				
As per last Balance Sheet		1,74,87,403		1,74,87,403
(e) GENERAL RESERVE:				
As per last Balance Sheet	81,60,490			
Add : Transfer from Profit and Loss Account	<u>10,39,510</u>	92,00,000		81,60,490
(f) PROFIT & LOSS ACCOUNT				
As per last Balance Sheet	5,36,51,102		4,70,08,338	
Add: Transfer from Profit and Loss Account	<u>51,81,439</u>	<u>5,88,32,541</u>	<u>66,42,764</u>	<u>5,36,51,102</u>
TOTAL		<u><u>10,13,49,607</u></u>		<u><u>9,51,58,507</u></u>
SCHEDULE 3 - SECURED LOANS :				
(a) TERM LOANS :				
Bank of India		4,13,18,018		5,12,59,036
(b) WORKING CAPITAL FACILITIES				
From Banks :				
Cash Credit		7,95,42,603		9,03,85,802
(c) VEHICLES LOANS				
		41,02,171		45,43,409
TOTAL		<u><u>12,49,62,792</u></u>		<u><u>14,61,88,247</u></u>



TALBROS ENGINEERING LIMITED

NOTES :

1. Term Loans from Bank of India are secured by first charge by way of mortgage of the Company's immovable properties, both present and future, and further secured by hypothecation of movables, both present and future, and subject to prior charges in favour of Company's bankers on inventories and other movables as may be agreed/permitted by lenders for securing borrowings for working capital requirements. The Term Loans are further secured by personal guarantees of two Directors of the company.
2. The working capital facilities from banks are secured by way of hypothecation of stock in trade and book debts and further secured by way of a second charge on immovable properties of the Company. The facilities from Bank of India and are further secured by personal guarantees of two Directors of the company.
3. Vehicles Loans are secured against hypothecation of Vehicles.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

	As at March 31, 2010		As at March 31, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 4 - UNSECURED LOANS				
Loan from Directors		—		4,00,000
Fixed Deposits	1,14,56,330		1,29,97,206	
Add : Interest Accrued but not due	92,222	1,15,48,552	3,31,602	1,33,28,808
		<u>1,15,48,552</u>		<u>1,37,28,808</u>

SCHEDULE 5 : FIXED ASSETS

NAME OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 01.04.2009	Additions during the year	Deduction during the year	Total Cost as at 31.03.2010	Dep. upto 31.03.2009	Dep. during the year	Dep. Written Back	Total Dep. upto 31.03.2010	W.D.V. as at 31.03.2010	W.D.V. as at 31.03.2009
	1	2	3	4	5	6	7	8	9	10
LAND	29,13,242	—	—	29,13,242	—	—	—	—	29,13,242	29,13,242
BUILDING	1,97,42,228	—	—	1,97,42,228	44,52,220	6,59,390	—	51,11,610	1,46,30,618	1,52,90,008
PLANT AND MACHINERY	20,90,96,382	1,97,53,399	9,83,081	22,78,66,700	10,25,50,413	1,35,10,906	9,60,833	11,51,00,486	11,27,66,214	10,65,45,969
VEHICLES	72,73,531	13,15,348	—	85,88,879	8,31,351	7,44,398	—	15,75,749	70,13,130	64,42,180
FURNITURE & FIXTURES	18,44,843	19,21,962	—	37,66,805	6,21,612	1,33,790	—	7,55,402	30,11,403	12,23,231
OFFICE EQUIPMENTS	35,20,160	13,92,466	—	49,12,626	11,24,350	2,09,762	—	13,34,112	35,78,514	23,95,810
ELECTRICAL INSTALLATIONS	49,08,756	56,437	—	49,65,193	22,71,638	2,11,448	—	24,83,086	24,82,107	26,37,118
TUBE-WELL	2,71,708	—	—	2,71,708	62,501	4,429	—	66,930	2,04,778	2,09,207
COMPUTERS	28,73,818	1,27,400	—	30,01,218	25,49,221	72,943	—	26,22,164	3,79,054	3,24,597
TOTAL:	25,24,44,668	2,45,67,012	9,83,081	27,60,28,599	11,44,63,306	1,55,47,066	9,60,833	12,90,49,539	14,69,79,060	13,79,81,362
CAPITAL WORK IN PROGRESS	—	—	—	—	—	—	—	—	7,10,950	11,20,529
TOTAL:	25,24,44,668	2,45,67,012	9,83,081	27,60,28,599	11,44,63,306	1,55,47,066	9,60,833	12,90,49,539	14,76,90,010	13,91,01,891
Previous Year	24,29,92,955	1,40,94,058	46,42,345	25,24,44,668	10,13,07,042	1,52,93,485	21,37,221	11,44,63,306	13,91,01,891	14,27,27,692

TALBROS ENGINEERING LIMITED



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

	As at March 31, 2010		As at March 31, 2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 6 - INVESTMENTS				
NON TRADE- UNQUOTED				
33,000 Fully paid up Equity Shares of Rs.10/- each of Talbro's Pvt. Ltd.		8,60,000		8,60,000
TOTAL		<u>8,60,000</u>		<u>8,60,000</u>
SCHEDULE 7 - INVENTORIES				
(As taken, valued & certified by the management)				
- Finished Goods		30,15,954		71,25,609
- Work-in-progress		6,40,01,887		4,96,81,749
- Raw material		87,41,837		80,62,104
- Stores, Spares & loose tools		43,44,444		75,00,202
- Scrap		17,72,383		8,18,561
- Packing Material		5,08,785		46,391
TOTAL		<u>8,23,85,290</u>		<u>7,32,34,616</u>
SCHEDULE 8 - SUNDRY DEBTORS				
(Unsecured, Considered Good)				
Debts outstanding for a period exceeding six months		92,66,613		1,61,10,790
Other Debts		7,34,24,972		11,08,46,448
TOTAL		<u>8,26,91,585</u>		<u>12,69,57,238</u>
SCHEDULE 9 - CASH AND BANK BALANCES				
Cash in hand		3,39,304		3,53,760
Balance With Scheduled Banks:				
In Current Accounts	22,56,091		17,89,502	
In Fixed Deposit Accounts	<u>58,68,073</u>	<u>81,24,164</u>	<u>53,53,590</u>	<u>71,43,092</u>
TOTAL		<u>84,63,468</u>		<u>74,96,852</u>
SCHEDULE 10 - LOANS AND ADVANCES				
(Unsecured, Considered Good)				
Advances recoverable in Cash or in kind or value to be received		2,13,04,725		2,39,86,162
Advance to Suppliers		47,61,991		62,21,073
Excise Duty Balance		47,12,058		16,13,002
Security Deposits		20,61,680		20,72,338
Advances Income Tax & TDS		21,82,820		11,66,639
Advances Fringe Benefit Tax		—		3,30,000
TOTAL		<u>3,50,23,274</u>		<u>3,53,89,214</u>
SCHEDULE 11 - CURRENT LIABILITIES & PROVISIONS:				
CURRENT LIABILITIES & PROVISIONS :				
Sundry Creditors		7,36,25,507		8,41,35,432
Advance From Customers		10,24,521		5,49,245
Other Liabilities		1,05,97,047		1,45,23,860
Provision for Income Tax		24,75,000		31,50,000
Provision for Fringe Benefit Tax		—		4,00,000
Proposed Dividend		35,25,350		—
Tax on Proposed Dividend		5,85,208		—
TOTAL		<u>9,18,32,633</u>		<u>10,27,58,537</u>



TALBROS ENGINEERING LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	Year ended March 31, 2010 Rs.	Year ended March 31, 2009 Rs.
SCHEDULE 12 - SALES :		
Sales-Domestic	54,31,21,685	59,05,81,807
Sales-Export	11,99,00,317	9,33,78,596
Job Work Charges	6,62,422	4,05,172
TOTAL	<u>66,36,84,424</u>	<u>68,43,65,575</u>
SCHEDULE 13 - OTHER INCOME :		
Interest Received	5,25,762	12,64,002
Miscellaneous Income	1,697	52,186
Profit/(Loss) on Sale of Fixed Assets (Net)	1,36,201	(6,18,525)
Discount Received	87,42,698	13,10,923
Export Incentive Received	70,54,580	53,73,001
Excess Provision written back	2,39,602	—
Unclaimed liability written back	1,00,000	—
Foreign Exchange Fluctuation (Net)	—	30,04,773
TOTAL	<u>1,68,00,540</u>	<u>1,03,86,360</u>
SCHEDULE 14 - INCREASE / (DECREASE) IN STOCKS:		
CLOSING STOCK:		
- Finished Goods	30,15,954	71,25,609
- Work-in-progress	6,40,01,887	4,96,81,749
- Scrap	17,72,383	8,18,560
	6,87,90,224	5,76,25,918
Less: OPENING STOCK:		
- Finished Goods	71,25,609	92,26,226
- Work-in-progress	4,96,81,749	8,54,90,209
- Scrap	8,18,560	14,30,653
	5,76,25,918	9,61,47,088
INCREASE / (DECREASE) IN STOCK	<u>1,11,64,306</u>	<u>(3,85,21,170)</u>
SCHEDULE 15 : RAW MATERIAL CONSUMED		
Opening Stock	80,62,104	2,51,46,455
Add : Purchases	32,18,57,568	29,33,99,505
: Cartage Inward	11,24,370	6,71,502
Less : Closing Stock	<u>87,41,837</u>	<u>80,62,104</u>
TOTAL	<u>32,23,02,205</u>	<u>31,11,55,358</u>
SCHEDULE 16 - EMPLOYEE REMUNERATION & BENEFITS		
Salary, Wages and Bonus	3,96,77,287	3,67,84,379
Workmen and Staff Welfare Expenses	83,14,276	62,40,944
Contribution to Provident & Other Funds	26,00,533	23,51,283
Gratuity	9,30,603	10,27,760
Director Remuneration	34,17,922	28,56,000
TOTAL	<u>5,49,40,621</u>	<u>4,92,60,366</u>

TALBROS ENGINEERING LIMITED



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	Year ended March 31, 2010 Rs.		Year ended March 31, 2009 Rs.
SCHEDULE 17 - MANUFACTURING, ADMINISTRATIVE AND OTHER EXPENSES			
Stores, Spares and Tools Consumed	6,06,99,319		5,00,32,109
Power & Fuel	6,37,42,409		5,20,23,235
Processing Charges	2,89,62,602		1,68,66,883
REPAIRS & MAINTENANCE :			
Buildings	25,01,321		10,83,895
Plant & Machinery	99,88,003		73,15,052
Other	<u>18,55,754</u>	1,43,45,078	<u>17,19,954</u> 1,01,18,901
Rent, Rates and Taxes	3,79,333		4,62,186
Insurance	7,49,749		7,64,327
Travelling Expenses	38,34,617		23,16,291
Commission on Sale	90,498		2,37,183
Discounts	1,54,879		1,07,713
Commission & Discnt on DEPB Licence	7,93,873		2,21,761
Packing Expenses	1,36,61,764		1,25,84,553
Advertisement & Sales Promotion	41,74,985		19,97,332
Printing & Stationary	7,26,484		6,00,594
Postage & Telegram	1,59,799		1,71,300
Telephone Expenses	7,76,919		7,36,554
Legal & Professional Charges	13,95,592		12,51,104
Membership & Subscription	1,06,000		1,06,717
Charity & Donation	22,000		—
Foreign Exchange Fluctuation	12,79,260		—
Security Services	10,93,069		10,29,246
Miscellaneous Expenses	2,79,612		3,25,678
Provision of Excise Duty on Closing Stock of Finished Goods	5,21,470		9,69,091
Less : Excise Duty Reversed on Opening Stock of Finished Goods	<u>(9,69,091)</u>	<u>(4,47,621)</u>	<u>(15,64,236)</u> (5,95,145)
Conveyance Expenses	4,18,030		4,65,450
Warranty Claim Paid	11,54,560		96,957
Vehicles Running & Maintenance	6,78,780		6,64,545
Freight Outward	1,97,94,561		1,72,53,722
Bad Debts written-off	27,54,785		20,57,015
Auditors Remuneration	2,70,000		1,70,000
Director's Sitting Fee	6,000		8,000
TOTAL	<u>22,20,56,936</u>		<u>17,20,74,211</u>
SCHEDULE 18 - FINANCE COST			
Bank Interest :			
Interest on Term Loans	63,58,140		82,01,943
Interest on Working Capital	58,82,159	1,22,40,299	1,30,24,880 2,12,26,823
Interest on Fixed Deposits	<u>14,20,587</u>		12,45,044
Other Interest	49,77,154		65,99,186
Bank Charges	12,22,823		20,00,656
TOTAL	<u>1,98,60,863</u>		<u>3,10,71,709</u>



SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2010

SCHEDULE 19 –SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

A. SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF PREPARATION OF ACCOUNTS:

The financial statements are prepared on historical cost convention except fixed assets, which are stated at revalued amounts. The accounts materially comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956.

2. USE OF ESTIMATES:

The preparation of financial statement requires estimates and assumptions to be made that affect reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. INVESTMENTS:

Current Investments are valued at cost or market price whichever is lower. Long Term Investments are valued at cost. Any diminution in value, other than temporary, is duly accounted for.

4. INVENTORIES HAVE BEEN VALUED AS FOLLOWS:

- a) Raw Materials, Stores & Spares, Tools & Packing Material etc are valued at lower of cost or net realizable value. The cost is determined on first in first out (FIFO) Basis.
- b) Work in Progress and Finished Goods are valued at material cost and production overhead allocated to them. The excise duty liability on finished goods lying in excise bonded warehouse has been added to the cost of finished goods.

5. FIXED ASSETS:

Fixed assets are stated at cost of acquisition or construction and include amounts added on revaluation, less accumulated depreciation.

6. DEPRECIATION:

- 6.1 Depreciation on all the fixed assets is charged on straight-line method as per rates and in the manner specified in Schedule XIV to the Companies Act, 1956, except on the plant & machinery transferred to the company at the time of hiving off of Engineering Division of Talbro's Automotive Components Limited w.e.f. 01.04.95 which is under written down value method.
- 6.2 During the current year, Depreciation has been charged on double and triple shift basis, as per actual running of plants.

7. FOREIGN CURRENCY TRANSACTIONS:

- 7.1 Foreign currency transactions are recorded at exchange rate prevailing on the date of the transaction.
- 7.2 Foreign currency monetary items at the year-end are restated using the closing rates.
- 7.3 Any income or expenses on account of exchange difference either on settlement or on restatement is recognized in the profit & loss account.

8. IMPAIRMENT OF FIXED ASSETS:

At the end of each year the company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with the accounting standard 28 on impairment of assets issued by the Institute of Chartered Accountants of India. An impairment loss is charged to profit & loss A/c in the year in which asset is identified as impaired when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

9. RETIREMENT & OTHER BENEFITS:

- 9.1 Retirement benefits to employees comprise contribution to Provident Fund, Gratuity and Leave Encashment under the scheme of the company. The company makes monthly contribution to the Provident Fund authorities in accordance with the provisions of the relevant statute.
- 9.2 Gratuity is administered by a trust formed for this purpose through the Group Gratuity with Life Insurance Corporation of India.
- 9.3 Leave Encashment liability, being a retirement benefit, is accounted for on actuarial valuation basis.

10. REVENUE RECOGNITION:

- 10.1 Sales include excise duty and are net of returns and trade discounts. Sales are recognized at the time of despatch of goods to the customers.
- 10.2 Export benefits/incentives are recognized in the profit & loss accounts, when the right to receive credit as per the terms of the scheme is established in respect of export goods.

11. BORROWING COST:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets prior to commencement of commercial production are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

12. PROVISION FOR CURRENT AND DEFERRED TAX:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of The Income Tax Act, 1961. Deferred Tax resulting from "Timing Difference" between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheets date. The deferred tax assets are recognized and carry forward only to the extent that there is reasonable certainty that the assets will be realized in future.

13. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

B. NOTES TO ACCOUNTS:

1. CONTINGENT LIABILITIES:

- a) Bank Guarantees outstanding as on 31.03.2010 Rs.1,82,000/- (Previous year Rs.25,000/-)
- b) Estimated amount of contracts remaining to be executed on capital account and not provided

	Current Year	Previous Year
	Rs.	Rs.
Total value of contracts	66,71,520	30,90,528
Contracts remaining to be executed	48,75,170	19,92,308

- 2. The excise duty liability on finished goods lying in the excise bonded warehouse has been added to the cost of finished goods amounting to Rs. 5,21,470/- and at the same time provision for excise duty payable for the similar amount has been created.
- 3. The company has initiated the process of obtaining confirmation from suppliers regarding the registration under Micro, Small and Medium Enterprises Development Act, 2006. The suppliers are not registered wherever the confirmations are received and in other cases, the company is not aware of their registration status and hence information relating to outstanding balance or interest due is not disclosed as it is not determinable.

4. Managerial Remuneration:

- a) The company is of the opinion that the computation of net profits under section 349 of the Companies Act, 1956 (for the purpose of calculation of Director's remuneration) need not be furnished since no commission has been paid to the Directors this year and only the remuneration in accordance with the provisions of the Schedule XIII of the companies Act, 1956 has been paid.
- b) Managerial remuneration under section 198 and as per rules prescribed under Schedule XIII of the Companies Act, 1956 is as under:

	Current Year	Previous Year
	Rs.	Rs.
Salaries	32,83,875	27,36,000
Perquisites	1,34,047	1,20,000
Employer Contribution to Provident Fund	2,52,630	2,05,200
Total	36,70,552	30,61,200

5. Remuneration to Auditors:

Audit Fees	2,50,000	1,50,000
Company's Law Matters	20,000	20,000
Total	2,70,000	1,70,000

- 6. In the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities has been made.
- 7. Advance to suppliers includes capital advances of Rs.17,96,350/- (Previous year Rs. 10,98,220/-).
- 8. Installments of term loan and fixed deposits due within next 12 months are Rs.173.19 lacs and Rs.21.89 lacs respectively.
- 9. Deferred Tax Liability comprises of timing differences on account of:

	Deferred Tax Liability/ (Assets) as at 1.4.2009 (Rs.)	Current year Charge/(Credit) (Rs.)	Deferred Tax Liability/(Assets) as at 31.03.2010 (Rs.)
(i) Depreciation	1,26,53,890	13,32,323	1,39,86,213
(ii) Disallowance u/s 43 B*	(15,49,578)	8,82,008	(6,67,570)
Total	1,11,04,312	22,14,331	1,33,18,643
Previous Year	1,12,40,080	(1,35,768)	1,11,04,312

*Effect on account of AS-15 (Revised) on Employee Benefits (Gratuity)



TALBROS ENGINEERING LIMITED

10. The entire operation of the company relates to only one Segment viz. Automotive Components. Hence as per AS-17 issued by ICAI, there is no Reportable Segment.

11. **Defined Benefit Plans:**

11.1 In accordance with Accounting Standard 15 (Revised 2005,) the actuarial valuation carried out in respect of the aforesaid defined benefit plans of Gratuity is based on the following assumption.

Actuarial Assumptions	Employee Gratuity Fund	
Discount Rate (per annum)	8 %	8%
Salary Escalation	6 %	6%

Table showing changes in present value of obligation as on 31.03.2010

	As at 31.03.2010	As at 31.03.2009
Present Value of Obligation as at beginning of Year	75,89,392.00	64,08,115.00
Interest Cost	6,07,151.00	5,12,649.00
Current Service Cost	4,05,803.00	3,50,637.00
Benefit Paid	(6,01,843.00)	(1,17,297.00)
Actuarial (Gain) / Loss on obligation	2,40,804.00	4,35,288.00
Present Value of Obligation as at end of Year	82,41,307.00	75,89,392.00

Table Showing changes in the Fair Value of Plan Assets As on 31.03.2010

Fair Value of Plan Assets at Beginning of Year	32,99,870.00	27,76,452.00
Expected Return on Plan Assets	3,23,155.00	2,70,814.00
Contributions	42,75,923.00	3,69,901.00
Benefit Paid	(6,01,843.00)	(1,17,297.00)
Actuarial (Gain) / Loss on Plan Assets	NIL	NIL
Present Value of Plan Assets at end of Year	72,97,105.00	32,99,870.00

Table Showing Fair Value of Plan Assets

Fair Value of Plan Assets at Beginning of Year	32,99,870.00	27,76,452.00
Actual Return on Plan Assets	3,23,155.00	2,70,814.00
Contributions	42,75,923.00	3,69,901.00
Benefit Paid	(6,01,843.00)	(1,17,297.00)
Fair Value of Plan Assets at end of Year	72,97,105.00	32,99,870.00
Funded Status	(9,44,202.00)	(42,89,522.00)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)		

Actuarial Gain / Loss recognized

Actuarial Gain / Loss on obligation	(2,40,804.00)	(4,35,288.00)
Actuarial Gain / Loss for the year - plan assets	NIL	NIL
Total Gain / Loss for the year	2,40,804.00	4,35,288.00
Actuarial Gain / Loss recognized in the year	2,40,804.00	4,35,288.00

Net Assets / (Liability) Recognized in Balance Sheet

Present value of obligations as at the end of year	82,41,307.00	75,89,392.00
Fair value of plan assets as at the end of the year	72,97,105.00	32,99,870.00
Fund status	(9,44,202.00)	(42,89,522.00)
Net Assets / (Liability) Recognized in Balance Sheet	9,44,202.00	42,89,522.00

TALBROS ENGINEERING LIMITED



Expense Recognized in statement of profit and loss

Current Service Cost	4,05,803.00	3,50,637.00
Interest Cost	6,07,151.00	5,12,649.00
Expected return on plan assets	(3,23,155.00)	(2,70,814.00)
Net Actuarial (Gain) / Loss recognized in the year	2,40,804.00	4,35,288.00
Expenses recognized in statement of profit and loss	9,30,603.00	10,27,760.00

12. Earnings Per Share:	Current year	Previous year
	Rs.	Rs.
Net Profit after Tax	1,03,31,507	66,42,764
Weighted Average No. of Equity Shares	14,10,140	14,10,140
Basic and Diluted Earnings per Equity Share	7.33	4.71
Face Value per Equity Share	10	10

13. RELATED PARTY DISCLOSURE AS PER (AS-18) ISSUED BY ICAI:-

Key managerial personnel and their Relatives

Mr. Rajesh Talwar	Chairman and Managing Director
Rajesh Talwar (H.U.F)	H.U.F of Mr. Rajesh Talwar
Mrs. Geeta Talwar	Wife of Mr. Rajesh Talwar
Mr. Tarun Talwar	Son of Mr. Rajesh Talwar
Ms. Sameena Talwar	Daughter of Mr. Rajesh Talwar

Name of Person	Nature of Transaction	Transaction's Amount		Receivables / (Payables)	
		Current Year	Prev. Year	Current Year	Prev. Year
MR. RAJESH TALWAR	SALARY	29,64,000	28,56,000	(1,67,384)	(1,36,745)
	LOAN RECEIVED	—	—	—	(4,00,000)
	LOAN TRF TO FD	4,00,000	—	—	—
	INTT. ON LOAN	12,000	39,000	—	—
	FD RECEIVED	5,00,000	—	—	—
	INTT. ON FD	9,063	—	—	—
	FD REPAID	5,00,000	—	—	—
MR. RAJESH TALWAR (HUF)	FD RECEIVED	5,70,000	—	(28,74,808)	(22,26,998)
	INTT. ON FD	3,10,397	2,30,609	—	—
MRS. GEETA TALWAR	LOAN RECEIVED	27,90,000	20,50,000	—	—
	INTT. ON LOAN	69,886	1,71,359	—	—
	LOAN REPAID/TRF TO FD	27,90,000	20,50,000	—	—
	FD RECEIVED	34,90,000	11,00,000	(41,90,000)	(11,00,000)
	INTT ON FD	4,01,584	37,926	—	—
MR. TARUN TALWAR	FD REPAID	4,01,589	—	—	—
	FD RECEIVED	—	5,00,000	(7,35,191)	(11,02,569)
	INTT. ON FD	81,602	1,05,480	—	—
	SALARY	5,26,530	—	36,819	—
MS. SAMEENA TALWAR	FD REPAID	3,88,690	—	—	—
	FD RECEIVED	1,05,000	2,30,000	(16,45,070)	(14,16,331)
	INTT. ON FD	1,73,445	1,42,522	—	—

Enterprises over which Key Managerial Personnel and their relatives having significant influence

J.T. Engineering Private Limited

Name of Person	Nature of Transaction	Transaction's Amount		Receivables / (Payables)	
		Current Year	Prev. Year	Current Year	Prev. Year
J.T.Engineering Private Limited.	Purchase	44,25,230	20,91,650	(7,27,770)	12,31,657
	Sale	—	—	—	—

14. Previous year figures have been regrouped/ rearranged wherever considered necessary.



TALBROS ENGINEERING LIMITED

15. ADDITIONAL INFORMATION PURSUANT TO THE REQUIREMENTS OF PART – II OF SCHEDULE VI TO THE COMPANIES ACT 1956.

a) LICENCED / INSTALLED CAPACITY ETC.:	Axle Shafts (Nos.)	King Pins (Nos.)
Licensed Capacity	N.A.	N.A.
Installed Capacity Per annum (As certified by the Management and relied upon by the Auditors being a technical matter)	8,00,000 (8,00,000)	50,000 (50,000)
Actual Production	6,68,699 (5,98,305)	NIL (3,398)

Figures in brackets represent figures for previous year.

b) TURNOVER, PURCHASES, OPENING AND CLOSING STOCK OF GOODS, CONSUMPTION ETC.:

	Units	Current year		Previous year	
		Quantity No.	Value (Rs.)	Quantity No.	Value (Rs.)
TURNOVER					
Finished Goods:					
Axle Shafts	Nos.	6,72,878	65,82,63,327	5,99,109	67,22,84,870
King Pins	Nos	—	—	4,800	2,47,450
Scrap and Others	Kgs.	4,85,347	54,21,097	6,16,715	1,18,33,255
TOTAL			66,36,84,424		68,43,65,575
STOCKS OF GOODS					
Opening Stock:					
Axle Shafts	Nos.	7,765	71,25,609	8,569	90,29,261
King Pins & Kits	Nos.	—	—	1,402	1,96,965
Closing Stock:					
Axle Shafts	Nos.	3,586	30,15,954	7,765	71,25,609
c) CONSUMPTION ANALYSIS					
CONSUMPTION OF RAW MATERIALS AND COMPONENTS					
Metallic Rods	Kgs	87,76,861	32,23,02,205	74,72,283	31,11,55,358
COMPOSITION OF RAW MATERIALS AND COMPONENTS CONSUMED					
Imported		—	—	—	—
Indigenous		100%	32,23,02,205	100%	31,11,55,358
TOTAL		100%	32,23,02,205	100%	31,11,55,358
COMPOSITION OF STORES, SPARES AND TOOLS CONSUMED:					
Imported		—	—	—	—
Indigenous		100%	6,06,99,319	100%	5,00,32,109
TOTAL		100%	6,06,99,319	100%	5,00,32,109

TALBROS ENGINEERING LIMITED



d) FOREIGN CURRENCY TRANSACTIONS:

I. CIF Value of Imports :		
a). Plant & Machinery	—	—
II. Expenditure in Foreign currency		
a) Commission on Export Sales	—	2,53,225
b) Foreign Travel (Foreign Exchange Utilized)	20,73,794	3,24,250
c) Freight & Forwarding	—	2,66,064
d) Legal & Professional	—	29,760
e) Ball Pens	—	15,124
f) Repair Maintenance-Plant & Machinery	—	2,40,884
g) Furniture & Fixtures	6,20,538	—
h) Entertainment Expenses	74,869	—
III. Earnings in Foreign Exchange		
Value of Export on F.O.B. basis	11,65,42,190	9,17,82,457

16. Schedule 1 to 19 are annexed to and forming part of the Balance Sheet as at 31.03.2010 and Profit and Loss Account for the year ended on that date.

As per our report of even date
 For **RAKESH RAJ & ASSOCIATES**
 Chartered Accountants
 Regn. No. 005145N
Raj Kumar Agarwal
 Partner
 M. No. 83352

Rajesh Talwar
 Chairman & Managing Director

Tarun Talwar
 Director

V.K. Datta
 Manager - Finance

Place : Faridabad
 Date : 20.08.2010



TALBROS ENGINEERING LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

	Year ended March 31, 2010	Year ended March 31, 2009
(Figures in Rupees)		
A. OPERATING ACTIVITIES		
a. Net profit before Tax	1,48,57,752	1,00,53,082
Adjustments for:		
Depreciation	1,55,17,217	1,52,63,636
Capital Reserves & subsidy	—	—
Misc. Expenses W/off	—	—
Interest Paid	1,98,60,863	3,10,71,709
Interest / Dividend income	(5,25,762)	(12,64,002)
Gratuity adjusted of earlier year	—	—
Loss (Profit) on Sale of Fixed Assets	(1,36,201)	6,18,525
	<u>3,47,16,117</u>	<u>4,56,89,868</u>
b. Operating Profit before Working capital changes	4,95,73,869	5,57,42,950
Adjustments for:		
Trade and other Receivables	4,53,17,774	(1,06,16,395)
Inventories	(91,50,674)	6,02,49,712
Trade Payables	(1,39,61,462)	(3,21,26,192)
	<u>2,22,05,638</u>	<u>1,75,07,125</u>
	<u>7,17,79,507</u>	<u>7,32,50,075</u>
c. Cash generated from Operations		
Direct Tax Paid-Income Tax	(42,36,181)	19,83,361
Excess / (Short) Provision of Tax	1,63,086	3,914
Direct Tax Paid-Income Tax-Fringe Benefit Tax	—	(3,30,000)
	<u>(40,73,095)</u>	<u>16,57,275</u>
Net Cash from/(used) in Investing Activities	<u>6,77,06,412</u>	<u>7,49,07,350</u>
B. INVESTING ACTIVITIES		
Sale / Transfer of Fixed Assets	1,58,449	18,86,599
Interest received & Dividend Recd.	5,25,762	12,64,002
Decrease / (Increase) in CWIP	4,09,579	(78,750)
Purchase of Fixed Assets	(2,45,67,012)	(1,40,94,058)
Sale of Investments	—	67,200
	<u>(2,34,73,222)</u>	<u>(1,09,55,007)</u>
C. FINANCING ACTIVITIES		
Proceeds from Borrowings	1,10,03,641	74,69,280
Repayment / Transfer of Borrowings	(3,26,29,096)	(3,73,94,456)
Fixed Deposits(Net)	(17,80,256)	(12,30,197)
Interest paid	(1,98,60,863)	(3,10,71,709)
	<u>(4,32,66,574)</u>	<u>(6,22,27,082)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH Equivalents (A+B+C)	<u>9,66,616</u>	<u>17,25,261</u>
Cash and Cash Equivalent as at:		
- the beginning of the year	74,96,852	57,71,591
- the end of the year	<u>84,63,468</u>	<u>74,96,852</u>

As per our report of even date
For **RAKESH RAJ & ASSOCIATES**
Chartered Accountants
Regn. No. 005145N
Raj Kumar Agarwal
Partner
M. No. 83352
Place : Faridabad
Date : 20.08.2010

Rajesh Talwar
Chairman & Managing Director

Tarun Talwar
Director

V.K. Datta
Manager - Finance

TALBROS ENGINEERING LIMITED



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (In Terms of Amendment to Schedule VI, Part-IV)

I. Registration Details

Registration No. - State Code
 Balance Sheet Date
 Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	<input type="text" value="NIL"/>	Rights Issue	<input type="text" value="NIL"/>
Bonus Issue	<input type="text" value="NIL"/>	Private Placement	<input type="text" value="NIL"/>

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

Total Liabilities	<input type="text" value="265281"/>	Total Assets	<input type="text" value="265281"/>
Sources of Funds		Reserves & Surplus	<input type="text" value="101350"/>
Paid-up Capital	<input type="text" value="14101"/>	Unsecured Loans	<input type="text" value="11548"/>
Secured Loans	<input type="text" value="124963"/>	Investments	<input type="text" value="860"/>
Other Liabilities	<input type="text" value="13319"/>	Misc. Expenditure	<input type="text" value="NIL"/>
Application of Funds		Net Fixed Assets	<input type="text" value="147690"/>
Net Current Assets	<input type="text" value="116731"/>	Accumulated Losses	<input type="text" value="NIL"/>

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

Turnover	<input type="text" value="638372"/>	Total Expenditure	<input type="text" value="623514"/>
Profit/Loss Before Tax	<input type="text" value="14858"/>	Profit/Loss After Tax	<input type="text" value="10332"/>
Earning Per Share in Rs.	<input type="text" value="7.33"/>	Dividend Rate %	<input type="text" value="25"/>

V. Generic Names of Three Principal Product/Services of The Company (As per terms)

Item Code No. (ITC Code)
 Product Description

Place : Faridabad
 Date : 20.08.2010

Rajesh Talwar
 Chairman & Managing Director

Tarun Talwar
 Director

V.K. Datta
 Manager - Finance

TALBROS ENGINEERING LTD.

Regd. Office : 74-75, Sector-6; Faridabad-121 006 (Haryana)

PROXY FORM

I/We _____ of _____
being member(s) of TALBROS ENGINEERING LIMITED hereby appoint Mr./Miss/Mrs. _____
of _____ or failing him/her, Mr./Miss/Mrs. _____
of _____ as my / our
proxy to attend and vote for me / us on my / our behalf, at the 24th ANNUAL GENERAL MEETING of the Company at
Hotel "DELITE", 17, Neelam Bata Road, NIT, Faridabad, at 11.30 A.M. on Saturday the 25th September, 2010 and at
any adjournment thereof.

As Witness my/our hand(s) this _____ of _____ 2010

Signed by the said _____

Affix a
Re. 1/-
Revenue
Stamp

Member(s) Name(s) _____
(in Block Letters)

Folio No. _____ No. of Shares _____

DPID No. _____ Client ID No. _____

NOTE : 1. The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time for
holding the meeting
2. A Proxy need not be a Member of the Company.

FOR OFFICE USE ONLY

S.No. _____ Date of Receipt _____ Time of Receipt _____

TALBROS ENGINEERING LTD.

Regd. Office : 74-75, Sector-6, Faridabad-121 006 (Haryana)

ADMISSION SLIP

DPID No. _____

Folio No. _____

Client ID No. _____

No. of Shares _____

Name of the Member (in Block Letters) _____

I declare that I am a Registered Shareholder / Proxy / Representative. I hereby record my presence at the at the
24th ANNUAL GENERAL MEETING of the Company at Hotel "DELITE", 17, Neelam Bata Road, NIT, Faridabad, at
11.30 A.M. on Saturday the 25th September, 2010.

Member's Signature

Name of Proxy / Representative
(in BLOCK LETTERS)

Proxy's / Representative's
Signature

Note : 1. The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before
the time for holding the meeting.
2. A Proxy need not be a Member of the Company.

U. P. C.

If undelivered, please return to :

TALBROS ENGINEERING LIMITED
PLOT NO. 74-75, SECTOR-6,
FARIDABAD 121 006 (Haryana)