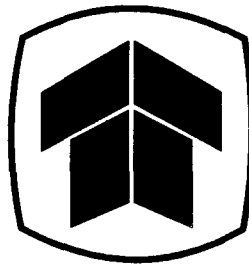


THAKRAL SERVICES (INDIA) LIMITED



TWENTY NINTH ANNUAL REPORT 2011-2012

**8TH FLOOR, 'THE ESTATE', 121, DICKENSON ROAD,
BANGALORE - 560 042**

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THAKRAL SERVICES (INDIA) LIMITED**Board of Directors**

Sri. BIKRAMJIT SINGH THAKRAL
Sri. C D P RAJENDRAN
Sri. JOSEPH SEQUEIRA
Sri. KANWALJEET SINGH BAWA
Sri. R.C.BHAVUK- Managing Director
Sri. KR VIJAYENDRA
(Appointed wef 22.02.2012)
Sri. P.BALAKRISHNA SHETTY
(Resigned wef 22.02.2012)

Bankers

YES BANK LTD

Auditors

M/s. BRAHMAYYA & CO.
Chartered Accountants, Bangalore.

Registered Office

8TH FLOOR, 'THE ESTATE',
121, DICKENSON ROAD,
BANGALORE - 560 042

NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of THAKRAL SERVICES (INDIA) LIMITED will be held on Friday, the 28th September, 2012 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M. G. Road, Bangalore – 560 001 (Opposite to HSBC Bank, Near ING Vysya Bank – Corporate office) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as on 31.03.2012 and the Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Bikramjit Singh Thakral who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Joseph Sequeira who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration as may be agreed with the Board of Directors.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED THAT Mr. K R Vijayendra be and is hereby appointed as Director of the Company, liable to retire by rotation.”

Regd. Office
8th Floor, 'The Estate',
121, Dickenson Road,
Bangalore – 560 042

BY ORDER OF THE BOARD

MANAGING DIRECTOR

Place : Bangalore

Date : 13.8.2012

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** Proxy forms duly completed in all respects shall be lodged with the Company at least 48 hours before the time fixed for the meeting. The proxy form is annexed at the end of this report.
2. Members are requested to address all correspondence regarding De-mat, Share Transfers, Certificate Endorsement, Change of Address and other General Queries, to our Registrar M/s. Integrated Enterprises (India) Ltd (formerly M/s. Alpha Systems Pvt. Ltd) No.30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bangalore – PIN – 560 003.
3. The Proxies and Members are requested to bring their attendance slip, annexed at the end of this report, to the meeting and sign at the entrance of the venue.

4. The Register of Members and Share Transfer books shall remain closed from Friday, the 21st September, 2012 to Friday, the 28th September, 2012(both days inclusive)

**EXPLANATORY STATEMENT PURSUANT TO
SECTION 173(2) OF THE COMPANIES ACT, 1956**

ITEM NO : 5 :

- 1) The Board of Directors of your Company had appointed Mr.K R Vijayendra as an Additional Director on 22nd February 2012. He is an Ex-Banker worked with the nationalised Bank . He has been serving the Board as an Independent Director within the meaning of the revised Clause 49 of the Listing Agreement. Pursuant to Section 260 of the Companies Act, 1956, K R Vijayendra holds office up to the date of this Annual General Meeting. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956, in writing, from a member proposing him as a Director.
- 2) The Board considers that on account of K R Vijayendra's knowledge, experience and eminence, it would be in the interest of the Company to appoint him as a Director of the Company.
- 3) The Board of Directors of your Company recommends the resolution for your consideration and approval.
- 4) None of the Directors are interested or concerned in the said resolution.

BY ORDER OF THE BOARD OF DIRECTORS

Regd. Office
8th Floor, 'The Estate', 121,
Dickenson Road, Bangalore-560 042

MANAGING DIRECTOR

Place: BANGALORE
Date:13.08.2012

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN
THE FORTHCOMING ANNUAL GENERAL MEETING
(IN PURSUANCE TO LISTING AGREEMENT WITH STOCK EXCHANGES)**

Item No.2:

- | | |
|--|---|
| 1) Name: | Mr.Bikramjit Singh Thakral |
| 2) Date of Birth: | 09.11.1975 |
| 3) Expertise: | Eight years of experience in Management |
| 4) List of Companies in which outside directorship held as on 13.08.2012 | NIL |
| 5) Chairman © / Member (M) of the :
Committee of the Board of the
Companies on which he is a
Director as on :13.08.2012 | NIL |

Item No.3:

1) Name:	Mr. Joseph Sequeira
2) Date of Birth:	03.04.1945
3) Expertise:	Banking and Finance Experience for over 3 decades
4) List of Companies in which outside directorship held as on 13.08.2012	NIL
5) Chairman (C) / Member (M) of the Committee of the Board of the Companies on which he is a Director as on :13.08.2012	Audit Committee - M/s.Thakral Services (India) Ltd (M) Remuneration Committee - M/s.Thakral Services (India) Ltd (M)

DIRECTORS' REPORT

Your Directors have pleasure in presenting the **Twenty Ninth Annual Report** along with the Audited Accounts for the year ended 31.03.2012.

FINANCIAL RESULTS:

	(Rs. in lakhs)	
	31.03.2012	31.03.2011
Income from Business	3922.41	2497.17
Gross Income	3922.41	2497.17
Less: Operational Expenses	3681.18	2377.63
Profit/(Loss) Before Depreciation and Provisions	241.23	119.54
Depreciation	17.37	11.82
Profit/(Loss) Before Provisions	223.86	107.72
Provisions	0.00	0.00
Profit/(Loss) after Provisions	223.86	107.72
Less :Income Tax/Fringe Benefit Tax/MAT	71.52	14.00
Add: Deferred Tax- Asset	2.94	8.60
Profit/(Loss) for the Year	155.28	102.32

OPERATIONS:

The Company is mainly engaged in the business of Electronic Security which comprises of CCTV, Access control, Fire Detection, Alarms, Intrusion Alarms and Solar Power Solutions.

The Company carries the vision of becoming one of the leading Electronic security players in India by the end of the Financial Year 2014.

DIVIDENDS:

Since the Company need the funds for future expansion of business therefore it is not in a position to declare dividends.

CAPITAL:

The present paid-up capital of the Company is Rs.3,52,05,240/- of face value of Rs.3/- each pending listing with Bombay Stock Exchanges and Bangalore Stock Exchange. The shares of the Company have been admitted for De-materialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the International Securities Identification Number (ISIN) of the equity share of the Company is INE190F01010.

LISTING PARTICULARS :

As required by Clause 32 of the Listing Agreement with the stock exchange, a cash flow statement is appended.

As per the revised Clause 49 of the Listing Agreement, a Report on Corporate Governance is attached to this report.

DIRECTORS:

The Board of Directors of the Company consists of 6 Directors, of whom 2 are Non-Executive Independent Directors and 3 Non Executive Directors and 1 Executive Director. The Directors Mr.Bikramjit Singh Thakral and Mr.Joseph Sequeria are due to retire by rotation and are eligible for re appointment in the coming Annual General Meeting.

Dr. P Balakrishna Shetty who had been appointed as the Chairman had resigned on 22.02.2012. The Board places on record its appreciation for the services rendered by him during his tenure.

Mr. Vijayendra K R has been appointed as an Additional Director by the Board of Directors on 22.02.2012 and he holds the said office up to this Annual General Meeting.

AUDITORS:

M/s. Brahmayya and Company, Chartered Accountants, Bangalore, Auditors of the Company retires at the conclusion of this Annual General Meeting and are eligible for re-appointment. Auditors have confirmed their willingness to continue in office, if reappointed.

EMPLOYEES:

The Company does not have any employee within the purview of section 217 (2A) of the Companies Act, 1956 as such the details required under the said section and the Companies (Particulars of Employees) Rules, 1975 are not annexed to this report.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

The information pursuant to Section 217 (1)(e) of the Companies Act, 1956 on Conservation of energy, Research & Development and Technology Absorption are presently not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2011-12	2010-11
	(Rs. Lacs)	(Rs. Lacs)
i. Foreign exchange earned	65.80	117.63
ii. Foreign exchange used	5.18	4.47
iii. Foreign exchange used for import of Capital Goods, Raw Materials etc.	356.19	380.04
iv. Foreign exchange for export of goods	113.78	84.56

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217 of the Companies Act, 1956, the directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are 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 or loss of the Company for the period.
- c) the Directors had 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) the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to revised Clause 49 of Listing Agreement with Bombay Stock Exchange and Clause 51 of the Listing Agreement with Bangalore Stock Exchange, a Management discussion and Analysis report, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of corporate governance are made as a part of the Annual Report.

ACKNOWLEDGMENTS:

Your Directors wish to place on record their sincere appreciation of the wholehearted co-operation and assistance extended by its Shareholders, Bankers, Investors, Customers and others. The Board also wishes to place on record, its appreciation for the dedicated services of staff and officers of the Company at all levels.

ON BEHALF OF THE BOARD OF DIRECTORS

Place : BANGALORE

Date : 13.08.2012

CHAIRMAN

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Corporate Governance:

Thakral Services (India) Limited is managed by the Managing Director under the supervision and control of the Board of Directors. Your Company firmly believes that implementation of good corporate governance will help the Company to achieve corporate goals and to enhance shareholders' value. It has been our endeavor to give importance on ensuring fairness, transparency, accountability and responsibility to shareholders besides implementing practices voluntarily that would give optimum information and benefit to all stakeholders, customers, employees and the society alike.

2. Board of Directors

i) Composition

Your Company's Board of Directors comprises of 6 Directors. The Managing Director, 5 are Non-Executive Directors out of which 2 are Independent Directors. The Chairman of the Company is non-executive. The Board structure is as under:

Name of Director	Category
Mr. K R Vijayendra	Independent Director
Mr. R.C. Bhavuk	Managing Director, Executive
Mr. K.S. Bawa	Non-Executive, Director
Mr. Bikramjit Singh Thakral	Non-Executive, Director
Mr. C D P Rajendran	Non-Executive, Director
Mr. Joseph Sequeira	Independent Director

ii) What constitutes independence of Directors :

For a Director to be considered independent, the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines which are in line with the applicable legal requirements.

iii) Details of Memberships of the Directors in other Boards and in Board committees as on 31st March, 2012 are as under :

Name of Director	Directorship in other Companies	Details of Committee	
		Member	Chairman
Mr. R.C. Bhavuk	17	1	Nil
Mr. K. S. Bawa	18	2	1
Mr. C D P Rajendran	3	Nil	Nil
Mr. K R Vijayendra	1	Nil	Nil
Mr. Joseph Sequeira	Nil	2	Nil
Mr. Bikramjit Singh Thakral	Nil	Nil	Nil

iv) Board Procedure:**Number of Board Meetings held and the dates on which held:**

Since the commencement of the financial year 2011-2012, a total of 8 Board meetings were held on the following dates viz. 12.05.2011, 12.08.2011, 26.08.2011, 14.11.2011, 31.01.2012, 14.02.2012, 22.02.2012 and 15.03.2012. The maximum time gap between two board meetings was not more than four calendar months.

Attendance of Directors:

The following table gives details of participation in Board Meetings and Annual General Meetings of your Company and interests of directors in other Companies

Name of Director	Meetings		Attendance at last AGM held on 30 th September, 2011
	Held	Attended	
Mr. R.C. Bhavuk	8	8	Yes
Mr. K. S. Bawa	8	8	Yes
Mr. C D P Rajendran	8	Nil	No
Mr. K R Vijayendra (Appointed wef 22.02.2012)	N.A	N.A	N.A
Mr. Joseph Sequeira	8	8	Yes
Mr. Bikramjit Singh Thakral	8	NIL	No

Circulation of Information and Board material:

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the relevant papers for the Board Meeting are circulated in advance to facilitate the Board members to take informed decision. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. However, in case of urgent business need the Board's approval is taken by circulating the resolution, which is ratified in the next Board Meeting.

v) Disclosure regarding appointment/re-appointment of Directors:

Mr. Bikramjit Singh Thakral and Mr. Joseph Sequeira are Directors retiring at the ensuing Annual General Meeting being eligible offers themselves for re-appointment.

3. Audit Committee:**i) Constitution and Composition of the Audit Committee**

The Audit Committee of the Board of Directors has its constitution in compliance of provisions of the Corporate Governance requirements (as per Clause 49) of the Listing Agreement.

The Audit committee consists of two Directors as under:

1) Mr. K.S. Bawa	(Non- Executive Director)	– Member
2) Mr. Joseph Sequeira	(Independent Director)	– Member

ii) Dates of Audit Committee meeting and Directors Attended.

<u>Date</u>	<u>Directors attended</u>
11.05.2011	Mr. K S Bawa & Mr. Joseph Sequeira
11.08.2011	Mr. K S Bawa & Mr. Joseph Sequeira
12.11.2011	Mr. K S Bawa & Mr. Joseph Sequeira
13.02.2012	Mr. K S Bawa & Mr. Joseph Sequeira

iii) Terms of Reference

The terms of reference for the Committee as laid down by the Board include the following:

- a) Overseeing your Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management, the quarterly and annual financial statements before submission to the board, focusing primarily on:
 - i) Any change in accounting policies and practices.
 - ii) Major accounting entries based on exercise of judgment by management.
 - iii) Qualification in draft audit report.
 - iv) Significant adjustments arising out of audit.
 - v) The going concern assumption.
 - vi) Compliance with accounting standards.
 - vii) Compliance with stock exchange and legal requirements concerning financial statements and other terms of references as required under Companies act, 1956 and listing agreement.

4. Remuneration Committee:

i) Remuneration Policy

The Remuneration Committee determines and recommends to the Board the compensation payable to the Directors. All Board-level compensation is approved by shareholders, and separately disclosed in the financial statements.

The Remuneration Committee makes an annual appraisal of the performance of the Executive Director(s) based on a performance-related matrix. The annual compensation of the Executive Director(s) is approved by the Remuneration Committee, within the parameters set by the shareholders at the shareholders' meetings.

Remuneration payable to each of the Independent Directors by way of sitting fee is limited to a fixed amount per year as determined and approved by the Board, subject to the limit approved by members of the Company in general meeting and calculated as per the provisions of the Companies Act, 1956.

ii) Terms of reference of Remuneration Committee

The remuneration committee may also make recommendations to the Board with respect to incentive compensation plans, remuneration of Non Executive Directors, shall review and reassess the adequacy of this charter annually and recommend any proposed change to the Board for its approval and annually review its own performance.

iii) Constitution and Composition of the Remuneration Committee

The Company had constituted the Remuneration Committee in compliance with provisions of the Corporate Governance requirements (Clause 49) of the Listing Agreement.

The Remuneration committee consists of two Non-Executive Directors as under:

- | | | |
|------------------------|---|--------|
| 1) Mr. Joseph Sequeira | – | Member |
| 2) Mr. K.S. Bawa | – | Member |

5. Shareholders' Grievance Committee:**i) Constitution of Committee**

In pursuance to the Listing Agreement with Stock Exchange(s), the Board had constituted the Shareholders' grievance committee.

ii) Composition of the Committee:

The Grievance committee consists of two Directors as under:

- | | |
|--------------------|------------|
| 1) Mr. K.S. Bawa | - Chairman |
| 2) Mr. R.C. Bhavuk | - Member |

iii) Compliance Officer:

Name and Designation of: Mr. Vasu Srinivasan – Company Secretary.
Compliance Officer

iv) Shareholders' Complaints:

The company has received complaints from the shareholders and all complaints were resolved to the satisfaction of shareholders and there is no pending complaints with the Company.

6. Information on General Meetings

The last 3 Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Venue	Whether special resolution passed
2010-11	30.09.2011	10.00 A.M	Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001	YES
2009-10	30.09.2010	10.00 A.M	Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001	YES
2008-09	30.09.2009	10.00 A.M	Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001	No

Note :

- 1) Special resolution was passed at AGM held on 30.09.2010 for reduction of the capital by reducing the face value of shares of Rs.10/-each to Rs.3/-each.
- 2) Special resolution was passed at AGM held on 30.09.2010 for increasing the authorized capital to Rs.13,00,20,000/-.
- 3) Special resolution was passed at AGM held on 30.09.2011 for appointment of Managing Director.

7. Disclosures

- i) There was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. Details of related party transactions are disclosed under notes on account, given elsewhere in this report.
- ii) There was no non-compliance by the Company relating to SEBI, Stock exchange, other statutory authorities and requirements relating to capital markets, during the last three years.

8. Means of Communication

Quarterly Results are published in two newspapers i.e. Business Standard (English) and Sanjevani (Vernacular language newspaper). The same is displayed in official website of Bombay Stock Exchange (www.bseindia.com) and no official news releases are made.

9. GENERAL SHARE HOLDERS' INFORMATION**i. Annual General Meeting**

Date : 28.09.2012
 Day : Friday
 Time : 10 AM
 Venue : Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore - 560 001
 (Opposite to HSBC Bank, Near ING Vysya Bank Corporate Office)

ii. Financial Calendar

The financial year of the Company is for a period of 12 months from 1st April 2012 to 31st March 2013.

First Quarter results	: by end of July'2012
Second Quarter results	: by end of October'2012
Third Quarter results	: by end of January'2013
Fourth Quarter results	: by end of April'2013

iii. Book Closure

1. Date of Book Closure : 21-09-2012 to 28-09-2012
 (both days inclusive)

iv. Listing on Stock Exchanges**a. Stock Exchange Listing**

01. Bombay Stock Exchange
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

02. Bangalore Stock Exchange
Stock Exchange Tower, No.51, 1st cross,
J.C.Road, Bangalore - 560 027.

It is further submitted for information of shareholders that the Annual listing fees of 2012-2013 has been paid.

b. Stock Exchange Security Code: BSE – 509015 (Name: THAKRALSER)

v. Market Price Data

The details of High & Low share price of equity shares of the Company during each month of the year under review are as under :-

Month	(2011-2012 BSE)	
	High Price	Low Price
Apr-11	28.05	25.45
May-11	24.2	24.2
Jun-11	15.45	15.45
July-11	15.60	15.60
Aug-11	16.35	16.35

(Data Source : www.bseindia.com)

vi. Registrar and Transfer Agents

M/s. Intergrated Enterprises India Ltd
(Formerly Alpha Systems Pvt. Ltd)
30, Ramana Residency,
4th Cross, Sampige Road, Malleswaram,
Bangalore –PIN 560 003
Tel: 080-23460815 / 16 / 17 / 18
Fax: 080-23460819

vii. Share Transfer System:

Equity shares sent for transfer in physical form are normally registered by our Registrar and Share Transfer Agent within 15 days of receipt of the document, if documents are found in order. Shares under objection are returned within two weeks. All the transfer requests are approved by the Share Transfer Committee of the Company at its various meetings held during the year under review. The Company conducts periodical audit of share transfer system and securities issued, through competent professionals.

viii. Shareholding pattern as on 31st March'2012

Sl.No	Category	No. of Shares Held	% of Shareholding
	Holding of Promoter Group		
1.	Promoter Group	8684200	74.00
	Public Share Holding		
2.	Bodies Corporate	1479590	12.60
3.	Individuals upto one Lakh	458290	3.91
4.	Individuals above one Lakh and NRI	1113000	9.49
5.	Mutual Funds and UTI	0	0
6.	Banks, Financial Institutions, Insurance Corporation	0	0
	Total Public Shareholding	3050880	26.00
	GRAND TOTAL	11735080	100.00

ix. Distribution of shareholding as on 31st March'2012

SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF		SHARE / DEBENTURE HOLDERS		SHARE/DEBENTURE	
Rs.	P.	Number	% to Total	Number	% to Total
(1)	(2)	(2)	(3)	(4)	(5)
Upto	- 5,000	3545	96.67	350030	2.98
5,001	- 10,000	75	2.05	54100	0.46
10,001	- 20,000	20	0.55	30350	0.26
20,001	- 30,000	10	0.27	25300	0.22
30,001	- 40,000	3	0.08	10250	0.09
40,001	- 50,000	5	0.14	23650	0.20
50,001	- 1,00,000	1	0.03	8000	0.07
1,00,001	and above	8	0.22	11233400	95.72
TOTAL		3667	100.00	11735080	100.00

x. Dematerialization of shares :

Trading in equity shares of the Company is permitted only in the dematerialized form. The Company has arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the shareholders to hold shares in electronic form with the depository. Out of total equity share capital of 1,17,35,080 Equity shares, 54.95% (64,48,026 equity shares) are held in dematerialized form with NSDL and 39.67% (46,55,000 equity shares) are held in dematerialized form with CDSL.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

xi. Nomination Facility :

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit the prescribed Form 2B for this purpose. Shareholders may write to the Company or its Registrars and Transfer Agents for a copy of the Form.

xii. Address for Correspondence :**a. Registered Office :**

**8th Floor "THE ESTATE"
No.121, Dickenson Road,
Bangalore - 560042
Telephone No: 080-25593891
Fax No: 080-25595739
Website : www.thakral.com**

b. Address for Investor Correspondence**Registrar & Share Transfer Agent****M/s.Integrated Enterprises (India) Ltd****(Formerly Alpha Systems Pvt. Ltd.)****# 30, Ramana Residency, 4th Cross,****Sampige Road, Malleswaram,****Bangalore - 560 003****Tel: 080-23460815 / 16 / 17 / 18****Fax: 080-23460819****DECLARATION**

As provided under clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby declared that all the board members and senior managerial personnel of the Company have affirmed the Compliance of code of Conduct for the year ended 31st March, 2012.

For and on Behalf of the Board**MANAGING DIRECTOR****Place : Bangalore****Date : 13.08.2012**

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

I, Ramesh Chandra Bhavuk, Managing Director of Thakral Services (India) Limited (formerly Primeast Investments Ltd), to the best of our knowledge and belief, certify that:

I have reviewed the balance sheet and profit and loss account, and all its schedules and notes on accounts, as well as the cash flow statement and the Directors Report:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. 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.
3. There are, to the best of my 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.
4. I accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

Further, I have indicated to the auditors and the Audit Committee:

1. Significant changes in internal control during the year ;
2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system.

Ramesh Chandra Bhavuk
MANAGING DIRECTOR

Place : Bangalore

Date : 13.08.2012

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

To,
The Members of Thakral Services (India) Limited

We have examined the compliance of conditions of Corporate Governance of M/s. Thakral Services (India) Ltd for the year ended 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our responsibility has been 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 of our 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 Agreement.

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.

For **Brahmayya & Co.,**
Firm Registration No.:000515S
Chartered Accountants.

Place: Bangalore
Date: 29.05.2012

(G. SRINIVAS)
Partner
Membership No. 086761

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Business Review :

The organisation is doing very well in the Electronic Surveillance Solution business, especially in the Banking Segment. It has got itself empanelled in many of the banks , thereby enabling continuous business growth . Apart from that, it has started spreading its roots across wider territories - where the market can be grown at a faster phase , using the credibility already established in the other areas. Apart from Surveillance, the organisation has entered into the field of Bio-Metrics as well . Few orders have been already won on this front and implementation had been done through .

2. Opportunities and Threats :

Opportunities : The organisation has already made its presence in the banking sector well . The business in this sector has started growing and with the credibility already established , it is seeing a large opportunity at its front . With the norms introduced by RBI insisting that banks have to implement CCTV in all their branches , and with our credibility already established in the Banking segment , our business will definitely grow in good proportions in the years to come . Also , the organisation has started participating in the opportunities across other segments like Schools, Hospitality , Health , Government and Defence sectors , where also the market has started growing .

Threats : Of course, when a market grows in a particular field , competition is going to get wider and tougher , and the margins will get lowered . However, we are confident that this can be met with through better resourcing of materials and co-ordination with sales management .

3. Internal Control system:

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly and applicable statutes, Code of Conduct and corporate policies are duly complied with.

The Company had reconstituted the Audit committee, which comprises of two Directors who are serving on the Board. The audit committee reviews the internal control system and other terms of reference at regular intervals, which is more specifically detailed in the Corporate Governance Report. The Audit committee continuously reviews the adequacy and efficacy of the internal controls. The audit observations are followed up for implementation of corrective actions. The Committee also meets the Company's statutory auditors to ascertain their views on the adequacy of the internal control systems in the Company and their observations on the financial reports. The Audit Committee's observations are acted upon by the Management.

4. Future Outlook :

With the opportunity growing and our presence widening , we are confident that our returns are going to be better and better in all spheres like turn over, profitability and shareholders' wealth.

5. Financial:

The present capital base of the Company is Rs.3.52 Crores. The Company's performance during the last year resulted in a net profit of Rs.155.28 lakhs after depreciation and provisions.

6. Human Resource Management:

The organisation gives high importance to the procedure on recruitment, manpower training and employee welfare measurements. The board does recognise the hard work and special achievements of individuals through defined methods , so that the morale of other employees as well are kept on high spirits. It is indeed understood by one and all that good results can be achieved only through collective steps and execution , and as spelt earlier , all are confident on achieving the same.

AUDITORS' REPORT

To,

THE SHARE HOLDERS OF THAKRAL SERVICES (INDIA) LIMITED

We have audited the attached Balance sheet of **M/s. THAKRAL SERVICES (INDIA) LIMITED** ('the Company') as at 31st March, 2012, Profit and 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.

1. We have 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 base, 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.
2. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - 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 account as required by law have been kept by the Company so far as appears from our examination of the books;
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v) On the basis of written representations received from the Directors, as at 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of section 274(1)(g) of the Act;
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon give the information required by the Act, 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, 2012;

- b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on the date.

For **Brahmayya & Co.,**
Firm Registration No.:000515S
Chartered Accountants.

Place: Bangalore
Date: 29.05.2012

(G. SRINIVAS)
Partner
Membership No. 086761

The Annexure referred to in paragraph 3 of our report of even date to the members of Thakral Services (India) Limited ('the Company') for the year ended 31 March, 2012.

- i)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme portion of the fixed assets have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - c) There was no substantial disposal of fixed assets during the year.
- ii)
 - a) The inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of the business.
 - c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt within the books of accounts.
- iii)
 - (a) The Company has not granted any loans, secured or unsecured, to/from any company, firm or other parties listed in the Register maintained under section 301 of the Act. Accordingly, clauses (iii) (a), (iii) (b), (iii) (c) and (iii) (d) are not applicable for the year.

(b) The Company has taken interest free loans, from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. Details are as follows:

SL.No.	Name	Maximum Amount Outstanding during the year (Rs.)	Closing balance (Rs.)
1	Thakral One Solutions Pvt. Ltd	1,32,96,904	81,17,554
2	Westminster Developments Pvt Ltd	48,13,192	48,13,192
3	Normandy Developments Pvt Ltd	59,54,749	59,54,749
4	Glade Trading Co. Pvt Ltd	39,08,900	12,87,818
5	Minnow Trading Co. Pvt Ltd	5,55,308	5,55,308
6	Inderbethal Singh Thakral	36,30,000	36,30,000
	Total		2,43,58,621

- (c) The rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the company.
- (d) Since the aforesaid loans taken by the company are repayable on demand and there is no repayment schedule, the question of repayment being regular does not arise.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system 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 and services. Further during the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the aforesaid internal control systems.
- v)
- a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the companies Act 1956, have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lakh in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public; as such the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, do not apply.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) The Central Government has not prescribed the maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956.
- ix) (a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is generally regular, though there have been few delays in depositing with appropriate authorities the undisputed statutory dues including Provident Fund, Investor Education and 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 to it. There are no arrears of outstanding undisputed statutory dues as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute.
- x) The Company does not have accumulated losses as at 31st March, 2012, after giving the effect of the Order of the Honourable High court of Karnataka with respect to Capital Reduction application of the Company as referred in Note No.31 of notes to financial statements and has not incurred any cash losses during the financial year covered by our Audit or in the immediately preceding financial year.
- xi) Based on our audit procedures and as per the information and explanations given by the Management, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution or banks. The Company has not issued any Debentures.
- xii) According to the information and explanations given to us and based on the documents and records produced 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. Accordingly, paragraph 4 (xii) of the Order is not applicable.
- xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, paragraph 4(xiii) (a) to 4(xiii) (d) of the Order are not applicable to the Company.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, paragraph 4(xiv) of the Order is not applicable.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, paragraph 4 (xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4 (xviii) of the order is not applicable.
- xix) The Company did not have any outstanding debentures during the year. Accordingly, paragraph 4 (xix) of the Order is not applicable.
- xx) The Company has not raised any money by public issues during the year. Accordingly, paragraph 4 (xx) of the Order is not applicable.
- xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

For Brahmaya & Co.,
Firm Registration No.:000515S
Chartered Accountants.

(G. SRINIVAS)

Partner

Membership No. 086761

Place: Bangalore
Date: 29.05.2012

Thakral Services (India) Limited
Balance sheet as at March 31, 2012

(Amount in Rs.)

	Particulars	Notes	As at 31st March, 2012	As at 31st March, 2011
I.	EQUITY AND LIABILITIES			
	1) Shareholders' Funds			
	a) Share capital	3	35205240	117350800
	b) Reserves and surplus	4	26760660	(70913365)
			61965900	46437435
	2) Non - current liabilities			
	a) Long term borrowings	5	24358621	38606505
	b) Long term provisions	6	2478534	1839291
			26837155	40445796
	3) Current Liabilities			
	a) Short term borrowings	7	53925903	17880775
	b) Trade payables	8	68030935	44983195
	c) Other current liabilities	9	26435565	16367077
	d) Short term provisions	10	13284301	3780726
			161676704	83011773
	TOTAL		250479759	169895005
II.	ASSETS			
	1) Non - current assets			
	a) Fixed Assets - Tangible assets	11	15529503	5679165
	b) Non - current investments	12	656410	156410
	c) Deferred tax assets (Net)	13	1154734	859866
	d) Long term loans and advances	14	4352774	3742534
	e) Other non current assets	15	1713482	1248580
			23406903	11686555
	2) Current Assets			
	a) Inventories	16	13932051	13100692
	b) Trade receivables	17	150560903	91717879
	c) Cash and cash equivalents	18	4233629	1863305
	d) Short term loans and advances	19	43973173	43358555
	e) Other current assets	20	14373101	8168019
			227072856	158208450
	TOTAL		250479759	169895005
	Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Brahmayya & Co.,**
Firm Registration No. : 000515S
Chartered Accountants

G. Srinivas
Partner
Membership No: 86761
Place: Bangalore
Date: 29-5-2012

For and on behalf of the Board of Directors
For **Thakral Services (India) Limited**

R.C.Bhavuk
(Managing Director)

K.S.Bawa
(Director)

Vasu Srinivasan
(Company Secretary)

Thakral Services (India) Limited
Statement of Profit and Loss for the year ended March 31, 2012

(Amount in Rs.)

	Particulars	Notes	As at 31st March, 2012	As at 31st March, 2011
	Income			
a)	Revenue from operations	21	391533983	242037814
b)	Other income	22	706580	7679300
	Total revenue (a + b)		392240563	249717114
	Expenses			
a)	Purchase of stock in trade	23	245560000	138489701
b)	Changes in inventories of stock in trade	24	(831359)	14758685
c)	Employee benefits expense	25	50803939	35210973
d)	Finance costs	26	5240810	2912141
e)	Depreciation on Tangible Assets	27	1737413	1182497
f)	Other expenses	28	67344405	46390708
	Total Expenses		369855209	238944704
	Profit before tax		22385354	10772410
	Tax expense:			
a)	Current tax		(7794191)	(1400000)
b)	Provision for FBT earlier Years		(449651)	-
c)	Deferred tax Assets /(Liability)		294868	859866
d)	Mat Credit		1092084	-
			(6856890)	(540134)
	Profit/(Loss) for the period		15528464	10232276
	Earning per equity share:			
1)	Basic		1.32	0.83
2)	Diluted		1.32	0.83
	Summary of significant accounting policies	2		

The notes attached form an integral part of the statement of Profit & Loss.

As per our report of even date
For **Brahmayya & Co.,**
Firm Registration No. : 000515S
Chartered Accountants

G. Srinivas
Partner
Membership No: 86761
Place: Bangalore
Date: 29-5-2012

For and on behalf of the Board of Directors
For **Thakral Services (India) Limited**

R.C.Bhavuk
(Managing Director)

K.S.Bawa
(Director)

Vasu Srinivasan
(Company Secretary)

Thakral Services (India) Limited
Cash flow statement for the year ended 31 March 2012

(Amount in Rs.)

	Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
I.	Cash flow from operating activities		
	Profit before tax .	22385354	10772410
	Depreciation	1737413	1182497
	Bad debts	959525	1633805
	Interest income	(32828)	(118085)
	Income from investments	(6300)	(39165)
	Loss on sale of fixed assets	391236	15761
	Sundry credit balance and provision written back	(229959)	(1277195)
	Interest expenses	5240810	2370830
	Operating profit before working capital changes	30445251	14540858
	Movements in working capital :		
	Increase/ (Decrease) in trade payables	23277699	18431233
	Increase/ (decrease) in other current liabilities	10068488	4548125
	Decrease / (increase) in trade receivables	(59802548)	(41729155)
	Decrease / (increase) in inventories	(831358)	14758685
	Decrease / (increase) in other current assets	(6009886)	6718953
	Decrease / (increase) in other Non current assets	(464902)	(1248580)
	Decrease / (Increase) long term loans and advances	(610240)	(3664626)
	Decrease / (increase) short term loans and advances	1807720	1539984
	Increase / (Decrease) in long term provisions	639243	803350
	Increase / (decrease) in short-term provisions	1991769	806678
	Cash generated from / (used in) operations	511235	15505505
	Direct taxes paid (net of refunds)	(2062290)	(1165989)
	Net cash flow from/ (used in) operating activities (I)	(1551055)	14339516
II.	Cash flows from financing activities		
	Cash flows from investing activities		
	Purchase of fixed assets	(12105592)	(1510803)
	Proceeds from sale of fixed assets	126607	-
	Purchase of Non-current investments	(500000)	-
	Interest received	32828	118085
	Income from investment	6300	39165
	Net cash flow from/ (used in) investing activities (II)	(12439858)	(1353553)
III.	Cash flows from financing activities		
	Proceeds from long-term borrowings	-	3448586
	Repayment of long-term borrowings	(14247884)	-
	Proceeds from short-term borrowings	36045 128	-
	Repayment of short-term borrowings	-	(4571540)
	Interest paid	(5240810)	(2370830)
	Refund of Share Application money	-	(11225660)
	Net cash flow from/ (used in) in financing activities (III)	16556434	(14719444)

Thakral Services (India) Limited
Cash flow statement for the year ended 31 March 2012

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Net increase/(decrease) in cash and cash equivalents (I+II+III)	2565521	(1733481)
Cash and cash equivalents at the beginning of the year	1538108	3271588
Cash and cash equivalents at the end of the year	4103629	1538108
Components of cash and cash equivalents		
Cash on hand	128667	183450
With banks		
- on current account	3974962	1354658
- on deposit account		
Total cash and cash equivalents (note)	4103629	1538108

**For and on behalf of the Board of Directors of
THAKRAL SERVICES (INDIA) LIMITED**

(RC Bhavuk)
Managing Director

(KS Bawa)
Director

(Vasu Srinivasan)
Company Secretary

AUDITORS' CERTIFICATE

The above Cash Flow statement has be compiled from based on the audited accounts of Thakral Services (India) Limited for the year ended 31st March 2012. According to the information and explanations given the aforesaid cash flow statement has been prepared pursuant to caluse 32 of the listing agreement and reallocation required for purpose are as made by the Company.

For Brahmayya & Co
Firm Registration No. 000515S
Chartered Accountants
(G. Sinivas)
Partner
Membership No. 086761

Place : Bangalore
Date : 29th May 2012

Thakral Services (India) Limited

Notes forming part of the Financial statements

1. Company Overview:

Thakral Services (India) Limited ("the Company") was incorporated on 25th January, 1983 as private limited company with its registered office at Bangalore, originally with the name Parvidhgaar Leasing Pvt. Ltd. On 18th November, 1985, it was converted in to a Limited Company and was renamed as Parvidhgaar Leasing & Finance Limited. To broaden the business activities, its name was further changed to Primeast Investments Limited on 16th November, 1994. Presently the Company is engaged in the business of CCTV Sales and related service activities and during the year 2011-12 the company has commenced its business in the field of Photo Voltaic Modules.

2. Statement of Significant Accounting Policies:

a. Conventions

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

During the year ended March 31, 2012, the Revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

b. Tangible Assets

Tangible Assets in the Gross Block are stated at original cost. Additions to Tangible Assets are stated at cost of acquisition and all costs directly attributable to the acquisition and installation up to the date the asset is ready for its intended use are capitalised.

c. Intangible Assets

Intangible Assets are stated at original cost. Additions to Intangible Assets are recognized in accordance with the recognition and measurement criteria as provided in Accounting Standard 26 issued by Institute of Chartered Accountants of India.

d. Depreciation on Tangible Assets

Depreciation is provided on straight line method at the rates based on the estimated useful lives of the assets or those prescribed under Schedule XIV of the Companies Act 1956, whichever is higher. Leasehold improvements are depreciated over shorter of estimated useful lives or Lease period.

e. Amortization of Intangible Assets

Amortization is provided on straight line method based on the best estimates of useful lives of the assets in accordance with Accounting Standard 26 issued by Institute of Chartered Accountants of India.

f. Borrowing Costs

Borrowing costs that are attributable to acquisition construction or production of a qualifying asset are capitalized as a part of cost of such asset. All other borrowing costs are recognized as an expense in the year in which they are incurred.

g. Impairment of Assets

All fixed assets are assessed for any indication of impairment at each balance sheet date based on internal / external factors. On any such indication the impairment loss (being the excess of carrying value over the recoverable value of the asset) is immediately charged to the Profit and Loss Account. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-term investments are stated at cost except where there is a diminution in value other than temporary, in which case the carrying value is reduced to recognize the decline. Current investments are valued at lower of cost and fair value determined on an individual investment basis.

i. Inventories

Inventories are valued at lower of cost or net realizable value. Cost is computed with issues being made on FIFO basis.

j. Foreign exchange transaction

Foreign currency transactions are recorded in the reporting currency, at the exchange rates prevailing on the date of the transaction. Current assets and current liabilities are translated at the exchange rate prevailing on the balance sheet date and the resultant gain / loss is recognised in the financial statements.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Monetary assets and monetary liabilities other than long term are translated at the exchange rate prevailing on the balance sheet date and the resultant gain/loss is recognised in the financial statements.

k. Revenue / Expenditure recognition

Sales of products are recognised on despatch to customers and are exclusive of trade discounts, sales tax and other taxes. Income accruing in the accounting year and ascertainable/realisable with reasonable certainty on the date of financial statements is taken into account.

Revenue from Installation services are recognised on accrual basis, when Installation is completed and it is probable that an economic benefit will be received which can be quantified reliably.

Revenues from AMC Service are recognised on a time proportion basis.

Expenses accruing in the accounting year and ascertainable with reasonable accuracy on the date of financial statement are provided in the accounts.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend is recognised when the shareholders' right to receive payment is established by the balance sheet date.

l. Retirement benefits to employees

i. Defined Contribution Plans

Contributions paid/payable to defined contribution plans comprising of provident fund and pension fund, employees state insurance etc., are charged to profit and loss account on accrual basis.

ii. Defined Benefit Plan

Gratuity for employees is as at the Balance Sheet date is provided for based on the actuarial valuation, based on Projected Unit Credit Method at the balance sheet date, carried out by an independent actuary. Actuarial Gains and Losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognised immediately in the Profit and Loss Account as income or expense.

iii. Other Long term employee benefits

Other Long term employee benefits comprise of Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date based on actuarial valuation carried out at each balance sheet date. Actuarial gains and losses are recognised immediately in the profit and loss account as income or expense.

iv. Short term employee benefits

Short term employee benefits, including accumulated compensated absences as at the Balance Sheet date, are recognized as an expense as per Company's schemes based on the expected obligation on an undiscounted basis.

m. Taxes on Income

Provision for income tax comprises current taxes and deferred taxes. Current tax is determined on the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognized on timing differences being the differences between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

Deferred tax assets and liabilities are measured on the timing differences applying the tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets recognised only to the extent that there is reasonable/virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

n. Provisions

A provision is recognized when an enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions, other than employee benefits, are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

o. Leases

Assets acquired under Leases, where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired as leases, where a significant portion of the risk and rewards of ownership are retained by the lessor, are classified as operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis as per terms of the lease.

p. Warranty

The company periodically assesses and provides for the estimated liability on warranty given on sale of its products based on past experience of claims.

q. Earnings / (Loss) per share

The basic earnings / (loss) per share are computed by dividing the net profit/(loss) after tax for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings / (loss) per share, if any are computed using the weighted average number of equity shares and dilutive potential equity share outstanding during the period except when the results would be anti-dilutive.

Notes forming part of the Financial statements

3.Share Capital

(Amount in Rupees)

Particulars	As at March 31, 2012	As at March 31, 2011
Authorised share Capital		
4,33,40,000 (March 31, 2011: 1,30,00,000 equity shares of Rs. 10 each) equity shares of Rs. 3 each	130,020,000	130,000,000
Issued, subscribed and fully paid-up shares		
1,17,35,080 (March 31, 2011: 1,17,35,080) equity shares of Rs.3 each fully paid up	35,205,240	117,350,800
Total issued, subscribed and fully paid-up share capital	35,205,240	117,350,800

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity Shares**

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	Amount	Number	Amount
At the beginning of the period	11,735,080	117,350,800	11,735,080	117,350,800
Allotted during the period out of share application money	----	----	----	----
Capital Reduction(Refer Note No.31)	----	82,145,560	----	----
Outstanding at the end of the period	11,735,080	35,205,240	11,735,080	117,350,800

b) Terms/ rights attached to equity shares

The Company has issued the Equity shares of par value of Rs.3/-. Every equity share holder shall have voting rights in proportion of his share of the paid up equity capital of the Company. In the event of liquidation of the Company, the assets of the Company will be first distributed to preferential amounts and balance so left will be distributed to equity shareholders in proportion to holding of their equity shares.

Notes forming part of the Financial statements

c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	% holding	Number	% holding
Equity shares of Rs. 3 (As on 31st March 2011 Rs.10) each fully paid				
Thakral Investments India Ltd	4,029,200	34.33%	4,029,200	34.33%
Paramount Park Ltd	2,455,000	20.92%	2,455,000	20.92%
Thakral Investments Holdings(Mauritius) Ltd	2,200,000	18.75%	2,200,000	18.75%
Trust Leasing and Finance Ltd	1,464,200	12.48%	1,464,200	12.48%
Kanwaljeet Singh Dhillon	1,025,000	8.73%	1,025,000	8.73%
Total	11,173,400	95.21%	11,173,400	95.21%

As per records of the Company, including its register of shareholders/ members, the above share holding represent legal ownership of shares as at balance sheet date.

4. Reserves and Surplus

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
a) Capital Reserves		
Opening Balance	-	-
(+) Current Year Transfer(As result of the Capital Reduction Refer Note No.31)	999,918	-
(-) Written Back in Current Year	-	-
Closing Balance	999,918	-
b) Surplus/ (deficit) in the statement of profit and loss		
Opening balance	(70,913,365)	(81,145,642)
Net Profit/(Net Loss) for the current year	15,528,464	10,232,277
Current Year Transfer(As result of The Capital Reduction Refer Note No.31)	81,145,642	-
Closing Balance	25,760,742	(70,913,365)
Total reserves and surplus	26,760,660	(70,913,365)

5. Long-term borrowings

Unsecured Loans and advances from related parties	24,358,621	38,606,505
Total Unsecured Loans	24,358,621	38,606,505

As per the terms and conditions of agreements entered between the Company and its associates, Interest free unsecured loan availed from associates are repayable after 30th June 2014.

Notes forming part of the Financial statements

(Amount in Rupees)

Particulars	As at March 31, 2012	As at March 31, 2011
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6. Long Term Provisions

Provision for employee benefits		
Provision for gratuity	1,605,417	1,121,196
Provision for leave benefits	587,517	432,495
Provision for superannuation	285,600	285,600
Total	2,478,534	1,839,291

7. Short-term borrowings

Short Term Loans from banks		
i) Working capital demand loan	40,000,000	-
ii) Cash credit	13,925,903	17,880,775
	53,925,903	17,880,775
The above amount includes		
Secured borrowings	53,925,903	17,880,775
Unsecured borrowings	-	-
	53,925,903	17,880,775

Working capital Demand Loan and Cash Credit availed from Yes Bank, Bangalore Secured by way of hypothecation of the stocks and books debts, Equitable Mortgage of Commercial property bearing Khata no: 48/24, PID No: 81-6-48/24 situated in the eight floor, (Rear Block) of the building known as "THE ESTATE" No. 48, Dickenson Road Bangalore 560042, standing in the name of Thakral Computers Private Limited.

8. Trade payable

Trade payable	68,030,935	44,983,195
Total	68,030,935	44,983,195

9. Other Current Liabilities

i) Income received in advance	1,753,501	1,773,625
ii) Advance received from Customers	5,825,105	3,112,459
iii) TDS Payable	1,388,777	1,013,319
iv) CST Payable	2,931,144	1,301,646
v) Other Statutory Liability	723,260	469,766
vi) Service Tax Payable	557,772	79,133
vii) VAT Payable	3,737,750	2,938,298
viii) Salary payable	9,166,076	5,312,331
ix) Audit Fees Payable	292,500	257,000
x) Others	59,680	109,500
Total	26,435,565	16,367,077

Notes forming part of the Financial statements

(Amount in Rupees)

Particulars	As at March 31, 2012	As at March 31, 2011
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10. Short term Provisions

Provision for employee benefits		
Provision for gratuity	216,593	577,460
Provision for leave benefits	53,153	211,086
	269,746	788,546
Other provision		
Provision for FBT	-	282,385
Provision for Income Tax	9,607,067	1,812,876
Provision for Warranty	1,933,422	896,919
Provision pending installation	1,474,066	-
	13,014,555	2,992,180
Total	13,284,301	3,780,726

Note No. 11

FIXED ASSETS

Description of Assets	Gross Block				Depreciation				Net block Value as at	
	As at 1.4.2011	Additions	Deductions	As at 31.3.2012	Up to 1.4.2011	For the Period	Adjustment on Deletion	As at 31.3.2012	31.3.2012	31.3.2011
Office Equipment	3,309,587	1,618,670	23,570	4,904,687	1,150,448	447,014	1,868	1,595,594	3,309,094	2,159,139
Furniture & Fixtures	4,222,731	917,289	561,480	4,578,540	702,704	272,576	65,339	909,941	3,668,599	3,520,027
Rental Stock	-	9,569,633	-	9,569,633	-	1,017,823	-	1,017,823	8,551,810	
TOTAL	7,532,318	12,105,592	585,050	19,052,861	1,853,152	1,737,413	67,307	3,523,358	15,529,503	5,679,166
Previous Year	6,827,462	1,510,803	805,947	7,532,318	1,460,841	1,182,497	790,186	1,853,152	5,679,166	5,366,621

12. Non-current investments

(Amount in Rupees)

Particulars	As at March 31, 2012	As at March 31, 2011
Non Trade -Quoted		
a)Share in M/s Jaiprakash Associates Ltd (15,750 Equity share of 2 each) Market Value Rs.12,86,775- As on 31,st March 2012.	156,410	156,410
a)Investment in Debentures of Muthoot Finance Ltd	500,000	-
Total	656,410	156,410

Notes forming part of the Financial statements

(Amount in Rupees)

Particulars	As at March 31, 2012	As at March 31, 2011
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13. Deferred tax Assets (net)

Deferred tax liabilities		
Difference in depreciation as per tax books and financial books	(275,500)	(204,314)
(A)	(275,500)	(204,314)
Deferred tax assets		
Unabsorbed depreciation		
Carry forward of losses		
Provision for Gratuity/Leave Encashment/Warranty etc...	1,430,234	1,064,180
(B)	1,430,234	1,064,180
Net Deferred tax Assets	1,154,734	859,866

14. Long Term Loans and advances

Security deposit		
Unsecured, considered good	4,352,774	3,742,534

15. Other non current assets

Deposits with original maturity for more than 12 months	1,076,801	1,248,580
Retention money retained by the customer	636,681	-
Total	1,713,482	1,248,580

16. Inventories (valued at lower of cost and net realizable value)

Traded Goods	13,932,051	13,100,692
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17. Trade receivable

Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	11,442,129	8,360,009
Unsecured, considered, doubtful	12,078	40,795
	11,454,207	8,400,804
Provision for doubtful trade receivables	(12,078)	(40,795)
(A)	11,442,129	8,360,009
Outstanding for a period Less than six months from the date they are due for payment		
Unsecured, considered good	139,118,774	83,357,870
	139,118,774	83,357,870
Provision for doubtful trade receivables	139,118,774	83,357,870
(B)	139,118,774	83,357,870
Total (A+B)	150,560,903	91,717,879

Notes forming part of the Financial statements

(Amount in Rupees)

Particulars	As at March 31, 2012	As at March 31, 2011
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18. Cash and bank balances

Cash and cash equivalents		
Balances with banks:		
– On current accounts	3,974,962	1,354,658
– Deposits with original maturity of less than three months	—	—
Cheques/ drafts on hand	—	—
Cash on hand	128,667	183,450
	4,103,629	1,538,108
– Deposits with original maturity Less than 12 months	130,000	325,197
Total	4,233,629	1,863,305

19. Short term loans and advances

a) Loans and advances to related parties		
Unsecured, considered good	21,207,994	27,146,518
(A)	21,207,994	27,146,518
b) Other loans and advances		
Service Tax Receivable	1,104,268	1,195,968
Input VAT Receivable	103,549	24,881
CST Receivable	2,274	2,328
Works contract tax receivable	35,785	21,984
Advance income-tax	5,517,757	3,455,467
Advance FBT	36,610	775,118
Advances to employee for salary and expenses	1,767,546	1,510,234
Advances against purchases	3,997,603	2,053,316
Prepaid expenses	741,481	124,315
Earnest money deposits with Customers	5,018,290	2,803,426
Other loans and advances	4,440,015	4,245,000
(B)	22,765,179	16,212,037
Total (A+B)	43,973,173	43,358,555

20. Other current assets

Interest accrued but not received	19,654	86,160
Retention money retained by the customer	14,353,447	8,081,859
Total	14,373,101	8,168,019

Notes forming part of the Financial statements

(Amount in Rupees)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
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21. Revenue from operations

Sale of Goods		
Domestic sales	349,371,756	215,327,197
Export sales	11,378,004	8,455,696
Sale of services		
Service and Installation charges received	22,578,645	8,977,030
Rental Receipt and AMC Income	2,163,351	2,150,244
Other operating income		
Income from arrangement of training	6,042,227	7,127,647
Total	391,533,983	242,037,814

22. Other income

Commission from marketing services	-	6,110,648
Exchange Fluctuation Gain (Net)	214,908	130,276
Dividend Income from non trade quoted investment	6,300	39,165
Interest income	32,828	118,085
Excess provisions for earlier year written back	1,715	1,195,793
Sundry Credit Balances written back	228,244	81,402
Miscellaneous income	222,584	3,931
Total	706,580	7,679,300

23. Purchases of stock in trade

Stand alone DVR	68,473,200	39,268,055
Cameras		
Dome Cameras	29,904,463	12,860,742
C Mount Cameras	4,994,109	5,183,556
Cameras-Others	27,695,669	14,336,786
DVR Card	348,574	2,927,350
Lens	781,291	1,730,772
Cameras and Accessories	4,414,050	1,860,839
Cable Accessories	65,796,334	39,052,380
Other Parts	43,152,310	21,269,221
Total	245,560,000	138,489,701

Notes forming part of the Financial statements

(Amount in Rupees)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
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24. (Increase)/ decrease in inventories

Inventories at the end of the year	13,932,051	13,100,692
Inventories at the beginning of the year	13,100,692	27,859,377
Total	(831,359)	14,758,685

25. Employee benefit expense

Salaries, wages and bonus	45,932,906	29,613,425
Contribution to provident Fund	2,546,851	1,629,455
Gratuity expenses	123,354	1,325,180
Staff welfare expenses	2,200,829	2,642,913
Total	50,803,939	35,210,973

26. Finance costs

Interest	5,240,810	2,912,141
Total	5,240,810	2,912,141

27. Depreciation and amortization expense

Depreciation of tangible assets	1,737,413	1,182,497
Total	1,737,413	1,182,497

28. Other expenses

Cabling and Installation charges	21,100,057	12,541,127
Carriage and Freight Inward	1,294,037	1,162,112
Commission and Brokerage	70,146	19,000
Training and Seminar Expenses	5,395,237	5,982,559
AMC Expenses	480,000	1,920,000
Octroi Charges Paid	472,534	185,532
Packing Material	33,288	44,767

Notes forming part of the Financial statements

(Amount in Rupees)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Repairing Charges	60,125	8,788
Toolkit Expenses	1,463	390
Insurance	431,125	345,887
Rental Expenses	6,230,114	5,306,923
Rates and Taxes	49,591	29,059
Printing and Stationery	1,089,402	781,649
Software Expenses	1,417,209	-
Communication Expenses	3,731,028	2,733,884
Electricity Charges	784,768	710,413
Repairs and Maintenance		
For Building	165,510	156,769
For Vehicles	70,872	52,975
For Others	272,799	186,124
Traveling and Conveyance	8,587,628	6,093,351
Legal and Consultancy	2,920,462	1,329,666
Security Service Charges	143,800	475,713
Bank Charges	1,784,959	--
Bad Debts Written Off	959,525	1,633,805
Carriage and Freight Outward	4,836,198	1,647,210
Sales Promotion Expenses	1,764,448	964,572
Listing fee	82,725	127,725
Books and Periodicals	4,190	11,626
AGM Expenses	62,253	77,900
Directors Sitting Fees	20,000	16,000
Miscellaneous expenses	2,107,146	1,413,682
Payment to Auditors -		
For Audit	325,000	250,000
For Expenses	64,031	16,539
Loss on sale of asset	391,236	15,761
Donation	141,500	149,200
Total	67,344,405	46,390,708

Notes forming part of the Financial statements

29. Earning per share (EPS)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Total operations for the year		
Net (loss) after Tax for calculation of Basic EPS and Diluted EPS	15,528,464	10,232,276
Weighted average number of equity shares in calculating basic EPS	11,735,080	11,735,080
Face Value per Share	3	10
Effects of dilution:		
Allotment of share from share application money received		
Weighted average number of equity shares in calculating diluted EPS	11,735,080	11,735,080
	1.32	0.87

30. Contingent Liabilities not provided for;

Bank Guarantee outstanding in respect of performance and financial obligations, Rs. 45,85,195/- (March 31, 2011 – Rs.51,54,620).

31. The Board of Directors of the Company at the meeting held on August 27, 2010 have approved the Reduction of Share Capital as per provision of section 100 to 104 of Companies Act, to reduce the share capital of the company from 11,73,50,800/- divided into 1,17,35,080 equity shares of Rs 10/- each to Rs 3,52,05,240/- divided into 1,17,35,080 equity shares of Rs. 3/- each, subject to approval of the Shareholders by way special resolution and confirmation of Hon'ble High Court of Karnataka. The Shareholders of the Company at the Annual General Meeting held on September 30, 2010 have resolved by passing Special resolution in accordance with Section 189 to give effect to the resolution passed by Board of Directors. The Capital Reduction was filed with the Honorable High Court of Karnataka on February 4, 2011 and no shareholder or creditor has opposed for reduction of share capital. The Hon'ble High Court has confirmed the Capital reduction and passed the order on March 31, 2011. The certified true copy of Order was received by the Company on April 23, 2011. Subsequently, the Company has filed Form No.21 with ROC on April 27, 2011 and ROC has registered the alteration of Shares on May 10, 2011. Effect in this regard has been given in the books of accounts for the year ended 31st March, 2012.

32. Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Based on the information available with the company, there are no Micro, Small and Medium enterprises, to which the company owes dues, which are outstanding for more than 45 days as at 31st March, 2012. Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.

Notes forming part of the Financial statements

33. Particulars of Stock

i. Purchases

Class of Goods	For the year ending March 31, 2012		For the year ending March 31, 2011	
	Quantity Nos.	Value (Rs.)	Quantity Nos.	Value (Rs.)
Standalone DVR	6,777	6,84,73,200	3,495	3,92,68,055
Cameras				
a) Dome Cameras	19,818	2,99,04,463	6,882	1,28,60,742
b) C-Mount Cameras	2,216	49,94,109	2,145	51,83,556
c) Cameras- Others	15,402	2,76,95,669	8,680	1,43,36,786
DVR Cards	27	3,48,574	234	29,27,350
Lens	2,316	7,81,291	4,853	17,30,772
Camera Accessories	35,699	44,14,050	8,442	18,60,839
Cable Accessories	12,23,929	6,57,96,334	7,87,700	3,90,52,380
Other Parts	86,387	4,31,52,310	6,528	2,12,69,221
Total		24,55,60,000		13,84,89,701

ii. Sales

Class of Goods	For the year ending March 31, 2012		For the year ending March 31, 2011	
	Quantity Nos.	Value (Rs.)	Quantity Nos.	Value (Rs.)
Standalone DVR	7,005	15,77,90,736	3,130	10,05,67,153
Cameras				
a) Dome Cameras	22860	4,90,88,084	5,152	1,55,45,020
b) C-Mount Cameras	3,019	81,62,131	1,671	64,66,560
c) Cameras	16,811	3,72,01,209	6,634	1,30,80,526
DVR Cards	162	21,97,457	218	34,39,358
Lens	3,898	4,15,246	3,497	2,64,897
Camera Accessories	28,475	68,10,431	8,203	38,47,568
Cable Accessories	12,35,688	5,08,37,002	7,78,011	3,48,35,468
Other Parts	85,388	4,82,47,462	4,477	2,21,49,856
Add: HP Sales		--		2,35,86,487
Total		36,07,49,758		22,37,82,893

iii. Closing Stock

Class of Goods	As at March 31, 2012		As at March 31, 2011	
	Quantity Nos.	Value (Rs.)	Quantity Nos.	Value (Rs.)
Standalone DVR	1,535	23,43,666	1,763	32,96,630
Cameras				
a) Dome Cameras	2,513	24,75,225	5,555	13,88,508
b) C-Mount Cameras	305	4,81,934	1,108	7,05,791
c) Cameras	3,010	23,78,393	4,419	13,85,333
DVR Cards	277	1,26,847	412	16,67,859
Lens	222	1,15,819	1,804	2,43,763
Camera Accessories	10,849	5,47,264	3,625	3,64,879
Cable Accessories	43,689	36,91,063	55,448	16,87,943
Other Parts	7,560	17,71,839	6,561	23,59,987
Total		1,39,32,050		1,31,00,693

Notes forming part of the Financial statements

34. Related Party Disclosure

a) List of Related Party and Relationship

Related Party	Relationship
A. Enterprises where directors have significant influence: M/s. Westminster Developments Pvt. Ltd. M/s. Normandy Developments Pvt. Ltd. M/s. Minnow Trading Company Pvt. Ltd. M/s. Glade Trading Company Pvt. Ltd. M/s. Thakral Computers Pvt. Ltd. M/s. Thakral one Solutions Pvt. Ltd. M/s. Future World (India) Pvt. Ltd. M/s. Netizen Properties Pvt. Ltd.	
B. Key Management Personnel Mr. R.C. Bhavuk	Managing Director
C. Relative of Key Management Personnel: Mrs Beena Sharma	Wife of Mr. R.C. Bhavuk

b) Summary of the Related Party Transaction:

Related Party Transactions		April 1st 2011 to March 31, 2012 Rs.	April 1st 2010 to March 31, 2011 Rs.
1	Remuneration: Key Management Personnel R.C.Bhavuk	14,87,167	14,87,167
2	Thakral Computers Pvt Ltd (Refer Note-1)		
	Purchases	9,10,409	12,422
	Sales	26,46,045	14,58,813
	Expenses Reimbursed	7,985	7,285
	Service Provided	NIL	35,79,648
3	Advances Given/(taken)		
	Future World (India) Pvt. Ltd	2,12,07,994	2,71,46,518
	Thakral Computers Pvt Ltd	NIL	(3,83,147)
4	Unsecured loans availed/(repaid) during the year from companies where directors have significant influence*	(1,42,47,884)	34,48,586
5	Closing balance of unsecured loans from companies where directors have significant influence	2,43,58,621	3,86,06,505

Note 1: The Company is in the process of obtaining Central Govt. approval for the transactions with applicable related parties.

Notes forming part of the Financial statements

* Break up of Unsecured Loans from Associates

Particulars	Opening Balance Rs.	Maximum Outstanding during The year Rs.	Closing Balance Rs.
Thakral One Solutions Pvt. Ltd	1,16,83,682	1,32,96,904	81,17,554
Westminster Developments Pvt Ltd	48,13,192	48,13,192	48,13,192
Normandy Developments Pvt Ltd	59,54,749	59,54,749	59,54,749
Glade Trading Co. Pvt Ltd	39,08,900	39,08,900	12,87,818
Minnow Trading Co. Pvt ltd	5,55,308	5,55,308	5,55,308
Netizen properties (Pvt) Ltd	73,60,674	73,60,674	-
Thakral Computers Pvt Limited	7,00,000	7,00,000	-
Inderbethal Singh Thakral	36,30,000	36,30,000	36,30,000
Total	3,86,06,505		2,43,58,621

35. Value of Imports on CIF Basis

Particulars	For the year ending March 31, 2012 Rs.	For the year ending March 31, 2011 Rs.
1. Components & Spares	3,56,18,737	3,80,04,687
Total	3,56,18,737	3,80,04,687

36. Expenditure in Foreign Currency

Particulars	For the year ending March 31, 2012 Rs.	For the year ending March 31, 2011 Rs.
1. Travelling expenditure	5,18,233	3,02,799
2. Others	—	1,43,708
Total	5,18,232	4,46,507

37. Earnings in Foreign Currency

Particulars	For the year ending March 31, 2012 Rs.	For the year ending March 31, 2011 Rs.
1. Export of goods on FOB basis	1,13,78,004	84,55,696
2. Commission from Marketing Services	NIL	24,84,882
3. Income from Arrangement Training	60,42,227	92,77,891
4. AMC Income	5,37,561	—
Total	1,79,57,792	2,02,18,469

Employee Benefits

As per Accounting Standard 15 "Employee benefits", the disclosure as defined in the Accounting Standard are given below

a) Defined Contribution Plan:

Contribution to funds

(Amount in Rupees)

Particulars	2011 - 2012	2010 - 2011
Employer's Contribution to Provident Fund	19,47,818	13,35,838
Employer's Contribution to ESI Fund	5,99,033	3,93,737
Total	25,46,851	16,29,455

b) Defined Benefit Plans

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Profit and loss account: Net Employee benefit expense (Recognised in Employee Cost):		
Current Service Cost	2,66,153	3,29,578
Interest Cost	53,417	32,186
Expected return on plan assets	NIL	NIL
Net actuarial (gain)/loss recognised in the year	(3,22,481)	9,63,416
Net benefit expense	(2911)	13,25,180

Balance sheet

Details of Provision for gratuity

Particulars	As at March 31, 2012	As at March 31, 2011
Fair Value of plan assets	Nil	Nil
Defined benefit obligation	Nil	(57,693)
Plan assets/(Liabilities)	Nil	Nil

Change in the present value of the defined benefit obligation is as follows:

Particulars	For the year ended March 31, 2012 (Rs.)	For the year ended March 31, 2011 (Rs.)
Opening Defined benefit obligation	16,98,656	4,31,169
Interest Cost	1,40,988	32,186
Current Service Cost	4,60,778	3,29,578
Benefits paid	NIL	(57,693)
Actuarial gains/(losses) on obligation	(4,78,412)	9,63,416
Closing Defined benefit obligation	18,22,010	16,98,656

Changes in the fair value of plan assets are as follows:

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
Opening fair value of the plan asset	Nil	Nil
Expected return	Nil	Nil
Contribution by employer	Nil	57,693
Benefits paid	Nil	(57,693)
Actuarial gains/(losses) on obligation	Nil	Nil
Closing fair value of the plan asset	Nil	Nil

The principle assumptions used in determining gratuity obligation for the company's plan are shown below:

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Discount rate	8.50%	8.30%
Expected rate of salary increase	4.00%	4.00%

38. The Company is engaged in CCTV Sales and related service activities, during the year the Company has commenced the business in photo voltaic modules, however the turnover from the new segment i.e. photo voltaic modules is not meeting the requirement criteria for reporting as a separate segment as per the guidelines provided in Accounting standard 17- Segment reporting, notified under Section 211 (3C) of the Companies Act, 1956. Hence the reporting requirement under AS 17 does not arise.

39. Previous year's figures are regrouped and rearranged wherever necessary for comparison purposes.

For Brahmayya & Co.,
Firm registration number: 000515S
Chartered Accountants

for and on behalf of the Board of Directors
Thakral Services (India) Limited

G.Srinivas
Partner
Membership No.: 086761

R.C.Bhavuk
Managing Director

K.S.Bawa
Director

Vasu Srinivasan
Company Secretary

Place: Bangalore
Date: 29th May, 2012

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1 Registration Details

Registration No	5140
State Code	8
Balance sheet Date	31.03.2012

2 Capital raised during the year

Public issue (issue through prospectus)	NIL
Right issue	NIL
Bonus issue	NIL
Private Placement	NIL

3 Position of mobilisation & Deployment of Funds**(Amount in
Rs. Thousands)**

Total Liabilities and shareholders funds	25,048
Total Assets	25,048

Sources of Funds

Paid up capital	35,205
Reserves & Surplus	26761
Non-current Liabilities	26,837
Current Liabilities	161,677

Application of Funds

Net Fixed assets	15,530
Other Non-current Assets	6723
Deferred tax Assets	1155
Current Assets	227,073

4 Performance of the Company

Turnover (Including Miscellaneous Income)	392,241
Total Expenditure	369,855
Profit/(Loss) before Tax	22,385
Profit/(Loss) after Tax & Provision	15,528
Earning per share	1.32
Dividend Rate	NIL

**5 Generic Name of the Principal Products & Services
of the Company (as per monetary terms)**

Item Code(ITC Code)	NIL
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For Brahmayya & Co.,
Chartered Accountants

(G.Srinivas)
Partner

(K S Bawa)
Director

(R C Bhavuk)
Managing Director

(Vasu Srinivasan)
Company Secretary

FORM OF PROXY

I/We _____ of _____
 _____ being a Member/Members of Thakral Services (India) Limited hereby appoint
 _____ of _____ or failing him _____ of
 _____ as my/our proxy to vote for me/us on my/our behalf at the Twenty Ninth
 Annual General Meeting of the Company to be held on 28th September '2012 and at any
 adjournment thereof. Signed at _____ this _____ day of _____ 2012

Signature (across the stamp)

Name _____

Regd. Folio No. _____

Affix Rs.1/-
 Revenue
 Stamp

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A proxy need not be a member.
3. The Incumbent appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of the Power of Attorney or authority shall be deposited at the Registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting.

=====

**THIS ATTENDANCE SLIP DULY FILLED IN AND TO BE HANDED OVER
 AT THE ENTRANCE OF THE MEETING HALL**

THAKRAL SERVICES (INDIA) LIMITED

Name of the attending Member
 (In Block Letters) _____

Member's Folio Number _____

Name of the Proxy (in Block letters)
 if the proxy attends instead of the Member _____

Number of Shares held _____ Equity shares.

I hereby record my presence at the Twenty Ninth Annual General Meeting of the Company held at Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001 (Opposite to HSBC Bank Near ING Vysya Bank-corporate office) at 10.00 a.m. on 28th September 2012.

(Proxy's Signature)
 In case of proxy attends meeting

(Member's Signature)
 In case member attends meeting

(To be signed at the time of handing over this slip at the meeting)

THAKRAL SERVICES (INDIA) LIMITED.
(Formerly PRIMEAST INVESTMENTS LIMITED)
8th Floor, "THE ESTATE", #121, Dickenson Road,
Bangalore - 560 042.