

**1st ANNUAL REPORT
2008-2009**

TAMBOLI CAPITAL LIMITED

TAMBOLI CAPITAL LIMITED

BOARD OF DIRECTORS	:	Shri B. F. Tamboli	Chairman	
		Shri I. F. Tamboli	Director	
		Shri B. K. Shah	Director	
BANKERS	:	Bank of Baroda		
		Lokhand Bazar, Main Branch,		
		Bhavnagar, Gujarat		
AUDITORS	:	Sanghavi & Company		
		Chartered Accountants		
		Bhavnagar		
REGISTERED OFFICE	:	Mahavir Palace, 8-A		
		Kalubha Road,		
		Bhavnagar		
		Gujarat 364 002.		
		Telephone (91) (278) 252 0065		
		Fax (91) (278) 252 0064		
		E-Mail direct1@tambolicapital.in		
		Website www.tambolicapital.in		
ISIN	:	INE864J01012		
REGISTRAR & TRANSFER AGENT	:	LINK INTIME INDIA PRIVATE LIMITED		
		211, Sudarshan Complex,		
		Near Mithakhali Under Bridge,		
		Navarangpura, Ahmedabad 380 009.		
		Telephone (91) (079) 2646 5179		
		Fax (91) (079) 2646 5179		
		E-Mail ahmedabad@intimespectrum.com		
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NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIRST ANNUAL GENERAL MEETING OF TAMBOLI CAPITAL LIMITED WILL BE HELD ON TWENTY-SIXTH DAY OF SEPTEMBER 2009 AT HOTEL NILAMBAUG PALACE, BHAVNAGAR, AT 1630 HOURS, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2009 and Profit & Loss Account for the period ending on that date and the report of the Board Of Directors and Auditors thereon.
2. To appoint a Director in place of Shri B. F. Tamboli, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT notice of intention to propose Shri Bharat K. Shah for appointment as a Director having been received from the members under provision of section 257 of the Companies Act, 1956, Shri Bharat K. Shah, who was appointed as an additional director of the Company and who holds office upto the date of this Annual General Meeting pursuant to the provisions of section 260 of the Companies Act, 1956 be and is hereby appointed as Director of the Company.”

Registered Office:
Mahavir Palace, 8-A
Kalubha Road,
Bhavnagar Gujarat 364 002
Dated: June 29, 2009

BY ORDER OF THE BOARD OF DIRECTORS
B. F. Tamboli
CHAIRMAN

Notes:

1. A member entitled to attend and vote at the above meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. Members are requested to notify change of address, if any.
3. Members desiring any information pursuant to an item on the Agenda are requested to write sufficiently early so as to reach the Company at least 7 days prior to the AGM, to enable the Management to keep the information available at the meeting.
4. Members holding shares in demat form are requested to bring their Client ID and DPID numbers and photo identity for easy identification of attendance at the meeting.
5. Since the company is incorporated in F. Y. 2008-2009, and this being the first general meeting, the provisions of Section 205-C of the Companies Act, 1956, concerning unpaid/unclaimed dividend is not applicable.

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Dated: June 29, 2009

BY ORDER OF THE BOARD OF DIRECTORS
B. F. Tamboli
CHAIRMAN

EXPLANATORY STATEMENT

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956.

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

Item No. 4: Ordinary resolution as mentioned in item No. 4 relates to appointment of Shri Bharat K. Shah as a director of the company. Shri Bharat K. Shah was appointed as an Additional Director of the Company and under the provision of Section 260 of the Companies Act, 1956, Shri Bharat K. Shah holds office upto the conclusion of the date of this Annual General Meeting.

The Company has received notices in writing from some members of the Company proposing Shri Bharat K. Shah as a candidate in the office of the Directors of the Company. Shri Bharat K. Shah is the President of Saurashtra Cricket Association (SCA), and involved in the management SCA since many years. Also, Shri Bharat K. Shah is managing various educational institutes including schools and colleges.

The Board of Directors recommend the resolution for your approval. Shri Bharat K. Shah is interested and concerned in the above resolution as it relates to his appointment as Director. None of the other Directors present is interested in the above resolution.

Registered Office:
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Kalubha Road,
Bhavnagar Gujarat 364 002
Dated: June 29, 2009

BY ORDER OF THE BOARD OF DIRECTORS
B. F. Tamboli
CHAIRMAN

DIRECTORS' REPORT: 2008-2009

To
The Members

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

1. Financial Results :

	(Rs. in Lacs)
	2008-2009
	<hr/>
Total Income	40.96
Profit Before Taxation	30.06
Less: Provision for Taxation:	
1. Current	2.50
2. Deferred	—
3. Fringe Benefit Tax	—
Profit After Taxation	27.56
Adding thereto:	
1. Balance brought forward from last Balance Sheet	—
2. Prior Period Adjustment	—
Making a total amount available for appropriation, which has been transferred to General Reserve.	27.56

2. Operations: The Company has been incorporated on April 17, 2008 in the Financial Year under review. During the year, the company has received current assets in form of investment in shares and bonds alongwith related income accrued on the assets in form of banking assets according to the Scheme of Arrangement and Demerger between the Company and Investment Division of Investment & Precision Castings Limited as approved by The Hon'ble High Court of Gujarat vide its Order No. 4142/09 dated February 13, 2009. The Company has accordingly registered Rs. 40.96 Lacs as on Operational Income. During the said period, the company has earned Rs. 30.06 Lacs as Profit Before Tax.

3. Subsidiary Company: The company has received 100 % shares of Tamboli Castings Limited according to the terms of the Scheme of Arrangement and Demerger between Investment & Precision Castings Limited and as approved by the Hon'ble High Court of Gujarat vide its Order dated February 13, 2009. Therefore, Tamboli Castings Limited has now become a Wholly Owned Subsidiary of the Company effective from 13.2.2009. The particulars of annual accounts of Tamboli Castings Limited, Subsidiary of the Company, as required u/s. 212 of The Companies Act, 1956 are annexed herewith to the annual accounts of the Company.

4. Directors:

- a) Shri B. F. Tamboli retires by rotation as required by the Companies Act, 1956, and being eligible, offers himself for re-election.

- b) Shri Bharat K. Shah was appointed as an additional director effective from Mach 30, 2009. His terms of office expire at this Annual General Meeting. He being eligible, offers himself for re-appointment.
5. **Particulars of Employees:** Information in accordance with sub-section (2A) of Section 217 of the Companies Act, 1956, is presently not applicable.
6. **Directors' Responsibility Statement:** Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the Operating Management, confirm that:
- a) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b) they have selected prudent accounting policies;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis.
7. **ISIN for Company's Equity Share:** The Equity share of the company has been admitted in National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) and has been issued **ISIN No. INE864J01012.**
8. **Registrar and Transfer Agent (RTA) of the Company:** The Company has appointed M/s. Linkintime India Private Limited as the RTA of the Company. The address of the RTA is given below:
- LINK INTIME INDIA PRIVATE LIMITED
211, Sudarshan Complex, Near Mithakhali Under Bridge
Navarangpura,Ahmedabad 380 009.
Telephone No. (91) (079) 2646 5179
Fax No. (91) (079) 2646 5179,
E-mail: ahmedabad@intimespectrum.com
9. **Compliance Certificate:** The company has obtained compliance certificate from Practicing Company Secretary on voluntary basis. A copy of this certificate is enclosed with this report.
10. **Auditors:** The members will be requested at the forthcoming Annual General Meeting to appoint Auditors and fix their remuneration. M/s. Sanghavi & Co., the existing Auditors, are eligible for re-appointment.
11. **Appreciation:** The Directors thank the Bankers and the concerned authorities of the Government for their co-operation.

Registered Office:
Mahavir Palace, 8-A
Kalubha Road,
Bhavnagar Gujarat 364 002
Dated: June 29, 2009

BY ORDER OF THE BOARD OF DIRECTORS
B. F. Tamboli
CHAIRMAN

COMPLIANCE CERTIFICATE

To
The Members,
TAMBOLI CAPITAL LIMITED

I have examined the registers, records, books and papers of TAMBOLI CAPITAL LIMITED (the Company) 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, 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. the Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there-under and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government. Company Law Board or other authorities within the time prescribed under the Act and the rules made there-under as stated in Annexure 'B' to this Certificate.
3. the Company is a public company within the meaning under section 3(1)(iv) of the Act.
4. the Board of Directors duly met twelve times on 18th April, 2008, 21st April, 2008, 29th April, 2008, 30th April, 2008, 21st June, 2008, 14th August, 2008, 26th August, 2008, 20th September, 2008, 15th December, 2008, 21st February, 2009, 24th March, 2009 and 30th March, 2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.
5. the Company has not closed its Register of Members during the financial year ending on 31st March, 2009.
6. this being the first financial year after the incorporation, the Company was not required to hold its annual general meeting.
7. one extra ordinary meeting was held during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. the Company has not advanced any loan to its directors and/or persons or firms or companies referred to in the section 295 of the Act.
9. the Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section and to the extent applicable.
10. the Company has made necessary entries in the register maintained under section 301 of the Act.
11. the Company was not required to obtain any approval from the members pursuant to section 314 of the Act.
12. the Company has not received any requests for issue of duplicate share certificates.
13. the Company has-
 - (i) delivered all the certificates on allotment/lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) not declared any dividend and was not required to deposit the dividend amount in a separate Bank Account.
 - (iii) has not declared any dividend and was not required to pay/post warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration thereof.
 - (iv) not transferred any amounts in unpaid dividend account which have remained unclaimed or unpaid for a period of seven years as required to be transferred to Investor Education and Protection Fund because this is the first financial year of the company.
 - (v) duly complied with the requirements of section 217 of the Act.

14. the Board of Directors of the Company is duly constituted and the appointment of directors have been duly made.
15. the appointment of the Managing or Whole-time Director has not been made during the financial year under review.
16. no appointment of sole-selling agents was made during the financial year under review.
17. the Company was not required, during the financial year, to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or other authorities as may be prescribed under the various provisions of the Act.
18. the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there-under.
19. the Company has issued 99,20,000 Equity shares of Rs.10/ each pursuant to the approved scheme of Arrangement and De-merger and has complied with the provisions of the Act. The Company has not issued any debentures/other securities during the financial year.
20. the Company has not bought back any shares during the financial year ending 31st March, 2009. However, the original subscribed and paid-up share capital of Rs.5,00,000/ is treated as cancelled and transferred to the Capital Reserve of the Company pursuant to the approved Scheme of Arrangement and De-merger.
21. the Company has not redeemed any preference shares/debentures during the financial year.
22. the Company was not required to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. the Company has not invited/accepted any deposits including unsecured loans within the provisions of sections 58A during the financial year.
24. the amounts borrowed by the Company during the financial year ending 31st March, 2009 are NIL.
25. the Company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not given guarantees or provided securities to other bodies corporate during the financial year under scrutiny.
26. the Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. the Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. the Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. the Company has altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny pursuant to the approved scheme of Arrangement and De-merger and complied with the provisions of the Act.
30. the Company has not altered its articles of association during the year under scrutiny.
31. no prosecutions were initiated against and no show cause notices were received by the Company for alleged offences under the Act.
32. the Company has not received any amount as security from its employees during the financial year under scrutiny.
33. the Company was not required to deposit both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Signature :

Name of Company Secretary : BIPIN S. ACHARYA

C. P. No. : 8 FCS 424

B/3, Ripple Apartments,

Near Hindu Mahila Milan Mandir,

Narayan Nagar, Paldi, Ahmedabad-380007.

Place : Ahmedabad.

Date : 27th June, 2009.

Encl: Annexures.

Annexure 'A'**Registers as maintained by the Company**

1. Register of Loans and Investments under section 372A
2. Register of Members under section 150
3. Register of Contracts under section 301
4. Register of Directors etc. under section 303
5. Register of Directors' Shareholdings under section 307

Annexure 'B'**Forms and Returns as filed by the Company with the Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2009 : NIL****Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2009.**

Sr. No.	Form Number	Filed under section	For	Remarks
1.	Form 20 & Form Sch. 3	149 (2)(c)	Form of statement in lieu of prospectus.	---
2.	Form 22	165	Statutory Report	---
3.	Form 61	391-394	Notice of Company petition No.224/08 filed with to Regional Director, Mumbai in the matter of scheme of arrangement and demerger between Investment Division of IPCL and TCAP u/s. 391-394 of the Companies Act, 1956.	---
4.	Physical copy of Petition 224/08	391-394	Physical copy of Notice of Company petition No.224/08 filed with to ROC, Gujarat in the matter of scheme of arrangement and demerger between Investment Division of IPCL and TCAP u/s. 391-394 of the Companies Act, 1956.	---
5.	Form 21	391-394	Filing of certified copy of Order No.4141/09 received from Hon'ble High Court of Ahmedabad, Gujarat for approval of scheme of arrangement and demerger between Investment Division of IPCL and TCAP.	---
6.	Physical copy of Certified Court Order No.4142/09 dated 13.2.2009	391-394	Physical filing of certified copy of Order No.4142/09 received from Hon'ble High Court of Ahmedabad, Gujarat for approval of scheme of arrangement and demerger between Investment Division of IPCL and TCAP.	---
7.	Proof of Stamp Duty payment	---	Submission of proof of stamp duty for Rs.9,92,000/-.	---
8.	Form 5	---	Increase in Authorised Share Capital from Rs.2.00 Crores to Rs.10.00 Crore on 13.02.2009 according to Scheme of Arrangement and Demerger.	---
9.	Form 2	75(1)	Return of allotment for issue of 99,20,000 equity shares of face value Rs.10/- on 24.03.2009 to the members of IPCL according to the Scheme of Arrangement and Demerger.	---
10.	Form 1	33 (1) & (2)	Declaration for incorporation of a company	---
11.	Form 18	146	Situation of registered office	---
12.	Form 32	303	First Directors of the Company	---
13.	Form 32	303	Notifying resignation of Mr.P.A. Subramanian on 30-3-2009	Filed during current year
14.	Form 32	303	Notifying resignation of Mr. Piyush I. Tamboli on 30-3-2009	Filed during current year
15.	Form 32	303	Notifying resignation of Mr. Vaibhav B. Tamboli on 30-3-2009	Filed during current year
16.	Form 32	303	Notifying appointment of Mr. Bharatkumar K. Shah on 30-3-2009	Filed during current year
17.	Form 32	303	Notifying resignation of Mr. Mehul B. Tamboli on 30-3-2009	Filed during current year

Signatures to Annexures 'A' and 'B'

Signature :

Name of Company Secretary : BIPIN S. ACHARYA

C. P. No. : 8 FCS 424

B/3, Ripple Apartments,

Near Hindu Mahila Milan Mandir,

Narayan Nagar, Paldi, Ahmedabad-380007

Place: Ahmedabad.

Date : 27th June, 2009.

AUDITORS' REPORT

To
The Members of
Tamboli Capital Limited

We have audited the attached Balance Sheet of **Tamboli Capital Limited** as at 31st March 2009 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Bhavnagar
June 29, 2009

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

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 1 of the report of even date of the Auditors to the members of **TAMBOLI CAPITAL LIMITED** on the accounts for the year ended 31st March 2009.

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

- 1 The company has not held any fixed assets during the year, hence the provisions of clause 4(i) the Order are not applicable.
- 2 The company has not held any inventory during the year, hence the provisions of clause (ii) of para 4 of the Order are not applicable.
- 3 In respect of loans granted or taken to/from companies, firms or other parties in the register maintained under section 301 of the Companies Act, 1956:
 - a. The Company has granted unsecured loans to the companies covered in the register maintained under section 301 of the companies Act, 1956. The numbers of companies to which loans are granted, is one (a subsidiary company) and the amount involved in the transactions and the year-end balance is Rs. 536.00 lacs.
 - b. The rate of interest and other terms and conditions of loans given by the company, are *prima facie* not prejudicial to the interest of the company *except that no interest is charged on such loans*.
 - c. Since no terms and conditions of the loan granted are stipulated, we can not offer any comments as to the repayment of principal amount or overdue amounts, if any.
 - d. The Company has not taken any loans, secured or unsecured, from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable. During the course of our audit, no major weakness has been noticed in the internal controls.
- 5 According to the information and explanations given to us, there were no transactions required to be entered in the register maintained in pursuance of section 301 of the Companies Act 1956.
- 6 The company has not accepted any deposits within the meaning of section 58A and 58AA of the Companies Act 1956 and the rules framed thereunder.
- 7 Since the paid up capital and reserves as at the commencement of the financial year does not exceed Rs. 50 lacs, the provisions of internal audit system do not apply.
- 8 As informed to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- 9 In respect of statutory and other dues:
 - a. The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
 - b. There are no statutory dues, which have not been deposited on account of any dispute.
- 10 The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current or the immediately preceding financial year.

- 11 The company has not obtained any borrowings from any banks or financial institutions or by way of debentures.
- 12 The Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion, the company is not a chit fund or a *nidhi*/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) are not applicable to the company.
- 14 The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- 15 According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- 16 The company has not obtained any terms loans during the year.
- 17 According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short-term basis, *prima facie*, have not been used during the year for long-term investment.
- 18 The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act 1956 except for and to the extent of the allotment of shares in accordance with the scheme of arrangement and demerger as stated in note no. 3 to the Accounts.
- 19 The Company did not have any outstanding debentures during the year.
- 20 The Company has not raised any money through a public issue during the year.
- 21 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Bhavnagar
June 29, 2009

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

BALANCE SHEET AS AT MARCH 31, 2009

		31st March 2009 (Rs.)	
SOURCES OF FUNDS:			
SHAREHOLDERS' FUNDS			
Share Capital	A	99,200,000	
Reserves & Surplus	B	<u>3,256,157</u>	102,456,157
	TOTAL		<u>102,456,157</u>
APPLICATION OF FUNDS:			
INVESTMENTS	C		32,477,250
CURRENT ASSETS, LOANS AND ADVANCES:	D		
a) Cash & Bank Balances		12,963,866	
b) Loans and Advances		<u>57,060,195</u>	
Less: Current Liabilities and Provisions	E	<u>70,024,061</u> <u>269,097</u>	
Net Current Assets			69,754,964
Misc. Expenditure not Written Off:			
Preliminary Expense	F		223,943
	TOTAL		<u>102,456,157</u>
NOTES ON ACCOUNTS	I		
The accompanying Schedules A to I are an integral part of these Financial Statements.			

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: June 29, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
I.F. Tamboli
DIRECTORS
Bhavnagar
Dated: June 29, 2009

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

		2008-2009 (Rs.)
INCOME:		
Operational Income	G	4,096,031
TOTAL		<u>4,096,031</u>
EXPENDITURE:		
Administrative and Other Expenses	H	1,089,874
Interest		—
Depreciation		—
TOTAL		<u>1,089,874</u>
Profit Before Taxation		3,006,157
Less: Provision for Income Tax: Current		250,000
Deferred		0
Fringe Benefit Tax		0
		<u>250,000</u>
Profit after Taxation		2,756,157
Amount available for Appropriation		<u>2,756,157</u>
APPROPRIATION:		
a) General Reserve		<u>2,756,157</u>
Balance Carried to Balance Sheet		0
Earning Per Share (on weighted average basis)		9.88
Nominal value of Share		10.00
NOTES ON ACCOUNTS	I	
The accompanying Schedules A to I are an integral part of these Financial Statements.		

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: June 29, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
I.F. Tamboli
DIRECTORS
Bhavnagar
Dated: June 29, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2009**(Rs. In Lacs)**

	2008-2009	
	(Rs.)	
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Extraordinary Items		30.06
Adjustments for -		
Depreciation	-	
Loss (Profit) on Sale of Fixed Assets	-	
Amortization	1.12	
Interest	-	1.12
Operating Profit Before Working Capital Changes	<u> </u>	<u>31.18</u>
Adjustments for -		
Trade and Other Receivables	(34.60)	
Inventories	-	
Trade Payables	0.21	(34.39)
Cash generated from Operations	<u> </u>	<u>(3.21)</u>
Interest Paid	-	
Direct Taxes Paid (Net)	(0.02)	(0.02)
NET CASH FROM OPERATING ACTIVITIES		(3.23)
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets		-
Preliminary and Pre Operative Expenses		(3.36)
Purchase of Investments *		(324.77)
Interest Received		<u> </u>
NET CASH USED IN INVESTING ACTIVITIES		(328.13)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Loans Borrowed		-
Proceeds from Issue of Share Capital *		997.00
Loans lent to a Subsidiary Company *		(536.00)
Dividend Paid		<u> </u>
NET CASH USED IN FINANCING ACTIVITIES		461.00
Net Increase in Cash and Cash Equivalents		129.64
Cash and Cash Equivalents as at beginning of the year		<u> </u>
Cash and Cash Equivalents as at end of the year *		<u>129.64</u>

* includes transactions upon the scheme of arrangement and demerger (refer note no. 3)

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: June 29, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
I.F. Tamboli
DIRECTORS
Bhavnagar
Dated: June 29, 2009

SCHEDULE- A Share Capital	31.03.2009 (Rs.)
Authorised:	
10,000,000 Equity Shares of Rs.10 each	100,000,000
TOTAL	<u>100,000,000</u>
Issued, Subscribed and Paid up:	
9,920,000 Equity Shares of Rs. 10 each (Refer Note No. 3 of Notes on Accounts)	99,200,000
TOTAL	<u>99,200,000</u>

SCHEDULE - B Reserves & Surplus	31.03.2009 (Rs.)
General Reserve :	
As per last Balance Sheet	—
Add: Transferred from Profit & Loss account	2,756,157
	<u>2,756,157</u>
Capital Reserve :	
As per last Balance Sheet	—
Add: Amount credited as per the Scheme of Arrangement and Demerger between the company and Investment Division of Investment & Precision Castings Limited (Refer Note No. 3 of Notes on Accounts)	500,000
	<u>500,000</u>
Profit & Loss Account	—
TOTAL	<u>3,256,157</u>

SCHEDULE - C Investments	31.03.2009 (Rs.)
Long Term Investments: (Unquoted)	
In Subsidiary Company:	
2,900,000 equity shares of Rs. 10 each in Tamboli Castings Limited, a wholly owned subsidiary company.	29,000,000
Current Investments:	
As per details as given below.	3,477,250
TOTAL	<u>32,477,250</u>

Full Name of Scheme	No.of Units	Face ValueRs.	Purchase Coat, Rs.
ICICI Safety Bonds	700	3,500,000	3,477,250

SCHEDULE - D Current Assets, Loans And Advances		31.03.2009 (Rs.)	
I CURRENT ASSETS:			
1. Cash & Bank Balances:			
Cash on Hand		—	
Balances with Scheduled Banks:			
- In current accounts		963,866	
- In fixed deposits accounts		12,000,000	12,963,866
	TOTAL I		<u>12,963,866</u>
II LOANS AND ADVANCES:			
(Unsecured considered good)			
a) Interest Receivable on Investments			3,460,195
b) Loan to a wholly-owned subsidiary company			53,600,000
	TOTAL II		<u>57,060,195</u>
	TOTAL I + II		<u>70,024,061</u>
SCHEDULE - E Current Liabilities And Provisions		31.03.2009 (Rs.)	
I Current Liabilities:			
Statutory Liabilities		2,167	
Other Liabilities		18,872	21,039
II Provisions:			
Provision for Income Tax (Net of payments)			248,058
	TOTAL		<u>269,097</u>
SCHEDULE - F Preliminary Expense		31.03.2009 (Rs.)	
Preliminary expenses		335,915	
Less: Amortised during the year.		111,972	
	TOTAL		<u>223,943</u>
SCHEDULE - G Operational Income		2008-2009 (Rs.)	
Interest Received		883,316	
Dividend Received		3,212,715	
	TOTAL		<u>4,096,031</u>
SCHEDULE - H Administrative And Other Expenses		2008-2009 (Rs.)	
Establishment Expenses:			
Payments to Auditors		19,000	
Legal and Professional Charges		98,565	
Bank Discount and Commission		1,760	
Legal Expenses		824,250	
Preliminary Expense Written Off		111,972	
General Expenses		34,327	
	TOTAL		<u>1,089,874</u>

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

I Registration Details:

Registration No.	:	U65993GJ2008PLC053613
State Code	:	4
Balance sheet Date	:	31.03.2009

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

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

III Position of mobilisation and deployment of funds:

Total Liabilities	:	1,024.56
Total Assets	:	1,024.56

Source of Funds

Paid up Capital	:	992.00
Reserves & Surplus	:	32.56
Deferred Tax Liabilities	:	0.00
Secured Loans	:	0.00

Application of Funds

Net Fixed Assets	:	0.00
Investments	:	324.77
Net Current Assets	:	697.55
Miscellaneous Expenditure	:	2.24

IV Performance of the Company:

Total Income	:	40.96
Total Expenditure	:	10.90
Profit Before Tax	:	30.06
Profit After Tax	:	27.56
Earnings per Share, (Rs.)	:	9.88
Dividend Rate, (%)	:	—

V Generic names of three Principal Products/Services of the Company:

		(as per monetary items)
Item code	:	Not applicable
Product Description	:	Not applicable

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: June 29, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
I.F. Tamboli
DIRECTORS
Bhavnagar
Dated: June 29, 2009

SCHEDULE - I**Notes forming part of the accounts for the year ended 31st March, 2009**

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

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

1.0 Significant Accounting Policies:

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

1.2 Investments:

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

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

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

1.3 Preliminary Expenses: Preliminary expenses incurred in respect of the formation of the Company will be amortized over a period of three years upon the commencement of the commercial operations.

2.0 The company has been incorporated as a Limited company under the companies Act, 1956. w.e.f. 17.4.2008 and the certificate for commencement of the business was obtained on 29.4.2008.

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

On implementation of the above Scheme, the Authorised Share Capital of the company has increased to Rs. 10.00 Crores and the paid up equity share capital has increased to Rs. 9.92 Crores after cancellation and transfer of the existing paid up equity share capital of Rs. 5.00 Lacs to the Capital Reserve of the Company as at end of 31.3.2009.

4.0 Payments to Auditors:

	Rs.
Audit Fees	15,000
Certification and other matters	4,000

5.0 Related Party Disclosures:**5.1 Subsidiary : Tamboli Castings Limited**

Nature of Transactions	Amount, Rs.
1 Loans Granted	53,600,000
2. Outstanding balance: Loans and advances	53,600,000

5.2 Associates:

- a) Investment & Precision Castings Limited,
- b) Tamboli Exim Limited,
- c) Mebhav Investment Private Limited

- 5.3** The Company has not entered into any financial transactions with associates during the financial year under review.
- 6.0** Since the Company is not engaged in any manufacturing activities during the period, quantitative and other details cannot be given.
- 7.0** This being the first year of financial statements, figures for the corresponding previous period is not given.
-

Signatures to Schedule A to I

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
MANOJ GANATRA
Partner
Bhavnagar
Dated: June 29, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
I.F. Tamboli
DIRECTORS
Bhavnagar
Dated: June 29, 2009

ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2009
STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

- | | | | |
|----|---|---|--------------------------|
| 1. | Name of the Subsidiary Company | : | TAMBOLI CASTINGS LIMITED |
| 2. | Financial Year of the Subsidiary Company | : | 31 March, 2009 |
| 3. | Date from which it became subsidiary | : | 13 February, 2009 |
| 4. | Extent of the Holding Company's interest in the Subsidiary Company at the end of the financial year of the Subsidiary Company | : | 100 % |
| 5. | Net aggregate amount of the profit/(loss) of the Subsidiary Company not dealt with in the Holding Company's Account (concerning the members of the Holding Company) | : | |
| | i) For the Current Year | : | Rs. 57,272,626/- |
| | ii) For the previous years since it become a Subsidiary | : | Nil |
| 6. | Net aggregate amount of the profit of the Subsidiary Company dealt with in the Holding Company's Accounts. | : | |
| | i) For the Current Year | : | Nil |
| | ii) For the previous year since it became a Subsidiary | : | Nil |

Place : Bhavnagar
Date : June 29, 2009

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
I. F. Tamboli
DIRECTORS

DIRECTORS' REPORT: 2008-2009

To
The Members

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

1. Financial Results :

	(Rs. in Lacs)	
	<u>2008-2009</u>	<u>2007-2008</u>
Total Income	3112.32	2169.01
Profit Before Taxation	661.36	424.72
Less: Provision for Taxation:		
1. Current	75.75	48.65
2. Deferred	11.25	12.05
3. Fringe Benefit Tax	1.65	1.00
Profit After Taxation	572.71	363.02
Adding thereto :		
1 Prior period Adjustments	0.02	1.71
Making a total amount available for appropriation, which has been appropriated as follows:	572.73	364.73
1. Proposed Dividend	31.90	29.00
2. Corporate Dividend Tax	5.42	4.93
3. General Reserve	535.41	330.80

- 2. Operations:** The total Income during the year shows increase of 43 % over the previous year. The Profit Before Tax shows increase of 56 %.
- 3. Dividend:** The Directors are pleased to recommend a Dividend for the period ended March 31, 2009 @ Rs. 1.10 per share on 29,00,000 Equity Shares for the financial year 2008-2009 amounting to Rs. 31.60 Lacs against Rs. 1.00 per share amounting to Rs. 29.00 Lacs for last financial year 2007-2008, subject to approval of the members in the annual general meeting.
- 4. Exports:** The Company's exports during the year were Rs. 2982.27 Lacs. The Company is continuing its efforts to further enhance exports through vigorous market and product development.
- 5. Research & Development:** The Company is actively involved in new Product Development and Process Improvements.
- 6. Directors:** Dr. Shri A. K. Jain, Shri M. B. Tamboli and Shri V. B. Tamboli retire by rotation as required by the Companies Act, 1956, and being eligible, offer themselves for re-election.
- 7. Personnel:** Industrial relations continued to be cordial and productive during the year.
- 8. Particulars of Employees:** Information in accordance with sub-section (2A) of Section 217 of the Companies Act, 1956, is annexed herewith.

- 9. Directors' Responsibility Statement:** Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representation received from the Operating Management, confirm that:
- a) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
 - b) they have selected prudent accounting policies;
 - c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) they have prepared the annual accounts on a going concern basis.
- 10. Segment Reporting:** As all the manufacture is of one class of products made, segmentwise reporting is not applicable to your Company.
- 11. Accounting for Taxes on income:** Deferred Tax Liability of Rs. 11.25 Lacs, resulting from application of the Accounting Standard AS-22, has been debited to the amount available for appropriation for the present Financial Year, 2008-2009.
- 12. Change in Holding Company:** The Company has become Wholly Owned Subsidiary of Tamboli Capital Limited effective from 13 February 2009. This change is on account of transfer of 100 % shareholding of Investment & Precision Castings Limited to Tamboli Capital Limited according to the Order of the High Court of Gujarat No. 4142/09 dated 13.2.2009, approving the Scheme of Arrangement and Demerger for transfer of assets of Investment Division of Investment & Precision Castings Limited ("The Transferor Company") to Tamboli Capital Limited ("The Transferee Company").
- 13. Auditors:** The members will be requested in the Annual General Meeting to appoint Auditors and fix their remuneration. M/s. Sanghavi & Co., the existing Auditors, are eligible for re-appointment.
- 14. Appreciation:** The Directors thank the Bankers, State Bank of India, and the concerned authorities of the Government for their co-operation, and also record their appreciation for the efforts put in by the employees.

Registered Office:
Sidsar Road, Vartej
Behind GEB Sub-Station
Vartej, Gujarat 364 060
Dated: May 17, 2009

ON BEHALF OF THE BOARD OF DIRECTORS
I. F. Tamboli
CHAIRMAN

ANNEXURE TO DIRECTORS' REPORT

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

A. Employed throughout the financial year:

Sr. No.	Name	Age	Qualification	Designation	Experience (in years)	Remuneration Gross Rs.	Nature of Duties	Joining Date	Particulars of previous employment
---------	------	-----	---------------	-------------	-----------------------	------------------------	------------------	--------------	------------------------------------

NIL

B. Employed for a part of the financial year:

Sr. No.	Name	Age	Qualification	Designation	Experience (in years)	Remuneration Gross Rs.	Nature of Duties	Joining Date	Particulars of previous employment
1.	Shri M. B. Tamboli	37	B.Sc.	Executive Director	19	10,84,850/- (1.6.08 to 31.3.09)	As assigned by the Board from time to time	1.6.2008	Executive Director Investment & Precision Castings Ltd.

Notes: 1. Gross remuneration includes Basic Salary, monthly allowances, commission and Company's contribution to Provident, Gratuity and Superannuation Funds.

2. The conditions of employment are contractual and terminable by three months' notice from either side.

Registered Office:
Sidsar Road, Vartej
Behind GEB Sub-Station
Vartej, Gujarat 364 060
Dated: May 17, 2009

ON BEHALF OF THE BOARD OF DIRECTORS
I. F. Tamboli
CHAIRMAN

AUDITORS' REPORT

To
The Members of
TAMBOLI CASTINGS LIMITED

We have audited the attached Balance Sheet of Tamboli Castings Limited as at 31st March 2009 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Bhavnagar
Dated: May 17, 2009

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

ANNEXURE TO AUDITORS' REPORT

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

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

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

6. The Company has not accepted any deposits within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
7. In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
8. As informed to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
9. In respect of statutory and other dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, to the extent possible with the appropriate authorities during the year.
 - b) There are no amounts, which are not deposited on account of dispute.
10. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current or the immediately preceding financial year.
11. Based on our audit procedures and the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not obtained any borrowing from any financial institutions or by way of debentures.
12. The Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a *nidhi*/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) are not applicable to the company.
14. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
16. Terms loans obtained during the year have been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short-term basis, *prima facie*, have not been used during the year for long-term investment.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Bhavnagar
Dated: May 17, 2009

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

BALANCE SHEET AS AT MARCH 31, 2009

		31st March 2009 (Rs.)		31st March 2008 (Rs.)	
SOURCES OF FUNDS:					
SHAREHOLDERS' FUNDS:					
Share Capital	A	29,000,000		29,000,000	
Reserves & Surplus	B	99,592,622	128,592,622	46,052,136	75,052,136
Deferred Tax Liabilities			5,645,312		4,520,000
LOAN FUNDS:					
Secured Loan	C	69,166,056		73,930,196	
Unsecured Loan from the Holding Company		53,600,000	122,766,056	53,600,000	127,530,196
	TOTAL		257,003,990		207,102,332
APPLICATION OF FUNDS:					
FIXED ASSETS:					
Gross Block	D	159,087,743		107,288,131	
Less : Depreciation		28,313,566	130,774,177	16,372,413	90,915,718
CURRENT ASSETS, LOANS AND ADVANCES:					
a) Inventories	E	33,053,897		58,885,801	
b) Sundry Debtors		48,940,192		58,161,057	
c) Cash & Bank Balances		23,726,344		1,948,072	
d) Loans and Advances		37,064,329		20,936,142	
		142,784,762		139,931,072	
Less: Current Liabilities and Provisions	F	16,554,950		23,744,458	
Net Current Assets			126,229,813		116,186,614
Misc. Expenditure Not Written Off:					
	TOTAL		257,003,990		207,102,332
NOTES ON ACCOUNTS	M				
The accompanying Schedules A to M are an integral part of these Financial Statements.					

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

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

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

		2008-2009 (Rs.)	2007-2008 (Rs.)
INCOME:			
Sales and Operational Income	G	310,579,010	216,712,689
Other Income	H	653,349	188,735
	TOTAL	311,232,359	216,901,424
EXPENDITURE:			
Change in Inventory	I	25,083,572	-22,297,733
Materials and Manufacturing Expenses	J	158,614,263	149,790,777
Administrative and Other Expenses	K	43,102,901	33,702,114
Interest	L	6,354,146	3,846,189
Depreciation		11,941,154	9,388,405
	TOTAL	245,096,036	174,429,752
Profit Before Taxation		66,136,323	42,471,672
Less: Provision for Tax: Current		7,575,000	4,865,000
Deferred		1,125,312	1,205,000
Fringe Benefit Tax		165,000	100,000
Profit after Taxation		57,271,011	36,301,672
Add: Prior Period Adjustments		1,615	171,059
Amount available for appropriations		57,272,626	36,472,731
APPROPRIATIONS:			
a) Dividend		3,190,000	2,900,000
b) Corporate Dividend Tax		542,140	492,855
c) General Reserve		53,540,486	33,079,876
Balance Carried to Balance Sheet		0	0
Earning Per Share (Basic/Diluted)		19.75	12.58
Nominal value of Share		10.00	10.00
NOTES ON ACCOUNTS	M		
The accompanying Schedules A to M are an integral part of these Financial Statements.			

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

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

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

(Rs. In Lacs)

	2008-2009		2007-2008	
A Cash Flow from operating activities:				
Net Profit Before Tax And Extraordinary Items		661.36		424.72
Adjustments for:				
Depreciation	119.41		93.88	
Loss (Profit) on sale of assets	0.00		(0.05)	
Prior period Adjustments	0.02		1.71	
Interest/Dividend	61.00	180.43	38.81	134.35
Operating Profit Before Working Capital changes		841.79		559.07
Adjustments for:				
Trade and Other Receivables	(73.63)		(153.27)	
Inventories	258.31		(254.52)	
Trade Payables	(80.68)	104.01	(17.42)	(425.20)
Cash Generated From Operations		945.80		133.87
Interest Paid	(63.54)		(39.41)	
Direct Taxes Paid	(72.37)	(135.91)	(48.27)	(87.68)
Net Cash from operating activities		809.89		46.19
B Cash Flow from investing activities:				
Purchase of Fixed Assets	(518.00)		(461.00)	
Sale of Fixed Assets	0.00		1.79	
Interest Received	2.54		0.60	
Net Cash used in investing activities		(515.46)		(458.61)
C Cash Flow from financing activities:				
Proceeds from Long Term Borrowings		343.80		230.14
Proceeds from Working Capital Finance (net)		(391.45)		197.73
Dividend paid		(29.00)		(14.50)
Net Cash used in financing activities		(76.65)		413.37
Net Increase in Cash and Cash Equivalents		217.78		0.95
Cash And Cash Equivalents as at beginning of the year		19.48		18.53
Cash And Cash Equivalents as at end of the year		237.26		19.48

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

MANOJ GANATRA

Partner

Bhavnagar

Dated: May 17, 2009

FOR AND ON BEHALF OF THE BOARD

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

DIRECTORS

Bhavnagar

Dated: May 17, 2009

SUBSIDIARY, TAMBOLI CASTINGS LIMITED

SCHEDULE- A Share Capital	31.03.2009 (Rs.)	31.03.2008 (Rs.)
Authorised:		
12,000,000 Equity Shares of Rs. 10 each	120,000,000	120,000,000
TOTAL	120,000,000	120,000,000
Issued, Subscribed and Paid up:		
2,900,000 Equity Shares of Rs. 10 each fully paid up	29,000,000	29,000,000
TOTAL	29,000,000	29,000,000

SCHEDULE- B Reserves & Surplus	31.03.2009 (Rs.)	31.03.2008 (Rs.)
General Reserve :		
As per last Balance Sheet	46,052,136	12,972,260
Add: Transferred from Profit & Loss Account	53,540,486	33,079,876
Profit & Loss Account	—	—
TOTAL	99,592,622	46,052,136

SCHEDULE - C Secured Loans	31.03.2009 (Rs.)	31.03.2008 (Rs.)
Working Capital Finance from a Bank	23,461	39,168,285
Term Loans from a Bank (Due within one year Rs. 282.38 Lacs)	69,142,595	34,761,911
TOTAL	69,166,056	73,930,196

Note : Working Capital Finance and Term Loans are from State Bank of Saurashtra, which are secured by hypothecation of inventories, book debt and machinery and is further secured by personal guarantee of one of Directors.

SCHEDULE - D Fixed Assets

(Amount in Rupees)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2008	Additions during the Year	Sales or Adjustments	As on 31.3.2009	As on 1.4.2008	For the Year	On Deductions/ Adjustments	Up to 31.3.2009	As at 31.3.2009	As at 31.3.2008
LAND	9,435,650	45,110	--	9,480,760	--	--	--	--	9,480,760	9,435,650
BUILDINGS	25,913,117	14,251,096	--	40,164,213	472,940	1,325,571	--	1,798,511	38,365,702	25,440,177
PLANT & MACHINERY	70,196,830	34,418,316	--	104,615,146	15,250,241	9,917,562	--	25,167,802	79,447,344	54,946,589
OFFICE EQUIPMENT	1,049,109	1,358,787	--	2,407,896	269,238	321,655	--	590,893	1,817,003	779,871
FURNITURE & FIXTURES	440,764	381,586	--	822,350	233,797	178,468	--	412,265	410,085	206,967
VEHICLES	252,661	1,344,717	--	1,597,378	146,197	197,898	--	344,095	1,253,283	106,464
TOTAL	107,288,131	51,799,612	0	159,087,743	16,372,413	11,941,154	--	28,313,566	130,774,177	90,915,718
PREVIOUS YEAR	61,365,156	46,100,254	177,280	107,288,130	6,987,480	9,388,405	3,472	16,372,413	90,915,717	54,377,676

Depreciation Rates, (%)

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

SCHEDULE - E Current Assets, Loans And Advances	31.03.2009 (Rs.)		31.03.2008 (Rs.)	
I CURRENT ASSETS:				
1. Inventories (as taken, valued and certified by the management)				
a) Stores & Spares (at cost)	8,157,626		8,835,209	
b) Raw Material (at cost)	3,215,209		3,285,958	
c) Semi-finished Goods (at estimated cost)	6,569,798		12,133,656	
d) Finished Goods (at lower of cost or market value)	15,111,264	33,053,897	34,630,978	58,885,801
2. Sundry Debtors (Unsecured considered good)				
Over six months	1,168,487		3,714,902	
Others	47,771,705	48,940,192	54,446,155	58,161,057
3. Cash & Bank Balances:				
Cash on Hand	50,882		23,559	
Balances with Scheduled Banks:				
- In current accounts	7,992,692		1,257,513	
- In fixed deposits accounts	15,682,770		667,000	
(under lien with the banks against bank guarantees)		23,726,344		1,948,072
TOTAL I		<u>105,720,433</u>		<u>118,994,930</u>
II LOANS AND ADVANCES: (Unsecured considered good)				
a) Balance with excise authorities in current account.		14,574		8,669
b) Deposits		5,357,432		2,172,162
c) Advance payment of Taxes (Net)		—		455,640
d) Advances recoverable in cash or kind or for value to be received		31,060,360		17,952,479
e) Loans and advances to employees		631,963		347,192
TOTAL II		<u>37,064,329</u>		<u>20,936,142</u>
TOTAL I + II		<u>142,784,762</u>		<u>139,931,072</u>

SCHEDULE - F Current Liabilities And Provisions	31.03.2009 (Rs.)		31.03.2008 (Rs.)	
I Current Liabilities:				
Sundry Creditors	5,718,502		15,593,105	
Statutory Liabilities	797,398		560,852	
Advances from customers	106,636			
Other Liabilities	<u>3,770,263</u>	10,392,799	<u>2,629,947</u>	18,783,904
II Provisions:				
Provision for Bonus	1,547,552		1,232,902	
Provision for Employees' Leave Encashment	330,470		334,797	
Provision for Gratuity	12,205		—	
Proposed Dividend	3,190,000		2,900,000	
Provision for Corporate Dividend Tax	542,141		492,855	
Provision for Income Tax (net of Advance Tax)	<u>539,783</u>	6,162,151	—	4,960,554
TOTAL		<u>16,554,950</u>		<u>23,744,458</u>
SCHEDULE - G Sales And Other Operational Income	2008-2009 (Rs.)		2007-2008 (Rs.)	
Sales : Exports	295,777,667		202,442,546	
Domestic	<u>3,946,052</u>		<u>11,356,194</u>	
	299,723,719		213,798,740	
Less: Excise Duty	<u>597,135</u>	299,126,584	<u>1,786,859</u>	212,011,881
Exchange Rate Difference		11,452,426		4,700,808
TOTAL		<u>310,579,010</u>		<u>216,712,689</u>
SCHEDULE - H Other Income	2008-2009 (Rs.)		2007-2008 (Rs.)	
Interest Received (net)	254,370		60,382	
Profit on Sale of Assets	—		4,792	
Miscellaneous Income	398,979		123,561	
TOTAL		<u>653,349</u>		<u>188,735</u>
SCHEDULE - I Change In Inventory	2008-2009 (Rs.)		2007-2008 (Rs.)	
Closing Stock:				
Semi-finished Goods	6,569,798		12,133,656	
Finished Goods	<u>15,111,264</u>	21,681,062	<u>34,630,978</u>	46,764,634
Opening Stock:				
Semi-finished Goods	12,133,656		21,313,546	
Finished Goods	<u>34,630,978</u>	46,764,634	<u>3,153,355</u>	24,466,901
Change in inventory		<u>-25,083,572</u>		<u>22,297,733</u>

SUBSIDIARY, TAMBOLI CASTINGS LIMITED

SCHEDULE - J Materials And Manufacturing Expenses	2008-2009 (Rs.)	2007-2008 (Rs.)
Raw Materials Consumed :		
Opening Stock	3,285,958	2,836,466
add : Purchases (net of sales)	<u>61,305,610</u>	<u>52,913,913</u>
	64,591,568	55,750,379
less : Closing Stock	<u>3,215,209</u>	<u>3,285,958</u>
	61,376,359	52,464,421
Manufacturing Expenses :		
Stores and Spares	45,065,455	46,253,822
Power & Fuel	23,410,877	19,787,905
Machinery Repairs	535,840	492,542
Fettling and other external process expenses	21,630,858	27,358,067
Other manufacturing expenses	<u>6,594,874</u>	<u>3,434,020</u>
	97,237,904	97,326,356
TOTAL	158,614,263	149,790,777

SCHEDULE - K Administrative And Other Expenses	2008-2009 (Rs.)	2007-2008 (Rs.)
Personnel Cost:		
Salaries, Wages, Bonus etc.	15,887,343	12,619,451
Managerial Remuneration	1,764,609	429,436
Contribution to PF, ESI and other Funds	1,909,032	1,504,167
Employees Welfare Expenses	<u>332,510</u>	<u>140,239</u>
	19,893,494	14,693,293
Sales and Distribution Expenses:		
Sales Expenses	7,480,726	6,905,949
Establishment Expenses:		
Travelling and Conveyance (Directors' Travelling Rs. 1,074,855; previous year Rs. 152,944)	2,334,355	893,881
Building Repairs	3,548,614	4,469,996
Insurance Premiums	103,720	218,280
Payments to Auditors	68,000	44,500
Directors' Sitting Fees	75,000	42,500
Rent, Rates and Taxes	192,355	372,055
Legal and Professional Charges	1,587,209	549,222
Advertisement Expenses	194,369	20,425
Sundry Debit Balance written off	15,229	77,244
Bank Discount and Commission	2,354,565	1,092,031
Donation	75,000	—
General Expenses	<u>5,180,265</u>	<u>4,322,738</u>
	15,728,681	12,102,872
TOTAL	43,102,901	33,702,114

SCHEDULE - L Interest	2008-2009 (Rs.)	2007-2008 (Rs.)
Interest to Bank (Net):		
Working Capital Finance	1,588,456	1,280,179
Term Loans	<u>4,765,690</u>	<u>2,566,010</u>
TOTAL	6,354,146	3,846,189

SCHEDULE - M**Notes forming part of the accounts for the year ended 31st March, 2009**

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

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

1.0 Significant Accounting Policies:

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

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

1.3 Fixed Assets: Fixed Assets are stated at cost less depreciation, if put in to use. The company has, on the basis of technological evaluation, determined the useful life of the assets and depreciation thereon is provided accordingly at the rates stated in the Schedule D to the accounts, which are higher than the rates specified in the Schedule XIV to the Companies Act, 1956.

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

1.5 Sales: Sales comprise sale of goods and other related charges net of excise duty.

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

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

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

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

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

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

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

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

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

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

- 1.10 Earning per Share:** Basic earning per Share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year.
- 1.11 Provision and Contingencies:** The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow or where a reliable estimate of the obligation can not be made.
- 1.12 Foreign Currencies Transactions:** Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit & loss account. Current assets and current liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising therefrom is dealt with in the profit & loss account.
- 2.0** Provision for taxation is stated net of advance tax payments of Rs. 12,183,217 including current year's tax payments of Rs. 6,742,962. (Previous year: Advance tax Payments are stated net of provisions of Rs. 4,987,064.)
- 3.0** Balances with Sundry Debtors, Sundry Creditors and for Advances are subject to confirmations from the respective parties. In absence of such confirmations, balances as per books have been relied upon by the Auditors.
- 4.0** The Company has not received information from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interests paid/payable under this act have not been given.
- 5.0** Deferred tax liabilities of Rs. 1,125,312 arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts and as claimed under the Income Tax Act, is debited to the profit & loss account. Details of the balance of Rs. 5,645,312 are as under:

Particulars	Rs.
Depreciation	5,757,638
Disallowance u/s 43B of the Income Tax Act	(112,326)
Total	5,645,312

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

Particulars	Rs.
Advances to suppliers	19,94,945
Prepaid Expenses	11,54,638
Interest Receivable	108,152
Loans to Ancillary Units	1,594,556
Other Advances and Receivables	26,208,069

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

10.0 **Contingent Liabilities:**

(i) Guarantees given by the bank and counter guaranteed by the company: Rs. 875,000 (1,928,055).

11.0 Personnel cost includes managerial remuneration as under

	2008-2009 (Rs.)	2007-2008 (Rs.)
Salaries and allowances	600,000	—
Contribution to PF and Superannuation Fund	60,000	—
Commission	1,104,609	429,436
Total	1,764,609	429,436

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

	2008-2009 (Rs.)	2007-2008 (Rs.)
Profit Before tax as per accounts	66,136,323	42,471,672
Add: Managerial Remuneration	1,764,609	429,436
Add: Directors' Sitting Fees	75,000	42,500
	67,975,932	42,943,608

Commission @ 1% or 0.75% of the above, as the case may be, to one Whole Time Director/ Director, Rs. 1,104,609.

13.0 **Payments to Auditors:**

	2008-2009 (Rs.)	2007-2008 (Rs.)
Audit Fees	40,000	25,000
Taxation Matters	28,000	—
For Other Matters	—	19,500

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

Gratuity Plan:

Particulars	Amount, Rs.
<u>Change in the defined benefit obligations</u>	
Defined benefit obligations as at 1st April 2008	205,183
Service cost	124,740
Interest cost	28,709
Actuarial loss / (Gain)	—
Benefits paid	—
Defined benefit obligations as at 31st March 2009 (a)	358,632
<u>Change in plan assets</u>	
Fair value of plan assets as at 1st April 2008	205,183
Expected return on plan assets	28,709
Contributions by employer	112,535
Actuarial loss / (Gain)	—
Benefits paid	—

Fair value of plan assets as at 31st March 2009 (b) 346,427
 Present Value of unfunded obligations (a-b) 12,205

The net amount recognized in the statement of profit and loss for the year ended 31st March 2009 is as follows:

Current service cost	124,740
Interest cost	28,709
Expected return on plan assets	28,709
Net actuarial loss / (gain) recognized	—
Net amount recognized	124,740

Actual Return on Plan Assets

The principal actuarial assumptions used as at 31st March 2009 are as follows:

Discount Rate	8.00%
Expected rate of return on plan assets	9.00%
Rate of increase in compensation levels	5.00%

15.0 Related Party Disclosures:

15.1 Holding Company : Investment & Precision Castings Limited (Upto 30.04.2008)

Nature of Transactions		2008-2009 (upto 30.4.08) Amount, Rs.	2007-2008 Full year Amount, Rs.
1.	Purchase of Materials & Services	1,44,452	13,825,292

Holding Company : Tamboli Capital Ltd. (01.05.2008 onwards)

Nature of Transactions		2008-2009 Amount, Rs.	2007-2008 Amount, Rs.
1.	Loans received	53,600,000	—
2.	Outstanding balance: Loans and advances	53,600,000	—

15.2 Associates:

- Investment & Precision Castings Limited (01.05.2008 onwards)
- Mebhav Investment Private Limited
- Tamboli Exim Limited

15.3 Key Management Personnel: a) Shri Mehul B.Tamboli b) Shri P.A. Subramanian

Nature of Transactions		2008-2009 Amount, Rs.	2007-2008 Amount, Rs.
Associates:			
1.	Purchase of materials & Services	17,393,221	—
2.	Purchase of Fixed Assets	22,449,874	24,718,369
3.	Lease Rent payment	—	372,055
4.	Machining charges paid	5,473,892	13,102,763
5.	Loans received	—	700,000
6.	Sale of Stores & Spares	—	10,236,582
7.	Outstanding balance: Loans and advances	—	53,600,000
	Sundry Creditors	(148,968)	2,210,437
Key Management Personnel:			
8.	Remuneration	1,764,609	429,436

16.0 Quantitative information (as certified by the management):

A. Installed Capacity : 400,000 Kgs

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

Production*	Sales		Opening Stock		Closing Stock	
	Kg	Rs.	Kg	Rs.	Kg	Rs.
347,187 (318,663)	360,492 (263,566)	310,579,010 (216,712,689)	60,603 (5,506)	34,630,978 (3,153,355)	47,298 (60,603)	15,111,263 (34,630,978)

* Net of rejections

C. Consumption of Raw Materials:

Item	2008-2009		2007-2008	
	Kg	Rs.	Kg	Rs.
a) Scrap	379,459	29,762,835	293,357	22,921,379
b) Ferro Alloys	85,573	31,613,524	58,259	29,543,042
c) Total	465,032	61,376,359	351,616	52,464,421

D. Percentage of Consumption:

1. Raw Materials

Item	2008-2009		2007-2008	
	%	Rs.	%	Rs.
a) Imported	3.97	2,436,000	1.23	644,000
b) Indigenous	96.03	58,940,359	98.77	51,820,421
c) Total	100.00	61,376,359	100.00	52,464,421

2. Stores & Spares

Item	2008-2009		2007-2008	
	%	Rs.	%	Rs.
a) Imported	0.14	63,000	1.49	687,000
b) Indigenous	99.86	45,002,455	98.51	45,566,822
c) Total	100.00	45,065,455	100.00	46,253,822

E. Imports on CIF Basis:

Item	2008-2009 (Rs.)	2007-2008 (Rs.)
Raw materials	3,796,000	1,468,915
Stores & Spares	657,436	2,050,489

F. Earnings and Expenditure in Foreign Currency:

Item	2008-2009 (Rs.)	2007-2008 (Rs.)
Earnings:		
Export of Goods(FOB)	292,467,039	208,808,853
Expenditure:		
Travelling Expenses	952,233	612,386

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

Signatures to Schedule A to M

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

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

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

Registration No.	:	U27320GJ2004PLC44926
State Code	:	4
Balance sheet Date	:	31.03.2009

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

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

III Position of mobilisation and deployment of funds:

Total Liabilities	:	2570.04
Total Assets	:	2570.04

Source of Funds

Paid up Capital	:	290.00
Reserves & Surplus	:	995.93
Secured Loans	:	691.66
Unsecured Loans	:	536.00

Application of Funds

Net Fixed Assets	:	1,307.74
Investments	:	0.00
Net Current Assets	:	1,262.30
Miscellaneous Expenditure	:	0.00

IV Performance of the Company:

Total Income	:	3,112.32
Total Expenditure	:	2,450.96
Profit Before Tax	:	661.36
Profit After Tax	:	572.71
Earnings per Share, (Rs.)	:	19.75
Dividend Rate, (%)	:	11.00

V Generic names of three Principal Products/Services of the Company:

(as per monetary items)

Item code	:	331104000
Product Description	:	Investment Castings

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

MANOJ GANATRA

Partner

Bhavnagar

Dated: May 17, 2009

FOR AND ON BEHALF OF THE BOARD

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

DIRECTORS

Bhavnagar

Dated: May 17, 2009

ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORM

(For use by Investors holding shares in physical form)

To,
Tamboli Capital Limited
C/o. LINK INTIME INDIA PRIVATE LIMITED
211, Sudarshan Complex, Near Mithakhali Under Bridge
Navarangpura, Ahmedabad 380 009.

Dear sirs,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

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

For shares held in physical form

Master Folio No.

For shares held in electronic form

DP Id

Client Id

FOR OFFICE USE ONLY

ECS
Ref. No.

Name of Sole/First holder

Bank Name

Branch Name

Branch Code

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

Account Type
(Please Tick (✓) wherever applicable)

→ Savings Current Cash Credit

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

→

Effective date of this mandate

→

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

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

Dated : _____

(Signature of Sole/First holder)

Notes:

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

TAMBOLI CAPITAL LIMITED

Reg. Office: Mahavir Palace, 8-A, Kalubha Road, Bhavnagar Gujarat, India 364 002.

PROXY FORM

I/We residing at.....

being a Member/Members of Tamboli Capital Limited, with my/our shareholding details as shown below, hereby appoint.....

residing at

or failing him/her,

residing at

as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 26th September, 2009 and/or at any adjournment thereof.

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

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

Signed by the said.....

Affix
1 Rupee
Revenue
Stamp

.....

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