

INDEPENDENT AUDITORS' REPORT

To,

The Members of
Talbros Engineering Limited
Faridabad (Haryana)

Report on the Financial Statements

We have audited the accompanying financial statements of **TALBROS ENGINEERING LIMITED** (the Company), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant Accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements stated in Section 134(5) of the Companies Act 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards referred to in section 133 of the Act read with rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design



audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 March 31, 2015;
- b) In the case of the Statement of Profit and Loss, 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.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and, Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified in section 133 of the Act, read with rule 7 of Companies (Accounts) Rules 2014;
 - e) on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the auditors report in accordance with rule 11 of The Companies (audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanation given to us:



- i) The company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **RAKESH RAJ & ASSOCIATES**
Chartered Accountants
Firm Regn No.005145N

Ruchi Jain
Ruchi Jain
Partner
Membership No. 099920
Place: Faridabad
Date : 16.05.2015



ANNEXURE TO THE AUDITORS' REPORT

(As referred in paragraph 1 of **Report on other legal and regulatory requirements** of our report to the members of **TALBROS ENGINEERING LIMITED** on the accounts for the year ended 31st March 2015)

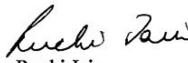
- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over 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. In accordance with the program, fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- ii. a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company is maintaining proper records of inventory. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.
- iii. As per information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 1956. Accordingly sub-clauses (a) and (b) of para 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system of the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under with regard to deposits accepted from the public. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
- vi. We have broadly reviewed the cost records maintained by the Company, pursuant to the Companies (Cost Accounting Records) Rule 2011 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed



cost Records have been maintained. However, we have not carried out a detailed examination of such records with a view to determine whether they are accurate or complete.

- vii. (a) The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it though there has been a slight delay in few cases. According to the information and explanations given to us no undisputed amounts payable in respect of statutory dues were in arrear as at 31st March 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- (c) According to the information and explanation given to us, no amount is required to be transferred to Investor Education and Protection Fund in accordance to the relevant provisions of the companies Act 2013 and rules made there under.
- viii. The Company has no accumulated losses as at 31st March 2015 and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its Bankers. The Company did not have any outstanding debentures and loans from any financial institution during the year.
- x. As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. To the best of our information and knowledge and as per records verified by us, the Company has applied its term loans for the purpose for which the loans were obtained.
- xii. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For RAKESH RAJ & ASSOCIATES
Chartered Accountants
Firm Regn. No. 005145N


Ruchi Jain
Partner
Membership No. 099920

Place: Faridabad
Date: 16.05.2015



TALBROS ENGINEERING LIMITED

Regd. Off. 74-75, Sector-6, Faridabad, Haryana 121006 Ph # 0129-4061545-49 Fax # 0129-4061541, Email : cs@bnt-talbro.com

CIN - L74210HR1985PL0033018

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31,2015

PART I						(Rs. in Lac)
S.No	Particulars	3 months ended 31.03.2015	Previous 3 months ended 31.12.2014	Corresponding 3 months ended in the previous year 31.03.2014	Current Year ended on 31.03.2015	Previous Year ended on 31.03.2014
		AUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED
1	Income from operations					
	a) Net Sales/Income from Operations (Net of excise duty)	3,193.17	3,372.46	2,887.17	12,619.94	11,732.76
	b) Other Operating Income	50.11	74.96	196.12	250.07	288.93
	Total income from operations (net)	3,243.28	3,447.42	3,083.29	12,870.01	12,021.69
2	Expenses					
	a) Cost of raw material consumed	1,550.69	1,573.12	1,500.41	6,263.77	5,891.79
	b) Changes in inventories of finished goods and work-in-progress	(3.50)	114.17	134.21	(152.53)	15.83
	c) Employee benefits expense	279.11	290.53	243.15	1,082.18	1,062.89
	d) Depreciation and amortisation expense	90.18	122.49	72.13	358.90	286.50
	e) Other expenses	1,094.62	1,121.30	896.85	4,422.71	3,822.79
	Total expenses	3,011.10	3,221.61	2,836.75	11,975.03	11,079.80
	Profit from Operations before Other income, finance costs and Exceptional items (1-2)	232.18	225.81	246.54	894.98	941.89
3	Other income	3.31	0.87	1.97	10.31	7.72
4	Profit from ordinary activities before finance costs and Exceptional Items (3+4)	235.49	226.68	248.51	905.29	949.61
5	Finance costs	64.51	58.64	79.25	245.33	360.71
6	(Loss)/Profit from ordinary activities after finance costs but before Exceptional Items (5-6)	170.98	168.04	169.26	659.96	588.90
7	Exceptional Items	-	-	-	-	-
8	(Loss)/Profit from Ordinary Activities before tax (7+8)	170.98	168.04	169.26	659.96	588.90
9	Tax Expenses	45.79	52.05	72.68	205.07	199.61
10	Net (Loss)/Profit from Ordinary Activities After tax (9+10)	125.19	115.99	96.58	454.89	389.29
11	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-
12	Net (Loss)/Profit for the period (11+12)	125.19	115.99	96.58	454.89	389.29
13	Paid-up Equity Share Capital (Face value Re.10 per Share)	253.83	253.83	253.83	253.83	253.83
14	Reserves excluding Revaluation Reserves					2,991.82
15	Earnings Per Share (before extraordinary items) (of Re. 10/- each) (not annualised):					
	(a) Basic	4.93	4.57	3.80	17.92	18.03
	(b) Diluted	4.93	4.57	3.80	17.92	18.03
16	Earnings Per Share (after extraordinary items) (of Re. 10/- each) (not annualised):					
	(a) Basic	4.93	4.57	3.80	17.92	18.03
	(b) Diluted	4.93	4.57	3.80	17.92	18.03
PART II						
A PARTICULARS OF SHAREHOLDING						
1	Public Shareholding					
	- Number of shares	7,02,316	7,02,316	7,02,424	7,02,316	7,02,424
	- Percentage of shareholding	27.67%	27.67%	27.67%	27.67%	27.67%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of shares	18,35,936	18,35,936	18,35,828	18,35,936	18,35,828
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	72.33%	72.33%	72.33%	72.33%	72.33%

Particulars	Quarter Ended on 31.03.2015
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	NIL
Received during the quarter	NIL
Disposed of during the quarter	NIL
Remaining unresolved at the end of the quarter	NIL



STATEMENT OF ASSETS & LIABILITIES

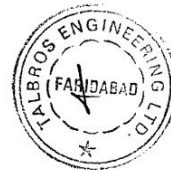
(Rs. In Lac)

Particulars	As at	As at
	31.03.2015	31.03.2014
	Audited	Audited
A EQUITY AND LIABILITIES		
1 ShareHolders' Funds		
a) Share Capital	253.83	253.83
b) Reserves & Surplus	3,001.81	2,755.75
Sub-total - Shareholder' funds	3,255.64	3,009.58
2 Non- Current liabilities		
(a) Long- term borrowings	440.89	411.09
(b) Deferred tax liabilities (net)	168.28	211.14
(c) Other long -term liabilities	-	-
(d) Long -term provisions	21.62	20.64
Sub-total - Non-current liabilities	630.79	642.87
3 Current liabilities		
(a) Short-term borrowings	677.42	930.82
(b) Trade payables	879.26	672.71
(c) Other current liabilities	666.40	1,132.62
(d) Short-term provisions	444.81	305.18
Sub-total - Current liabilities	2,667.89	3,041.33
TOTAL - EQUITY AND LIABILITIES	6,554.32	6,693.78
B ASSETS		
1 Non-current assets		
(a) Fixed assets	2,377.61	2,256.25
(b) Non - Current Investments	8.60	8.60
(c) Deferred tax assets (net)	-	-
(d) Long- term loans and advances	472.10	307.74
(e) Other non- current assets	-	-
Sub-total- Non current assets	2,858.31	2,572.59
2 Current assets		
(a) Current investments	-	-
(b) Inventories	1,271.93	1,243.48
(c) Trade Receivables	1,521.25	1,527.08
(d) Cash and cash equivalents	107.77	800.10
(e) Short-term loans and advances	774.22	733.16
(f) Other current assets	20.84	17.37
Sub-total- current assets	3,696.01	4,121.19
TOTAL - ASSETS	6,554.32	6,693.78

Notes:

- The above results for the quarter/year ended 31.03.2015 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on Saturday, 16.05.2015.
- The figures of the quarter ended March 31,2015 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto December 31,2014 of the current financial year.
- The entire operations of the company relate to only one segment viz. Automotive Components, therefore the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" is not applicable.
- The EPS has been computed in accordance with AS-20.
- Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the assets was determined to be nil as on April 1, 2014, and has adjusted an amount of Rs. 24.35 Lacs against the opening surplus balance in the statement of Profit and loss under Reserves and surplus.
- The depreciation expense in the statement of Profit and Loss for the year is higher by Rs. 65.43 lacs consequent to the change in the useful life of the assets.
- Depreciation has been charged on double shift and triple shift basis as per the actual running of plants.
- Previous period's/ year's figures have been regrouped/rearranged wherever considered necessary.
- The Board of Directors have recommended, subject to approval of shareholders, a dividend @ Re 6.00 per fully paid up equity share of Re.10/- each aggregating to Rs. 1,52,29,512 (P.Y. Rs.76,14,756) excluding dividend distribution tax of Rs.31,86,750(P.Y. Rs.12,94,128)

For and on behalf of the Board

Place Faridabad
Date 16.05.2015

(Sahjiv Sharma)
Executive Director
DIN: 06394774
No. 1002, Sector-8, Faridabad
Haryana - 121 006