Contents

2 Corporate Information

3 Notice of the Annual General Meeting

16 Financial Highlights

17 Directors' Report

21 Management Discussion and Analysis

22 Report on Corporate Governance

31 Auditors' Report

34 Balance Sheet

35 Statement of Profit and Loss

36 Notes on Financial Statements

48 Cash Flow Statement

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Board of Directors

Shri H.N. Taparia - Chairman and Managing Director
Dr. M. G. Nathani - Executive Director
Shri P.N. Shah
Shri M.V. Gore
Shri B.B. Ladda
Shri G.S. Manasawala
Shri Rajeev J. Mundra
Shri J.K. Taparia
Shri M.P. Taparia
Shri D.P. Taparia
Shri Virendra Bangur
Shri P.S. Krishnan - Director-Operations (w.e.f. 03-11-2012)

Company Secretary

Shri V.S. Datey

Bankers

HDFC Bank Limited

Solicitors

M/s. Mulla & Mulla Craigie Blunt & Caroe, Mumbai

Auditors

M/s. Batliboi & Purohit, Chartered Accountants, Mumbai

Corporate Office

423/24, (A-2), Shah and Nahar, Lower Parel (W), Mumbai –400 013, Maharashtra
Telephone: (+91) (022) 61478600, Fax: (+91) (022) 24953230 E-Mail: htaparia@vsnl.com

Registered Office

52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007,(Maharashtra)
Telephone :(0253) 2350317/2350318/2350418, Fax : (0253) 2350740, E-Mail : nashik@tapariatools.com

Plants

52 & 52B, MIDC Area, Satpur, Trimbak Road, Nashik - 422 007, (Maharashtra)
Plot No.L-29, Cuncolim Industrial Estate, Cuncolim - 403 703, (Goa)

Website

www.tapariatools.com

Notice

NOTICE is hereby given that Forty Seventh Annual General Meeting of TAPARIA TOOLS LIMITED will be held at Hotel Emerald Park, Sharanpur Link Road, Nashik – 422 002 on Monday, the 23rd day of September, 2013 at 12.30 p.m. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri G. S. Manasawala, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri B.B. Ladda, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Rajeev J. Mundra, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution relating to the appointment of Statutory Auditors of the Company:

   "RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/S. BATLIBOI & PUROHIT, Chartered Accountants, Mumbai (Registration No.101048W), the retiring Statutory Auditors of the Company, be and are hereby re-appointed as the Statutory Auditors of the Company to hold Office of Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting including adjourned Annual General Meeting, if any, of the Company, at a remuneration of ₹ 1,20,000/- (Rupees One lakh twenty thousand only) plus Service Tax as applicable, and reimbursement of actual out-of-pocket expenses as may be incurred for the purpose of Audit".

AS SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification/s, the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions of the Companies Act, 1956, Shri P.S. Krishnan be and is hereby appointed as Whole time Director designated as Director - Operations of the Company w.e.f. November 03, 2012 for a period of 5 years upon the terms and conditions set out within limits specified in Schedule XIII of the Companies Act, 1956 and any amendments thereto".

   "RESOLVED FURTHER that pursuant to the provisions of section 198 and 310 of the Companies Act, 1956 read with Schedule XIII and subject to other applicable rules, the ceiling of remuneration payable to Shri P.S. Krishnan, Director - Operations be fixed as ₹ 3,00,000/- per month plus perquisites as follows :

   a) Medical Reimbursement:

      Expenses incurred for himself and his family, upto a maximum of ₹ 12,000/- per annum.

   b) Leave and Leave Travel Allowance:

Leave as per rules of the Company including encashment of leave. Leave Travel Concession for self and family, once in a year, incurred in accordance with the rules of the Company, restricted to a maximum of ₹ 7,500/- per annum.

c) Other Payments and Provisions

Other Payments and Provisions will be as under:

i) Contribution towards Provident Fund

Contribution towards Provident Fund will be as per present rules of the Company, which may be modified by discussion. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

ii) Gratuity

Gratuity payable shall not exceed half month's latest drawn salary for each completed year of service, as per the present practice.

iii) Encashment of Leave

Encashment of Leave shall be at the time of tenure or at the end of tenure.

iv) Car

A car will be provided by the Company. The use of Company's car for business purposes will not be considered as a perquisite.

v) Telephone

Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall not be paid by the Company.

"RESOLVED FURTHER that in the event of loss, absence or inadequacy of profits, the remuneration shall not exceed the ceiling prescribed in paragraph (1)(B) of Section II of Part II of Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER that in the event of loss, absence or inadequacy of profits, proposed special resolution for the remuneration, if approved by the general body meeting of the shareholders shall be effective only for three years w.e.f. 03-11-2012 though the appointment of Shri P.S. Krishnan as Whole time Director designated as Director-Operation is approved for a period of five years."

"RESOLVED FURTHER that the Board of Directors on recommendation of the Remuneration Committee of the Board, fix the actual salary payable to Shri P.S. Krishnan, Director - Operations, from time to time, within the aforesaid ceiling limit of ₹ 3,00,000/- per month plus perquisites, after considering cost of living index, profitability, performance and contribution to progress of the Company and other relevant circumstances, provided that the salary so payable to him shall not be lower than his existing salary".

7. To consider and if thought fit, to pass, with or without modification/s, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 198 and 310 of the Companies Act, 1956 read with Schedule XIII and subject to other applicable rules, the ceiling of remuneration payable to Dr. Maheshkumar G. Nathani, Executive Director be increased from its existing limit of ₹ 3,00,000/- per month plus perquisites to ₹ 4,50,000/- per month plus perquisites as follows :

a) Medical Reimbursement:

Expenses incurred for himself and his family, up to a maximum of ₹ 30,000/- per annum.

b) Leave and Leave Travel Allowance:

Leave as per rules of the Company including encashment of leave. Leave Travel Concession for self and family, once in a year, incurred in accordance with the rules of the Company, restricted to a maximum of ₹ 20,000/- per annum.

c) Other Payments and Provisions

Other Payments and Provisions will continue as per earlier approval, which are as under:

i) Contribution towards Provident Fund

Contribution towards Provident Fund will be as per present rules of the Company, which may be modified by discussion. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

ii) Gratuity

Gratuity payable shall not exceed half month's latest drawn salary for each completed year of service, as per the present practice.

iii) Encashment of Leave

Encashment of leave at the time of tenure or at the end of tenure.

iv) Car

A car will be provided by the Company. The use of Company's car for business purposes will not be considered as a perquisite.

v) Telephone

Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall not be paid by the Company.

"RESOLVED FURTHER that the Board of Directors on recommendation of the Remuneration Committee of the Board, fix the actual salary payable to Dr. Maheshkumar G. Nathani, Executive Director, from time to time, within the aforesaid ceiling limit of ₹ 4,50,000/- per month plus perquisites, after considering cost of living index, profitability, performance and contribution of the Executive Director to progress of the Company and other relevant circumstances, provided that the salary so payable to him shall not be lower than his existing salary".

8. Amendment to Articles of the Company

To consider and if thought fit, to pass, with or without modification/s, the following resolution as a Special Resolution:

"RESOLVED that the Articles of the Company be and are hereby amended as follows :

A. The existing Article 6 shall be substituted by following Article

6. The shares in the capital of the Company shall be numbered progressively according to their denominations, except that the dematerialised shares shall not be numbered.

B. After existing Article 6, following Article shall be inserted-

Shares / Securities in physical and dematerialized form

6 (a) Notwithstanding anything contrary in any other provisions in these Articles, the further shares and securities of the Company may be issued in dematerialized form with a depository and that the existing shares and securities of the Company may be converted into dematerialized form with depository at the option of the shareholders/security holders.

(b) The Company shall enter into an agreement with the depository to enable the shareholder/security holder to dematerialize the shares and securities, in which event the rights and benefits, duties and obligations of the parties concerned shall be governed by the Depositories Act, 1996.

The beneficial owner of the shares/securities as per records of depository as on record date or book closure date shall be treated as member of the Company for purpose of voting rights at the general meetings and for all corporate benefits including dividend, rights shares and bonus shares.

(c) Where a shareholder/security holder opts to hold shares and securities with a depository, the Company shall intimate such depository the details of the shares and securities and on receipt of such information, the depository shall enter in its record the name of such person as the beneficial owner of such shares and securities in the Company.

(d) All shares and securities held by a depository shall be dematerialized and shall be in a fungible form and physical share/security certificates shall be mutilated and cancelled and further dealt with by the Company as per provisions of the Depositories Act, 1996.

(e) Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Companies Act, 1956 shall apply to a depository in respect of the shares and securities held by it on behalf of the beneficial owners.

(f) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of shares and securities on behalf of the beneficial owner.

(g) Every depository shall furnish to the Company information about the transfer of shares and securities in the name of the beneficial owners from time to time and in such manner as may specified by Company from time to time.

(h) Subject to the provisions of Section 8 of the Depositories Act, 1996, if a beneficial owner seeks to opt out a Depository in respect of any shares and securities, the beneficial owner shall inform the depository accordingly.

The depository shall on receipt of intimation, make appropriate entries in its records and shall inform the Company.

The Company shall, within thirty days of the receipt of the intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of shares and securities to the beneficial owner or the transferee as the case may be.

(i) Notwithstanding any to the contrary contained in the Articles, Section 83 of the Act shall not apply to transfer of shares and securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the depository.

C. At the end of Article 27, following *proviso* shall be added :

Provided that if any share/security is dematerialized, the existing share certificates, if any, be cancelled and that no share certificate shall be issued in case of shares in dematerialized form.

D. At the end of Article 28, following *proviso* shall be added :

Provided that no such certificate shall be issued if the shares/securities are in dematerialized form.

E. At the end of Article 29, following *proviso* shall be added :

Provided that no such fresh or duplicate certificate shall be issued if the shares/securities are in dematerialized form

F. At the end of Article 31, following *proviso* shall be added :

Provided that nothing in this Article shall apply to share/security of the Company in dematerialized form

G. At the end of Article 32, following *proviso* shall be added :

Provided that nothing in this Article shall apply to share/security of the Company in dematerialized form.

H. Article 46 shall be substituted by the following Article :

46. In case of shares/securities in physical form, the Company shall keep a book, to be called the 'Register of Transfers' and therein shall be fairly ad distinctively entered the particulars of every transfer or transmission of shares.

Explanation - For removal of doubts, it is clarified that nothing contained in Articles 46 to 66 shall apply to shares and securities held in dematerialized form.

9. Conversion of shares/securities in dematerialized form

To consider and if thought fit, to pass with or without modification/s, the following resolution as a Special Resolution:

"RESOLVED that the existing shares/securities of the Company may be converted into dematerialized form with depository, at the option of the shareholder/s".

"RESOLVED FURTHER that the Board of Directors be and are hereby authorised to take all necessary steps to dematerialize the shares/securities, including applying to depository, entering into agreement with depository, appointing and entering into agreement with Registrar and Share Transfer Agents and other intermediaries and making other applications and agreements and to take all such steps as may be required to convert the existing shares into dematerialized form".

By order of the Board

Mumbai, 30th May, 2013

V. S. Datey
Company Secretary

Registered Office:
52 and 52B, MIDC Area,
Trimbak Road, Satpur,
Nashik – 422 007 (Maharashtra)

Notes:

1. A MEMBER ENTITLED TO ATTEND and VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND and VOTE INSTEAD OF HIMSELF and THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
3. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
4. The Register of Members and Share Transfer Books in respect of the Equity Shares will remain closed from 19th day of September, 2013 to 23rd day of September, 2013 (both days inclusive).
5. (a) The Members are requested to :
   - Check the address printed on the envelope for any discrepancy especially that of pin code number. If the pin no. is missing or it is not correct, members are requested to communicate the correct pin code number to the Company.
   - Direct all correspondence to the Company's registered office at Nashik, for the attention of the Secretarial Department.
   - Quote ledger folio number in all their correspondence.
   - Approach the Company for consolidation of folios, if physical shareholdings are under multiple folios.
   - Get the shares transferred in joint names, if shares are held in single name, to avoid inconvenience.

- Submit to the Company copy of PAN Card along with the Share Transfer Proposal/s.
- Send to the Company duly filled in form of appointment of nominee for the shares held. The prescribed form for appointment of nominee will be made available on request.

(b) Members desirous of obtaining any information concerning the accounts and/or operations of the Company are requested to address their questions to the Company Secretary, so as to reach at least seven days before the date of Meeting, to enable us to make the information available at the Meeting, to the best extent possible.

Members are requested to bring their copy of the Annual Report and the Attendance Slip duly filled in with them at the Annual General Meeting.

6. Please note that pursuant to Section 205A of the Companies Act, 1956 all unclaimed/unpaid dividends till the introduction of Section 205C by the Companies (Amendment) Act, 1999 have been transferred to General Revenue Account of the Central Government and thereafter up to the financial year ended 2004-05 have been transferred to the Investor Education and Protection Fund.

Kindly note that in terms of Section 205C of the Companies Act, 1956 the unclaimed dividend for the financial year 2005-2006 (which has remained unclaimed for a period of seven years) from the date it has become due, will be transferred to Investor Education and Protection Fund in the month of November, 2013.

Those shareholders who have not encashed the dividend warrant for the financial year 2005-2006 and onwards are therefore, requested to forward the same to the Company for revalidation. It may also be noted that once the unclaimed dividend is transferred to the Fund, no claim shall lie against the fund or the Company in respect of the individual amounts which were unclaimed or unpaid.

7. As required under clause 49(iv)(G) of the Listing Agreement of the Stock Exchange, the relevant details of persons seeking appointment/reappointment as Directors are furnished in the Annexure to the Notice.

Explanatory Statement

As required by under Section 173 of the Companies Act, 1956, the following Explanatory Statement set out all material facts relating to the business mentioned in the accompanying Notice dated 30-05-2013:

ITEM NO. 6

In the Board Meeting of the Directors of the Company held on 03-11-2012, Shri P.S. Krishnan was appointed as the Whole time Director designated as Director-Operations of the Company for a period from 03-11-2012 to the date of this Annual General Meeting.

It is proposed to appoint Shri P.S. Krishnan as Whole time Director designated as Director – Operations for a period of five years w.e.f. November 03, 2012 and to fix the ceiling limit. Considering the cost of living index and the efforts taken by him for continued growing volume of the business and to keep in tune with the present trend, it was proposed to fix the ceiling limit of remuneration of Shri P.S. Krishnan as ₹ 3,00,000/- per month plus perquisites as mentioned hereunder:

PERQUISITES : Perquisites shall be allowed in addition to Salary.

a) Medical Reimbursement:

Expenses incurred for himself and his family, upto a maximum of ₹ 12,000/- per annum.

b) Leave and Leave Travel Allowance:

Leave as per rules of the Company including encashment of leave. Leave Travel Concession for self and family, once in a year, incurred in accordance with the rules of the Company, restricted to a maximum of ₹ 7,500/- per annum.

c) Other Payments and Provisions

Other Payments and Provisions will be as under:

i) Contribution towards Provident Fund

Contribution towards Provident Fund will be as per present rules of the Company, which may be modified by discussion. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

ii) Gratuity

Gratuity payable shall not exceed half month's latest drawn salary for each completed year of service, as per the present practice.

iii) Encashment of Leave

Encashment of Leave shall be at the time of tenure or at the end of tenure.

iv) Car

A car will be provided by the Company. The use of Company's car for business purposes will not be considered as a perquisite.

v) Telephone

Provision of telephone at residence will be not be considered as perquisite but personal long distance calls shall not be paid by the Company.

In the Meeting of Remuneration Committee and the Board held on 03rd November 2012, it was recommended and considered / approved that subject to approval of Shareholders, the aforesaid ceiling limit be fixed.

In the event of loss, absence of inadequacy of profits, the remuneration shall not exceed the ceiling prescribed in paragraph (1)(B) of section II of Part II of Schedule XIII of the Companies Act, 1956. In order to enable the

Company to pay the minimum remuneration as prescribed in the said paragraph, the information required is given as under:

I. GENERAL INFORMATION:

(1) Nature of industry

Manufacturing & Trading of Hand Tools

(2) Date or expected date of commencement of commercial production

The Company incorporated in the year 1965, is an existing operating Company

(3) Financial performance based on given indicators

(₹ in lakhs)

Financial Year Ended	*31.03.2013*	*31.03.2012*	*31.03.2011*
Net Sales	24195.98	22419.25	18475.86
Profit before interest and depreciation	1747.17	1397.19	1036.39
Interest	299.50	207.04	114.74
Depreciation	66.65	63.30	58.31
Profit for the year before tax	1381.02	1126.85	863.34
Provision for taxation	423.48	399.43	282.90
Profit after tax	957.54	727.42	580.44
Equity Share Capital	303.57	303.57	303.57

(4) Export performance and net foreign exchange collaborations

(₹ in lakhs)

Financial Year Ended	*31.03.2013*	*31.03.2012*	*31.03.2011*
Foreign Exchange Earnings (FOB value of Export)	271.24	278.18	244.89

II. INFORMATION ABOUT THE APPOINTEE:

1) Background details

Shri P.S. Krishnan is a DME (Mechanical Engg.) NFC. He has about 36 years experience in four different Orgnisations in various fields, i.e., Industrial Engineering, Project planning, Personnel, Administration, Industrial Relations, etc. In Taparia Tools Ltd., he has experience of about 27 years in various functions including overall supervision and management of the Company's Operations.

2) Past Remuneration

Actual remuneration payable was ₹ 85,700/- p.m.

3) Job profile and his suitability

The role of the Director – Operations is to look after and ensure the smooth functioning of all the activities in the works in cost effective manner and also to implement the strategic decisions of the Organisation under the guidance of Executive Director.

4) Ceiling Limit of Remuneration proposed

Ceiling Limit of Remuneration to be fixed @ ₹ 3,00,000/- p.m. plus perquisites as mentioned hereinabove.

5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position & person

The managerial remuneration in the industry has increased manifold in last few years. Having regard to the type and trends in industry, size of the Company, the responsibilities, academic background and capabilities of Shri P.S. Krishnan, the proposed remuneration is at par with the remuneration being paid to such senior executives by organizations in the corporate sector.

6) Pecuniary relationship directly/indirectly with the Company/ relationship with the managerial personnel, if any.

Shri P.S. Krishnan is not related directly/indirectly with the Company/ Managerial personnel.

III. OTHER INFORMATION:

(1)	Reasons of loss or inadequate profits	:	N.A.
(2)	Steps taken or proposed to be taken for improvement	:	N.A
(3)	Expected increase in productivity and profits in measurable terms	:	N.A.

IV. DISCLOSURES:

The shareholders of the Company have been informed of the remuneration package of Shri P.S. Krishnan. All elements of remuneration package are given in the Corporate Governance annexed to the Board of Directors' Report.

As per para 1(B)(ii) of section II of Part II of Schedule XIII of the Companies Act, 1956, it is confirmed that the Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person.

Since the appointment of Shri P.S. Krishnan as Whole Time Director designated as Director- Operations and the remuneration payable to him require approval of the Members of the Company in general meeting by means of Special Resolution, considering the provision of sections 198, 269 and 309 read with Schedule XIII to the Companies Act, 1956, the resolution as set out in this item of the accompanying Notice is commended for the approval of the Members.

Further, in the event of loss, absence or inadequacy of profits, proposed special resolution for the remuneration, if approved by the general body meeting of the shareholders shall be effective only for three years w.e.f. 03-11-2012 though the appointment of the Shri P.S. Krishnan as Whole time Director is approved for a period of five years."

None of the other Directors except Shri P.S. Krishnan is interested in the resolution.

Details of Shri P.S. Krishnan as required under Clause 49 of the Listing Agreement are given in the Annexure to the Notice.

The resolutions along with the above explanatory details may be treated as an abstract circulated to the Shareholders under section 302 of the Companies Act 1956.

Considering his long and varied experience, his contribution on the Board will be valuable to your Company. The resolution is accordingly commended for your acceptance.

ITEM NO. 7

In the Annual General Meeting of the shareholders of the Company held on 30th September 2011, Dr. Maheshkumar G. Nathani was re-appointed as the Executive Director of the Company for five years w.e.f. 28.08.2011. While appointing, the shareholders approved the ceiling limit of remuneration payable to Dr. Maheshkumar G. Nathani at ₹ 3,00,000/- per month plus perquisites.

Under his administration, Company's Plants at Nashik and Goa have made good progress and the Operations of the Company have been becoming more and more sound including development of managers under him.

Considering the progress under the leadership of Dr. Maheshkumar G. Nathani as Executive Director and also considering the cost of living index, ever growing volume of the business, profitability performance and contribution of the Executive Director to the progress of the Company and other relevant circumstances, it is proposed to increase the Ceiling Limit of Remuneration payable to Dr. Maheshkumar G. Nathani as Executive Director from present limit of ₹ 3,00,000/- per month plus perquisites to ₹ 4,50,000/- per month plus existing perquisites which are as under:

PERQUISITES : Perquisites shall be allowed in addition to Salary.

a) Medical Reimbursement:

Expenses incurred for himself and his family, up to a maximum of ₹ 30,000/- per annum.

b) Leave and Leave Travel Allowance:

Leave as per rules of the Company including encashment of leave. Leave Travel Concession for self and family, once in a year, incurred in accordance with the rules of the Company, restricted to a maximum of ₹ 20,000/- per annum.

c) Other Payments and Provisions:

Other Payments and Provisions will continue as per earlier approval, which are as under:

i) Contribution towards Provident Fund

Contribution towards Provident Fund will be as per present rules of the Company, which may be modified by discussion. Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

ii) Gratuity

Gratuity payable shall not exceed half month's latest drawn salary for each completed year of service, as per the present practice.

iii) Encashment of Leave

Encashment of Leave shall be at the time of tenure or at the end of tenure.

iii) Car

A car will be provided by the Company. The use of Company's car for business purposes will not be considered as a perquisite.

iv) Telephone

Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall not be paid by the Company.

The Board on the recommendation of the Remuneration Committee considered the increase in the ceiling limit of remuneration payable to Dr. Maheshkumar G. Nathani, Executive Director from ₹ 3,00,000/- per month to ₹ 4,50,000/- per month plus perquisites as described hereinabove.

In the event of loss, absence or inadequacy of profits, the remuneration shall not exceed the ceiling prescribed in paragraph (1)(B) of Section II of Part II of Schedule XIII of the Companies Act, 1956. In order to enable the Company to pay the minimum remuneration as prescribed in the said paragraph, the information required is given as under:

I. GENERAL INFORMATION:

Please refer the information under the heading General Information in Item No. 6 of the Explanatory Statement.

II. INFORMATION ABOUT THE APPOINTEE:

1) Background details.

Dr. Maheshkumar G. Nathani is a M.Sc. and holds a Ph.D. He has long experience in various fields, i.e., Production Planning and Control, Ancillary Development, Administration, Personnel, Export Sales, etc. He has overall supervision and management of the Company's production operations taking place at Nashik and Goa.

2) Past remuneration

Ceiling Limit of Remuneration was ₹ 3,00,000/- p.m. and actual remuneration payable was ₹ 2,97,300/- p.m.

3) Job profile and his suitability.

The role of the Executive Director is to design, develop and implement strategic plans for their organization in a cost-effective and time-efficient manner. He will also perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon him by the Board.

Dr. Maheshkumar G. Nathani is a Senior Corporate Personality and the Company has made tremendous progress under his supervision. He has an experience of more than four decades in handling and supervising the operations of the Company. He possesses the leadership qualities such as management and control, training the managers, etc.

4) Remuneration proposed

Ceiling limit of Remuneration to be increased from ₹ 3,00,000/- p.m. to ₹ 4,50,000/- p.m.

5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position & person.

The managerial remuneration in the industry has increased manifold in last few years. Having regard to the type and trends in industry, size of the Company, the responsibilities, academic background and capabilities of Dr. Maheshkumar G. Nathani, the proposed remuneration is at par with the remuneration being paid to such senior executives by organizations in the corporate sector.

6) Pecuniary relationship directly/indirectly with the Company/ relationship with the managerial personnel, if any.

Dr. Maheshkumar G. Nathani is not related directly/indirectly with the Company/ Managerial personnel.

III. OTHER INFORMATION:

1)	Reasons of loss or inadequate profits	:	N.A.
2)	Steps taken or proposed to be taken for improvement	:	N.A.
3)	Expected increase in productivity and profits in measurable terms	:	N.A.

IV. DISCLOSURES:

The shareholders of the Company have been informed of the remuneration package of Dr. Maheshkumar G. Nathani. All elements of remuneration package are given in the Corporate Governance annexed to the Board of Directors' Report.

As per para 1(B) (ii) of section II of Part II of Schedule XIII of the Companies Act, 1956, it is confirmed that the Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person.

Since the reappointment of Executive Director and the remuneration payable to the Executive Director require approval of the Members of the Company in general meeting by means of Special Resolution, considering the provision of sections 198, 269 and 309 read with Schedule XIII to the Companies Act, 1956, the resolution as set out in this item of the accompanying Notice is commended for the approval of the Members.

Further, in the event of loss, absence or inadequacy of profits, proposed special resolution for the remuneration, if approved by the general body meeting of the shareholders shall be effective only for three years from the date of passing of the resolution.

Dr. Maheshkumar G. Nathani is interested or concerned since increment of ceiling limit of his remuneration as Executive Director is involved.

None of the other Directors except Dr. Maheshkumar G. Nathani is interested in the resolution.

The Board commends the above resolution for approval of the Members.

ITEM NO. 8

The shares of the Company are listed on Bombay Stock Exchange. Considering the requirements of Listing Agreement, it is proposed to convert shares of the Company into dematerialized form, at the option of shareholders.

The existing Articles of the Company do not make provision to have the Company's shares in dematerialized form.

It is therefore proposed to amend the existing Articles as proposed in the draft resolution, to enable the Company to convert shares into dematerialized form.

The existing Articles of the Company are available at the registered office of the Company for inspection anytime during office hours.

ITEM NO. 9

As per amended Articles of the Company, the shares/securities of the Company can be converted into dematerialized form, at the option of shareholders.

In order to enable shareholders to convert the shares/securities in dematerialized form, it is necessary to enter into agreement with depository, Registrar and Share Transfer Agents and other intermediaries. It is proposed to authorise Board of directors to take all necessary steps and make applications, enter into agreements with depository and other intermediaries, to enable members to convert their shares in dematerialized form.

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Annexure to Notice

Details of Directors seeking appointment / re-appointment in the ensuing Annual General Meeting

(Pursuant to Clause 49 of the Listing Agreement]

Name of the Director	Shri G. S. Manasawala	Shri B.B. Ladda	Shri Rajeev J. Mundra	Shri P.S. Krishnan
Date of Birth	15-07-1930	19-09-1942	19-05-1970	15-09-1956
Date of Appointment / Re-appointment	28-09-2010	28-09-2010	28-09-2010	03-11-2012
Experience in specific functional areas	Advocate in High Court and Supreme Court, handled accounts of companies	Direct Taxes, Accounting, Auditing & Financial Management	Audit, Taxation, Finance, Administration & Telecom	Industrial Engineering, Project planning, Personnel & Administration, Industrial Relations, Operations,
Experience	59 years	46 years	16 years	36 years
Educational Qualifications	B. Com., LL.B.	Chartered Accountant	Chartered Accountant, Cost & Works Accountant	DME (Mechanical Engg.), NFC (Production Engineering and Industrial Engineering)
Details of equity shares held in the Company	Nil	Nil	Nil	Nil
Directorship in other listed Companies as on 31.03.2013	Soma Papers & Industries Limited	Nil	Nil	Nil
Chairman / Member of the Committees of other companies in which he is a Director as on 31.03.2013	Nil	Nil	Nil	Nil

Financial Highlights

SHAREHOLDERS' FUNDS

1967-1968 : ₹ 39.80 Lakhs
2012-2013 : ₹ 4699.52 Lakhs

(₹ in lakhs)

	2008-09	2009-10	2010-11	2011-12	2012-13
FOR THE YEAR					
1. GROSS REVENUE	12711.63	15506.73	18475.86	22419.25	24195.98
2. PROFIT BEFORE TAX	645.11	886.65	863.34	1126.85	1381.02
3. PROFIT AFTER TAX	394.62	583.49	580.44	727.42	957.54
4. RETAINED EARNINGS	659.43	1182.92	1703.36	2357.78	3217.32
5. CASH GENERATION	447.30	642.49	638.76	790.72	1024.19
6. FOREIGN EXCHANGE EARNINGS	256.43	239.01	247.38	278.18	263.87
AT YEAR END					
7. GROSS FIXED ASSETS	2703.03	2746.18	2781.21	2847.59	3044.63
8. SHARE CAPITAL	303.58	303.58	303.58	303.58	303.58
9. RESERVES AND SURPLUS	1542.42	2146.61	2722.22	3444.02	4395.94
10. NET WORTH	1846.00	2450.19	3025.80	3747.60	4699.52
11. BORROWINGS	1484.60	1219.55	1569.30	2860.33	2616.77
12. CAPITAL EMPLOYED	3330.60	3670.04	4595.10	6607.93	7316.29
PER SHARE (In ₹)					
13. NET WORTH PER EQUITY SHARE	60.81	80.72	99.67	123.45	154.80
14. EARNINGS PER SHARE	13.00	19.22	19.12	23.96	31.54
RATIO					
15. DEBT:EQUITY RATIO (Debt: Equity Share Capital)	4.89	4.02	5.17	9.42	8.62

Directors' Report

To the Members of Taparia Tools Limited,

Your Directors have pleasure in presenting the 47th Annual Report on the operations of the Company together with the Audited Accounts for the year ended March 31, 2013.

FINANCIAL PERFORMANCE

(₹ in lakhs)

	2012-13	2011-12
Revenue (Net)	24195.98	22419.25
Profit before interest and depreciation	1747.17	1397.19
Less: Interest	299.50	207.04
Gross Profit	1447.67	1190.15
Less : Depreciation	66.65	63.30
Profit for the year before tax	1381.02	1126.85
Less : Provision for taxation		
Current Tax	442.34	417.00
Deferred Tax	(18.86)	(17.57)
Profit after tax	957.54	727.42
Add : Surplus brought forward from previous year	2357.78	1703.36
Profit available for Appropriations	3315.32	2430.78
Less : General Reserve	98.00	73.00
Surplus carried to Balance Sheet	3217.32	2357.78

DIVIDEND

The Directors have not recommended any dividend for the year under review. The Company has retained the funds for expansion of the activities of the company by introduction of new product range and purchase of land for new development.

REVIEW OF OPERATIONS

During the year under review, though the inflation rate was high and the economic growth was lower than expected and also a drought-hit agriculture output in some States, the Company's working during the year is satisfactory.

The Company's total revenue (Net of excise duty) were ' 24195.98 lakhs that represent an increase of 7.92% over the sales of ₹ 22,419.25 lakhs in the previous year. Profit earned after tax is ₹ 957.54 lakhs in the current year against ₹ 727.42 lakhs in the previous year.

Despite continuously rising cost of inputs and keen competition in hand tools market, the current results of the Company are satisfactory. The Company has revised its product prices w.e.f. 01st August 2012 to cope with increased costs.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent globally.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

PERSONNEL

The industrial relations with employees continued to be satisfactory during the year under review. There was no employee drawing salary of more than ₹ 5,00,000/- per month or ₹ 60,00,000/- per annum. Hence, the requirement of a statement giving information and particulars of the employees as required under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, is not applicable.

DIRECTORS

Shri P.S. Krishnan was appointed as Additional Director of the Company with effect from 03rd November, 2012. Under section 260 of the Companies Act, 1956, Shri P.S. Krishnan will hold office upto the forthcoming Annual General Meeting. As required by section 257 of the Companies Act, 1956, the Company has received Notice from the shareholder in writing signifying his intention to propose the candidature of Shri P.S. Krishnan as Whole Time Director.

Shri G. S. Manasawala, Shri B.B. Ladda and Shri Rajeev J. Mundra, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Brief profile of the Directors is given in the Annexure to the Notice.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

2) Selected appropriate such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for the year under review;

3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

4) The Annual Accounts have been prepared on a "going concern" basis.

AUDITORS

Themembers are requested to appoint Statutory Auditors for the current financial year and to fix their remuneration.

M/s. Batliboi and Purohit, Chartered Accountants, the present Auditors, have under section 224 (1B) of the Companies Act, 1956, furnished their Eligibility Certificate for reappointment.

The notes to the Accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to section 217(1)(e) of the Companies Act, 1956 read together with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

CONTRIBUTION TO REVENUE

Company has contributed the following amounts to the exchequer's revenues during the year:

		(₹ in lakhs)
a)	Excise Duty	748.46
b)	VAT/CST	787.49
c)	Octroi and Municipal Taxes	60.86
d)	Income Tax	420.00
	Total	2016.81

ACKNOWLEDGEMENT

The Directors wish to convey their appreciation for the total commitment, dedication, hard work and enormous personal efforts as well as collective contribution put in by every employee of your Company in achieving the present performance of the Company.

The Directors would also like to thank the bankers, Central and State Governments, local authorities, customers, distributors, suppliers and all other business associates for the continuous and unstinted support given by them to the Company and their confidence in its management.

The Directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

On behalf of the Board of Directors

H.N. Taparia
Chairman &
Managing Director

Mumbai, 30th May, 2013

Annexure 'A' to the Directors' Report

DISCLOSURES

A) CONSERVATION OF ENERGY

a) Energy conservation measures taken:

Company is continuously working on various projects for conservation of energy and has taken the following measures for conservation of energy.

- Procured two number of 40 K W Induction Heating Machines for pliers cutting edge hardening. The consumption of energy per piece has reduced substantially.
- Carried out "Low Cost Automation" and reduced the energy consumption by using induction heating in place of oil for heating and bending of angle handle.
- Work carried out as per thermal testing to reduce distribution losses.

b) Additional Investments and proposals being implemented for reduction of consumption of energy:

- It is confirmed that induction heating process are economical as compared to use of oil for blank heating in Forge Shop.

  We are exploring a suitable Induction Heating Furnace for blank heating operation in Forge Shop.

c) *Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods:*

- Use of induction heating has resulted in the following advantages.
  - Reduced air pollution resulting in better working condition.
  - Improved thermal efficiency.
  - Cost reduction.
- Relining of muffle Furnace at Nasik Unit has been completed and furnace ON time is reduced affecting reduction in energy charges.

d) Total energy consumption and energy consumption per unit of production as per Form-A

FORM-A (Rule-2)

	Current year 2012-13	Previous year 2011-2012
I) Power/fuel consumption :		
1. Electricity		
(a) Purchased :		
Unit Lakhs(KWH)	46.53	56.96
Total Cost (₹ Lakhs)	312.00	328.86
Average Rate/₹/KWH	6.70	5.77
(b) Own Generation :		
Unit (Lakh KWH)	-	-
Unit per ltr.of diesel oil	-	-
Average Rate/Unit (₹)	-	-
2. Furnace Oil :		
Purchased (KL)	291.42	380.86
Total Cost (₹/Lakhs)	118.91	154.49
Average Rate (₹/Ltr.)	40.80	40.56
II) Consumption per unit of production:		
Electricity (Unit/MT)	2888	2842
Furnace Oil (Ltr./MT)	182	251
Coal	-	-
Others	-	-

B) TECHNOLOGY ABSORPTION

a) Research and Development

(i) Specific areas in which R & D carried out by the Company:

- The following new products have been introduced during the year 2012-2013:
  - 1170 N to 1173 N Adjustable Spanners (Chrome Plated)
  - MCP 12 (Multipurpose combination Pliers (Heavy duty)
  - Diamond Blade Cutter-3 Type (DBS-4, DBC-4,DBT-4)
  - TP9- Tower Pincers (Big size)
  - 1644-9 V-G Pliers (Long Nose)
  - 1645-11 Locking Clamps with swivel Pads
  - SK1 Snap Off cutters
  - UB-10 Spares Blade for UK-3
  - CC 32 Cable Cutters
  - SSO 80 to SSO 120 Slugging open ended Spanners (Big Sizes)

- SSR 90 to SSR 120 Slugging Ring Spanners (Big Sizes)
- Spanners (Big sizes)

▪ Carried out "Low Cost Automation" and increased productivity as given below:
- Installed Vickers Hardness Testing Machine for precision hardness testing.
- Installed Spectrometer for chemical analysis of materials.

▪ Developed Taper Operation of Tommy Bar - 1751 by pressing on Mechanical Press in place of Taper Turning on Lathe Machine.

(ii) Benefits derived as a result of the above R and D:

▪ Increased the Product Range
▪ Increased the turnover of the Company
▪ Reduced the cost of operations
▪ Increased the productivity
▪ Improved quality and speed of raw material inspections

(iii) Future plan of action:

To continue the introduction of new products and widening the product range .

▪ The following new products are under exploration:
- Tungsten Carbide Saw Blade
- Sledge Hammer
- Angle Handle
- Nut Driver
- T-Type Socket Wrench
- Torque Wrench Professional.
- Plastic Cutting Pliers

▪ To continue efforts on cost reduction and quality improvement.

(iv) Expenditure on R & D :

a)	Capital	:	-
b)	Recurring	:	₹ 78.72 Lakhs
c)	Total	:	₹ 78.72 Lakhs
d)	Total R & D Expenditure as a percentage of total turnover	:	0.32 %

b) Technology absorption, adaptation and innovation:

(i) Efforts, in brief made towards technology absorption, adaptation and innovation:

▪ The Company has procured and installed following equipments :
- 250 Tons Coining Press
- 4 Spindle CNC - Cutting Edge Milling Machines for Pliers
- Profile Milling Machine for pliers
- Plier Cheek Grinding Machine
- Plier Etching Machine

▪ Exploration is going on following equipments :
- Shank Grinding Machine
- Laser Marking Machine

(ii) Benefits derived as a result of above efforts:

▪ Maintained market leadership in domestic market. Several tangible and intangible benefits are derived such as better control over production cost, productivity and wastage and curtailment of maintenance cost.
▪ Continuous expansion of product range resulting in increased market share in domestic and international market.
▪ Better and efficient manufacturing processes.
▪ Improved overall product quality.

(iii) Technology imported during the last five years:
The Company has not imported any technology from outside.

(iv) Foreign Exchange earnings and outgo:

Foreign exchange earnings : ₹ 263.87 Lakhs

Foreign exchange outgo : ₹ 2028.90 Lakhs

Management Discussion And Analysis

OVERVIEW

In the FY 2012-13, the Indian economic growth fell to 5% from 6.9% the previous year in the wake of drought-hit agriculture output, serious problems in the global markets hitting merchandise exports, high cost of borrowing that hit the industrial output along with other issues and a perception of a policy paralysis among the global investors.

On top of it all, a huge gap between imports and exports made things difficult for the economy, particularly the government finances and the current account deficit reached an unsustainable levels of 6.7% in the third quarter of FY 2012-13. Inspite of the economic slowdown in the previous year the current year is estimated to show better results due to improvement in performance of agriculture and manufacturing sectors.

BUSINESS OF THE COMPANY

The Company is mainly engaged in the business of Hand Tools.

PERFORMANCE

As reflected in the previous years, the performance of the Company has been consistent and has again posted better results in the year 2012-2013. The Company was successful to show good results due to the policy of the Company to achieve minimum profits inspite of financial crises. The product range introduced last year proved profitable and added to the profits of the Company.

Turnover of the Company has increased from ₹ 22,419.25 lakhs in the previous year to ₹ 24195.98 lakhs during the FY 2012-2013 which resulted in the growth of Sales volume by 7.92% as compared to previous year.

The Company has always performed well inspite of financial and economic crises and has proved the same yet another year by giving good results.

OPPORTUNITIES AND THREATS

The Indian industrial sector underwent significant changes because of the economic liberalization in Indian Economic Reforms, which removed many restrictions and led to an expansion of the Industrial Sector in the Country. The opportunities for the Indian Companies are increased to mark its existence in the Industrial sector. The Company is also successful to contribute good results by committing to manufacture good quality hand tools.

The adverse effect of expansion of the Industrial Sector in India is the development of a competitive market in the Country. As a result, the Company has to strive hard to maintain its existence. Duplicate products under the Company brand continues serious problem hampering the operations and profits of the Company. Many small companies coming up with manufacturing of hand tools give rises to competition sacrificing the quality of the products.

INTERNAL CONTROL SYSTEM

The Company has always ensured that there is an adequate system of internal controls in the Company. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well to strengthen its Management Information System for effective checks.

HUMAN RESOURCES

Cordial relations of the Company with its employees during its forty seven years of existence, is one of the reasons for the Company to achieve such great heights. The Company has always concentrated the comfort of its employees concerning the working conditions and learning environment that always helps to add to the profiles of the employees.

The Company Management comprises of skilled and professional people working together which has proved efficient in increasing the productivity and profitability of the Company.

The Company always tries to maintain constructive relationship with its employees through a positive environment.

CONCLUSION

Your Company has posted better results in the year 2012-2013 inspite of the existing economic and financial crises. The Company is concentrating to achieve higher position in the Hand Tools Market and multiply its turnover by expanding its area of operation. The Company has plans for making investment in the Hand Tools business to further consolidate its leadership position

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CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and predictions may be "forward-looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied, important factors that could make difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the Government regulations, tax regimes, economic developments within India and countries in which the Company conducts business and other incidental factors.

Report On Corporate Governance for the financial year 2012-2013

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Corporate Governance at Taparia Tools Limited is a value-based framework to manage the affairs of the Company in a fair and transparent manner. The Company's governance processes include independence, integrity, accountability, transparency, responsibility and fairness. These values are followed consistently in all its corporate decisions and business dealings. The Company complies with the regulatory guidelines on corporate governance for strategic growth of the Company. The Company has an active, well-informed and independent Board to ensure highest standards of Corporate Governance Practices. It believes that the values and ethics, the Company follow in managing the affairs of the Company has been instrumental in positioning Taparia as a brand of trust.

2. BOARD OF DIRECTORS

Composition of Board:

The Board of Directors of the Company is an appropriate mix of Executive and Independent Directors to maintain independence on the Board and to separate its functions of governance and management. As on date, the Board consists of 12 members, four of whom are Promoter Directors, two are Whole time Directors designated as Executive Director and Director – Operations and other six are Independent Directors. The Managing Director of the Company is also functioning as the Executive Chairman.

Board Meetings:

Four Board Meetings were held during the year ended on 31 March 2013. These were held on May 26, 2012; August 08, 2012; November 03, 2012 and February 09, 2013. Maximum time gap between two Board Meetings did not exceed the limits as prescribed in Clause 49 of the Listing Agreement.

Attendance of Directors at the Board Meetings

Name of Director	Category	Meetings		Directorships in other public companies
		Board	AGM	
Shri H. N. Taparia	Chairman and MD, Promoter Director	4	Yes	-
Shri M. V. Gore	Independent Director	3	Yes	-
Shri P. N. Shah	Independent Director	3	-	7
Shri B. B. Ladda	Independent Director	4	-	-
Shri G. S. Manasawala	Independent Director	4	-	-
Shri Rajeev J. Mundra	Independent Director	3	-	-
Shri Virendra Bangur	Independent Director	-	-	7
Shri J. K. Taparia	Non-Executive, Promoter Director	4	Yes	-
Shri M. P. Taparia	Non-Executive, Promoter Director	2	Yes	-
Shri D. P. Taparia	Non-Executive, Promoter Director	3	Yes	2
Dr. M. G. Nathani	Executive Director	4	Yes	-
Shri P.S. Krishnan	Director - Operations	1	Yes	-

Shri P.S. Krishnan has been appointed as an Additional whole time Director of the Company designated as "Director-Operations" by the Board of Directors on 03rd November, 2012 and he ceases to hold office under section 260 of the Companies Act, 1956 on conclusion of the Annual General Meeting. The Company has received notice in writing proposing his candidature for the office of Director.

Shri G. S. Manasawala, Shri B.B. Ladda and Shri Rajeev J. Mundra, Directors of the Company, are liable to retire by rotation and being eligible offer themselves for reappointment. Information as required under Clause 49 of the Listing Agreement is given in the Annexure to the Notice.

3. AUDIT COMMITTEE

The Audit Committee of the Company comprises of five Independent Directors, namely,

a) Shri M. V. Gore – Chairman b) Shri P. N. Shah c) Shri B. B. Ladda
d) Shri G. S. Manasawala and e) Shri Rajeev J. Mundra

The members of the Committee have good exposure to law, finance and internal/external audit as well as in the areas of general management.

The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality of the financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the external auditors. The Committee recommends the selection, evaluation and where required the replacement of internal auditors, cost auditors and the statutory auditors. The Committee also recommends the fixing of audit fees and other payments for the services rendered by the auditors. All possible measures must be taken by the Committee to ensure the adequacy of internal control systems and reviewing the financial and risk management policies of the Company.

Four Meetings were held during the year – on May 26, 2012; August 08, 2012; November 03, 2012 and February 09, 2013

Attendance of Directors at the Audit Committee Meetings

Name of the Director	Designation	No. of Meetings attended
Shri M.V. Gore	Chairman	3
Shri P.N. Shah	Member	3
Shri B.B. Ladda	Member	4
Shri G.S. Manasawala	Member	4
Shri Rajeev J. Mundra	Member	3

4. REMUNERATION COMMITTEE

The Remuneration Committee consists of five Independent Directors, namely:

a) Shri M. V. Gore - Chairman b) Shri P. N. Shah c) Shri B. B. Ladda
d) Shri G. S. Manasawala e) Shri Rajeev J. Mundra

The main responsibility of the Committee is to look into all the elements of remuneration package of Managing Director / Whole-time Directors. The Committee has been constituted to recommend / review the remuneration packages for the Managing Director / Whole-time Directors. The remuneration policy of the Committee is directed towards rewarding performance based on review of achievements on periodical basis.

Two Remuneration Committee Meetings were held in the year under review on May 26, 2012 and November 03, 2012.

Attendance of Directors at the Remuneration Committee Meetings

Name of the Director	Designation	No. of Meetings attended
Shri M. V. Gore	Chairman	1
Shri P. N. Shah	Member	1
Shri B. B. Ladda	Member	2
Shri G. S. Manasawala	Member	2
Shri Rajeev J. Mundra	Member	1

Details of Sitting Fees Paid to Non-Executive Directors & Independent Directors

Name of Director	Amount (₹)	Name of Director	Amount (₹)
Shri M. V. Gore	19,000	Shri B. B. Ladda	26,000
Shri P. N. Shah	19,000	Shri Virendra Bangur	-
Shri J. K. Taparia	20,000	Shri D. P. Taparia	15,000
Shri M. P. Taparia	10,000	Shri G. S. Manasawala	26,000
Shri Rajeev J. Mundra	19,000		
		Total Sitting Fees Paid	1,54,000

(The above sitting fees are excluding reimbursement of travel and other expenses incurred for the business of the Company)

Sitting fees for Directors for the Meetings are as follows:

a) Board of Directors : ₹ 5,000/- each meeting

b) Audit Committee, Remuneration Committee and Special Committee : ₹ 1,000/- each meeting

Remuneration for Managing Director / Executive Director : (No Sitting Fees) *(₹ in lakhs)*

Name of Director	Salaries and Allowances	Perquisites
Shri H. N. Taparia, Chairman and Managing Director	39.50	Nil
Dr. M. G. Nathani, Executive Director	37.87	3.40
Shri P.S. Krishnan, Director - Operations	* 6.83	* 0.61
Total Remuneration Paid	84.20	4.01

* *Part of the Year*

Salary includes Basic Salary, House Rent Allowance, Bonus, Leave Encashment and Company's Contribution to Provident Fund but excludes Company's Contribution to Gratuity Fund.

5. SHAREHOLDERS GRIEVANCES /SHARE ALLOTMENT & TRANSFER COMMITTEE

The members of the Shareholders Grievances/Share Allotment and Transfer Committee of the Company are Shri D. P. Taparia, Chairman, Shri H. N. Taparia and Dr. M. G. Nathani.

Shri V. S. Datey, Company Secretary who is the Compliance Officer can be contacted at the registered office of the Company.

The purpose of this Committee of the Board of Directors is to review, deal and resolve the matters regarding share transfers, transmission of shares, issue duplicate share certificates, splitting or consolidation of share certificates, redress shareholders' complaints, approve the nominations received, etc.

During the year, eleven Meetings were held on September 08, 2012; December 15, 2012; January 05, 2013; January 19, 2013; January 26, 2013; February 18, 2013; February 23, 2013; February 27, 2013; March 09, 2013; March 23, 2013 and March 30, 2013. All the members of the Committee were present at all the meetings held.

Details of complaints received and resolved during the Financial Year ended 31-03-2013

Complaints pending at the beginning of the year	Complaints received during the year	Complaints Resolved at the end of the year
1	6	4

6. SPECIAL COMMITTEE

The Special Committee comprises of five Members namely, Shri H. N. Taparia - Chairman, Shri M. P. Taparia, Shri D. P. Taparia, Shri J. K. Taparia and Shri B. B. Ladda.

The Board has stipulated the responsibility to discuss and approve the Quarterly Unaudited /Audited Financial Results in case any meeting is not held for approving the same. Provided that when the Quarterly Unaudited/ Audited Financial Results are approved by the Committee they shall be placed before the Board at its next meeting. Provided further that while placing the Financial Results before the Board, the Chief Executive Officer and Chief Financial Officer of the Company by whatever name called, shall certify that the Financial Results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statement or figure contained therein misleading.

To note the Limited Review Report duly reviewed by the Statutory Auditors of the Company for the Unaudited/ Audited Financial Results before being submitted to the Bombay Stock Exchange Ltd provided that when the Limited Review Report is placed before the Committee, they shall be placed before the Board at its next meeting.

To discuss, note, recommend and approve the matters which are required for the compliance of the Listing Agreement/Companies Act as amended from time to time.

During the year under review, no Special Committee Meeting was held.

7. GENERAL BODY MEETINGS

Location & time where the last three Annual General Meetings were held:

Year	Day & Date	Time	Location
2009-2010	Tuesday 28.09.2010	12.30 p.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002
2010-2011	Friday 30.09.2011	01.00 p.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002
2011-2012	Monday 17.09.2012	01.00 p.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002

Details of Special Resolutions passed in the above referred meetings are given below:

Date of the AGM	Number of Special Resolutions passed	Subject matter
September 28, 2010	1	Re-appointment of Shri H.N. Taparia as Managing Director for a further period of 5 years.
September 30, 2011	2	a) Increase in the ceiling limit of remuneration of the Managing Director b) Re-appointment of Dr. M. G. Nathani as the Executive Director and increase in the ceiling limit of remuneration payable to him.
September 17, 2012	Nil	Not applicable.

8. DISCLOSURES

Related Party Transactions

The details of the related party transactions during the year under review are shown in the Notes to Accounts which form part of this Report.

Compliances by the Companies

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

Details of adoption of non-mandatory requirements under Clause 49 of the Listing Agreement by the Company

a) The Company has constituted Remuneration Committee, full details are furnished in this report.

The Financial Results of the Company are published in the newspapers on quarterly basis. Hence, they are not sent to each shareholder.

b) The statutory financial statements of the Company are unqualified.

c) The Board of Directors of the Company consists of an optimal blend of Company Executives and Independent professionals having knowledge of Business and expertise in their area of specialization.

9. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board/Special Committee of the Board. These are also published in the newspapers.

10. CODE OF CONDUCT

The members of the Board of Directors of TAPARIA TOOLS LTD acknowledge and accept the scope and extent of their duties as Directors.

The Code of Conduct as adopted by the Board of Directors is applicable to all Board Members, Senior Management and Head of Departments of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of TAPARIA TOOLS LTD. in an honest, fair, diligent and ethical manner. They must act within the bounds of the authority conferred upon them and with the duty to make and enact informed decisions and policies in the best interests of the Company.

A declaration by the Chairman and Managing Director of the Company affirming the compliance of the Code by the Board Members and Senior Management is given at the end of the report.

11. GENERAL SHAREHOLDERS INFORMATION:

a) Annual General Meeting

Day, Date & Time	:	Monday, 23rd September, 2013 at 12.30 p.m.
Venue	:	Hotel Emerald Park, Sharanpur Link Road, Nashik – 422 002

b) Financial Calendar

Year Ending	:	March 2014
Quarterly Results	:	To be declared within 45 days from the relevant quarter.
Meeting for consideration of quarterly unaudited results	:	Within 45 days from end of quarter as per the Listing Agreement with the Bombay Stock Exchange
Audited results for the year ending on 31st March 2014	:	May 2014
Annual General Meeting for the year 2014	:	September 2014

c) Date of Book Closure

From 19th September, 2013 (Thursday) to 23rd September, 2013 (Monday), inclusive of both days.

d) Dividend Payment Date

No Dividend for Financial Year 2012-13 is proposed.

e) Listing on Stock Exchange and Stock Code

Sr. No.	Stock Exchange	Stock Code	Address
1	Bombay Stock Exchange Limited	505685	Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001

The Company has paid Annual Listing Fees to BSE, Mumbai for the financial years 2011-12, 2012-13 and 2013-14.

f) Market Price Data

Shares are not traded on Stock Exchange. The transfers were only on private basis.

g) Registrar and Share Transfer Agents / Dematerialisation of shares

The necessary steps for appointment of Registrar and Share Transfer Agent is under process.

h) Share Transfer System

At present, Shares sent for transfer in physical form are registered by the Company within 15 days of receipt of the documents, if documents are found in order.

i) Distribution of Shareholdings as on 31st March 2013

Sr. No.	No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shareholdings	% of shareholdings
1	Upto - 5000	298	88.43	41571	1.37
2	5001 - 10000	3	0.89	22926	0.76
3	10001 - 20000	6	1.78	83254	2.74
4	20001 - 30000	2	0.59	54379	1.79
5	30001 - 40000	2	0.59	73822	2.43
6	40001 - 50000	6	1.78	277379	9.14
7	50001 - 100000	8	2.37	511357	16.84
8	100001 and above	12	3.56	1971062	64.93
	TOTAL	337	100	3035750	100

j) Shareholding Pattern as on 31st March 2013

Category of shareholders	No. of shareholders	No. of shares	%age of shareholding
Promoters	21	2072657	68.28
Bodies Corporate (Promoters)	1	25300	0.83
Bodies Corporate (Others)	7	409544	13.49
Foreign Investors	1	16500	0.54
Others	307	511749	16.86
TOTAL	337	3035750	100

k) Dematerialisation and Liquidity

The required formalities for Dematerialization of shares are in process.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity: Not applicable.

l) Plant Locations

- Nasik : 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007 (Maharashtra)
- Goa : Plot No. L-29, Cuncolim Industrial Estate, Cuncolim - 403 703 (Goa)

m) Registered Office and Address for correspondence

52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007 (Maharashtra)

For and on behalf of the Board,

Mumbai,
30th May, 2013

H.N. Taparia
Chairman & Managing Director

Code of Conduct

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2013.

For and on behalf of the Board,

Mumbai,
30th May, 2013

H.N. Taparia
Chairman & Managing Director

CEO/CFO CERTIFICATION

We, H.N. Taparia, Chairman and Managing Director and S.R. Bagad, Asst. General Manager - Finance of Taparia Tools Limited, certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief;
   a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b) These statements give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or in violation of the company's Code of conduct.
3. We accept overall responsibility for the company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
4. We indicate to the auditors and to the audit committee:
   1) Significant changes in internal control over financial reporting during the year;
   2) Significant changes in accounting policies during the year;
   3) Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

However, during the year there were no such changes or instances.

H.N. Taparia
Chairman & Managing Director

S.R. Bagad
Asst. General Manager- Finance

Mumbai,
30th May, 2013

Auditors' Certificate on Compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreement

To the shareholders of Taparia Tools Limited,

We have examined the compliance of the conditions of Corporate Governance by Taparia Tools Limited for the year ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange, Mumbai.

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

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

We state that no Investor Grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders/Investors Grievance Committee.

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

For BATLIBOI & PUROHIT
Chartered Accountants
(Firm Reg. No. 101048W)

Kaushal Mehta
Partner
(Membership no. 111749)

Mumbai,
30th May, 2013

Independent Auditors' Report to the Members of Taparia Tools Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Taparia Tools Limited ('the Company') which comprise the balance sheet as at 31 March 2013, 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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 issued by the Institute of Chartered Accountants of India. 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 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

(i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;

(ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and

(iii) 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, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
   a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b. In our opinion 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
   e. On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For BATLIBOI & PUROHIT
Chartered Accountants
(Firm Reg. No. 101048W)

Kaushal Mehta
Partner
(Membership no. 111749)

Mumbai,
30th May, 2013

Annexure to the Auditors' Report

The annexure referred to in our report to the members of Taparia Tools Limited ('the Company') for the year ended 31 March 2013.

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All the assets have not been physically verified by the Management during the year but there is a phased programme of verification, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(c) During the year, the company has not disposed off any substantial part of its fixed assets.

(ii) (a) The inventory has been physically verified during the year by the management, except stock lying with third parties. Confirmations of such stocks with third parties have been obtained by the Company in most of the cases. In our opinion, the frequency of verification is reasonable.

(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 is maintaining proper records of inventory and the discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Company.

(iii) (a) According to information and explanations given to us the Company has not granted any loans, secured or unsecured, to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(b) According to information and explanations given to us the Company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(iv) In our our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

(v) According to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order are not applicable.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the Public with in the meaning of sections 58A, 58AA or any other relevant provisions of the Act.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained.

(ix) (a) The Company is generally regular in depositing with appropriate authorities 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 material statutory dues applicable to it.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, details of dues of sales tax, income tax, customs duty, wealth tax, service tax excise duty, Octroi Duty and cess which have not been deposited on account of any dispute are given below:

Nature of dues	Financial years to which the matter pertains	Forum where dispute is pending	Amount *(₹ in lakhs)*
Octroi Duty	1984, 1985, 1986, 1988	High Court, Mumbai.	4.91
Income Tax	A.Y. 2010-11	Commissioner (Appeals)	1.17

(x) The company does not have accumulated loses as at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution and bank.

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xv) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.

(xvi) Based on the information and explanations given to us, term loans have been applied for the purpose for which they were raised.

(xvii) According to the information and explanations given to us, and on an overall examination of the Balance Sheet and Cash Flows of the Company, in our opinion no funds raised on short term basis have been used for long term investment.

(xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) In our opinion and according to the information and explanations given to us, the company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xx) During the period covered by our audit report, the company has not raised any money by Public issues.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For BATLIBOI & PUROHIT
Chartered Accountants
(Firm Reg. No. 101048W)

Kaushal Mehta
Partner
(Membership no. 111749)

Mumbai,
30th May, 2013

BALANCE SHEET as at 31st March, 2013

(₹ in Lakhs)

	Note No.	As at 31st March, 2013	As at 31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	303.58	303.58
Reserves & Surplus	2	4,395.94	3,444.02
		4,699.52	3,747.60
Non-Current Liabilities			
Long-term Borrowings	3	28.46	58.79
Long term Provisions	4	212.31	168.49
		240.77	227.28
Current Liabilities			
Short-term Borrowings	5	2,588.31	2,801.54
Trade Payables		1,567.41	2,933.63
Other Current Liabilities	6	230.65	230.39
Short-term Provisions	7	131.40	85.08
		4,517.77	6,050.64
Total		**9,458.06**	**10,025.52**
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	8	536.88	411.28
Intangible Assets		7.30	8.13
Deferred Tax Assets (net)		54.31	35.45
Long term Loans and Advances	9	56.21	52.52
		654.70	507.38
Current Assets			
Inventories	10	5,126.54	5,520.32
Trade Receivables	11	1,832.55	1,653.70
Cash and Bank Balances	12	40.48	52.95
Short-term Loans and Advances	13	1,800.07	2,286.16
Other Current Assets	14	3.72	5.01
		8,803.36	9,518.14
Total		**9,458.06**	**10,025.52**

As per our report of even date

For BATLIBOI & PUROHIT
Chartered Accountants
(Firm Reg. No. 101048W)

H. N. TAPARIA
Chairman & Managing Director

KAUSHAL MEHTA
Partner
(Membership No.111749)
Mumbai, May 30, 2013

V. S. DATEY
Company Secretary

D. P. TAPARIA
Director

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2013

(₹ in Lakhs)

	Note No.	2012-13	2011-12
INCOME			
Revenue from Operations	15	24,087.95	22,285.54
Other Income	16	108.03	133.71
Total Revenue		24,195.98	22,419.25
EXPENDITURE			
Cost of Materials Consumed	17	1,335.83	1,564.21
Purchases of Stock-in-Trade		14,016.95	14,222.97
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	18	298.90	(1,722.87)
Employee Benefits Expense	19	1,877.11	1,880.98
Finance Costs	20	299.50	207.04
Depreciation and Amortization Expense	21	66.65	63.30
Other Expenses	22	4,920.02	5,076.77
Total Expenses		22,814.96	21,292.40
Profit Before Tax		1,381.02	1,126.85
Income Tax Expenses :			
Current Tax		442.34	417.00
Deferred Tax		(18.86)	(17.57)
		423.48	399.43
Profit for the Year		957.54	727.42
Earnings per equity share of face value of ₹ 10 each (in ₹)		23.96	19.12
Basic and Diluted		31.54	23.96
Significant Accounting Policies	23		
Notes on Financial Statements	24 - 37		

As per our report of even date

For BATLIBOI & PUROHIT
Chartered Accountants
(Firm Reg. No. 101048W)

H. N. TAPARIA
Chairman & Managing Director

KAUSHAL MEHTA
Partner
(Membership No.111749)
Mumbai, May 30, 2013

V. S. DATEY
Company Secretary

D. P. TAPARIA
Director

Notes to Financial Statements

(₹ in Lakhs)

	As at 31st March, 2013	As at 31st March, 2012
1 SHARE CAPITAL		
Authorised *(50,00,000 Equity Shares of ₹ 10/- Each)*	500.00	500.00
Issued, Subscribed and Paid up *(30,35,750 Equity Shares of ₹ 10/- Each fully paid-up)*	303.58	303.58
a) Reconciliation of Shares Outstanding		
Balance at the beginning of the year	30,35,750	30,35,750
Issued during the year	-	-
Balance at the end of the year	30,35,750	30,35,750
b) Details of Shares holders holding more than 5% shares		
Names of shareholders		
1. Shri Harnarayan Taparia	12.01%	11.38%
2. Veer Enterprises Ltd	9.04%	8.71%
3. Mrs. Rajdulari Devi Taparia	5.96%	5.96%
c) Rights, Preference and Restriction attached to Shares		
The Company has one class of Equity Shares having par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		

2 RESERVES AND SURPLUS				
Capital Reserve				
Balance at the beginning and end of the year			45.00	45.00
Securities Premium Reserve				
Balance at the beginning and end of the year			50.00	50.00
Revaluation Reserve				
As per last Balance Sheet	110.52			116.14
Transferred to Statement of Profit & Loss	(5.62)			(5.62)
Balance at the end of the year			104.90	110.52
General Reserve				
Balance at the beginning of the year	880.72			807.72
Transferred from Statement of Profit & Loss	98.00			73.00
Balance at the end of the year			978.72	880.72
Surplus in Statement of Profit & Loss				
Balance at the beginning of the year	2,357.78			1,703.36
Add : Profit for the year	957.54			727.42
Less : Transferred to General Reserve	(98.00)			(73.00)
Balance at the end of the year			3,217.32	2,357.78
			4,395.94	3,444.02

Notes to Financial Statements

(₹ in Lakhs)

		As at 31st March, 2013	As at 31st March, 2012
3 LONG-TERM BORROWINGS			
Deferred Payment Liabilities			
Sales Tax Deferral Loans (Unsecured)		28.46	58.79
		28.46	58.79
4. LONG-TERM PROVISIONS			
Provision for employees benefits			
For Leave Encashment		159.43	117.03
For Group Gratuity		52.88	51.46
		212.31	168.49
5. SHORT-TERM BORROWINGS			
Loans repayable on demand from Bank			
Working Capital Loan from HDFC Bank Ltd. (Secured)		2,557.97	2,770.35
Loans from the bank are secured by way of hypothecation first and exclusive charge on all present and future stocks,book debts and other current assets of the company Equitable mortgage on immovable property situated at 52 and 52B MIDC, Trimbak Road, Satpur, Nashik-422 007			
Other Loans and Advances :			
Sales Tax Deferral Loans (Unsecured)		30.34	31.19
		2,588.31	2,801.54
6. OTHER CURRENT LIABILITIES			
* Unpaid / Unclaimed Dividends		0.14	0.28
Other Payables :			
Payable towards statutory liabilities	42.04		80.29
Advance from Customers	14.01		37.53
Employee Benefits payable	174.46		112.29
		230.51	230.11
		230.65	230.39
* There are no amounts due and outstanding to be credited to Investors Education and Protection Fund.			
7. SHORT-TERM PROVISIONS			
Income Tax (Net of Advance Tax)		56.50	35.54
Group Gratuity		74.90	49.54
		131.40	85.08

Notes to Financial Statements

8. FIXED ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2012	Additions	Sale/Disposal during the year	As on 31.03.2013	Up to 01.04.2012	For the year	Adjustments	Up to 31.03.2013	As at 31.03.2013	As at 31.03.2012
(A)Tangible Assets:										
(I) Own Assets										
1) Land	19.02	1.46		20.48					20.48	19.02
2) Buildings	607.54	3.58		611.12	419.54	10.84		430.38	180.74	188.00
3) Plant & Equipment	1,809.90	167.79		1,977.69	1,741.46	29.62		1,771.08	206.61	68.44
4) Furniture & Fixtures	57.47	0.17		57.64	43.42	2.43		45.85	11.79	14.05
5) Vehicle	61.93	-	-	61.93	26.77	8.65	-	35.42	26.51	35.16
6) Office Equipments	23.51	7.08		30.59	12.76	2.34		15.10	15.49	10.75
7) Others										
(a) Electrical Installations	98.71	5.20		103.91	84.14	2.51		86.65	17.26	14.57
(b) Computers	63.60	8.33		71.93	50.41	11.26		61.67	10.26	13.20
Sub Total	2,741.68	193.61	-	2,935.29	2,378.50	67.65	-	2,446.15	489.14	363.19
(II) Leased Assets										
Land	64.54	-	-	64.54	16.45	0.35	-	16.80	47.74	48.09
Total (A)	2,806.22	193.61	-	2,999.83	2,394.95	68.00	-	2,462.95	536.88	411.28
(B) Intangible Assets:										
Software	41.37	3.43	-	44.80	33.23	4.27		37.50	7.30	8.13
Total (A) + (B)	2,847.59	197.04	-	3,044.63	2,428.18	72.27	-	2,500.45	544.18	419.41
Previous Year	2,781.21	68.39	2.02	2,847.59	2,360.66	68.92	(1.40)	2,428.18	419.41	420.56

(₹ in Lakhs)

		As at 31st March, 2013	As at 31st March, 2012
9.	**LONG-TERM LOANS & ADVANCES**		
	Security Deposits	56.21	52.52
		56.21	52.52
10.	**INVENTORIES**		
	Raw Materials	529.56	616.06
	Work-in-Progress	702.94	762.82
	Finished Goods	242.59	190.51
	Stock-in-Trade	3,398.51	3,687.35
	Stores and Spares	196.15	189.49
	Others :		
	Components	46.17	61.21
	Scrap	10.62	12.88
		5,126.54	5,520.32
11.	**TRADE RECEIVABLES**		
	Unsecured, Considered Good		
	Outstanding for a period exceeding six months	-	-
	Others	1,832.55	1,653.70
		1,832.55	1,653.70

Notes to Financial Statements

(₹ in Lakhs)

		As at 31st March, 2013	As at 31st March, 2012
12.	**CASH AND BANK BALANCES**		
	a) Cash and Bank Balances		
	Balances with Banks	18.31	14.85
	Cash on hand	4.54	2.74
	b) Other Bank Balances		
	Margin money against LC	17.63	35.36
		40.48	52.95
13.	**SHORT-TERM LOANS AND ADVANCES**		
	Others		
	Unsecured (but considered good)		
	Advance to Employees	4.98	4.93
	Advance to Suppliers	162.72	129.03
	Advance Income Tax & T.D.S (Net)	10.84	12.58
	M.V.A.T. Receivable	1,332.50	1,968.01
	* Balance with Government Authorities	6.19	5.72
	Other Receivables	84.12	70.07
	Prepaid Expenses	21.54	11.53
	Special Additional Duty Receivable	174.93	82.31
	Others	2.25	1.98
		1,800.07	2,286.16
	* Service Tax, Cenvat, etc		
14.	**OTHER CURRENT ASSETS**		
	Interest Receivable	3.72	5.01
		3.72	5.01

Notes to Financial Statements

(₹ in Lakhs)

		2012-2013	2011-2012
15.	**REVENUE FROM OPERATIONS**		
	Sale of Products		
	Hand Tools Manufactured	6,595.81	7,192.84
	Hand Tools Stock -in-Trade	18,093.04	15,526.53
	Other Operating Revenues		
	Sale of Scrap	145.69	244.09
	Premium on DEPB Licence	1.87	15.50
		24,836.41	22,978.96
	Less: Excise Duty	748.46	693.42
		24,087.95	22,285.54
16.	**OTHER INCOME**		
	Interest Income	4.31	29.16
	Net Gain/ (Loss) on Sale of Fixes Assets	-	0.08
	Special Additional Duty Receivable	96.57	73.98
	Misc.Scrap Sales	6.41	-
	Sundry Credit Balances Written Back	0.74	30.49
		108.03	133.71
17.	**COST OF RAW MATERIAL CONSUMED**		
	Opening Stock	616.06	611.00
	Add : Purchases	1,249.33	1,569.27
		1,865.39	2,180.27
	Less : Closing Stock	529.56	616.06
		1,335.83	1,564.21
	Details of Raw Materials consumed		
	Steel	888.62	1,115.73
	Cellulose Acetate Granules and others	447.21	448.48
		1,335.83	1,564.21
18.	**CHANGES IN INVENTORY**		
	Opening Stock :		
	Finished Goods	190.51	85.34
	Work-in-Progress	762.82	617.60
	Scrap	12.89	27.55
	Stock in Trade	3,687.35	2,200.21
	C/F	4,653.57	2,930.70

Notes to Financial Statements

(₹ in Lakhs)

		2012-2013	2011-2012
	B/F	4,653.57	2,930.70
Less : Closing Stock			
Finished Goods		242.59	190.51
Work-in-Progress		702.94	762.82
Scrap		10.62	12.89
Stock in Trade		3,398.51	3,687.35
		4,354.67	4,653.57
		298.90	(1,722.87)
19. EMPLOYEE BENEFIT EXPENSE			
Salaries and Wages		1,564.10	1,638.65
Managerial Remuneration		69.96	44.24
Contribution to PF and Other Funds		129.46	125.49
Employee Group Gratuity		66.97	34.94
Staff Welfare Expenses		46.62	37.66
		1,877.11	1,880.98
20. FINANCE COST			
Interest expense		292.05	201.76
Other Borrowing Cost		7.45	5.28
		299.50	207.04
21. DEPRICIATION & AMORTISATION EXPENSES			
Depreciation for the year		72.27	68.92
(As per Note 9 to the Balance Sheet)			
Less : Transferred from Fixed Assets			
Revaluation Reserve		5.62	5.62
		66.65	63.30
22. OTHER EXPENSES			
Manufacturing Expenses:			
Consumption of stores and Spare Parts		651.49	750.56
Power and Fuel		490.99	541.80
Water Charges		7.28	7.61
Repairs to Buildings		116.57	15.39
Repairs to Machinery		38.97	43.80
Job Work Labour Charges		410.44	515.05
Freight & Carriage		157.34	193.40
Other Manufacturing Expenses		80.44	215.26
	C/F	1,953.52	2,282.87

Notes to Financial Statements

(₹ in Lakhs)

		2012-2013	2011-2012
	B/F	1,953.52	2,282.87
Other Administrative Expenses:			
Rent, Rates & Taxes		239.45	180.11
Travelling & Conveyance		35.69	49.36
Insurance		11.70	20.60
Professional & Legal Expenses		27.76	13.68
Directors' Sitting Fees		1.54	1.67
Repairs to Others		2.56	4.23
Auditors' Remuneration			
As Auditors		1.00	1.20
Taxation Matters		0.60	0.68
Company Law Matters		0.20	0.15
Reimbursement of Expenses		0.57	0.44
Printing & Stationery		18.16	18.07
Bad Debts Written Off		0.76	8.62
Miscellaneous Expenses		82.32	74.28
		422.31	373.10
Selling & Distribution Expenses :			
Forwarding Expenses		286.02	275.50
Advertising/Sales Promotion Expenses and Incentive		568.84	527.16
Selling Commission		1,689.33	1,618.14
		2,544.19	2,420.80
		4,920.02	5,076.77

Notes forming part of the Financial Statements

23. Significant Accounting Policies:

a) Basis of accounting and preparation of financial statements

The financial statements are prepared on accrual basis and comply with the Accounting Standards referred in Section 211(3C) of the Companies Act, 1956.

b) Fixed assets

Fixed Assets are stated at cost of acquisition inclusive of freight, duties and taxes and incidental expenses and adjusted by revaluation of certain assets.

c) Depreciation and Amortization

Depreciation on fixed assets has been provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.

d) Inventories

Inventories are valued at the lower of weighted average cost and net realizable value except waste / scrap which is valued at realizable value.

Finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete, defective and unserviceable inventories are duly provided for.

e) Employee benefits

i) Retirement Benefits

The Company's contributions to Provident Fund/Gratuity are charged against revenue. The Gratuity Benefits are administered by a trust formed for this purpose through the Group Gratuity Scheme of the LIC of India and contributions are made on actuarial valuation basis.

ii) Leave Encashment Benefits

Employees of the Company are eligible for leave Encashment Benefit as per rules of the Company. Provision for Leave Encashment is determined accordingly and provided in the Accounts.

f) Deferred Tax:

The Company has accounted for Deferred Tax in accordance with the Accounting Standard - 22 "Accounting for taxes on Income" issued by the Council of the Institute of Chartered Accountants of India. Accordingly, the deferred tax during the year for timing difference is accounted using tax rates that have been enacted; the net difference arising thereon is debited to Profit and Loss Account.

g) Revenue Recognition

Sales are recognized, net of returns and trade discount, on dispatch of goods to customers, sales tax and value added tax are excluded.

h) Prior Period Items

Prior period items, if material, are separately disclosed in the Profit and Loss account together with the nature and amount.

i) Foreign currency transactions

Foreign currency transactions are accounted for at the rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the Balance Sheet date are restated at year-end rate.

j) Lease Accounting

Operating Leases: Leasing of assets whereby the lessor essentially remains the owner of the asset classified as operating leases. The payments made by the Company as lessee in accordance with operational leasing contracts or rental agreements are expensed proportionally during the lease or rental period respectively. Any compensation, accordingly to agreement, that the lessee is obliged to pay to the lessor if the leasing contract is terminated prematurely is expensed during the period in which the contract is terminated.

k) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is an indication of impairment based on the internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which the asset is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment loss recognized for the asset no longer exists or has been decreased.

24) Provisions and contingencies

Contingent Liabilities as on 31-03-2013 not provided for in respect of:

a) Estimated amount of contract remaining to be executed on capital account is Nil (Nil).

b) Claims against the Company not acknowledged as Debts are ₹ 52.68 lakhs (₹ 45.41 lakhs).

25) Depreciation

Depreciation for the year on revised future life as ascertained by Valuers and revalued figures of fixed assets and that on the original cost of the fixed assets work out to ₹ 72,27,303 and ₹ 66,64,907 respectively. The transfer of ₹ 5,62,396 from Fixed Assets Revaluation Reserve to statement of profit & loss represents difference between depreciation on revalued figures and that on original cost.

26) Segment reporting

The Company is exclusively in the hand tools business segment.

27) Related Party Disclosures

Disclosures as required by Accounting Standard - 18 "Related Party Disclosures" are given below:

a) List of Related Parties/Associates/Subsidiary Companies : Nil

b) Key Management Personnel (KMP) : Shri H. N. Taparia (Chairman and Managing Director)
Dr. M. G. Nathani (Executive Director)
Shri P.S. Krishnan (Director – Operations)

c) Details of transactions relating to KMP as referred to in item (b) above : Remuneration : ₹ 88.21 lakhs (Refer Note No. 30)

28) Earnings per share

		March 31, 2013	March 31, 2012
a)	Net Profit as per P&L Account available for Equity Shareholders	₹ 957.54 lakhs	₹ 727.42 lakhs
b)	No. of Equity Shares (Basic /diluted)	30,35,750	30,35,750
c)	Earnings per share	₹ 31.54	₹ 23.96

29) Deferred Tax Assets and Liabilities

The breakup of deferred tax assets and liabilities into major components at the year-end is as below:

	March 31, 2013	March 31, 2012
Deferred Tax Assets:	(₹ in lakhs)	(₹ in lakhs)
Depreciation	16.35	14.25
Expenditure u/s. 43B of the Income Tax Act, 1961	37.96	21.20
Net deferred tax Asset/ (Liability)	54.31	35.45

30) Remuneration of Managerial Personnel

Remuneration to Managing Director/Whole time Directors paid/payable during the year u/s 198 of the Companies Act, 1956:

(₹ in lakhs)

	2012-2013	2011-2012
Salaries and Allowances	84.20	44.24
Perquisites	4.01	0.26
TOTAL	88.21	44.50

Note: As the liability for gratuity and leave encashment is provided on an actuarial basis of the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore, not included above.

31) Balances of certain Debtors, Creditors and Advances for which confirmations have not been received, are subject to reconciliations.

32) Lease

The Company has taken certain office/factory premises on operating lease basis. Lease payments in respect of such leases recognized in statement of Profit & Loss ₹ 17.58 lakhs (previous year ₹ 15.04 lakhs)

33) Foreign Currency Exposure

Particulars of Unhedged Foreign Currency Exposure:

Particulars of Derivative	31-03-2013		31-03-2012	
	Amount (₹)	*Foreign Currency (US $)*	*Amount (₹)*	*Foreign Currency (US $)*
Export Debtors	32,90,353	60,506.69	24,16,899	47,511.28
Advances for Imports	1,05,60,099	1,90,856.67	-	-

34) Retirement Benefit Plans

a) Defined Contribution Plans:

Contribution to Defined contribution Plans is recognized as expense in the statement of Profit and Loss, as they are incurred.

b) Defined Benefit Plan:

The Company makes annual contributions to employees' group gratuity-cum-life assurance scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the company's financial statement as at March 31st 2013:

(₹ in lakhs)

Sr. No.	Particulars	As at 31st March 2013	As at 31st March 2012
I	*Change in benefit obligation*		
	Projected benefit obligation as on 01-04-2012	565.02	532.84
	Service Cost	18.88	17.96
	Interest Cost	48.02	42.63
	Actuarial (gain)/loss	9.09	34.62
	Benefit paid	(72.08)	(63.03)
	Projected benefit obligation, end of the year	568.93	565.02
II.	*Change in plan assets:*		
	Fair value of plan assets as on 01-04-2012	439.83	402.34
	Expected return on plan assets	37.82	32.19
	Employer's contributions	35.75	64.44
	Benefit paid	(72.08)	(63.02)
	Actuarial gain	(0.17)	3.89
	Fair value of plan assets at the year end	441.15	439.83
	Excess of (obligation over plan assets)/ plan assets over obligation	9.26	30.73
III.	*Net gratuity and other cost for year ended 31-03-2013*		
	Service cost	18.88	17.96
	Interest on defined benefit obligation	48.02	42.63
	Expected return on plan assets	(37.82)	(32.19)
	Net actuarial gain recognized in the year	9.26	30.73
	Net gratuity and other costs	38.34	59.13
IV.	*Category of assets as at 31-03-2013:*		
	Insurer Managed Funds	441.15	439.83
	Others	-	-
	Total	441.15	439.83
V.	*Assumptions used in accounting for the gratuity plan:*	%	%
	Discount rate	8.00	8.50
	Salary escalation rate	4.50	5.00
	Expected rate of the return on plan assets	8.70	8.60

The estimates of rate of escalation in salary considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The actuary certifies the above information.

35) Research and Development Expenses

Expenditure on Research and Development is as under:

Capital	-
Recurring	₹ 78.72 Lakhs
Total	₹ 78.72 Lakhs
Total R & D Expenditure as percentage of Total Turnover	0.32%

36) Additional Information:

(i) Value of consumption of Raw Materials, Stores, Spare Parts and Components

		(₹ in Lakhs)	*Percentage*	
	Imported	4.28	(5.48)	0.22%	(0.30%)
	Indigenous	1983.03	(1822.59)	99.78	(99.70%)
(ii)	Value of Imports on CIF Basis				
	Raw materials	Nil	(Nil)		
	Stores and Spare parts	17.91	(Nil)		
	Capital Goods	96.24	(Nil)		
	Traded Goods	1896.13	(1583.94)		
(iii)	Expenditure in Foreign Currency	*(₹ in Lakhs)*			
	Travel	3.79	(5.41)		
	Sales Promotion and commission	10.55	(1592.42)		
(iv)	Earnings in Foreign Currency	*(₹ in Lakhs)*			
	FOB Value of Exports	271.24	(278.18)		

Note : Figures in brackets are of previous year

37) Previous Year's figures have been recast/regrouped wherever necessary.

Signatures to Notes 1 to 37

As per our report of even date

For BATLIBOI & PUROHIT
Chartered Accountants
(Firm Reg. No. 101048W)

H. N. TAPARIA
Chairman & Managing Director

KAUSHAL MEHTA
Partner
(Membership No.111749)
Mumbai, 30th May, 2013

V. S. DATEY
Company Secretary

D. P. TAPARIA
Director

Cash Flow Statement

(₹ *in* lakhs)

			As at 31st March 2013	As at 31st March 2012
A	**Cash Flow from Operating Activities**			
	Net Profit before tax		1,381.02	1,126.85
	Adjusted for :			
	Depreciation	66.65		63.30
	(Gain) on Sale of Fixed Assets	-		(0.08)
	Sundry Credit Balance Written Off	0.74		
	Finance Costs	299.50		201.76
			366.89	
	Operating Profit before working Capital Changes		**1,747.91**	**1,391.83**
	Working capital changes:			
	Inventories	393.77		(1,724.73)
	Trade Receivables	(178.84)		(58.70)
	Loans and Advances	482.40		(278.31)
	Other Current Assets	1.29		(0.10)
	Trade Payables	(1,366.97)		98.28
	Other Current Liabilities	0.26		(59.81)
	Provisions	67.81		2.39
			(600.28)	(2,020.98)
	Cash Generated from Operations		**1,147.63**	**(629.15)**
	Income Tax Paid		420.00	381.46
	Net Cash Flow from Operating Activities		**727.63**	**(1,010.61)**
B	**Cash Inflow from Investing Activities**			
	Purchase of Fixed Assets		(197.04)	(68.40)
	Sale of Fixed Assets		-	0.71
	Margin Money Deposit for Letter of Credit		17.74	(18.56)
	Net Cash used in Investing Activities		**(179.30)**	**(86.25)**

(₹ *in* lakhs)

		As at 31st March 2013	As at 31st March 2012
C	**Cash Inflow From Financing Activities**		
	(a) Repayment of long-term borrowings	(30.34)	(31.19)
	(b) Proceeds from Short-term Borrowings	(213.23)	1,322.22
	(c) Finance Cost	(299.50)	(201.76)
	Net Cash Flow From Financing Activities	**(543.07)**	**1,089.27**
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	**5.26**	**(7.59)**
	Add: Cash and cash equivalents at the beginning of the period	**17.59**	**25.18**
	Cash and Cash Equivalents at the end of the period	**22.85**	**17.59**

As per our report of even date

For BATLIBOI & PUROHIT
Chartered Accountants
(Firm Reg. No. 101048W)

KAUSHAL MEHTA
Partner
(Membership No.111749)
Mumbai, 30th May, 2013

V. S. DATEY
Company Secretary

H. N. TAPARIA
Chairman & Managing Director

D. P. TAPARIA
Director

Notes

TAPARIA TOOLS LTD.

Regd. Office : 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007

ATTENDANCE SLIP
47TH ANNUAL GENERAL MEETING

Name of the attending Member	
Member's Folio Number	
Name of the Proxy	

I hereby record my presence at the 47th Annual General Meeting of the Shareholders of the Company at Emerald Park, Sharanpur Link Road, Nashik - 422 002 on Monday, the 23thday of September, 2013 at 12.30p.m.

Member's/Proxy's Signature

NOTES:

1. The Member/proxy must bring the attendance slip to the Meeting duly completed and signed and hand over the same at the entrance of the Meeting Hall.
2. Please bring your copy of enclosed Annual Report and Accounts.
3. No attendance slip will be issued on the date of Annual General Meeting.
4. Photo copy/torn attendance slip will not be accepted at the entrance of the Meeting Hall.

PROXY FORM

I/We_____

of_____

being a Member/Members of Taparia Tools Ltd., hereby appoint _____

_____of_____or failing him

_____of _____

as my/our proxy to attend and vote for me/us and on my/our behalf at the 47th Annual General Meeting of the Company, to be held on Monday, the 23th September, 2013 or at any adjournment thereof.

As witness my/our hand(s) this _____Day of _____ , 2013

Affix ₹ 1 Revenue Stamp

Signed by the said : _____

Regd. Folio No. : _____

No. of Equity Shares held : _____

Note: The proxy duly completed must be returned so as to reach the Registered Office of the Company at 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007 not less than FORTY-EIGHT HOURS before the time for holding the aforesaid Meeting.

TAPARIA TOOLS LTD.

Corporate Office **:** 423/24, (A-2), Shah & Nahar, Lower Parel (W), Mumbai - 400 013.
Registered Office **:** 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007.

RE: **E - Corporate Governance: Go Paperless**

Dear Shareholder,

As you may be aware, the Ministry of Corporate Affairs, as a part of the Green Initiative in Corporate Governance, vide its Circular No.21/2011 & 18/2011 dated 21.04.2011 and 29.04.2011, has allowed paperless compliance by Companies, which now can send various notices / documents, such as Notice of General Meetings, Annual Report, etc., to its Shareholders through electronic mode at their e-mail address registered with the Company.

Your Company welcomes the spirit of this green initiative, which will reduce paper consumption to a great extent and allow Shareholders to contribute towards a Greener Environment. This will also ensure prompt receipt of communication by Shareholders and avoid their loss / misplacement in postal transit. In this backdrop, we wish to intimate / request you send the appended registration form**,** duly filled-in at the address indicated therein. The Shareholders can also e-mail a scanned copy to secretarial@tapariatools.com

As a responsible citizen, we invite you to be a part of the **"Green Initiative".**

Best Regards.

V. S. Datey
Company Secretary

REGISTRATION FORM FOR E-GOVERNANCE

To,
TAPARIA TOOLS LIMITED
52 & 52B, MIDC Area,
Trimbak Road, Satpur,
Nashik – 422 007

RE:- **E - Corporate Governance**

Regd. Folio No.	
Name of 1st Registered Holder	
Name of Joint Holder/s	**1.**
	2.
E-mail ID to be registered	

I/We, Shareholders of TAPARIA TOOLS LIMITED, hereby agree to receive all communications from the Company by way of e-mail. Please register my / our e-mail ID in your records for sending communications through e-mail.

Place :
Date :

_____
Signature
(First Holder)

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the company	Taparia Tools Limited
2	Annual financial statements for the year ended	31st March 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not applicable
5	To be signed by- □ CEO/Managing Director □ CFO □ Auditor of the company □ Audit Committee Chairman	For Taparia Tools Ltd. H.N. Taparia Chairman & Managing Director For Batliboi & Purohit, Chartered Accountants Kaushal Mehta Partner M.No. 111749 For Taparia Tools Ltd. M.V. Gore Audit Committee Chairman