

THAKRAL SERVICES (INDIA) LIMITED



TWENTY SEVENTH ANNUAL REPORT

2009 - 2010

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

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NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of THAKRAL SERVICES (INDIA) LIMITED will be held on Thursday, the 30th September, 2010 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001 (Opposite to HSBC Bank, Near ING Vysya Bank – Corporate office) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as on 31.3.2010 and the Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr.Bikramjit Singh Thakral who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr.Joseph Sequeira who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration as may be agreed with the Board of Directors.

SPECIAL BUSINESS :

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

RESOLVED THAT as there is no much activity in trading of shares at Bangalore Stock exchange the shares may be delisted at Bangalore Stock Exchange. Share holders permission is required to delist the shares at Bangalore Stock Exchange.

"RESOLVED FURTHER THAT the Board of Directors of the Company including such other person(s) as may be authorized by it in this regard, be and are hereby authorized to take necessary action, to give effect to the above resolution."

6. Resolution to be passed for Reduction of Capital

To consider and if thought fit to pass with or without modifications the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 100 and other applicable provisions, if any, of the Companies Act, 1956 and pursuant to Article 69 of the Articles of Association of the Company and subject to confirmation of the Karnataka High Court or any other competent authority as may be specified in this regard, the issued, subscribed and paid up equity capital of the Company of Rs.11,73,50,800/- (Rupees Eleven Crores Seventy Three Lakhs Fifty Thousand Eight Hundred Only) divided into 1,17,35,080 (One Crore seventeen lakhs thirty five thousand and eighty) equity shares of Rs.10/- (Rupees ten only) each fully paid, be reduced to Rs.3,52,05,240 divided into 11735080 equity shares of Rs.3/- (Rupees Three only) each fully paid, by canceling Rs.7/- (Rupees Seven only) per equity share from the face value of Rs.10/- each . An amount of Rs.8,11,45,642/- (Rupees Eight Crores Eleven Lakhs Forty Five Thousand Six Hundred and Forty Two only) being accumulated losses of the Company as on 31.3.2010 has been setoff from paid up capital and the balance amount of Rs.9,99,918/- be transferred to the Capital Reserve account."

"RESOLVED FURTHER THAT the Board of Directors of the Company including such other person (s) as may be authorized by the Board of Directors, in this regard, be and are hereby authorized to take necessary action, including making necessary application to High Court or any other competent authority as may be specified in this regard and for following the directions, if any, given by the High Court or any other competent authority as may be specified in this regard, for effecting the reduction of capital in the manner mentioned above"

7. Resolution to be passed for amending the Authorised Capital in the MOA :

To consider and if thought fit to pass with or without modifications the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 and Article 70 of the Articles of Association of the Company, the Authorized share capital of the Company of Rs.13,00,00,000/- (Rupees Thirteen Crores Only) consisting of 1,30,00,000 (One Crore thirty lakhs) equity shares of Rs.10/- (Rupees ten only) each be and is hereby increased to Rs.13,00,20,000/- (Rupees Thirteen Crore Twenty Thousand only) by creation of additional 2,000(two thousand) equity shares of Rs.10/- each and the Authorized capital simultaneously sub-divided into 4,33,40,000 (four crore thirty three lakhs forty thousand) Equity shares of Rs.3/- (Rupees Three only) each to give effect to the reduction of capital and clause V of the Memorandum of Association of the Company be substituted by the following:

"The authorized share capital of the Company is Rs.13,00,20,000/- (Rupees Thirteen Crores Twenty Thousand Only) divided into 4,33,40,000(four crore thirty three lakhs forty thousand) Equity shares of Rs.3/- (Rupees Three only) each."

"RESOLVED FURTHER THAT the Board of Directors of the Company including such other person(s) as may be authorized by it in this regard, be and are hereby authorized to take necessary action, to give effect to the above resolution."

8. Resolution to be passed for amending the Authorised Capital in the AOA :

To consider and if thought fit to pass with or without modifications the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 Article 5 of the Articles of Association of the Company be substituted as follows:

"5. The Authorized Share Capital of the Company and its division shall be as contained and detailed in Clause V of the Memorandum of Association of the Company

"RESOLVED FURTHER THAT the Board of Directors of the Company including such other person (s) as may be authorized by the Board in this regard, be and are hereby authorized to take necessary action, to give effect to the above resolution."

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

BY ORDER OF THE BOARD
MANAGING DIRECTOR

Place: BANGALORE
Date: 27.08.2010

NOTES

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

3. The Proxies and Members are requested to bring their attendance slip, annexed at the end of this report, to the meeting and sign at the entrance of the venue.
4. The Register of Members and Share Transfer books shall remain closed from Thursday, the 23rd September, 2010 to Thursday, the 30th September, 2010(both days inclusive)

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

ITEM NO : 5

- (i) The Companies Shares are listed in Bombay Stock Exchange and Bangalore Stock Exchange. There is no much trading activity of Shares in Bangalore Stock Exchange. The shares are available for trading at Bombay Stock Exchange. Hence the Shares in Bangalore Stock Exchange can be delisted.
- (ii) The Board of Directors of your Company recommends the resolution for your consideration and approval.
- (iii) None of the Directors are in any way interested or concerned in the said resolution.

ITEM NOS: 6, 7 & 8

- (i) The shareholders are aware that the Company has over the years been suffering losses and the accumulated losses as at 31.3.2010 is to the order of Rs.8,11,45,642/-. By virtue of such accumulated losses the share capital account in the balance sheet is not represented by available assets. Hence it is proposed to reduce the paid up capital of the Company from Rs.11,73,50,800/-(Rupees Eleven crores Seventy Three Lakhs Fifty Thousand Eight Hundred Only) to Rs.3,52,05,240/-(Rupees Three Crores Fifty Two Lakhs Five Thousand Two Hundred and Forty Only) and set off accumulated losses of Rs.8,11,45,642/-(Rupees Eight Crores Eleven Lakhs Forty Five Thousand Six Hundred and Forty Two Only) against the Paid-up Capital of the Company as on 31.3.2010 and the balance amount of Rs.9,99,918/- (Rupees Nine Lakhs Ninety Nine Thousand Nine Hundred and Eighteen Only) be transferred to the Capital Reserve account. The proposed reduction of share capital is to reflect the true financial position of the Company and thereby enable the Company to present a better picture when approaching public financial institution or investing public for infusion of funds either in the form of loan or equity. Such reduction of the share capital account requires approval of the shareholders by means of a special resolution and if approved further requires the confirmation of the High Court before giving effect to the proposal. There is no outflow of funds and neither the shareholders nor the creditors of the Company will be affected in any manner whatsoever. The Board of Directors of the Company is of the opinion that reduction of share capital account will be in the interests of the Company. Hence resolution No. 1 set out in the Notice above.
- (ii) The proposed reorganization of the authorized share capital and the alteration to Clause V of the Memorandum of Association of the Company and Article 5 of the Articles of Association of the Company is consequential to the paid up value of each share being reduced to Rs.3/-. Hence resolution Nos. 1 & 2 set out in the Notice above.
- (iii) Your Directors recommend the resolution for your approval.
 - (iv) The Directors of your Company may be deemed to be concerned or interested to the extent of the shares that may be subscribed to by them or their relatives or by the entities of which they or their relatives are Directors or Members

BY ORDER OF THE BOARD OF DIRECTORS

Regd.Office
8th Floor, 'The Estate',
121,Dickenson Road,
Bangalore-560042

MANAGING DIRECTOR

Place: BANGALORE
Date:27.08.2010

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

Item No.2:

- | | |
|---|---------------------------------------|
| 1) Name: | Mr. Bikramjit Singh Thakral |
| 2) Date of Birth: | 09.11.1975 |
| 3) Expertise: | Six years of experience in Management |
| 4) List of Companies in which
outside directorship held as on | NIL |
| 5) Chairman © / Member (M) of the :
Committee of the Board of the
Companies on which he is a
Director as on 27.08.2010 | NIL |

Item No.3:

- | | |
|--|---|
| 1) Name: | Mr. Joseph Sequeira |
| 2) Date of Birth: | 03.04.1945 |
| 3) Expertise: | Banking and Finance Experience for over 3
decades |
| 4) List of Companies in which
outside directorship held as on | NIL |
| 5)Chairman (C) / Member (M) of the
Committee of the Board of the
Companies on which he is a
Director as on 27.08.2010 | Audit committee
- M/s.Thakral Services (India) Ltd (M)

Remuneration Committee
- M/s.Thakral Services (India) Ltd (M) |

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Seventh Annual Report along with the Audited Accounts for the year ended 31.03.2010

FINANCIAL RESULTS:

	Rs. in lakhs	
	31.03.2010	31.03.2009
Income from Business	1584.46	1337.64
Gross Income	1584.46	1337.64
Less: Operational Expenses	1518.67	1244.13
Profit/(Loss) Before Depreciation and Provisions	65.79	93.51
Depreciation	5.80	4.67
Profit/(Loss) Before Provisions	59.99	88.84
Provisions	0.00	0.00
Profit/(Loss) after Provisions	59.99	88.84
Fringe Benefit Tax / Income Tax	4.13	2.24
Profit/(Loss) for the Year	55.86	86.60
Extra Ordinary Item	0.00	(561.92)
Profit/(Loss) after Extra Ordinary Item	55.86	(475.32)
Add: (Loss) brought forward from previous year	(867.32)	(392.00)
Total Loss carried to Balance Sheet	(811.46)	(867.32)

OPERATIONS:

The Organisation is mainly engaged in the business of Electronic Security, which comprises of CCTV, Access control, Fire Detection and Alarm and Intrusion Alarms.

The Organisation carries the vision of becoming one of the leading Electronic security players in India by the end of the Financial Year 2011

DIVIDENDS:

Since there are accumulated losses carried forward from previous years, the Company is therefore not in a position to declare dividends.

CAPITAL:

The present paid-up capital of the Company is Rs. 11.73 Crores. The present authorised capital of the Company is Rs. 13 Crores, which was increased from Rs. 12.50 Crores at the 20th Annual General Meeting of the Company. The shares of the Company have been admitted for De-materialisation and the International Securities Identification Number (ISIN) of the equity share of the Company is INE190F01010.

LISTING PARTICULARS

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

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

DIRECTORS :

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

AUDITORS :

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

EMPLOYEES :

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

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

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

Foreign Exchange Earnings and Outgo

	2009-10 (Rs. Lacs)	2008-09 (Rs. Lacs)
i. Foreign exchange earned	129.74	136.93
ii Foreign exchange used	2.74	2.26
iii Foreign exchange used for import of Capital Goods, Raw Materials etc.	489.46	371.33
iv. Foreign exchange for export of goods	21.42	60.64

DIRECTORS' RESPONSIBILITY STATEMENT:

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

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period.

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to revised Clause 49 of Listing Agreement with Bombay Stock Exchange and Clause 51 of the Listing Agreement with Bangalore Stock Exchange, a Management discussion and Analysis report, Corporate Governance Report and

Auditor's Certificate regarding compliance of conditions of corporate governance are made as a part of the Annual Report

ACKNOWLEDGMENTS:

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

ON BEHALF OF THE BOARD OF DIRECTORS

Place : BANGALORE
Date : 27.08.2010

CHAIRMAN

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Corporate Governance:

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

2. Board of Directors

i) Composition

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

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

ii) What constitutes independence of Directors :

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

iii) Details of Memberships of the Directors in other Boards and in Board committees as on 31st March, 2010 are as under :

Name of Director	Directorship in other Companies	Details of Committee	
		Member	Chairman
Mr. R.C. Bhavuk	18	1	Nil
Mr. K. S. Bawa	19	2	1
Mr. C D P Rajendran	3	Nil	Nil
Dr. P Balakrishana Shetty	Nil	Nil	2
Mr. Joseph Sequeira	Nil	2	Nil
Mr. Bikramjit Singh Thakral	Nil	Nil	Nil

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

Since the commencement of the financial year 2009-2010, a total of 5 Board meetings were held on the following dates viz. 30.04.2009, 30.07.2009, 31.08.2009, 31.10.2009, and 30.01.2010. The maximum time gap between two board meetings was not more than four calendar months.

Attendance of Directors:

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

Name of Director	Meetings		Attendance at last AGM held on 30 th September, 2009
	Held	Attended	
Mr. R.C. Bhavuk	5	5	5
Mr. K. S. Bawa	5	5	5
Mr. C D P Rajendran	5	NIL	NIL
Dr. P Balakrishana Shetty	5	5	5
Mr. Joseph Sequeira	5	5	5
Mr. Bikramjit Singh Thakral	5	NIL	NIL

Circulation of Information and Board material :

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

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

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

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

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

The Audit committee consists of three Directors as under:

- | | | |
|-----------------------------|---------------------------|------------|
| 1) Dr. P Balakrishna Shetty | (Independent Director) | – Chairman |
| 2) Mr. K.S. Bawa | (Non- Executive Director) | – Member |
| 3) Mr. Joseph Sequeira | (Independent Director) | – Member |

ii) Dates of Audit Committee meeting and Directors Attended.

Date	Directors attended
28.04.2009	Dr. P B Shetty, Mr. K S Bawa & Mr. Joseph Sequeira
29.07.2009	Dr. P B Shetty, Mr. K S Bawa & Mr. Joseph Sequeira
29.10.2009	Dr. P B Shetty, Mr. K S Bawa & Mr. Joseph Sequeira
29.01.2010	Dr. P B Shetty, Mr. K S Bawa & Mr. Joseph Sequeira

iii) Terms of Reference

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

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

4. Remuneration Committee**i) Remuneration Policy**

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

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

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

ii) Terms of reference of Remuneration Committee

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

iii) Constitution and Composition of the Remuneration Committee

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

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

- | | | |
|----|--------------------------|------------|
| 1) | Dr. P Balakrishna Shetty | – Chairman |
| 2) | Mr. Joseph Sequeira | – Member |
| 3) | Mr. K.S. Bawa | – Member |

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

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

ii) Composition of the Committee:

The Grievance committee consists of two Directors as under:
 1) Mr. K.S. Bawa - Chairman
 2) Mr. R.C. Bhavuk - Member

iii) Compliance Officer:

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

iv) Shareholders' Complaints

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

6. Information on General Meetings

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

Financial Year	Date	Time	Venue	Whether special resolution passed
2008-09	30.09.2009	10.00 A.M	Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001	No
2007-08	27.09.2008	10.00 A.M	Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001	No
2006-07	27.09.2007	10.00 A.M	Conference Hall, Directorate of Youth Services Nrupathunga Road, Bangalore - 560001	No

Postal Ballot :

Special resolution for change of Main Object clause of Memorandum of Association of the Company was passed through Postal Ballot on 7.2.2008.

7. Disclosures

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

8. Means of Communication

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

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

Date : 30.09.2010
 Day : Thursday
 Time : 10 AM
 Venue : Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001
 (Opposite to HSBC Bank, Near ING Vysya Bank Corporate Office)

ii. Financial Calendar

The financial year of the Company is for a period of 12 months from 1st April 2010 to 31st March 2011

First Quarter results	: by end of July'2010
Second Quarter results	: by end of October'2010
Third Quarter results	: by end of January'2011
Fourth Quarter results	: by end of April'2011

iii. Book Closure

Date of Book Closure : From 23.09.2010 to 30.09.2010 (both days inclusive)

iv. Listing on stock Exchanges

a. Stock Exchange Listing:

01. Bombay Stock Exchange
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
02. Bangalore Stock Exchange
Stock Exchange Tower, No.51, 1st cross,
J.C.Road, Bangalore - 560 027.

It is further submitted for information of shareholders that the Annual listing fees of 2010-2010 has been paid.

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

v. Market Price Data

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

Months	(2009-2010)BSE	
	High	Low
May'2009	55.25	55.25
June'2009	52.50	52.50
August'2009	57.85	49.90
September'2009	56.00	52.65
October'2009	50.05	50.05
November'2009	52.55	49.95
January'2010	49.45	47.50
February'2010	47.05	47.05
March'2010	44.70	44.70

(Data Source : www.bseindia.com)

vi. Registrar and transfer agents

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

vii. Share Transfer System:

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

viii. Shareholding pattern as on 31st March'2010

Sl.No	Category	No. of Shares Held	% of Shareholding
	Holding of Promoter Group		
1.	Promoter Group	8684200	74.00
	Public Share Holding		
2.	Bodies Corporate	1476740	12.58
3.	Individuals upto one Lakh	489140	4.17
4.	Individuals above one Lakh	1085000	9.25
5.	Mutual Funds and UTI	0	0
6.	Banks, Financial Institutions, Insurance Corporation	0	0
	Total Public Shareholding	3050880	26.00
	GRAND TOTAL	11735080	100.00

ix. Distribution of shareholding as on 31st March'2010

SL. NO	SHARE HOLDING OF NOMINAL VALUE OF Rs.10/- per share	SHARE HOLDERS		SHARE AMOUNT	
		Number	% to Total	(in Rs.)	% to Total
	(1)	(2)	(3)	(4)	(5)
1	UPTO 5,000	3524	96.68	3534790	3.01
2	5,001 - 10,000	73	2.00	524010	0.45
3	10,001 - 20,000	23	0.63	350500	0.30
4	20,001 - 30,000	9	0.25	224500	0.19
5	30,001 - 40,000	2	0.05	66500	0.06
6	40,001 - 50,000	5	0.14	236500	0.20
7	50,001 - 1,00,000	1	0.03	80000	0.07
8	1,00,001 and above	8	0.22	112334000	95.72
	TOTAL	3645	100.00	117350800	100.00

x. Dematerialization of shares :

Trading in equity shares of the Company is permitted only in the dematerialized form. The Company has arrangements with National Securities Depository Limited (NSDL) to enable the shareholders to hold shares in electronic form with the depository. Out of total equity share capital of 1,17,35,080 Equity shares as on 31st March 2010, 54.90% (64,42,561 equity shares) are held in dematerialized form with NSDL.

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

xi. Nomination Facility :

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

xii. Address for Correspondence :

a. Registered Office :

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

b. Address for Investor Correspondence

Registrar & Share Transfer Agent

M/s. Alpha Systems Pvt. Ltd.
30, Ramana Residency, 4th Cross,
Sampige Road, Malleswaram,
Bangalore - 560 003
Tel: 080-23460815 / 16 / 17 / 18
Fax: 080-23460819

DECLARATION

As provided under clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby declared that all the board members and senior managerial personnel of the Company have affirmed the Compliance of code of Conduct for the year ended 31st March, 2010.

For and on Behalf of the Board

MANAGING DIRECTOR

Place : Bangalore
Date : 27.08.2010

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

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

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

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. I accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

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

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

Ramesh Chandra Bhavuk
MANAGING DIRECTOR

Place : Bangalore
Date : 27.08.2010

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

To the Members of Thakral Services (India) Limited Bangalore.

We have examined the compliance of conditions of Corporate Governance by M/s. Thakral Services (India) Ltd for the year ended 31st March 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, and representation made by the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

There were no investor grievances remaining un-attended / pending for more than 30 days, as per the records maintained by the company.

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

For Brahmayya & Co.,
Chartered Accountants.

(G. SRINIVAS)
Partner
Membership No. 086761

Place: Bangalore
Date : 27.08.2010

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Business Review :

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

2. Opportunities and Threats :

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

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

3. Internal Control system:

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

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

4. Future Outlook :

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

5. Financial:

The present capital base of the Company is Rs.11.73 Crores. The Company's performance during the last year resulted in a net profit of Rs.55.86 lakhs after depreciation and provisions.

6. Human Resource Management :

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

AUDITORS' REPORT**TO THE SHARE HOLDERS OF THAKRAL SERVICES (INDIA) LIMITED**

1. We have audited the attached Balance sheet of M/s. THAKRAL SERVICES (INDIA) LIMITED ('the Company') as at 31st March, 2010, Profit and Loss Account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956 and based on such checks as we considered appropriate and according to the information and explanations given to us, we state our comments on the matters specified in paragraphs 4 and 5 of the said order in the Annexure enclosed.
4. Further to our comments in the Annexure referred to above, 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 the books;
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act 1956; and
- f. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2010:
 - (ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (iii) In the case of Cash Flow Statement, of the Cash Flow for the year ended on the date.

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

G. Srinivas
(Partner)
Membership No.:086761

Place: Bangalore
Date: 27th August, 2010

Annexure to Auditors' Report

Referred to in paragraph 3 of our report of even date

- i) (a) The Company has maintained proper records showing full Particulars including quantitative details and situation of fixed assets;
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification;
- (c) During the year, in our opinion, the Company has not disposed off any major part of fixed assets and there by does not affects the going concern status of the Company.
- ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed the management are reasonable and adequate in relation to the size of the company and nature of the business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt within the books of accounts.
- iii) (a) The Company has not granted any loans secured or unsecured, to Companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. As the Company has not granted any loans, secured or unsecured, to parties listed in the Register maintained under section 301 of the Companies Act, 1956, paragraphs (iii) (b), (c) and (d) of the Order, are not applicable.
- (b) The Company has taken loans, from companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. Details are as follows:

SL No.	Name	Maximum Amount Outstanding during the year (Rs.)	Balance as at 31st March, 2010 (Rs.)
1	Raffles Solutions Pvt. Ltd	3,10,17,642	1,98,68,694
2.	Westminster Developments Pvt Ltd	53,79,691	48,13,192
3	Normandy Developments Pvt Ltd	59,81,800	59,59,411
4	Glade Trading Co.Pvt Ltd	39,08,900	39,08,900
5	Minnow Trading Co. Pvt. Ltd.	6,14,046	6,07,722
6	Thakral Computers Pvt. Ltd.	1,46,18,076	NIL
	Total		3,51,57,919

In our opinion the rate of interest and other terms and conditions of the loans are not, prima facie, prejudicial to the interest of the company.

- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come

across nor have we been informed of any instance of major weakness in the aforesaid internal control systems.

- v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the companies Act 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lakh in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public; as such the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, do not apply.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) The Central Government has not prescribed the maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956.
- ix) (a) According to the information and explanations given to us and according to the records as produced and examined by us, In our opinion, the Company is generally regular, **though there have been slight delays** in depositing with appropriate authorities the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues to the extent applicable to it. There are no arrears of outstanding undisputed statutory dues as at 31st March, 2010 for a period of more than six months from the date they became payable.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the records of the Company and information and explanations given to us, there are no dues in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty/Cess which have not been deposited on account of dispute;
- x) The Company has accumulated losses as at 31st March, 2010, which are more than fifty percent of its net worth. The Company not incurred any cash losses during the financial year covered by our Audit or in the immediately preceding financial year.
- xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has no dues to Financial Institutions and the Company has not issued any Debentures.
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to Chit Fund / Nidhi / Mutual Benefit Fund / Societies are not applicable to the Company.
- xiv) In our opinion and according to explanations given to us, the Company is not a dealer or a trader in Securities.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

- xvi) According to the information and explanations given to us, the Company has not obtained any term loans during the year.
- xvii) Based on the information and explanations given to us and an overall examination of the Balance Sheet of the Company, In our opinion, there are no funds raised on short term basis which have been used for long term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year and therefore paragraph 4 Clause (xviii) of the order is not applicable to the Company.
- xix) The Company has not issued debentures during the year and therefore paragraph 4 (xix) of the Order is not applicable.
- xx) The Company has not raised any money by public issues during the year and therefore paragraph 4 (xx) of the Order is not applicable.
- xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of the fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For Brahmayya & Co.,

Firm Registration No.:000515S
Chartered Accountants

Place: Bangalore
Date: 27th August, 2010

G. Srinivas
(Partner)
Membership No. 086761

THAKRAL SERVICES (INDIA) LIMITED**BALANCE SHEET AS AT 31st MARCH 2010**

	PARTICULARS	Sch No.	As At		As At	
			[Rs.]	31st March, 2010 [Rs.]	[Rs.]	31st March, 2009 [Rs.]
I.	SOURCES OF FUNDS :					
1	Shareholders' Funds Share Capital	1		128,576,460		128,576,460
2	Loan Funds	2				
	Secured Loans			19,829,452		—
	Unsecured Loans			35,157,919		47,761,873
	TOTAL			183,563,831		176,338,333
II.	APPLICATION OF FUNDS					
1	FIXED ASSETS	3				
	Gross Block		6,827,462		5,917,117	
	Less: Depreciation		1,460,841		1,066,892	
	Net Block			5,366,621		4,850,225
2	INVESTMENTS	4		156,410		156,410
3	CURRENT ASSETS , LOANS AND ADVANCES					
	a) Inventory		27,859,377		16,857,763	
	b) Sundry Debtors	5	78,492,732		33,972,479	
	a) Cash and Bank Balances	6	3,581,773		4,607,265	
	b) Loans and Advances	7	31,842,237		56,278,214	
			141,776,119		111,715,722	
	Less : Current Liabilities & Provisions	8	44,880,961		27,116,268	
	Net Current Assets			96,895,158		84,599,453
	Profit & Loss Account			81,145,642		86,732,245
	TOTAL			183,563,831		176,338,333

The schedules referred to above and the Notes to Accounts form an integral part of the Balance Sheet. 14
This is the Balance Sheet referred to in our report of even date

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

(G. Srinivas)
Partner

(Vasu Srinivasan)
Company Secretary

(K.S.Bawa)
Director

(R.C. Bhavuk)
Managing Director

Membership No.: 086761
Place: Bangalore
Date : 27.08.2010

THAKRAL SERVICES (INDIA) LIMITED**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010**

<i>PARTICULARS</i>	<i>Sch</i>	<i>Current Year</i> <i>Rs.</i>	<i>Previous Year</i> <i>Rs.</i>
I INCOME			
Income from Sales and Services	9	144,046,542	115,620,059
Other Income	10	14,399,815	18,143,482
	[A]	158,446,357	133,763,541
II EXPENDITURE			
a. Cost of Goods Sold	11	97,140,234	74,287,556
b. Establishment Expenses	12	29,303,997	27,541,890
c. Administration Expenses	13	24,336,961	22,458,150
d. Finance Charges		1,085,662	125,585
e. Depreciation		580,024	466,719
	[B]	152,446,878	124,879,900
Profit / (Loss) Before Tax : [A-B]		5,999,479	8,883,641
Income Tax		412,876	-
Fringe Benefit Tax		-	224,248
Net Profit / (Loss) after Tax		5,586,603	8,659,393
Loss on Sale of investments			56,191,775
Balance		5,586,603	(47,532,382)
(Loss) brought forward from earlier years		(86,732,245)	(39,199,863)
(Loss) carried over to Balance Sheet		(81,145,642)	(86,732,245)
Earning per share – Basic		0.48	(4.05)
Earning per share - Diluted		0.43	(4.05)

The schedules referred to above and the Notes to Accounts form an integral part of the Balance Sheet. 14
This is the Balance Sheet referred to in our report of even date

For Brahmayya & Co.,

Firm registration number: 000515S
Chartered Accountants

(G. Srinivas)
Partner

(Vasu Srinivasan)
Company Secretary

(K.S.Bawa)
Director

(R.C. Bhavuk)
Managing Director

Membership No.: 086761
Place: Bangalore
Date : 27.08.2010

THAKRAL SERVICES (INDIA) LIMITED

SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	As At 31st March , 2010 [Rs.]	As At 31st March, 2009 [Rs.]
<u>SCHEDULE : 1 :</u>		
<u>SHARE CAPITAL:</u>		
Authorised Capital 13000000 (Equity shares of Rs. 10/- each)	130,000,000	130,000,000
Issued ,Subscribed and Paid Up Capital 11735080 (Equity shares of Rs.10/- each)	117,350,800	117,350,800
Share application money pending allotment	11,225,660	11,225,660
	128,576,460	128,576,460
<u>SCHEDULE : 2 :</u>		
<u>SECURED LOANS :</u>		
Cash Credit from Canara Bank, Bangalore (Secured by way of hypothecation of the stocks and book debts, Equitable Mortgage of commercial bearing property Khata no: 48/24, PID No: 81 -6-48/24 situated in the eight floor, (Rear Block) of the building known as the "THE ESTATE" No: 48, Dickenson Road, Bengaluru- 560042, standing in the name of M/s Thakral Computers Pvt Limited.)	19,829,452	-
<u>UNSECURED LOANS :</u>		
Interest Free Loans from Associated Companies	35,157,919	47,761,873
	54,987,371	47,761,873
<u>SCHEDULE : 4 :</u>		
<u>INVESTMENTS :</u>		
<u>Non-Trade - Quoted</u>		
a) Shares in M/s Jaiprakash Associates Ltd 15750(Equity Shares of Rs.2/- each) py 2100 (Equity Shares of Rs. 100 each) (Market Value Rs.23,56,988/- as on 31/3/2010)	156,410	156,410
	156,410	156,410
<u>CURRENT ASSETS, LOANS AND ADVANCES:</u>		
<u>INVENTORY</u>		
Traded Goods	27,859,377	16,857,763
	27,859,377	16,857,763
<u>SCHEDULE : 5 :</u>		
<u>Sundry Debtors</u>		
- Considered Good		
More than 6 months	30,863,239	1,853,452
Less than 6 months	47,629,463	32,119,027
- Considered doubtful	2,201,578	7,098,939
	80,694,279	41,071,418
Less : Provision for Bad & doubtful debts	2,201,548	7,098,939
	78,492,732	33,972,479

THAKRAL SERVICES (INDIA) LIMITED**SCHEDULE TO BALANCE SHEET
FIXED ASSETS****SCHEDULE - 3:**

(Rs.)

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 1.4.2009	ADDITIONS	DEDUCTIONS	AS AT 31.03.2010	UP TO 1.4.2009	FOR THE PERIOD	ADJUSTMENT ON DELETION	AS AT 31.03.2010	VALUE AS AT 31.3.2009	
Office Equipment	2,363,106	531,260		2,894,366	490,984	357,655		848,639	2,045,727	1,872,124
Furniture & Fixtures	3,367,935	565,161	-	3,933,096	389,833	222,369	-	612,202	3,320,894	2,978,101
TOTAL	5,731,041	1,096,421	-	6,827,462	880,817	580,024	-	1,460,841	5,366,621	4,850,225
Previous Year	5,462,483	703,346	248,712	5,917,117	843,717	466,719	243,544	1,066,892	4,850,225	4,618,766

THAKRAL SERVICES (INDIA) LIMITED

SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 2010

<i>PARTICULARS</i>	<i>As At 31st March , 2010 [Rs.]</i>	<i>As At 31st March, 2009 [Rs.]</i>
<u>SCHEDULE : 6 :</u>		
<i>Cash and Bank Balance :</i>		
i. Cash on Hand	2,718,350	2,143,685
ii. With Banks Current Account	553,238	2,174,669
iii. In Deposit (under lien)	310,185	288,911
	3,581,773	4,607,265
<u>SCHEDULE : 7 :</u>		
<i>Loans and Advances:</i>		
i) Advance tax/TDS	2,289,478	1,124,565
ii) Advance FBT	775,118	704,682
iii) Advances against purchases and other	7,367,261	38,964,818
iv) Retention Money with Customers	14,901,982	10,873,854
v) Deposits with Govt Departments	77,908	77,908
vi) Rental and Earnest Money Deposit and Others	5,506,023	4,357,580
vii) Pre-paid expenses	924,468	174,807
	31,842,237	56,278,214
Total Current Assets, Loan & Advances	141,776,119	111,715,721
<u>SCHEDULE : 8 :</u>		
<i>CURRENT LIABILITIES & PROVISIONS</i>		
<i>A. Current Liabilities</i>		
i) Sundry Creditors	23,712,271	15,676,677
ii) Other Creditors for Expenses	2,339,982	1,499,004
iii) Duties & Taxes Payable	4,563,397	2,485,473
iv) Accrued Charges	255,940	105,940
v) Income Received in Advance	882,233	682,132
vi) Advances Received from Customers	1,889,375	187,484
vii) Expenses Payable	6,004,911	3,291,767
viii) Bank Overdraft balance	2,622,863	—
	42,270,972	23,928,477
<i>B. Provisions</i>		
i) Leave encashment	319,172	243,553
ii) Gratuity	431,169	343,467
iii) Superannuation	285,600	285,600
iv) Provision for FBT	282,385	282,385
v) Provision for Income Tax	412,876	—
v) Provision for Warranty	878,787	2,032,786
TOTAL	2,609,989	3,187,791
Total Current Liabilities and Provisions	44,880,961	27,116,268

THAKRAL SERVICES (INDIA) LIMITED

SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR 31ST MARCH 2010

<i>PARTICULARS</i>	<i>As At 31st March , 2010</i>	<i>As At 31st March, 2009</i>
	<i>Rs.</i>	<i>Rs.</i>
<u>SCHEDULE :9 :</u>		
<u>INCOME</u>		
Sales - Domestic	136,793,366	104,498,275
Export Sales	2,142,723	6,063,771
Service & Installation Charges Received	5,110,453	5,058,013
	144,046,542	115,620,059
<u>SCHEDULE :10 :</u>		
<u>OTHER INCOME</u>		
Commission from Marketing Services	13,726,352	13,539,942
Income from Arrangement of Training	—	756,481
Exchange Fluctuation Gain	388,045	—
Dividend on Investment	13,020	—
Interest on Fixed Deposits	29,975	6,806
Excess Provisions for Earlier Year Written Back	202,400	3,517,836
Sundry Credit Balances Written Back	22,634	260,973
Profit on Sale of Fixed Assets	—	44,833
Miscellaneous income	17,389	16,611
	14,399,815	18,143,482
Total Income	158,446,357	133,763,541
<u>SCHEDULE : 11 :</u>		
<u>COST OF GOODS SOLD</u>		
Opening Stock	16,857,764	9,563,875
Purchases - Local	53,920,471	42,713,481
Purchases - Import	48,946,289	37,133,372
Carriage & Freight Inward	369,791	527,410
Commission & Brokerage	51,413	1,156,220
Cabling and Installation charges	4,706,834	—
Octroi Charges Paid	134,648	32,049
Packing Material	7,460	10,230
Repairing Charges	3,581	3,550
Toolkit Expenses	1,360	5,132
Less :Closing Stock	(27,859,377)	(16,857,763)
	97,140,234	74,287,556

THAKRAL SERVICES (INDIA) LIMITED

SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR 31ST MARCH 2010

PARTICULARS	As At 31st March , 2010 Rs.	As At 31st March, 2009 Rs.
<u>SCHEDULE : 12 :</u>		
<u>ESTABLISHMENT EXPENSES</u>		
Salaries & Allowances	23,837,734	22,711,394
Directors Remuneration	1,487,167	1,515,483
PF/ESIC Contribution	1,529,169	1,421,431
Superannuity & Gratuity Contribution	98,318	6,731
Motor Car Expenses Reimbursement	543,828	317,540
Rent - Co's Leased Accommodation	45,500	100,858
Staff Welfare	1,762,281	1,468,453
	29,303,997	27,541,890
<u>SCHEDULE : 13 :</u>		
<u>ADMINISTRATION EXPENSES</u>		
Insurance	138,160	58,843
Rent	6,563,543	6,195,560
Rates & Taxes	428,767	53,681
Printing & Stationery	527,284	315,015
Communication Expenses	2,038,592	1,869,126
Electricity Charges	751,631	665,178
Repairs & Maintenance		
For Building	1,228	93,427
For Vehicles	—	9,876
For Others	104,384	93,000
Travelling and Conveyance	4,843,891	4,466,671
Legal and Consultancy	769,797	866,282
Security Service Charges	452,734	299,466
Selling & Distribution Expenses	5,688,217	6,028,183
Listing fee	30,386	21,461
Books & Periodicals	14,561	8,703
AGM Expenses	54,171	38,324
Directors Sitting Fees	24,000	22,000
Miscellaneous expenses	888,806	687,401
Payment to Auditors		
For Audit	150,000	100,000
For Expenses	363	—
Demat Charges	14,656	36,704
Donation	21,300	29,200
Exchange Fluctuation Loss	—	400,785
Bad Debts Written Off	830,490	—
	24,336,961	22,358,886
<u>FINANCE CHARGES</u>		
Interest and Bank charges	1,085,662	224,849

Schedule 14

Notes forming part of Accounts

Part A:

Significant Accounting Policies:

1. Conventions:

The Financial Statements are prepared under historical cost conventions in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and relevant disclosure requirements of the Companies Act, 1956.

2. Fixed Assets and Depreciation:

- i. Fixed Assets in the Gross Block are stated at original cost. Additions to Fixed Assets are stated at cost of acquisition and all costs relating to the acquisition and installation up to the date the asset is put into use are capitalised.
- ii. Depreciation has been charged under the Straight Line Method (SLM) at the rates prescribed in Schedule XIV of the Companies Act, 1956.

3. Investments

Long term investments are stated at cost. Provision is made when permanent diminution in value has arisen in the opinion of the management.

4. Inventories

- i. Inventories are valued at lower of cost or net realizable value. Cost is computed with issues being made on FIFO basis.
- ii. The stock on hire, under hire purchase agreements are shown at agreement value, less amount received.

5. Foreign exchange transaction

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.
- ii. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

6. Revenue / Expenditure recognition

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

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

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

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

7. Retirement benefits to employees

- i. Company's contribution to recognised funds, such as Provident Fund, Employees State Insurance, etc. are charged to Profit and Loss Account.

- ii. Liability on the basis of actuarial valuation by an independent actuary has been provided.
- iii. Leave encashment is provided on the basis of actuarial valuation at the Balance Sheet date.

8. Warranty

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

9. Taxes on Income

Current tax is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

10. Impairment of Assets

Consideration is given at the balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use.

11. Operating Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Lease payments under operating lease are recognised as an expense in the Profit and Loss Account on straight line basis over the lease term.

THAKRAL SERVICES (INDIA) LIMITED

Part B

Notes to Accounts:

1. Contingent Liabilities not provided for:

Bank Guarantee outstanding in respect of customs and others Rs. 485,097 (March 31, 2009 – Rs.2,88,911)

2. PARTICULARS OF STOCK

Purchases

Class of Goods	Current Year		Previous Year	
	Quantity Nos	Value Rs	Quantity Nos	Value Rs
Stand alone DVR	2,120	3,21,75,887	2,494	2,36,43,362
<u>Cameras</u>				
a) Dome Cameras	3,904	53,60,142	5,070	1,75,62,749
b) C-Mount Cameras	1,295	41,07,096	3,376	26,48,895
c) Cameras- Others	5,251	1,56,12,897	2,431	27,66,270
DVD Cards	433	33,59,314	917	80,93,759
Lens	3,180	15,25,607	1,679	8,54,408
Camera Accessories	7,536	15,59,469	12,594	13,34,736
Cable Accessories	7,20,670	2,61,78,855	6,011	37,11,908
Other Parts	11,112	1,29,87,494	25,203	1,92,30,766
TOTAL		10,28,66,761		7,98,46,853

Sales

Class of Goods	Current Year		Previous Year	
	Quantity Nos	Value Rs	Quantity Nos	Value Rs
Stand alone DVR	1,583	5,59,11,431	2184	2,84,95,140
<u>Cameras</u>				
a) Dome Cameras	3,876	79,12,289	3213	1,79,52,615
b) C-Mount Cameras	1,383	38,87,925	3189	38,92,131
c) Cameras	3,953	1,34,52,184	1693	63,12,191
DVD Cards	524	54,75,080	673	1,10,82,097
Lens	2,992	3,72,416	1469	4,42,276
Camera Accessories	5,913	9,82,355	12286	14,89,275
Cable Accessories	6,83,210	2,60,28,612	3162	64,15,094
Other Parts	11,822	2,49,13,797	23002	3,44,81,227
TOTAL		13,89,36,089		11,05,62,046

Closing Stock*

Class of Goods	As at 31-03-2010		As at 31-03-2009	
	Quantity Nos	Value Rs	Quantity Nos	Value Rs
Stand alone DVR	1,398	90,41,971	442	32,59,697
Cameras				
a) Dome Cameras	3,825	35,62,019	2,246	24,49,557
b) C-Mount Cameras	634	27,37,692	209	3,42,678
c) Cameras	2,373	25,95,166	881	20,00,709
DVD Cards	396	14,96,431	487	24,31,918
Lens	448	1,96,392	260	55,415
Camera Accessories	3,386	6,00,072	1,229	4,93,619
Cable Accessories	45,759	26,44,669	3,068	4,39,232
Other Parts	4,510	49,84,965	3,750	53,84,938
TOTAL		2,78,59,377		1,68,57,763

* Closing stock includes goods sold on hire purchase.

3. RELATED PARTY DISCLOSURES:**a) List of Related Party and Relationship:**

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

b) Summary of the Related Party Transaction:

Sl. No.	Related Party Transactions	April 01, 2009 to March 31, 2010 (Rs.)	April 01, 2008 to March 31, 2009 (Rs.)
1	Remuneration: Key Management Personnel R.C.Bhavuk	14,87,167	15,07,131
2	Thakral Computers Pvt.Ltd (Refer Note -1) Purchases Sales Expenses Commission Received	2,08,859 19,40,704 1,19,301 15,41,251	1,67,678 19,81,211 NIL 32,35,371
3	Future World (India) Pvt. Ltd- Investment Sold (Refer Note 1)	NIL	4,46,91,125
4	Outstanding balances: Future World (India) Pvt. Ltd	2,68,70,202	2,68,70,202
5	Unsecured loan availed (repaid) during the year from companies where directors have significant influence*	(1,26,03,954)	127,73,004
6	Closing balance of unsecured loans from companies where directors have significant influence	351,57,919	477,61,873

Note1: The Company is in the process of obtaining Central Govt. approval for the transaction with applicable related parties.

*Break up of Unsecured Loans from Associates

<i>Name</i>	<i>during the year Balance (Rs.)</i>	<i>Maximum outstanding Opening (Rs.)</i>	<i>Closing Balance (Rs.)</i>
Raffles Solutions Pvt. Ltd	210,60,235	3,10,17,642	1,98,68,694
Westminster Developments Pvt Ltd	53,79,692	53,79,691	48,13,192
Normandy Developments Pvt Ltd	59,81,800	59,81,800	59,59,411
Glade Trading Co. Pvt Ltd	39,08,900	39,08,900	39,08,900
Minnow Trading Co. Pvt Ltd	6,14,046	6,14,046	6,07,722
Thakral Computers Pvt Ltd	1,08,17,200	1,46,18,076	NIL
Total	4,77,61,873		351,57,919

4. DIRECTORS' REMUNERATION INCLUDED IN SALARIES AND WAGES

<i>Particulars</i>	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
Salary	7,20,000	7,20,000
Allowances and Perquisites	6,80,767	7,09,083
Company's contribution to PF	86,400	86,400
Total	14,87,167	15,15,483

5. AUDITORS REMUNERATION.

<i>Audit Fees (Excluding Service Tax)</i>	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
Statutory Audit	1,00,000	75,000
Tax Audit	50,000	25,000
Total	1,50,000	1,00,000

6. VALUE OF IMPORTS ON CIF BASIS

<i>Particulars</i>	<i>Current Year (Rs)</i>	<i>Previous Year (Rs)</i>
1. Components & Spares	4,89,46,289	3,71,33,372
Total	4,89,46,289	3,71,33,372

7. EXPENDITURE IN FOREIGN CURRENCY

<i>Particulars</i>	<i>Current Year (Rs)</i>	<i>Previous Year (Rs)</i>
1. Traveling expenditure	1,51,401	70,940
2. Others	1,00,879	Nil
Total	2,73,904	70,940

8. EARNINGS IN FOREIGN CURRENCY

	<i>Current year (Rs.)</i>	<i>Previous year (Rs.)</i>
1. Export of goods on FOB basis	21,42,723	60,63,771
2. Others (Commission) and arrangement of training	129,74,369	1,36,93,473
Total	1,51,17,092	1,97,57,244

9. EPS Disclosure:

<i>Particulars</i>	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
Profit available to shareholders	55,86,603	(4,75,32,382)
Weighted average number of Equity shares in calculating basic EPS	1,17,35,080	1,17,35,480
Weighted average number of Equity shares in calculating diluted EPS	1,28,57,646	1,28,57,646
Earnings per share - Basic	0.48	(4.05)
Earnings per share - Diluted	0.43	(4.05)

10. Employee Benefits

Defined Benefit Plans

Profit and loss account:

Net Employee benefit expense (Recognised in Employee Cost):

<i>Particulars</i>	<i>For the year ended 31 March 2010 (Rs.)</i>	<i>For the year ended 31 March 2009 (Rs.)</i>
Current Service Cost	2,01,203	216515
Interest Cost	25,362	13,855
Expected return on plan assets	Nil	Nil
Net actuarial (gain)/loss recognised in the year	(1,28,247)	(71,640)
Net benefit expense	98,318	1,58,730

Balance sheet

Details of Provision for gratuity

	<i>As at 31st March, 2010 (Rs.)</i>	<i>As at 31st March, 2009 (Rs.)</i>
Fair Value of plan assets	Nil	Nil
Defined benefit obligation	(10,616)	Nil
Plan assets/(Liabilities)	Nil	Nil

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

	<i>For the year ended 31 March 2010 (Rs.)</i>	<i>For the year ended 31 March 2009 (Rs.)</i>
Opening Defined benefit obligation	3,43,467	1,84,737
Interest Cost	25,362	13,855
Current Service Cost	2,01,203	2,16,515
Benefits paid	(10,616)	Nil
Actuarial gains/(losses) on obligation	(1,28,247)	(71,640)
Closing Defined benefit obligation	4,31,169	3,43,467

Changes in the fair value of plan assets are as follows

	<i>For the year ended 31 March 2010 (Rs.)</i>	<i>For the year ended 31 March 2009 (Rs.)</i>
Opening fair value of the plan asset	Nil	Nil
Expected return	Nil	Nil
Contribution by employer	10,616	Nil
Benefits paid	(10,616)	Nil
Actuarial gains/(losses) on obligation	Nil	Nil
Closing fair value of the plan asset	Nil	Nil

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

	<i>For the year ended 31 March 2010 (Rs.)</i>	<i>For the year ended 31 March 2009 (Rs.)</i>
Discount rate	8.00%	7.50%
Expected rate of salary increase	4.00%	4.00%

11. The Company is engaged in CCTV Sales and related service activities, which in the context of Accounting standard 17 segment reporting, notified under section 211(3c) of the companies act 1956 is considered as single business segment. Hence reporting under the requirements of the said standard does not arise.
12. Deferred Tax Asset has not been recognized in the books of account in view of the virtual certainty vide Para 17 of AS-22
13. Micro, Small and Medium Enterprises Development Act, 2006(MSMED Act)
Based on the information available with the Company, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2010. Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.
14. Figures for the previous year have been re-grouped wherever necessary for comparison purposes.

Per our Report annexed

For Brahmaya & Co.,

Firm registration number: 000515S

Chartered Accountants,

(G.Srinivas)

Partner

(Vasu Srinivasan)

Company Secretary

(K.S.Bawa)

Director

(R.C.Bhavuk)

Managing Director

Membership No.: 086761

Place: Bangalore

Date : 27.08.2010

Thakral Services (India) Limited**Balance Sheet abstract & company's general Business profile****(Figures in Thousand)****1 Registration Details**

Registration No	5140
State Code	08
Balance sheet Date	31.03.2010

2 Capital raised during the year

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

3 Position of mobilisation & Deployment of Funds (Amount in Rs. T h o u s a n d s)

Total Liabilities	183,564
Total Assets	183,564
Sources of Funds	
Paid up capital	128,576
Reserves & Surplus	NIL
Secured Loans	NIL
Unsecured Loans	35,158
Application of Funds	
Net Fixed assets	5,367
Investments	156
Net Current Assets	96,895
Accumulated Losses	81,146

4 Performance of the Company

Turnover (Including Miscellaneous Income)	158,446
Total Expenditure	152,447
Profit/(Loss) before Tax	5,999
Profit/(Loss) after Tax & Provision	5,587
Earning per share	0.48
Dividend Rate	NIL

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

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

(G.Srinivas)
Partner**(Vasu Srinivasa)**
Company Secretary)**(K S Bawa)**
Director**(R C Bhavuk)**
Managing Director

THAKRAL SERVICES (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

<u>A. CASH FLOW FROM OPERATING ACTIVITIES:</u>		<i>Current Year</i>		<i>Previous Year</i>
		(Rs.)		(Rs.)
Net Profit before Tax and Extra-Ordinary Items		5,586,603		(47,308,134)
Adjustments for :				
Depreciation	580,024		466,719	
Provision for Tax	412,876		—	
Loss on Sale of Investments	(0)		56,191,775	
Profit on Sale of Fixed Assets	—		(44,833)	
Excess Provision written back	(202,400)		(3,517,863)	
Sundry Credit balances Written Off	(22,634)		(260,973)	
Interest received	(29,975)		(6,806)	
Sundry Debit Balances Written off	830,490		50,025	
Interest paid	1,085,662	2,654,042	224,849	53,102,893
Operating Profit before working capital changes		8,240,645		5,794,759
Adjustments for :				
Inventories	(11,001,614)		(7,293,888)	
Trade and other receivables	(20,914,765)		55,862,538	
Trade & other Payables	17,989,726	(13,926,652)	2,986,282	(60,170,144)
Less: Taxes Paid		(5,686,007)		(54,375,385)
Cash generated from Operations		(412,876)		(224,248)
		(6,098,883)		(54,599,633)
Net Cash flow from Operating activities		(6,098,883)		(54,599,633)
<u>B. CASH FLOW FROM INVESTING ACTIVITIES :</u>				
Purchase of fixed assets		—		(703,346)
Sale of Fixed Assets		(1,096,421)		50,000
Sale of Investment		—		44,691,125
Dividend received		—		—
Interest received		29,975		6,806
Net Cash flow from investing activities		(1,066,446)		44,044,585

<u>C.CASH FLOW FROM FINANCING</u>			
<u>ACTIVITIES :</u>			
Net Increase in Cash Credit and Unsecured Loans		7,225,498	12,773,004
Interest paid		(1,085,662)	(224,849)
Net Cash flow from Financing activities		6,139,836	12,548,155
Net Increase in Cash and Cash Equivalents		(1,025,493)	1,993,108
Cash and Cash Equivalents as at 1.4.2009 (Opening Balance)		4,607,265	2,614,157
Cash and Cash Equivalents as at 31.3.2010 (Closing Balance)		3,581,773	4,607,265

(Vasu Srinivasan)
Company Secretary

(K.S.Bawa)
Director

(R.C.Bhavuk)
Managing Director

AUDITOR'S CERTIFICATE

The above Cash Flow Statement has been compiled from and is based on the audited accounts of Thakral Services (India) Limited for the year ended 31st March, 2010. According to the information and explanations given, the aforesaid cash flow statement has been prepared pursuant to clause 32 of the listing agreement and reallocation required for the purpose are as made by the company.

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

Place : Bangalore
Date : 27.08.2010

(G. Srinivas)
Partner
Membership No.: 086761

FORM OF PROXY

I/We _____ of _____ being a Member/Members of **Thakral Services (India) Limited** hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the Twenty Seventh Annual General Meeting of the Company to be held on 30th September '2010 and at any adjournment thereof. Signed at _____ this _____ day of _____ 2010

Signature (across the stamp)

Name _____

Regd. Folio No. _____

Affix Rs.1/-
Revenue Stamp

NOTES

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

=====

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

THAKRAL SERVICES (INDIA) LIMITED

Name of the attending Member
(In Block Letters) _____

Member's Folio Number _____

Name of the Proxy (in Block letters) _____

if the proxy attends instead of the Member _____

Number of Shares held _____ Equity shares.

I hereby record my presence at the Twenty Seventh Annual General Meeting of the Company held at Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001 (Opposite to HSBC Bank Near ING Vysya Bank-corporate office at 10.00 a.m. on 30th September 2010.

(Proxy's Signature)

In case of proxy attends meeting

(Member's Signature)

In case member attends meeting

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