

**3rd ANNUAL REPORT
2010-2011**

TAMBOLI CAPITAL LIMITED

**TAMBOLI CAPITAL LIMITED
(TCAP)**

BOARD OF DIRECTORS : Shri Bipin F. Tamboli Chairman & Managing Director
Shri Bharat K. Shah Director
Shri Tushar B. Dalal Director

BANKERS : Bank of Baroda
Lokhand Bazar, Main Branch,
Bhavnagar, Gujarat

AUDITORS : Sanghavi & Company
Chartered Accountants
Bhavnagar

REGISTERED OFFICE : Mahavir Palace, 8-A
Kalubha Road,
Bhavnagar
Gujarat 364 002.
Telephone (91) (278) 654 1222 / 252 0065
Fax (91) (278) 252 0064
E-Mail direct1@tambolicapital.in
Website www.tambolicapital.in

ISIN : INE864J01012

BSE Scrip Code : 533170

REGISTRAR & TRANSFER AGENT : MCS Limited
101, Shatdal Complex,
Opp. Bata Show Room, Ashram Road
Ahmedabad 380 009
Telephone (91) (079) 2658 2878 / 79 / 80
Fax (91) (079) 2658 1296
E-Mail mcsahmd@gmail.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRD ANNUAL GENERAL MEETING OF TAMBOLI CAPITAL LIMITED WILL BE HELD ON SEVENTEENTH DAY OF SEPTEMBER 2011 AT HOTEL NILAMBAG PALACE, BHAVNAGAR AT 1630 HOURS, to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at March 31, 2011 and Profit & Loss Account for the period ending on that date and the report of the Board Of Directors and Auditors thereon, and to consider and adopt Compliance Certificate received from Practicing Company Secretary in pursuance of provision of section 383A (1) of the Companies Act, 1956, as amended.
2. To appoint a Director in place of Shri Tushar B. Dalal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

Registered Office:
Mahavir Palace, 8-A, Kalubha Road,
Bhavnagar
Gujarat 364 002
Dated: May 14, 2011

BY ORDER OF THE BOARD OF DIRECTORS
B. F. Tamboli
CHAIRMAN AND MANAGING DIRECTOR

Notes:

1. A member entitled to attend and vote at the above meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. Register of Members shall remain closed from 10.09.2011 to 16.09.2011 (both days inclusive).
3. Members are requested to notify change of address, if any.
4. Members desiring any information pursuant to an item on the Agenda are requested to write sufficiently early so as to reach the Company at least 7 days prior to the AGM, to enable the Management to keep the information available at the meeting.
5. Members holding shares in demat form are requested to bring their Client ID and DPID numbers and photo identity for easy identification of attendance at the meeting.
6. Since the company is incorporated in F. Y. 2008-2009, and this being the third general meeting, the provisions of Section 205-C of the Companies Act, 1956, concerning unpaid/unclaimed dividend is not applicable.

Registered Office:
Mahavir Palace, 8-A, Kalubha Road,
Bhavnagar
Gujarat 364 002
Dated: May 14, 2011

BY ORDER OF THE BOARD OF DIRECTORS
B. F. Tamboli
CHAIRMAN AND MANAGING DIRECTOR

DIRECTORS' REPORT: 2010-2011

To
The Members

The Directors of Tamboli Capital Limited present their Report with Audited Accounts of the Company for the year ended March 31, 2011.

1. Financial Results :

	(Rs. in Lacs)	
	2010-2011	2009-2010
	<hr/>	<hr/>
Total Income	43.29	47.60
Profit Before Taxation	28.48	27.62
Less: Provision for Taxation:		
1. Current	0.53	--
2. Earlier years' Tax	-(0.11)	--
3. Deferred	--	--
Profit After Taxation	28.06	27.62
Adding thereto:		
1. Balance brought forward from last Balance Sheet	--	--
2. Prior Period Adjustment	--	--
Making a total amount available for appropriation of which has been transferred to General Reserve.	28.06	27.62

- 2. Operations:** The standalone total Income during the year shows decrease of 9.05% over the previous year. The standalone Profit Before Tax shows increase of 3.11% over previous year. The consolidated income shows increase of 103.57% over previous year. The consolidated Profit Before Tax shows increase of 122.94% over previous year
- 3. Dividend:** The Directors have not recommend Dividend for the year 2010-2011.
- 4. Depository System:** As the members are aware, the company's shares are tradable in electronic form and the company has established connectivity with both the depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As of date shares representing 76.68% of the share capital are in the dematerialized form. In view of the numerous advantages offered by the Depository System, shareholders are requested to avail of the facility of dematerialisation of the Company's shares on either of the Depositories as aforesaid.
- 5. Directors:** Shri Tushar B. Dalal retires by rotation as required by the Companies Act, 1956, and being eligible, offers himself for re-election.
- 6. Auditors:** The members will be requested at the forthcoming Annual General Meeting to appoint Auditors and fix their remuneration. M/s. Sanghavi & Co., the existing Auditors, are eligible for re-appointment.
- 7. Listing:** The Equity shares of the Company are listed on The Bombay Stock Exchange Limited (BSE) under Scrip Code: 533170.
- 8. Change of Registrar & Transfer Agent (R&TA):** During the year under review, the Company has changed its RTA from Link Intime India Pvt. Ltd, Ahmedabad to MCS Limited, Ahmedabad.

9. **Corporate Governance:** Pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE), Corporate Governance Report, Chairman's and Auditors Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.
10. **Management Discussion and Analysis :** Pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE), Management Discussion and Analysis Report is enclosed.
11. **Particulars of Employees:** Information in accordance with sub-section (2A) of Section 217 of the Companies Act, 1956, is presently not applicable.
12. **Subsidiary Company:** The company has only one subsidiary (Wholly Owned) i.e. Tamboli Castings Limited, presently. Tamboli Castings Limited is a company engaged in manufacturing of investment castings with in house facility of CNC machine shop.
13. **Directors' Responsibility Statement:** The Board of Directors report that:
 - a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed.
 - b) Accounting policies have been selected and applied consistently and the judgements and estimates made 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 that year.
 - c) proper and sufficient care have been taken 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 Annual Accounts have been prepared on a going concern basis.
14. **Compliance Certificate:** A copy of this certificate is enclosed with this report.
15. **Appreciation:** The Directors thank the Bankers and the concerned authorities of the Government for their co-operation.

Registered Office:
Mahavir Palace, 8-A, Kalubha Road,
Bhavnagar
Gujarat 364 002
Dated: May 14, 2011

ON BEHALF OF THE BOARD OF DIRECTORS
B. F. Tamboli
CHAIRMAN AND MANAGING DIRECTOR

MANAGEMENT DISCUSSION & ANALYSIS

A. Overview - Financial Performance:

This has been comprehensively covered in the Report of the Directors for the year under review.

B. Industry Structure & Development:

The company is an investment holding company having investments primarily in Tamboli Castings Limited, the wholly owned subsidiary of the company and in financial instruments. The company's subsidiary is engaged in manufacturing of Investment Castings with in house facility of CNC machine shop. The profitability of the company is linked to the performance of the said investments.

C. Opportunities, Risks, Threats and Concerns:

The performance of the company, at present, is linked to its wholly owned subsidiary - Tamboli Castings Limited.

As perceived last year, the reversal of recessionary trend in Europe especially in Germany did go through and augured well for the company and its markets. The company and its subsidiary have performed better than last year. There is a threat on the margins in the present scenario as the raw material and oil prices are uncertain.

D. Outlook:

Barring unforeseen circumstances and major disturbance in Global Economy, the future of the company appears to be good.

E. Internal Control Systems and Their Adequacy:

The company has a system of internal control which is reviewed by the Management. The Management evaluates the functioning and quality of the internal controls and provides assurance through periodical reporting. The Management reviews the Internal Audit Reports and the adequacy of internal control on regular basis which is also minimizing any possible risk in the operations of the company.

F. Financial Performance:

This has been comprehensively covered in the Report of the Directors for the year under review.

G. Human Resources:

The Human relations continue to be cordial and productive during the year.

H. Cautionary Statement:

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets, change in the Government regulations, tax laws and other statutes and incidental factors.

COMPLIANCE CERTIFICATE

To
The Members,
TAMBOLI CAPITAL LIMITED

I have examined the registers, records, books and papers of TAMBOLI CAPITAL LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there-under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. the Company has kept and maintained all registers as stated in Annexure `A' to this certificate, as per the provisions and the rules made there-under and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns as stated in Annexure `B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there-under as stated in Annexure 'B' to this Certificate.
3. the Company is a public company within the meaning under section 3(1)(iv) of the Act.
4. the Board of Directors duly met four times on 29th April, 2010, 2nd August, 2010, 29th October, 2010, 30th January, 2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.
5. the Company closed its Registrar of Members from 24.07.2010 to 01.08.2010 and necessary compliance of section 154 of the Act has been made.
6. the annual general meeting for the financial year ended on 31st March, 2010 was held on 2nd August, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. the Company has not advanced any loan to its directors and/or persons or firms or companies referred to in the section 295 of the Act.
8. the Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section and to the extent applicable.
9. the Company has made necessary entries in the register maintained under section 301 of the Act.
10. the Company has obtained necessary approval from the members pursuant to section 314 of the Act wherever applicable.
11. no duplicate share certificates were issued during the financial year under review.
12. (i) delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose in accordance with the provision of the Act.
(ii) the Company has not declared any dividend during the financial year 2009-10 and was not required to deposit any amount of dividend in a separate bank account.
(iii) the Company has not paid any dividend during the financial year under review.
(iv) the amount in unpaid dividend account which have remained unclaimed or unpaid for a period of seven years as required to be transferred to Investor Education and Protection Fund were NIL.
(v) the Company has duly complied with the requirements of section 217 of the Act.
13. the Board of Directors of the Company is duly constituted and the appointment of director during the period under review has been duly made.

14. the Company has made appointment of Managing Director in compliance of section 269 read with Schedule XIII of the Act during the financial year under review.
15. no appointment of sole-selling agents was made during the financial year under review.
16. the Company was not required, during the financial year, to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or other authorities as may be prescribed under the various provisions of the Act.
17. the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there-under.
18. the Company has not issued any shares/debentures/other securities during the financial year.
19. the Company has not bought back any shares during the financial year ending 31st March, 2011.
20. the Company has not redeemed any preference shares/debentures during the financial year.
21. the Company was not required to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
22. the Company has not invited/accepted any deposits including unsecured loans within the provisions of sections 58A during the financial year.
23. the Company has not borrowed any amounts from any one during the financial year ending 31st March, 2011.
24. the Company has not made loans and investments or given guarantees nor provided securities to other bodies attracting compliance of the provisions under section 372A of the Act.
25. the Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
26. the Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
27. the Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
28. the Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
29. the Company has not altered its articles of association during the year under scrutiny.
30. no prosecutions were initiated against and no show cause notices were received by the Company for alleged offences under the Act.
31. the Company has not received any amount as security from its employees during the financial year under scrutiny.
32. the Company was not required to deposit both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Signature : Sd/-

Name of Company Secretary : BIPIN S. ACHARYA

C. P. No. : 8 FCS 424

B/3, Ripple Apartments,

Near Hindu Mahila Milan Mandir,

Narayan Nagar, Paldi, Ahmedabad-380007.

Place : Ahmedabad.

Date : 12th May, 2011.

Encl: Annexures.

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

1. Register of Members under section 150
2. Register of Contracts under section 301
3. Register of Directors etc. under section 303
4. Register of Directors' Shareholdings under section 307

[The Company did not create any charges and was not required to keep or maintain the Register of Charges under section 143 of the Act.]

Annexure 'B'

Forms and Returns as filed by the Company with the Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2011 : NIL

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2011.

Sr. No.	Form Number	Filed under section	For	Filed on
1.	e-Form 23	192	Notifying special resolution passed by the Board of Directors concerning appointment of Shri Bipin F. Tamboli as Whole Time Director.	17.05.2010
2.	e-Form 32	303	Notifying change in designation of Shri B. F. Tamboli from Director to Chairman cum Managing Director w.e.f. 29.04.2010.	17.05.2010
3.	e-Form 25C	269(2)	Notifying appointment of Shri B.F. Tamboli as Chairman cum Managing Director without remuneration w.e.f. 29.04.2010.	17.05.2010
4.	e-Form 32	303	Notifying change in designation of Shri Tushari Dalal as Director from additional director on 02-08-2010	27.08.2010
5.	e-Form 66 for Compliance Certificate	383A(1)	certifying compliances of the statutory provisions under the Act during F.Y. 2009-10.	27.08.2010
6.	e-Form 23AC & 23ACA for Annual Accounts & Reports for F.Y. 2009-10	220	adoption at annual general meeting on 02.08.20010	28.08.2010
7.	e-Form 20B for Annual Return upto 02.08.2010	159	Annual General Meeting held on 02.08.2010	15.09.2010

Signatures to Annexures 'A' and 'B'

Signature : Sd/-

Name of Company Secretary : BIPIN S. ACHARYA

C. P. No. : 8 FCS 424

B/3, Ripple Apartments,

Near Hindu Mahila Milan Mandir,

Narayan Nagar, Paldi, Ahmedabad-380007

Place: Ahmedabad.

Date : 12th May, 2011

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below:

1. Company's Philosophy on Code of Governance:

It has been the philosophy on the part of the Company to achieve excellence in Corporate Governance by following the principles of consistency, uniformity of decision making process and actions, highest standards of management and business integrity in functioning, so as to enhance constantly value for stakeholders and fulfill its social obligation.

The above philosophy along with Tamboli Capital Ltd Code of Conduct for Prevention of Insider Trading ensures adherence to high ethical and moral standards which bind the Company and its employees.

2. Board of Directors:

2.1 Composition and category of Directors:

The Board comprises of three Directors out of which two are Independent Directors. The Company has Promoter Director as the Chairman and Managing Director, therefore more than half the total strength of Board comprises of Independent Directors. The Company has thus complied with amended Clause 49 of listing agreement concerning strength of Independent Directors. The names and categories of Directors as also the number of Directorships and Committee positions held by them in other companies in accordance with the provisions of clause 49 of the Listing Agreement, are as given below:

Directors		Number of other Directorships Public Limited Companies		Private Limited Companies	Committees	
	Category	Listed Companies	Unlisted Companies		Memberships	Chairmanships
Shri Bipin F. Tamboli	Chairman and Managing Director	-	2	3	-	-
Shri Bharat K. Shah	Non-Executive Independent Director	-	1	-	-	-
Shri Tushar B. Dalal	Non-Executive Independent Director	-	-	2	-	-

Notes:

The Company held four Board Meetings during F.Y. 2010-2011 and the gap between two meetings did not exceed four months. The Board Meetings were held on April 29, 2010, August 2, 2010, October 29, 2010, and January 30, 2011.

The details of attendance of Directors at the Board Meetings during the F.Y. 2010-2011 and at the last Annual General Meeting held on August 2, 2010 are given below

Name	Position	Meetings held during the tenure of Directors	Meetings attended	Attendance at the last AGM held on August 2, 2010
Shri Bipin F. Tamboli	Chairman and Managing Director	4	3	No
Shri Bharat K. Shah	Non-Executive Independent Director	4	4	Yes
Shri Tushar B. Dalal	Non-Executive Independent Director	4	4	Yes

2.2 Code of Conduct

As per Clause 49 of the Listing Agreement with Bombay Stock Exchange, the Company has adopted a Code of Conduct for the Board and the senior management. It can be viewed on the Company's website, www.tambolicapital.in Affirmations regarding compliance with the Code of Conduct were obtained from the Chairman of the Company. As required, a declaration duly signed by the Chairman to that effect is attached.

3 Committees of the Board:

The Board of Directors has constituted Committees viz., Audit Committee and Investor's Grievance Committee. The functions of these committees are summarised below:

3.1 Audit Committee:

The powers of the Audit Committee are as mentioned in Clause 49 (ii) [c] and [d] of the Listing Agreement and Section 292A of the Companies Act, 1956. The terms of reference of this Committee are wide enough covering the matters specified for Audit Committees under the Listing Agreement. The Committee acts as a link between the management, the Statutory and the Internal Auditors on one side and the Board of Directors of the Company on the other side and oversees the financial reporting process.

Constituted Attorney, Internal Auditors and Statutory Auditors are permanent invitees to attend the meetings.

The Composition of Audit Committee is as under:

1	Chairman	:	Shri Bharat K. Shah (Independent Director)
2	Members	:	Shri Tushar B. Dalal (Independent Director)
		:	Shri Bipin F. Tamboli (Chairman and Managing Director)

During the year under review, the Audit Committee met four times on dates April 29, 2010, August 2, 2010, October 29, 2010, and on January 30, 2011.

3.2 Investor's Grievance Committee:

The Committee overseas the complaints/suggestions received from shareholders. The nature of complaints received from investors includes non receipt of annual reports, change of address, relating to demerger, etc. Investors queries/grievances are normally attended by the Company within 7 days from the date of receipt, thereof.

The Composition of Investor's Grievance Committee is as under:

1	Chairman	:	Shri Tushar B. Dalal (Independent Director)
2	Members	:	Shri Bharat K. Shah (Independent Director)
		:	Shri Bipin F. Tamboli (Chairman and Managing Director)

During the year under review, the Investor Committee met four times on dates April 29, 2010, August 2, 2010, October 29, 2010, and on January 30, 2011.

The status on the total number of Complaints received during the year were as follows:

Complaints pending at the beginning of the year	Complaints received during the year	Complaints redressed and replied during the year	Complaints pending at the end of the year
Nil	5	5	Nil

4 Disclosures:

During the year under review, besides the transactions reported elsewhere in the Annual Report there were no other related party transactions with its promoters, directors, management and subsidiaries that has a potential conflict with the interest of the Company.

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

5 Means of Communication:

5.1 Website

The Company has its own web-site and all vital information relating to the Company and its performance and other informations are posted on the web-site. The Company's web-site address is www.tambolicapital.in

5.2 Other means of Communication

Half yearly report sent to each household of shareholders	Yes
Newspapers in which Results are normally published in	Financial Express, Mumbai and Ahmedabad.
Any website where displayed	www.tambolicapital.in
Whether it also displays official news releases and the presentations made to institutional investors or to the analysts	Yes
Whether Management Discussion and Analysis is a part of the Annual Report	Yes

6 General Shareholder Information:**6.1 Annual General Meeting:**

Date & Time	:	September 17, 2011 at 04.30 p.m
Venue	:	Hotel Nilambag Palace, Bhavnagar
Registered Office	:	Mahavir Palace, 8-A, Kalubha Road, Bhavnagar, Gujarat 364 002
Telephone Nos.	:	(91) (278) 654 1222 / 252 0065
Fax No.	:	(91) (278) 252 0064
E-Mail	:	direct1@tambolicapital.in

6.2 Financial Calendar:

Quarter ending	:	30th June 2010	30th September 2010	31st December 2010	31st March 2011
Reporting Month	:	August 2010	November 2010	February 2011	May 2011

6.3 The Company has paid annual listing fees to The Bombay Stock Exchange Limited (BSE) in respect of the financial year 2010-2011.

6.4 The Company's Shares are currently listed and traded on The Bombay Stock Exchange Limited (BSE), Scrip Code is 533170 and Scrip ID is TAMBOLI.

6.5 Share Transfer System and Dematerialisation of Shares:

The Shares of the Company are traded in dematerialised form. The code Number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is as follows:

ISIN Number of Company's Shares for NSDL & CDSL	INE864J01012
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Percentage of Shares held in Physical & Electronic form as on March 31, 2011 is as follows:

Sr. No.	Particulars	No. of Share Holders	No. of Shares held	% of total
1	Physical Shares	176	23,13,027	23.32
2	Electronic Shares	4143	76,06,973	76.68
	TOTAL	4319	99,20,000	100.00

6.6 Market Price Data: Market Price Data: High, low during each month in last financial year

Months	BSE High	BSE Low	Months	BSE High	BSE Low	Months	BSE High	BSE Low
April 10	35.00	26.00	August 10	24.40	20.00	Dec. 10	24.45	17.65
May 10	29.50	18.10	Sept. 10	27.90	20.55	January 11	21.65	18.15
June 10	28.80	16.60	October 10	25.35	22.20	February 11	19.95	12.70
July 10	27.50	23.30	Nov. 10	23.30	18.00	March 11	16.90	12.01

6.7 Registrar and Transfer Agent:

During the year under review, the Company has changed its RTA from Link Intime India Pvt. Ltd, Ahmedabad to MCS Limited, Ahmedabad. The details of new RTA is as follows:

MCS Limited

101, Shatdal Complex,

Opp. Bata Show Room, Ashram Road

Ahmedabad 380 009

Telephones : (91) (079) 2658 2878 / 79 / 80

Fax: (91) (079) 2658 1296

E-Mail: mcsahmd@gmail.com

6.8 Distribution of Shareholding as at end of March 31, 2011:

Category	No. of Shares held	Percentage (%) of Shareholding
Promoters	50,87,000	51.28
Financial Institutions	4,39,383	4.43
Non Resident Indian	1,58,378	1.60
Others	42,35,239	42.69
Total	99,20,000	100.00

6.9 Distribution Schedule as on March 31, 2011:

Number of Shares held	Shares held		Number of Holders	
	Number	%	Number	%
Upto 500	4,97,429	5.01	3048	70.58
501 to 1000	3,78,057	3.81	474	10.98
1001 to 2000	6,33,952	6.39	406	9.40
2001 to 3000	2,68,051	2.70	105	2.43
3001 to 4000	3,73,489	3.77	111	2.57
4001 to 5000	1,44,175	1.45	31	0.72
5001 to 10000	5,09,509	5.14	72	1.66
10001 and above	71,15,338	71.73	72	1.66
Total	99,20,000	100.00	4319	100.00

CEO/CFO CERTIFICATION:

To
The Board of Directors

- (a) We have reviewed the attached financial statements and the cash flow statement for the year ended on March 31, 2011.

To the best of our knowledge and belief, we certify that:

- (i) these statements do not contain any materially un-true statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair value of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our 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.
- (c) We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the company. We certify that no deficiencies in the design or operation of internal control were found.
- (d) We have indicated to auditors about:
- (i) no significant changes in internal controls during the year.
 - (ii) no significant changes in accounting policies during the year.
 - (iii) no instances of any fraud during the year under review.

Place : Bhavnagar
Date : May 14, 2011

B. F. Tamboli
CHAIRMAN AND MANAGING DIRECTOR

Declaration regarding affirmation of Code of Conduct

In terms of the requirement of the amended Clause 49 of the Listing Agreement, Code of Conduct as approved by the Board of Directors of the Company had been displayed at the Company's website www.tambolicapital.in. All the members of the Board and management personnel affirmed compliance with the Code for the year ending March 31, 2011.

Place : Bhavnagar
Date : May 14, 2011

B. F. Tamboli
CHAIRMAN AND MANAGING DIRECTOR

AUDIT CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Tamboli Capital Limited

We have examined the compliance of conditions of Corporate Governance by Tamboli Capital Limited for the year ended March 31, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation there of, 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 information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.

We state that no investors' grievance(s) is/are pending for a period exceeding one month against the Company 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.

Place : Bhavnagar
Date : May 14, 2011

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W
Manoj Ganatra
Partner
Membership No. 043485

AUDITORS' REPORT

To
The Members of
Tamboli Capital Limited

We have audited the attached Balance Sheet of **Tamboli Capital Limited** as at 31st March 2011 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph (1) above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (i) In our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of those books;
 - (i) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (i) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statements dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956, to the extent applicable;
 - (i) Based on the written representations made by the directors of the company and according to the information and explanations given to us, no director is disqualified as on 31st March 2011 from being appointed as director under clause (g) of sub-section (1) of section 274 of the Companies Act 1956;
 - (i) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with all the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the State of affairs of the company as at 31st March 2011;
 - (b) In the case of the Profit & Loss Account, of the **PROFIT** for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W
Manoj Ganatra
Partner
Membership No. 043485

Place : Bhavnagar
Date : May 14, 2011

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 1 of the report of even date of the Auditors to the members of **TAMBOLI CAPITAL LIMITED** on the accounts for the year ended 31st March 2011.

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

1. The company has not held any fixed assets during the year, hence the provisions of clause 4(i) the Order are not applicable.
2. The company has not held any inventory during the year, hence the provisions of clause (ii) of para 4 of the Order are not applicable.
3. In respect of loans granted or taken to/from companies, firms or other parties in the register maintained under section 301 of the Companies Act, 1956:
 - a. The Company has granted unsecured loans to the companies covered in the register maintained under section 301 of the companies Act, 1956. The numbers of companies to which loans are granted, is one (a Wholly Owned subsidiary company) and the amount involved in the transactions and the year-end balance is Nil Rs. 536.00 lacs respectively.
 - b. The rate of interest and other terms and conditions of loans given by the company, are prima facie not prejudicial to the interest of the company except that no interest is charged on such loans.
 - c. Since no terms and conditions of the loan granted are stipulated, we can not offer any comments as to the repayment of principal amount or overdue amounts, if any.
 - d. The Company has not taken any loans, secured or unsecured, from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable. During the course of our audit, no major weakness has been noticed in the internal controls.
5. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956:
 - a. Based on the audit procedures applied by us and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
 - b. According to the information and explanations given to us, the transaction made in pursuance of such contract or arrangements have been made at the prices which are prime facie reasonable having regard to the prevailing market at the relevant time, wherever such comparison is possible.
6. The company has not accepted any deposits within the meaning of section 58A and 58AA of the Companies Act 1956 and the rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
8. As informed to us, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.

9. In respect of statutory and other dues:
 - a. The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
 - b. There are no statutory dues, which have not been deposited on account of any dispute.
10. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current or the immediately preceding financial year.
11. The company has not obtained any borrowings from any banks or financial institutions or by way of debentures.
12. The Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) are not applicable to the company.
14. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
16. The company has not obtained any term loans during the year.
17. The Company has not raised any funds on short-term basis.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act 1956.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Place : Bhavnagar
Date : May 14, 2011

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W
Manoj Ganatra
Partner
Membership No. 043485

BALANCE SHEET AS AT MARCH 31, 2011

		31st March 2011 (Rs.)	31st March 2010 (Rs.)
SOURCES OF FUNDS:			
SHAREHOLDERS' FUNDS:			
Share Capital	A	99,200,000	99,200,000
Reserves & Surplus	B	<u>8,824,198</u>	<u>6,018,015</u>
		108,024,198	105,218,015
	TOTAL	<u>108,024,198</u>	<u>105,218,015</u>
APPLICATION OF FUNDS:			
INVESTMENTS	C	29,000,000	29,000,000
CURRENT ASSETS, LOANS AND ADVANCES:	D		
a) Cash & Bank Balances		24,855,157	22,282,267
b) Loans and Advances		<u>54,229,295</u>	<u>53,928,024</u>
		79,084,452	76,210,291
Less: Current Liabilities	E	60,254	104,247
Provisions		<u>-</u>	<u>-</u>
Net Current Assets		79,024,198	76,106,044
Misc. Expenditure Not Written Off:			
Preliminary Expenses		-	111,971
	TOTAL	<u>108,024,198</u>	<u>105,218,015</u>
NOTES ON ACCOUNTS	H		
The accompanying Schedules A to H are an integral part of these Financial Statements.			

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Bhavnagar

Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli**B. K. Shah**

DIRECTORS

Bhavnagar

Dated: May 14, 2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

		2010-2011 (Rs.)	2009-2010 (Rs.)
INCOME:			
Operational Income	F	4,329,244	4,759,843
	TOTAL	<u>4,329,244</u>	<u>4,759,843</u>
EXPENDITURE:			
Administrative and Other Expenses	G	1,481,110	1,997,985
Interest		-	-
Depreciation		-	-
	TOTAL	<u>1,481,110</u>	<u>1,997,985</u>
Profit Before Taxation		2,848,134	2,761,858
Less: Tax Expense : Current		53,000	-
Earlier years' Tax		<u>-(11,049)</u>	<u>-</u>
Profit after Taxation		2,806,183	2,761,858
Amount available for appropriations		<u>2,806,183</u>	<u>2,761,858</u>
APPROPRIATIONS:			
a) Dividend		-	-
b) Corporate Dividend Tax		-	-
c) General Reserve		<u>2,806,183</u>	<u>2,761,858</u>
Balance Carried to Balance Sheet		-	-
Earning Per Share (Basic/Diluted)		0.28	0.28
Nominal value of Share		10.00	10.00
NOTES ON ACCOUNTS	H		
The accompanying Schedules A to H are an integral part of these Financial Statements.			

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Bhavnagar

Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli**B. K. Shah**

DIRECTORS

Bhavnagar

Dated: May 14, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

(Rs. In Lacs)

	2010-2011		2009-2010	
A Cash Flow from operating activities:				
		28.48		
Net Profit Before Tax And Extraordinary Items				27.62
Adjustments for:				
Depreciation	-		-	
Amortisation	1.12		1.12	
Interest	-		-	1.12
Operating Profit Before Working Capital changes		29.60		28.74
Adjustments for:				
Trade and Other Receivables	(1.99)		33.36	
Inventories	-		-	
Trade Payables	(0.44)		0.83	34.19
Cash Generated From Operations		27.17		62.93
Interest Paid	-		-	
Direct Taxes Paid (Net)	(1.44)	(1.44)	(4.52)	(4.52)
Net Cash from operating activities		25.73		58.41
B. Cash Flow from investing activities:				
Sale of Investments	-			34.77
Net Cash used in investing activities		-		34.77
C. Cash Flow from financing activities:				
Loans lent to a Subsidiary Company	-		-	
Dividend paid	-		-	
Net Cash used in financing activities		-		-
Net Increase in Cash and Cash Equivalents		25.73		93.18
Cash And Cash Equivalents as at beginning of the year		222.82		129.64
Cash And Cash Equivalents as at end of the year		248.55		222.82

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Bhavnagar

Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli**B. K. Shah**

DIRECTORS

Bhavnagar

Dated: May 14, 2011

SCHEDULE- A Share Capital	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Authorised:		
10,000,000 Equity Shares of Rs. 10 each	100,000,000	100,000,000
TOTAL	100,000,000	100,000,000
Issued, Subscribed and Paid up:		
9,920,000 Equity Shares of Rs. 10 each fully paid up	99,200,000	99,200,000
TOTAL	99,200,000	99,200,000

SCHEDULE- B Reserves & Surplus	31.03.2011 (Rs.)	31.03.2010 (Rs.)
General Reserve :		
As per last Balance Sheet	5,518,015	2,756,157
Add: Transferred from Profit & Loss Account	2,806,183	2,761,858
	8,324,198	5,518,015
Capital Reserve :	500,000	500,000
Profit & Loss Account	-	-
TOTAL	8,824,198	6,018,015

SCHEDULE - C Investments	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Long Term Investments: (Unquoted)		
In Subsidiary Company: 2,900,000 equity shares of Rs. 10 each In Tamboli Castings Limited, a Wholly owned subsidiary company	29,000,000	29,000,000
TOTAL	29,000,000	29,000,000

SCHEDULE – D Current Assets, Loans And Advances	31.03.2011 (Rs.)		31.03.2010 (Rs.)	
I CURRENT ASSETS:				
Cash & Bank Balances:				
Cash on Hand	9,285		6,335	
Balances with Scheduled Banks:				
- In current accounts	645,872		1,775,932	
- In fixed deposits accounts	24,200,000	24,855,157	20,500,000	22,282,267
TOTAL I		<u>24,855,157</u>		<u>22,282,267</u>
II LOANS AND ADVANCES:				
(Unsecured considered good)				
a) Advances recoverable in cash or kind or for value to be received		324,227		124,508
b) Loans to a wholly-owned subsidiary Company		53,600,000		53,600,000
c) Advance payment of Taxes (net of provision)		305,068		203,516
TOTAL II		<u>54,229,295</u>		<u>53,928,024</u>
TOTAL I + II		<u><u>79,084,452</u></u>		<u><u>76,210,291</u></u>

SCHEDULE – E Current Liabilities And Provisions	31.3.2011 (Rs.)		31.3.2010 (Rs.)	
I Current Liabilities:				
Sundry Creditors	34,829		13,777	
Statutory Liabilities	3,861		30,139	
Other Liabilities	21,564	60,254	60,331	104,247
II Provisions:				
Provision for Income Tax (net of Tax payments)		-		-
TOTAL		<u>60,254</u>		<u>104,247</u>

SCHEDULE – F Operational Income	2010-2011 (Rs.)	2009-2010 (Rs.)
Interest Received from Bank (Tax Deducted at Source Rs. 138,503)	1,429,244	1,569,843
Dividend Received	<u>2,900,000</u>	<u>3,190,000</u>
TOTAL	<u><u>4,329,244</u></u>	<u><u>4,759,843</u></u>

SCHEDULE – G Administrative And Other Expenses	2010-2011 (Rs.)	2009-2010 (Rs.)
Personnel Cost:		
Salaries, Wages, Bonus etc.	<u>271,800</u>	<u>232,800</u>
Establishment Expenses:		
Travelling and Conveyance (Directors' Travelling Rs. 375,397.; previous year Rs. 159,248)	405,843	172,993
Payments to Auditors	38,605	44,672
Directors' Sitting Fees	57,200	40,000
Legal and Professional Charges	262,998	329,539
Advertisement Expenses	60,081	457,764
Preliminary Expense Written Off	111,971	111,972
Insurance Premium	31,711	-
Share Listing Expense	-	385,147
Postage & Courier Charges	77,535	123,339
Printing & Stationary Expenses	81,790	74,745
General Expenses	<u>81,576</u>	<u>25,014</u>
TOTAL	<u><u>1,481,110</u></u>	<u><u>1,997,985</u></u>

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

I	Registration Details:		
	Registration No.	:	U65993GJ2008PLC053613
	State Code	:	4
	Balance sheet Date	:	31.03.2011
II	Capital raised during the year	(Rs. In Lacs)	
	Public Issue	:	Nil
	Right Issue	:	Nil
	Bonus Issue	:	Nil
	Private Placement	:	Nil
III	Position of mobilisation and deployment of funds:		
	Total Liabilities	:	1,080.24
	Total Assets	:	1,080.24
	Source of Funds		
	Paid up Capital	:	992.00
	Reserves & Surplus	:	88.24
	Deferred Tax Liabilities	:	-
	Secured Loans	:	-
	Application of Funds		
	Net Fixed Assets	:	-
	Investments	:	290.00
	Net Current Assets	:	790.24
	Miscellaneous Expenditure	:	-
IV	Performance of the Company:		
	Total Income	:	43.29
	Total Expenditure	:	14.81
	Profit Before Tax	:	28.48
	Profit After Tax	:	28.06
	Earnings per Share, (Rs.)	:	0.28
	Dividend Rate, (%)	:	-
V	Generic names of three Principal Products/Services of the Company:		
			(as per monetary items)
	Item code	:	Not applicable
	Product Description	:	Investment Activities

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Bhavnagar

Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli**B. K. Shah**

DIRECTORS

Bhavnagar

Dated: May 14, 2011

SCHEDULE - H**Notes forming part of the accounts for the year ended 31st March, 2011**

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

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

1.0 Significant Accounting Policies:

1.1 Basis of Accounting: The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, the Accounting Standards prescribed under the Companies (Accounting Standards) Rules 2006 and the relevant provisions of the Companies Act, 1956 and are based on the historical cost convention on accrual basis.

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

1.3 Investments:

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

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

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

1.4 Preliminary Expenses: Preliminary expenses incurred in respect of the formation of the Company are being amortized over a period of three years from the commencement of the commercial operations.

1.5 Taxation: Provision are made for current tax based on tax liability computed in accordance with relevant tax rates and tax laws.

1.6 Earning per Share: Basic earning per Share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year.

2.0 Advance payment of Taxes is stated net of provision for taxes Rs. 0.53 Lacs including current year's provision Rs, 0.53 Lacs. (previous year Nil)

3.0 Advances recoverable in cash or in kind or for value to be received includes:

Particulars	Rs.
Interest Receivable	3,22,848
Prepaid Expenses	1,379

4.0 Loans to Wholly Owned Subsidiary, Tamboli Castings Ltd, of Rs. 536.00 Lacs is free of interest.

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

6.0	Payments to Auditors:	2010-2011 Amount, Rs.	2009-2010 Amount, Rs.
	Audit Fees	16,545	16,545
	Taxation Matters	5,515	5,515
	Certification and other matters	16,545	22,612

7.0 As the company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risks and returns, the disclosure requirements of Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.

8.0 Related Party Disclosures:

8.1 Subsidiary: Tamboli Castings Limited

Nature of Transactions		2010-2011 Amount, Rs.	2009-2010 Amount, Rs.
1.	Loans Granted	—	—
2.	Outstanding balance: Loans and advances	53,600,000	53,600,000

8.2 Associates:

(a) Mebhav Investment Private Limited, (b) Tamboli Corporation Private Limited, (c) Tamboli Exim Limited, (d) Adivya Industries Private Limited

Nature of Transactions		2010-2011 Amount, Rs.	2009-2010 Amount, Rs.
1.	Purchase of Materials and Services	292,423	164,488
2.	Loans Received	-	1,800,000
3.	Outstanding balance	-	-

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

Signatures to Schedule A to H

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Bhavnagar

Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli

B. K. Shah

DIRECTORS

Bhavnagar

Dated: May 14, 2011

**ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2011
STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**

1. Name of the Subsidiary Company	:	TAMBOLI CASTINGS LIMITED
2. Financial Year of the Subsidiary Company	:	31 March, 2011
3. Date from which it became subsidiary	:	13 February, 2009
4. Extent of the Holding Company's interest in the Subsidiary Company at the end of the financial year of the Subsidiary Company	:	100 %
5. Net aggregate amount of the profit/(loss) of the Subsidiary Company not dealt with in the Holding Company's Account (concerning the members of the Holding Company)	:	
i) For the Current Year	:	Rs. 29,820,443/-
ii) For the previous years since it become a Subsidiary	:	Rs. 16,374,737/-
6. Net aggregate amount of the profit of the Subsidiary Company dealt with in the Holding Company's Accounts.	:	
i) For the Current Year	:	Nil
ii) For the previous year since it became a Subsidiary	:	Nil

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli

B. K. Shah

DIRECTORS

Place : Bhavnagar

Date : May 14, 2011

FINANCIAL INFORMATION OF SUBSIDIARY FOR THE YEAR ENDED MARCH 31, 2011

(Pursuant to Circular No. 2/2011 dated 8.2.2011 issued by Ministry of Corporate Affairs, New Delhi)

Name of the Subsidiary Company	:	TAMBOLI CASTINGS LIMITED
a) Paid up Share Capital	:	Rs. 29,000,000
b) Reserves & Surplus	:	Rs. 137,660,632
c) Total Assets	:	Rs. 403,497,521
d) Total Liabilities	:	Rs. 403,497,521
e) Investments (Except investment in subsidiaries)	:	Rs. Nil
f) Turnover	:	Rs. 363,009,357
g) Profit before Taxation	:	Rs. 42,751,012
h) Provision for Taxation	:	Rs. 13,521,643
i) Profit after Taxation	:	Rs. 29,229,369
j) Proposed dividend	:	Rs. 4,060,000

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli

B. K. Shah

DIRECTORS

Place : Bhavnagar

Date : May 14, 2011

AUDITORS' REPORT

To
**The Members of
Tamboli Capital Limited**

We have audited the attached Consolidated Balance Sheet of Tamboli Capital Limited and its wholly owned subsidiary company, Tamboli Castings Limited (collectively hereinafter referred as "the company") as at 31st March 2011 and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirement of Accounting Standard AS-21 "Consolidated Financial Statements" as prescribed under the Companies (Accounting Standards) Rules 2006.

In our opinion and to the best of our information and according to the explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the company and its subsidiary, we are of the opinion that the Consolidated Financial Statements read with all the notes thereon give a true and fair value in conformity with the accounting principles generally accepted in India;

- a. In the case of the Consolidated Balance Sheet, of the state of consolidated affairs of the company as at 31st March 2011;
- b. In the case of the Consolidated Profit & Loss Account, of the PROFIT of the Company for the year ended on that date; and
- c. In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Place : Bhavnagar

Dated : May 14, 2011

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

		31st March 2011 (Rs.)		31st March 2010 (Rs.)	
SOURCES OF FUNDS:					
SHAREHOLDERS' FUNDS:					
Share Capital	A	99,200,000		99,200,000	
Reserves & Surplus	B	150,544,830	249,744,830	121,492,519	220,692,519
LOAN FUNDS:					
Secured Loan	C		173,078,889		97,072,366
Deferred Tax Liabilities			10,158,000		6,561,082
TOTAL			432,981,719		324,325,967
APPLICATION OF FUNDS:					
FIXED ASSETS:					
Gross Block	D	283,980,954		185,329,442	
Less : Depreciation		74,450,748		47,588,163	
		209,530,206		137,741,279	
Capital Work in Progress		425,000	209,955,206	39,652,169	177,393,448
CURRENT ASSETS, LOANS AND ADVANCES:					
a) Inventories		64,538,153		45,051,374	
b) Sundry Debtors		90,206,906		51,692,831	
c) Cash & Bank Balances		36,777,055		26,764,376	
d) Loans and Advances		60,354,152		43,050,309	
		251,876,266		166,558,890	
Less: Current Liabilities	F	22,908,277		16,825,035	
Provisions		5,941,476		2,913,307	
Net Current Assets			223,026,513		146,820,548
Misc. Expenditure Not Written Off:					
Preliminary Expenses			-		111,971
TOTAL			432,981,719		324,325,967
NOTES ON ACCOUNTS M					
The accompanying Schedules A to M are an integral part of these Financial Statements.					

As per our Report of even Date
For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W
MANOJ GANATRA
Partner
Membership No. 043485
Bhavnagar
Dated: May 14, 2011

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

Bhavnagar
Dated: May 14, 2011

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

		2010-2011 (Rs.)	2009-2010 (Rs.)
INCOME:			
Sales and Operational Income	G	364,142,926	178,979,918
Other Income	H	295,675	42,865
TOTAL		364,438,601	179,022,783
EXPENDITURE:			
Change in Inventory	I	-12,388,567	-4,891,572
Materials and Manufacturing Expenses	J	226,197,234	94,766,223
Administrative and Other Expenses	K	66,620,833	43,726,797
Interest	L	14,447,371	6,993,503
Depreciation		26,862,585	19,274,596
TOTAL		321,739,456	159,869,547
Profit Before Taxation		42,699,145	19,153,236
Less: Provision for Tax: Current		8,953,000	2,295,000
Earlier years' Tax		1,013,676	-
Deferred		3,596,918	915,770
Profit after Taxation		29,135,551	15,942,466
Add: Prior Period Adjustments		591,075	4,129
Amount available for appropriations		29,726,626	15,946,595
APPROPRIATIONS:			
a) Dividend		-	-
b) Corporate Dividend Tax		674,315	492,855
c) General Reserve		29,052,311	15,453,740
Balance Carried to Balance Sheet		-	-
Earning Per Share (Basic/Diluted)		3.00	1.61
Nominal value of Share		10.00	10.00
NOTES ON ACCOUNTS	M		
The accompanying Schedules A to M are an integral part of these Financial Statements.			

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Bhavnagar

Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli**B. K. Shah**

DIRECTORS

Bhavnagar

Dated: May 14, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

(Rs. Lacs)

	2010-2011		2009-2010	
A Cash Flow from operating activities:				
Net Profit Before Tax And Extraordinary Items		426.99		191.53
Adjustments for:				
Depreciation	268.63		192.75	
Prior period Adjustments	5.91		0.04	
Amortisation	1.12		1.12	
Interest	133.60	409.26	62.36	256.27
Operating Profit Before Working Capital changes		836.25		447.80
Adjustments for:				
Trade and Other Receivables	(573.14)		(37.82)	
Inventories	(194.86)		(119.97)	
Trade Payables	68.47	(699.53)	69.41	(88.38)
Cash Generated From Operations		136.72		359.42
Direct Taxes Paid	(68.82)	(68.82)	(51.22)	(51.22)
Net Cash from operating activities		67.90		308.20
B Cash Flow from investing activities:				
Purchase of Fixed Assets	(594.25)		(658.94)	
Sale of Investments	-		34.77	
Interest Received	18.45		-	
Dividend Received	-		-	
Net Cash used in investing activities		(575.80)		(624.17)
C Cash Flow from financing activities:				
Proceeds from Long Term Borrowings	348.96		227.11	
Proceeds from Working Capital Finance(net)	411.12		51.96	
Interest Paid	(152.05)		(62.36)	
Dividend paid	-		-	
Net Cash used in financing activities		608.03		216.71
Net Increase in Cash and Cash Equivalents		100.13		(99.26)
Cash And Cash Equivalents as at beginning of the year		267.64		366.90
Cash And Cash Equivalents as at end of the year		367.77		267.64

As per our Report of even Date

For SANGHAVI & COMPANY

Chartered Accountants

FRN: 109099W

MANOJ GANATRA

Partner

Membership No. 043485

Bhavnagar

Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD

B. F. Tamboli**B. K. Shah**

DIRECTORS

Bhavnagar

Dated: May 14, 2011

SCHEDULE- A Share Capital	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Authorised:		
10,000,000 Equity Shares of Rs. 10 each	100,000,000	100,000,000
TOTAL	100,000,000	100,000,000
Issued, Subscribed and Paid up:		
9,920,000 Equity Shares of Rs. 10 each fully paid up	99,200,000	99,200,000
TOTAL	99,200,000	99,200,000

SCHEDULE- B Reserves & Surplus	31.03.2011 (Rs.)	31.03.2010 (Rs.)
General Reserve :		
As per last Balance Sheet	120,992,519	105,538,779
Add: Transferred from Profit & Loss Account	29,052,311	15,453,740
	150,044,830	120,992,519
Capital Reserve	500,000	500,000
Profit & Loss Account	-	-
TOTAL	150,544,830	121,492,519

SCHEDULE- C Secured Loans	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Working Capital Finance from a Bank	46,329,750	5,218,710
Term Loans from a Bank (Due within one year Rs. 377.10 Lacs; previous year Rs. 386.28 Lacs)	126,749,139	91,853,656
TOTAL	173,078,889	97,072,366

Note: Working Capital Finance and Term Loans are from State Bank of India, which are secured by hypothecation of inventories, book debts, machinery, equitable mortgage of land and buildings and is further secured by personal guarantee of one of Directors.

SCHEDULE - D Fixed Assets

(Amount in Rupees)

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 1.4.2010	Additions during the Year	Sales or Adjustments	As on 31.3.2011	As on 1.4.2010	For the Year	On Deductions/ Adjustments	Up to 31.3.2011	As at 31.3.2010	As at 31.3.2011
LAND	9,480,760	—	—	9,480,760	—	—	—	—	9,480,760	9,480,760
BUILDINGS	40,206,861	13,344,741	—	53,551,602	3,783,077	2,156,941	—	5,940,018	47,611,584	36,423,784
PLANT & MACHINERY	130,024,754	84,248,724	—	214,273,478	41,360,000	23,682,737	—	65,042,737	149,230,741	88,664,754
OFFICE EQUIPMENT	3,035,789	596,914	—	3,632,703	1,223,017	592,993	—	1,816,010	1,816,693	1,812,772
FURNITURE & FIXTURES	983,900	461,133	—	1,445,033	558,497	160,972	—	719,469	725,564	425,403
VEHICLES	1,597,378	—	—	1,597,378	663,572	268,942	—	932,514	664,864	933,806
TOTAL	185,329,442	98,651,512	—	283,980,954	47,588,163	26,862,585	—	74,450,748	209,530,206	137,741,279
Capital Work in Progress	39,652,169	425,000	39,652,169	425,000	—	—	—	—	425,000	—
PREVIOUS YEAR	159,087,743	26,241,699	—	185,329,442	28,313,566	19,274,597	—	47,588,163	137,741,279	130,774,177

Depreciation Rates, (%)

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

SCHEDULE – E Current Liabilities And Provisions	31.3.2011 (Rs.)	31.3.2010 (Rs.)
I CURRENT ASSETS:		
1. Inventories (as taken, valued and certified by the management)		
a) Stores & Spares (at cost)	20,920,118	16,299,969
b) Raw Material (at cost)	4,656,834	2,178,771
c) Semi-finished Goods (at estimated cost)	29,651,089	14,462,273
d) Finished Goods (at lower of cost or market value)	9,310,112	12,110,361
	64,538,153	45,051,374
2. Sundry Debtors (Unsecured considered good)		
Over six months	6,039,684	781,808
Others	84,167,222	50,911,023
	90,206,906	51,692,831
3. Cash & Bank Balances:		
Cash on Hand	225,978	213,341
Balances with Scheduled Banks:		
- In current accounts	7,262,577	5,962,535
- In fixed deposits accounts (under lien with the banks against bank guarantees)	29,288,500	20,588,500
	36,777,055	26,764,376
TOTAL I	191,522,114	123,508,581
II LOANS AND ADVANCES:		
(Unsecured considered good)		
a) Balance with excise authorities in current account.	15,389	10,784
b) Deposits	5,365,932	5,362,432
c) Advance payment of Taxes (Net)	-	1,496,471
d) Advances recoverable in cash or kind or for value to be received	53,829,019	35,690,103
e) Loans and advances to employees	1,143,812	490,519
	60,354,152	43,050,309
TOTAL II	60,354,152	43,050,309
TOTAL I + II	251,876,266	166,558,890

SCHEDULE - F Current Liabilities And Provisions	31.03.2011 (Rs.)	31.03.2010 (Rs.)
I Current Liabilities:		
Sundry Creditors	17,108,820	8,851,997
Interest Accrued but not due	-	757,692
Statutory Liabilities	1,065,162	1,050,504
Advances from customers	106,636	1,845,808
Other Liabilities	<u>4,627,659</u>	<u>4,319,034</u>
	22,908,277	16,825,035
II Provisions:		
Provision for Bonus	2,227,668	1,607,015
Provision for Employees' Leave Encashment	775,990	454,710
Provision for Gratuity	181,834	358,727
Proposed Dividend	-	-
Provision for Corporate Dividend Tax	674,315	492,855
Provision for Income Tax (net of Advance Tax)	<u>2,081,669</u>	-
	5,941,476	2,913,307
TOTAL	<u>28,849,753</u>	<u>19,738,342</u>

SCHEDULE - G Sales And Other Operational Income	2010-2011 (Rs.)	2009-2010 (Rs.)
Sales : Exports	329,828,765	160,190,204
Domestic	<u>18,637,395</u>	<u>23,859,953</u>
	348,466,160	184,050,157
Less: Excise Duty	<u>1,961,222</u>	<u>1,896,274</u>
	346,504,938	182,153,883
Exchange Rate Difference	4,272,284	-5,804,760
Liquidated Damages Receipts	11,520,891	-
Interest Received	<u>1,844,813</u>	<u>2,630,795</u>
TOTAL	<u>364,142,926</u>	<u>178,979,918</u>

SCHEDULE - H Other Income	2010-2011 (Rs.)	2009-2010 (Rs.)
Miscellaneous Income	<u>295,675</u>	<u>42,865</u>
TOTAL	<u>295,675</u>	<u>42,865</u>

SCHEDULE - I Change In Inventory	2010-2011 (Rs.)	2009-2010 (Rs.)
Closing Stock:		
Semi-finished Goods	29,651,089	14,462,273
Finished Goods	<u>9,310,112</u>	<u>12,110,361</u>
	38,961,201	26,572,634
Opening Stock:		
Semi-finished Goods	14,462,273	6,569,798
Finished Goods	<u>12,110,361</u>	<u>15,111,264</u>
	26,572,634	21,681,062
Change in inventory	-12,388,567	-4,891,572

SCHEDULE – J Materials And Manufacturing Expenses	2010-2011 (Rs.)	2009-2010 (Rs.)		
Raw Materials Consumed :				
Opening Stock	2,178,771		3,215,209	
add : Purchases (net of sales)	79,129,193		19,788,097	
	81,307,964		23,003,306	
less : Closing Stock	4,656,834	76,651,130	2,178,771	20,824,535
Manufacturing Expenses :				
Stores and Spares	75,744,083		31,145,099	
Power & Fuel	34,123,742		22,220,358	
Machinery Repairs	1,195,624		845,461	
Fettling and other external process expenses	24,967,142		11,489,752	
Other manufacturing expenses	13,515,513	149,546,104	8,241,018	73,941,688
TOTAL		226,197,234		94,766,223

SCHEDULE – K Administrative And Other Expenses	2010-2011 (Rs.)	2009-2010 (Rs.)		
Personnel Cost:				
Salaries, Wages, Bonus etc.	27,681,286		19,336,600	
Managerial Remuneration	5,238,365		1,631,679	
Contribution to PF, ESI and other Funds	3,914,190		2,671,600	
Employees Welfare Expenses	789,375	37,623,216	539,648	24,179,527
Sales and Distribution Expenses:				
Sales Promotion Expenses	2,830,519		2,295,798	
Other Sales Expenses	3,934,857	6,765,376	2,678,214	4,974,012
Establishment Expenses:				
Travelling and Conveyance (Directors' Travelling Rs. 4,517,340; previous year Rs. 1,470,689)	6,622,456		2,583,351	
Building and Other Repairs	28,19,815		2,121,297	
Insurance Premiums	272,620		149,133	
Payments to Auditors	154,605		94,000	
Directors' Sitting Fees	242,200		172,500	
Rent, Rates and Taxes	47,764		367,942	
Legal and Professional Charges	3,726,100		1,863,983	
Advertisement Expenses	263,129		619,908	
Bank Discount and Commission	1,699,788		1,947,286	
Donation	75,000		40,000	
Preliminary Expense	111,971		111,972	
General Expenses	6,196,793	22,232,241	4,501,886	14,573,258
TOTAL		66,620,833		43,726,797

SCHEDULE - L Interest	2010-2011 (Rs.)	2009-2010 (Rs.)		
Interest to Bank (Net):				
Working Capital Finance	3,844,666		310,007	
Term Loans	10,602,705		6,683,496	
TOTAL		14,447,371		6,993,503

SCHEDULE - M**Notes on Consolidated Financial Statements for the year ended 31st March, 2011**

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

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

1.0 Basis of presentation of Financial Statements:

The consolidated financial statements relate to Tamboli Capital Limited ("the Company") and its Wholly Owned Subsidiary company, Tamboli Castings Limited. The Consolidated accounts have been prepared on the following basis:

- a) The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of parent company, i.e. year ended 31st March 2011.
- b) The Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, the Accounting Standards prescribed under the companies (Accounting Standards) Rules 2006 and the relevant provisions of the Companies Act, 1956 and are based on the historical cost convention on accrual basis.

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

2.0 Principles of Consolidation:

- a) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of the assets, liabilities, income and expenses, after fully eliminating there from intra-group balances and intra-group transactions as per Accounting Standard AS-21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- b) The financial statements of the Company and its subsidiary have been consolidated using uniform account policies for like transactions and other events in similar circumstances.

3.0 Significant Accounting Policies:

3.1 Fixed Assets: Tangible Assets are stated at cost less depreciation, All the costs incurred till the date of the assets ready for use, including installation and substantial modification to the fixed assets are capitalized and included in the cost of the respective assets.

On the basis of technological evaluation, the useful life of the assets have been re-determined and depreciation thereon is provided accordingly at the rates stated in the Schedule to the fixed assets, which are higher than the rates specified in the Schedule XIV to the Companies Act, 1956.

3.2 Investments:

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

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

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

3.3 Inventories:

- i Raw Materials and Stores and Spares are valued at cost determined on weighted average basis or net realizable value, which is lower.
- ii Semi-finished are valued at estimated cost.
- iii Finished goods are valued at lower of the cost or net realizable value.

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

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

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

3.6 Employee Benefits:

Post-employment benefit plans:

- i) **Defined Contribution Plan:** Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the company is made in accordance with the scheme with Life Insurance Corporation of India.
- ii) **Defined Benefit Plan:** The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains are recognised in full in the profit and loss account for the period in which they occur.

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

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

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

3.8 Foreign Currencies Transactions: Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit & loss account. Current assets and current liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising there from is dealt with in the profit & loss account.

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

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

3.10 Provision and Contingencies: The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow or where a reliable estimate of the obligation can not be made.

4.0 Earning per Share: Basic earning per Share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year.

5.0 The Company has discussed only such policies and notes from the individual financial statements, which fairly present the needed disclosures. Lack of the homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed, when referred from the individual financial statements.

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

7.0 Balances with Debtors, Creditors and for Loans and Advances are subject to confirmations from the respective parties.

8.0 Deferred tax liabilities of Rs. 3,596,918 arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts and as claimed under the Income Tax Act, is debited to the profit & loss account. Details of the balance of Rs. 10,158,000 are as under:

Particulars	Rs.
Depreciation	10,415,764
Disallowance u/s 43B of the Income Tax Act	(257,764)
Total	10,158,000

9.0 The management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard AS-28 issued by the Institute of Chartered Accountants of India. Based on the judgment of the management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.

10.0 Contingent Liabilities:

- (i) Guarantees given by the bank and counter guaranteed by the company: Rs.875,000 (875,000).
- (ii) Disputed liabilities in respect of Value Added Tax (VAT) for F.Y. 2006-07 Rs. 2,897,871 (Nil) for which the Company has preferred an appeal before The Dy. Commissioner of Gujarat Commercial Tax.

11.0 Advances recoverable in cash or in kind or for value to be received includes:

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Advances to suppliers	7,909,659	3,067,476
Prepaid Expenses	856,583	1,192,350
Interest Receivable	579,880	94,816
Loans to Ancillary Units	1,827,334	1,692,819
VAT and Cenvat Credits Receivable	42,547,053	29,535,930
Other Advances and Receivables	108,510	106,712

12.0 Related Party Disclosures:

12.1 Associates:

a) Mebhav Investment Private Limited, b) Tamboli Exim Limited, c) Aadvya Industries Pvt. Ltd, d) Tamboli Corporation Pvt. Ltd., e) Investment & Precision Castings Limited

12.2 Key Management Personnel:

a) Shri Bipin F.Tamboli , b) Shri P.A. Subramanian , c) Shri Mehul B.Tamboli , d) Shri Vaibhav B. Tamboli,

Nature of Transactions		2010-2011 Amount, Rs.	2009-2010 Amount, Rs.
1.	Purchase of materials & Services	5,740,231	1,690,209
2.	Sales of materials and services	2,908,393	13,989,794
3.	Loans Received	-	1,800,000
4.	Outstanding balance: Sundry Debtors	-	2,020,221
	Sundry Creditors	11,000	251,543
Key Management Personnel:			
5.	Remuneration	5,238,365	1,631,679
6.	Outstanding balance: Other Liabilities	-	440,252

13.0 Figures pertaining to the subsidiary company have been reclassified wherever necessary to bring them in line with the Parent Company's financial statements.

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

Signatures to Schedule A to M

As per our Report of even Date
For SANGHAVI & COMPANY
 Chartered Accountants
 FRN: 109099W
MANOJ GANATRA
 Partner
 Membership No. 043485
 Bhavnagar
 Dated: May 14, 2011

FOR AND ON BEHALF OF THE BOARD
B. F. Tamboli
B. K. Shah
 DIRECTORS
 Bhavnagar
 Dated: May 14, 2011

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July 15, 2011

Dear Shareholder,

Subject: MCA's **Green Initiative** for paperless communications.

Ministry of Corporate Affairs ("MCA") has recently taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies. Towards this, MCA has issued Circulars dated 21 April 2011 & 29 April 2011 stating that the service of notice/document by a company to its shareholders can now be made through electronic mode, subject to a few conditions.

Our company appreciates the initiative taken by MCA, as it believes strongly in a Greener Environment. This initiative also helps in prompt receipt of communication, apart from helping avoid losses/delays in postal transit.

We therefore propose to send documents, such as the Notice of the Annual General Meeting, Annual Report, Half-yearly communications etc. henceforth to shareholders in Electronic Form at the e-mail address provided by them and made available to us by the depositories from time to time. As per our records, your e-mail address is not registered with your Depository Participant/Share Transfer Agent.

In case you wish to receive all the above communications in electronic form; and

- a) hold your shares in dematerialised form, kindly register your e-mail address with your Depository Participant at the earliest; or
- b) hold your shares in physical form, kindly register your e-mail address with MCS Limited, our Share Transfer Agent, at the following address at the earliest;

MCS Limited

101, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad 380 009

You may use the format given below for registering your e-mail address with your Depository Participant / MCS Limited.

We wish to inform you that in addition to getting the documents through your registered e-mail, you can also have access to the documents through our company website www.tambolicapital.in. The document will also be available to you for inspection at the Registered Office of the Company during office hours. Communication in this regard is also being made through public notices in prominent newspapers as well as in our website.

We are sure you would appreciate the "Green Initiative" taken by MCA, just as it is being welcomed by companies like us. Needless to say, you will be, as a member of the Company, entitled to be furnished with a copy of the above mentioned documents as required under the provisions of the Companies Act, 1956, free of cost, upon receipt of a requisition from you any time during the year.

We solicit your whole-hearted co-operation in helping the Company implement the e-governance initiatives of the Government in the interest of environment, which is the need of the hour today.

This communication may be ignored, if your e-mail is already registered with your Depository Participant/ MCS Limited.

Sincerely yours,

COMPLIANCE OFFICER

E-COMMUNICATION REGISTRATION FORM

(In terms of circulars dated 21.04.2011 and 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. /DP ID & Client ID No. :

Name of 1st Registered holder :

Name of joint holder(s) :

E-mail ID (to be registered) :

Please register my above ID in your records for receiving communication in electronic form from company/ies of which I/we am/are shareholder(s):

Date:

Signature :

(First holder)

Note: Shareholder(s) are requested to keep the Company informed of change, if any, in the e-mail address.

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TAMBOLI CAPITAL LIMITED

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

PROXY FORM

I/We residing at.....

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

residing at

or failing him/her,

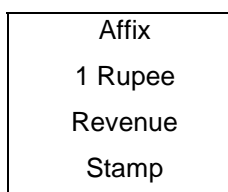
residing at

as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on September 17, 2011 and/or at any adjournment thereof.

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

As witness my/our hand(s) is set this day of 2011.

Signed by the said.....



.....

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