

**5th ANNUAL REPORT  
2012-2013**

**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  
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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE FOURTH ANNUAL GENERAL MEETING OF TAMBOLI CAPITAL LIMITED WILL BE HELD ON TENTH DAY OF AUGUST 2013 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, 2013 and Profit & Loss statement 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 declare dividend for the Financial Year 2012-2013.
3. To appoint a Director in place of Shri Bharat K. Shah, who retires by rotation and being eligible offers himself for re-appointment.
4. 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 3, 2013

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 05.08.2013 to 09.08.2013 (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. Under the provisions of Section 205-C of the Companies Act, 1956, dividends remain in unpaid/unclaimed for a period over 7 years will be transferred to the Investor Education & Protection Fund (IEPF) of the Central Government. The members may write to the Company for claiming the amount if any, relating to following years before it is transferred to the IEPF.

Financial Year	Date of declaration of dividend	Last date for claiming unpaid dividend	Due date for transfer to IEP fund
2011-2012	30.07.2012	29.07.2019	29.08.2019

7. Dividend, if sanctioned at the meeting will be payable to the members whose names appear on the Company's Register of Members as on the close of the day before start of the Book Closure date and to those members who hold the shares in demat form as per the record of Depositories, National Securities Depository Ltd (NSDL) and Central Depository System (India) Ltd (CDSL), as on the close of the day before start of Book Closure dated from 05.08.2013 to 09.08.2013, both days inclusive.
8. Dividend, if sanctioned be paid to the members in Electronic Clearing Service (ECS) facility at the ECS facility available centers. Members holding shares in physical form may send their ECS mandate form duly filled in to the Company or its R&TA to receive dividend in ECS. ECS mandate form is enclosed (Annexure A) for immediate use of members.
9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agent can not act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN details to their Depository Participant. Members holding shares in physical form are requested to submit their PAN details to the Company or Registrar & Transfer Agent, M/s MCS Limited.
11. Members are requested to please refer page no. 45 concerning Company's communication regarding "Green Initiative" and give feedback as requested.

Registered Office:  
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Bhavnagar  
Gujarat 364 002  
Dated: May 3, 2013

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

**DIRECTORS' REPORT: 2012-2013**

To  
The Members

The Directors of **Tamboli Capital Limited** present their Report with Audited Accounts of the Company for the year ended March 31, 2013.

**1. Financial Results :**

	2012-2013	(Rs. In Lacs) 2011-2012
	<u>2012-2013</u>	<u>2011-2012</u>
Total Income	117.31	98.56
Profit Before Taxation	104.27	87.20
Less: Provision for Taxation:		
1. Current	17.35	14.23
2. Earlier years' Tax	-(0.04)	-(0.53)
3. Deferred	0.03	—
Profit After Taxation	86.93	73.50
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 appropriated as follows:	86.93	73.50
1. Proposed Dividend	54.56	49.60
2. Corporate Dividend Tax	0.65	0.05
3. General Reserve	31.72	23.85
Leaving the balance to carried forward	—	—

**2. Operations:** The standalone total Income during the year shows increase of 19.02% over the previous year. The standalone Profit Before Tax shows increase of 19.58% over previous year. The consolidated income shows decrease of 9.24% over previous year. The consolidated Profit Before Tax shows decrease of 1.21% over previous year, consolidated operations include the operations of TCL.

**3. Dividend:** The Directors are pleased to recommend a Dividend for the period ended March 31, 2013 @ Rs 0.55 per share i.e. 5.50% on 99,20,000 Equity shares for the financial year 2012-2013 amounting to Rs. 54.56 Lacs. (Previous year Rs. 49.60 Lacs) subject to approval of the members at this Annual General Meeting.

**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 96.66% 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 Bharat K. Shah 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.

**Comment on Auditors' Report:** There is no adverse comment in the Auditors' Report which requires any further explanation under Section 217(3) of the Companies Act, 1956

7. **Listing:** The Equity shares of the Company are listed on The Bombay Stock Exchange Limited (BSE) under Scrip Code: 533170.

8. **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.

9. **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.

10. **Particulars of Employees:** The Company does not have any employee receiving remuneration of Rs. 5,00,000/- per month or Rs. 60,00,000/- per annum and therefore no particulars are required to be furnished under section 217(2A) of the Companies Act, 1956.

11. **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.

12. **Financial Information of Subsidiary Company:** According to the general exemptions under section 212 of the Companies Act, 1956 granted by the Ministry of Corporate Affairs vide their circular No. 2/2011 dated 8.2.2011. The holding companies are exempted from attaching balance sheet of their subsidiary company in the annual report, however summarized financial information of subsidiary company is given on page no. 29, this is in conformity to the aforesaid exemptions.

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 3, 2013

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. 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 (TCL). The company will selectively consider various business opportunities in the coming years.

As indicated last year, TCL has now started exploring and seeking opportunities from the domestic markets.

Tamboli Castings Limited is exposed heavily to international market for its sales and hence global economic situation is of major concern to the company. The company is closely watching and monitoring the situation in Europe and North America to protect future prospects.

### D Outlook:

Outlook for the first six (6) months is stable and going forward, political and economical scenario will play a major role in the projected growth rate for the company.

### 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.

Company No. L65993GJ2008PLC053613

AUTHORISED SHARE CAPITAL Rs. 10,00,00,000/-

**COMPLIANCE CERTIFICATE**

To  
The Members,  
TAMBOLI CAPITAL LIMITED

We 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 31<sup>st</sup> March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, We 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 rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies. The Company was not required to file any form with Regional Director, Central Government, and Company Law Board.
3. The Company, being a public limited company, comments is not required.
4. The Board of Directors duly met 4 times on 12th May, 2012, 30th July, 2012, 31st October, 2012, and 12th February, 2013 in respect of which meetings proper notice were given and the proceedings were properly recorded and signed. No circular resolutions were passed by the Company during the period under review.
5. The Company has closed its Register of Members during the year under review and complied with the provisions of the Act.
6. The annual general meeting for the financial year ended on 31st March, 2012 was held on 30th July, 2012 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. No extra ordinary general meeting was held during the year.
8. The Company has not advanced loan to its directors or to the relative of the directors or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act in respect of contracts specified in that section.
10. There were transactions required to be entered in the register maintained under section 301 of the Act.
11. There were no transactions which require to take any approvals under section 314 of the Act. As the company has not appointed any relative of director in the office or place of profit.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) not allotted any securities during the year under review. Delivered all the share certificates on lodgement thereof for transfer/transmission purpose in accordance with the provisions of the Act.
  - (ii) Declared dividend during the year and deposited Rs. 49,60,000/- in a separate Bank Account.
  - (iii) not required to transfer to Investor Education and Protection Fund the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
  - (iv) duly complied with the requirements of section 217 of the Act.



14. The Board of Directors of the Company is duly constituted. However, there was no appointment of additional director or alternate directors and directors to fill casual vacancy was made during the financial year under review.
15. The Company has not appointed any Managing Director/Whole Time Director/Manager during the year under review.
16. The Company has not appointed any sole-selling agent during the period under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and rules made there under.
19. The Company has not issued any Equity Shares during the year under review.
20. The Company has not bought back any shares during the financial period ending on 31<sup>st</sup> March, 2013.
21. The Company has not issued any preference shares/debentures; therefore question of redemption does not arise.
22. The Company was not required to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The Company has not accepted deposit under the provisions of sections 58A of the Companies Act, 1956, Therefore, the Company is not required to comply with the provisions of the Act.
24. The Company has not borrowed any money from Bank or any other source during the Financial Year.
25. The Company has not made any loans or advances or given guarantee or provide securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. No prosecution has been initiated against or show cause notices received by the Company for alleged offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has not constituted any provident fund for its employees, and therefore no compliance under section 418 of the Act is required.

Place : Ahmedabad.

Date : May 3, 2013

Encl: Annexures.

**For Kapoor & Ved**

Company Secretaries

**Ashish Shah**

Partner

C.P. No. 4178

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

1. Register of Members u/s 150 of the Companies Act, 1956.
2. Register of Directors etc. u/s 303 of the Companies Act, 1956.
3. Register of Director's Shareholdings u/s 307 of the Companies Act, 1956.
4. Register of Contract u/s 301.
5. Minutes of the meeting of the Board of Directors.
6. Minutes of the General Meeting of the Shareholders.
7. Register for Disclosure of Interest.

**Annexure 'B'****Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2013 :**

Sr. No.	Form Number/ Return	Filed under section	Date of filing	Whether filed under prescribed time Yes/No	If delay in filing whether requisite additional fees paid
1.	Form 66_12	U/s. 383A	07.08.2012	Yes	N.A
2.	Form 20B_12	U/s. 159	24.09.2012	Yes	N.A
3.	Form 23AC & ACA_12	U/s. 220	22.11.2012	Yes	N.A
4.	Form 5 INV	Pursuant to rule 3 of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012	15.02.2013	Yes	N.A

Place : Ahmedabad.

Date : May 3, 2013.

**For Kapoor & Ved**  
 Company Secretaries  
**Ashish Shah**  
 Partner  
 C.P. No. 4178

## 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 & shareholders 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.

### 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 in Public Limited Companies		Private Limited Companies	Committees	
	Category	Listed Companies	Unlisted Companies		Memberships	Chairmanships
Shri Bipin F. Tamboli	Chairman and Managing Director	-	2	5	-	-
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. 2012-2013 and the gap between two meetings did not exceed four months. The Board Meetings were held on 12th May, 2012, 30th July, 2012, 31st October, 2012 and 12th February, 2013.

Name	Position	Meetings held during the tenure of Directors	Meetings attended	Attendance at the last AGM held on July 30, 2012
Shri Bipin F. Tamboli	Chairman and Managing Director	4	4	Yes
Shri Bharat K. Shah	Non-Executive Independent Director	4	4	Yes
Shri Tushar B. Dalal	Non-Executive Independent Director	4	4	Yes

Information in cases of appointment or re-appointment of Directors as required under Listing Agreement is as under:

Sr. No.	Name	Date of Birth	Date of appointment as Director	Expertise in specific functional areas	Educational Qualification	Number of other Directorship	Experience In years
1	Bharat K. Shah	14.10.1945	30.03.2009	1. General Management 2. Administration	B.A	1	30

## 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](http://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 12th May, 2012, 30th July, 2012, 31st October, 2012 and 12th February, 2013.

### 3.2 Investor's Grievance Committee:

The Committee oversees the complaints/suggestions received from shareholders. The nature of complaints received from investors includes non receipt of annual reports, non receipt of dividend, change of address 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 12th May, 2012, 30th July, 2012, 31st October, 2012 and 12th February, 2013.

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	Nil	Nil	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](http://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	<a href="http://www.tambolicapital.in">www.tambolicapital.in</a>
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

**Details of last three Annual General Meetings:**

Annual General Meeting for Financial Year	:	2011-2012	2010-2011	2009-2010
Date	:	30.07.2012	17.09.2011	02.08.2010
Time	:	1630 Hours	1630 Hours	1630 Hours
Venue	:	Hotel Nilambag Palace, Bhavnagar		

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

Date & Time	:	August 10, 2013 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 2012	30th September 2012	31st December 2013	31st March 2013
Reporting Month	:	August 2012	November 2012	February 2013	May 2013

**6.3** The Company has paid annual listing fees to The Bombay Stock Exchange Limited (BSE) in respect of the financial year 2012-2013.

**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:

<b>ISIN Number of Company's Shares for NSDL &amp; CDSL</b>	INE864J01012
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Percentage of Shares held in Physical & Electronic form as on March 31, 2013 is as follows:

Sr. No.	Particulars	No. of Share Holders	No. of Shares held	% of total
1	Physical Shares	156	331051	3.34
2	Electronic Shares	3395	9588949	96.66
	TOTAL	3551	9920000	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 12	29.40	26.20	August 12	25.50	20.45	Dec. 12	24.60	21.55
May 12	28.65	21.65	Sept. 12	24.00	21.05	January 13	26.80	21.55
June 12	24.00	18.60	October 12	26.00	21.70	February 13	25.00	20.50
July 12	26.25	21.40	Nov. 12	25.50	20.45	March 13	26.45	20.50

**6.7 Registrar and Transfer Agent:**

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, 2013:**

Category	No. of Shares held	Percentage (%) of Shareholding
Promoters	51,75,000	52.17
Financial Institutions	2,16,309	2.18
Non Resident Indian	3,06,382	3.09
Others	42,22,309	42.56
Total	99,20,000	100.00

**6.9 Distribution Schedule as on March 31, 2013:**

Number of Shares held	Shares held		Number of Holders	
	Number	%	Number	%
Upto 500	385371	3.88	2420	68.15
501 to 1000	314572	3.17	391	11.01
1001 to 2000	553988	5.58	351	9.88
2001 to 3000	240804	2.43	94	2.65
3001 to 4000	372248	3.75	109	3.07
4001 to 5000	157716	1.59	35	0.99
5001 to 10000	574913	5.80	79	2.22
10001 and above	7320388	73.80	72	2.03
Total	99,20,000	100.00	3551	100.00

Place : Bhavnagar  
 Date : May 3, 2013

**B. F. Tamboli**  
 CHAIRMAN AND MANAGING DIRECTOR

**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, 2013.

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 3, 2013

**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](http://www.tambolicapital.in). All the members of the Board and management personnel affirmed compliance with the Code for the year ending March 31, 2013.

Place : Bhavnagar  
Date : May 3, 2013

**B. F. Tamboli**  
CHAIRMAN AND MANAGING DIRECTOR

**AUDITORS' 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 ("the Company") for the year ended March 31, 2013 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 agreement.

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 3, 2013

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



**INDEPENDENT AUDITORS' REPORT**

To  
**The Members of  
Tamboli Capital Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Tamboli Capital Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2013 and the statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the State of affairs of the company as at 31<sup>st</sup> March 2013;
- (b) In the case of the Profit and Loss statement, of the **PROFIT** for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in 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 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;
  - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which such cess to be paid, no cess is due and payable by the Company.

**For SANGHAVI & COMPANY**

Chartered Accountants

FRN: 109099W

**Manoj Ganatra**

Partner

Membership No. 043485

Place : Bhavnagar

Date : May 3, 2013

**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 31<sup>st</sup> March 2013.

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

1. In respect of fixed assets
  - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) As explained to us, fixed assets are physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on physical verification.
  - c) There was no substantial disposal of fixed assets during the year.
2. 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 Rs. 64.00 Lacs and Rs. 600.00 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.
  - 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. There are no contracts or arrangements in respect of transactions required to be entered in the register maintained in pursuance of section 301 of the Companies Act 1956.
6. The company has not accepted any deposits within the meaning of section 58A and 58AA of the Companies Act 1956 and the rules framed thereunder.
7. 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 raised 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.

**For SANGHAVI & COMPANY**

Chartered Accountants

FRN: 109099W

**Manoj Ganatra**

Partner

Membership No. 043485

Place : Bhavnagar

Date : May 3, 2013

**BALANCE SHEET AS AT MARCH 31, 2013**

Particulars	Note No.	31st March 2013 (Rs.)		31st March 2012 (Rs.)	
<b>EQUITY AND LIABILITIES:</b>					
<b>Shareholders' Funds:</b>					
Share Capital	2	99,200,000		99,200,000	
Reserves & Surplus	3	14,381,270	113,581,270	11,208,880	110,408,880
<b>Non-Current Liabilities:</b>					
Long-term Borrowings		-		-	
Deferred Tax Liabilities		3,200			
Other Long Term Liabilities		-		-	
Long-term Provisions		-	3,200	-	-
<b>Current Liabilities:</b>					
Short-term Borrowings		-		-	
Trade Payables		78,084		49,499	
Other Current Liabilities	4	127,974		43,436	
Short-term Provisions	5	5,570,632	5,776,690	4,984,868	5,077,803
<b>TOTAL</b>			<b>119,361,160</b>		<b>115,486,683</b>
<b>ASSETS:</b>					
<b>Non-Current Assets:</b>					
Fixed Assets	6	19,854			
Tangible Assets		-		-	
Intangible Assets		-		-	
Capital Work-in-Progress		-		-	
		19,854		-	
Non-current Investments	7	29,110,000		29,000,000	
Long-term Loans and Advances	8	61,890,000		54,590,000	
Other Non-current Assets		-	91,019,854	-	83,590,000
<b>Current Assets:</b>					
Current Investments		-		-	
Inventories		-		-	
Trade Receivables		-		-	
Cash and Bank Balances	9	25,949,423		30,288,291	
Short-term Loans and Advances	10	2,391,883		1,608,392	
Other Current Assets		-	28,341,306	-	31,896,683
<b>TOTAL</b>			<b>119,361,160</b>		<b>115,486,683</b>
The accompanying notes 1 to 20 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 3, 2013

FOR AND ON BEHALF OF THE BOARD

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

DIRECTORS

Bhavnagar

Dated: May 3, 2013

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

Particulars	Note No.	2012-2013 (Rs.)	2011-2012 (Rs.)
<b>REVENUE:</b>			
Revenue from Operations	11	11,731,148	9,856,021
Other Income		-	-
<b>TOTAL</b>		<u>11,731,148</u>	<u>9,856,021</u>
<b>EXPENSES:</b>			
Employee Benefits Expense	12	466,000	294,000
Finance Costs	13	161	-
Depreciation and Amortization		3,906	-
Other Expenses	14	833,542	842,472
<b>TOTAL</b>		<u>1,303,609</u>	<u>1,136,472</u>
Profit before exceptional and extraordinary Items and tax		10,427,539	8,719,549
Exceptional Items		-	-
Extraordinary Items		-	-
Profit Before Tax		10,427,539	8,719,549
Tax Expense : Current			
Current Tax		1,735,000	1,423,000
Earlier Years' Tax		-(3,802)	-(53,000)
Deferred		3,200	-
		<u>1,734,398</u>	<u>1,370,000</u>
Net Profit for the year		<u>8,693,141</u>	<u>7,349,549</u>
Face Value per Equity Share		10	10
Earning Per Share (Basic/Diluted)		0.88	0.74
The accompanying notes 1 to 20 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 3, 2013

FOR AND ON BEHALF OF THE BOARD

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

DIRECTORS

Bhavnagar

Dated: May 3, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013****(Rs. In Lacs)**

	2012-2013		2011-2012	
<b>A Cash Flow from operating activities:</b>				
Net Profit Before Tax And Extraordinary Items		104.28		87.20
Adjustments for:				
Depreciation	0.04		-	
Amortisation	-		-	
Interest	-	0.04	-	-
		<u>104.32</u>		<u>87.20</u>
Operating Profit Before Working Capital changes		104.32		87.20
Adjustments for:				
Trade and Other Receivables	(80.84)		(22.74)	
Inventories	-		-	
Trade Payables	0.45	(80.39)	0.32	(22.42)
		<u>23.93</u>		<u>64.78</u>
Cash Generated From Operations		23.93		64.78
Interest Paid			-	
Direct Taxes Paid	(17.06)	(17.06)	(10.45)	(10.45)
		<u>6.87</u>		<u>54.33</u>
<b>Net Cash from operating activities</b>		6.87		54.33
<b>B Cash Flow from investing activities:</b>				
Purchase of Fixed Assets	(0.24)			
Purchase of Investments	(1.10)			
Sale of Fixed Assets	-			
Interest Received	-			
		<u>(1.34)</u>		<u>-</u>
<b>Net Cash used in investing activities</b>		(1.34)		-
<b>C Cash Flow from financing activities:</b>				
Proceeds from Loans Borrowed (net)	-			
Proceeds from Working Capital Finance (net)	-			
Interest Paid	-			
Dividend paid	(48.91)			
		<u>(48.91)</u>		<u>-</u>
<b>Net Cash used in financing activities</b>		(48.91)		-
<b>Net Increase in Cash and Cash Equivalents</b>		(43.38)		54.33
Cash And Cash Equivalents as at beginning of the year		302.88		248.55
Cash And Cash Equivalents as at end of the year		<u>259.50</u>		<u>302.88</u>
Cash and Cash Equivalents				
Cash and Bank Balances		259.50		302.88
Statutory restricted accounts		-		-
		<u>259.50</u>		<u>302.88</u>

As per our Report of even Date

**For SANGHAVI & COMPANY**

Chartered Accountants

FRN: 109099W

**MANOJ GANATRA**

Partner

Membership No. 043485

Bhavnagar

Dated: May 3, 2013

FOR AND ON BEHALF OF THE BOARD

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

DIRECTORS

Bhavnagar

Dated: May 3, 2013

**Note No. 1****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 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.  
The company has, on the basis of technological evaluation, determined the useful life of the assets and depreciation thereon is provided accordingly, which are higher than the rates specified in the Schedule XIV to the Companies Act, 1956.
- 1.4 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.
- 1.5 Taxation:**  
Provision 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.
- 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.

**Note No. 2****2.1 Share Capital**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
<b>Authorised:</b>		
10,000,000 Equity Shares of Rs. 10 each	100,000,000	100,000,000
<b>TOTAL</b>	100,000,000	100,000,000
<b>Issued, Subscribed and Paid up:</b>		
9,920,000 Equity Shares of Rs. 10 each	99,200,000	99,200,000
<b>TOTAL</b>	99,200,000	99,200,000

- a. Equity shares issued as fully paid up bonus shares or otherwise than by cash during the preceding five years: Nil

**2.2 Share Capital Reconciliation**

Particulars	Equity Shares	
	No. of shares	Rs.
Shares outstanding at the beginning of the year	9,920,000	99,200,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	9,920,000	99,200,000



**2.3 Shares held by each shareholder holding more than five percent shares**

Name of Shareholder	31.03.2013		31.03.2012	
	No. of shares	% of holding	No. of shares	% of holding
Bipin F. Tamboli	3,515,056	35.43	3,435,056	34.63

**Note No. 3  
Reserves and Surplus**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
<b>a. Capital Reserve</b>		
Balance as at the beginning of the year	500,000	500,000
Current year transfer		
Written back in current year		
Balance as at end of the year	<u>500,000</u>	<u>500,000</u>
<b>b. General Reserve</b>		
Balance as at the beginning of the year	10,708,880	8,324,198
Transfer from surplus	3,172,390	2,384,682
Balance as at the end of the year	<u>13,881,270</u>	<u>10,708,880</u>
<b>c. Surplus</b>		
Balance as at the beginning of the year	-	-
Net profit for the current year	8,693,141	7,349,549
Transfer to general reserve	-(3,172,390)	-(2,384,682)
Proposed dividend	-(5,456,000)	-(4,960,000)
Corporate dividend tax	-(64,751)	-(4,867)
Balance as at the end of the year	<u>-</u>	<u>-</u>
<b>TOTAL</b>	<u>14,381,270</u>	<u>11,208,880</u>

**Note No. 4  
Other Current Liabilities**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Current maturities of long-term debt	-	-
Statutory liabilities	7,891	5,718
Unclaimed Dividends	68,582	-
Other liabilities	51,501	37,718
<b>TOTAL</b>	<u>127,974</u>	<u>43,436</u>

**Note No. 5  
Short Term Provisions**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Provision for income tax (net of payments)	49,881	20,001
Proposed dividend	54,56,000	4,960,000
Corporate dividend tax	64,751	4,867
<b>TOTAL</b>	<u>5,570,632</u>	<u>4,984,868</u>

**Note No. 6****Fixed Assets****(Amount in Rupees)**

PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK	
	As on 1.4.2012	As on Sales or Adjustments during the Year 31.3.2013	As on 1.4.2012	For the Year Deductions/ Adjustments 31.3.2013	Up to 31.3.2013	As at 31.3.2013	As at 31.3.2012
<b>Tangible Assets:</b>							
OFFICE EQUIPMENT	-	23,760	-	3,906	-	19,854	-
TOTAL	-	23,760	-	3,906	-	19,854	-

## Depreciation Rates, (%)

Assets	Depreciation Rate, (%)
Computers	25.00

**Note No. 7****Non-current Investments**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Trade Investments: Unquoted; at cost:		
Investments in Subsidiary Companies	29,000,000	29,000,000
2,900,000 equity shares of Tamboli Castings Limited of Rs. 10 each (A wholly owned subsidiary)		
Other Investments; at cost:		
11,000 equity shares of Tamboli Chemico (India) Pvt. Ltd. of Rs. 10/- each	110,000	-
<b>TOTAL</b>	<u>29,110,000</u>	<u>29,000,000</u>

**Note No. 8****Long-term Loans and Advances**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Unsecured (considered good)		
Loans to a subsidiary company	60,000,000	53,600,000
Other loans and advances	1,890,000	990,000
<b>TOTAL</b>	<u>61,890,000</u>	<u>54,590,000</u>

**Note No. 9****Cash and Bank Balances**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
I. Cash and Cash Equivalents		
a. Balances with Banks		
Current accounts	636,977	857,714
Short term deposits	1,000,000	6,000,000
Cheques on hand	-	-
	<u>1,636,977</u>	<u>6,857,714</u>
b. Cash on hand	43,864	30,577
	<u>1,680,841</u>	<u>6,888,291</u>
II. Other Bank Balances		
Dividend accounts	68,582	-
Terms deposits with more than 12 months maturity	3,000,000	11,000,000
Other terms deposits	21,200,000	12,400,000
	<u>24,268,582</u>	<u>23,400,000</u>
<b>TOTAL</b>	<u>25,949,423</u>	<u>30,288,291</u>

**Note No. 10**  
**Short-term Loans and Advances**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Unsecured (considered good)		
Interest receivables	2,391,883	1,478,392
Share application money	-	110,000
Other loans and advances	-	20,000
<b>TOTAL</b>	<b>2,391,883</b>	<b>1,608,392</b>

**Note No. 11**  
**Revenue from Operations**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
Interest Receipts				
From Banks	2,385,148		2,021,529	
From a subsidiary company	4,416,000		3,752,000	
From others	-	6,801,148	22,492	5,796,021
Dividend Receipts				
From a subsidiary company	4,930,000		4,060,000	
From others	-	4,930,000	-	4,060,000
<b>TOTAL</b>		<b>11,731,148</b>		<b>9,856,021</b>

**Note No. 12**  
**Employee Benefit Expenses**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
Salary, wages, allowances and bonus		466,000		294,000
Contribution to employee benefit funds		-		-
Staff welfare expenses		-		-
<b>TOTAL</b>		<b>466,000</b>		<b>294,000</b>

**Note No. 13**  
**Finance Costs**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
Interest				
Others		161		-
<b>TOTAL</b>		<b>161</b>		<b>-</b>

**Note No. 14**  
**Other Expenses**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
<b>Administrative and other expenses:</b>				
Travelling & conveyance expenses	18,811		7,456	
Insurance premiums	42,135		34,469	
Advertisement expenses	116,307		90,205	
Directors' sitting fees	186,000		186,000	
Legal and professional fees	229,633		251,622	
Payment to auditors	47,809		38,605	
General expenses	192,847	833,542	234,115	842,472
<b>TOTAL</b>		<b>833,542</b>		<b>842,472</b>

**Note No. 15**

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.

**Note No. 16**

Deferred tax liability of Rs. 3,200 charged to the profit & loss statement is on account of timing difference related to depreciation charged in the accounts and as claimed under the Income Tax Act.

**Note No. 17****Payments to Auditors**

Particulars	2012-2013 Amount, Rs.	2011-2012 Amount, Rs.
Audit Fees	16,854	16,545
Taxation Matters	5,618	5,515
Certification and other matters	25,337	16,545

**Note No. 18**

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" are not applicable.

**Note No. 19**

Related Party Disclosures:

**Subsidiary: Tamboli Castings Limited**

Nature of Transactions	2012-2013 Amount, Rs.	2011-2012 Amount, Rs.
1. Interest Receipts	4,416,000	3,752,000
2. Dividend Receipts	4,930,000	4,060,000
3. Outstanding balance : Long term Loans and advances	60,000,000	53,600,000
: Short term Loans and advances	1,080,000	844,200

**Note No. 20**

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

## Signatures to Notes 1 to 20

As per our Report of even Date

**For SANGHAVI & COMPANY**

Chartered Accountants

FRN: 109099W

**MANOJ GANATRA**

Partner

Membership No. 043485

Bhavnagar

Dated: May 3, 2013

FOR AND ON BEHALF OF THE BOARD

**B. F. Tamboli**

**B. K. Shah**

DIRECTORS

Bhavnagar

Dated: May 3, 2013

**ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2013  
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, 2013
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. 60,556,373/-
ii) For the previous years since it become a Subsidiary	:	Rs. 59,649,644/-
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 3, 2013

**FINANCIAL INFORMATION OF SUBSIDIARY FOR THE YEAR ENDED MARCH 31, 2013**

**(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. 246,199,384
c) Total Assets	:	Rs. 523,455,803
d) Total Liabilities	:	Rs. 523,455,803
e) Investments (Except investment in subsidiaries)	:	Rs. -
f) Turnover	:	Rs. 486,934,796
g) Profit before Taxation	:	Rs. 72,905,153
h) Provision for Taxation	:	Rs. 12,348,780
i) Profit after Taxation	:	Rs. 60,556,373
j) Proposed dividend	:	Rs. 5,075,000

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

Place : Bhavnagar  
Date : May 3, 2013

## INDEPENDENT AUDITORS' REPORT

To  
**The Board of Directors of  
Tamboli Capital Limited**

We have audited the accompanying consolidated financial statements of **Tamboli Capital Limited** ("the Company), and its wholly-owned subsidiary company, Tamboli Castings Limited (collectively referred to as "the Tamboli Capital Group") which comprise the Consolidated Balance Sheet as at 31st March 2013, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Tamboli Capital Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Tamboli Capital Group's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Tamboli Capital Group as at 31<sup>st</sup> March 2013;
- (b) In the case of the Consolidated Profit and Loss Statement, of the profit of the Tamboli Capital Group for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows of the Tamboli Capital Group for the year ended on that date.

Bhavnagar  
May 3, 2013

**For SANGHAVI & COMPANY**  
Chartered Accountants  
FRN: 109099W  
**MANOJ GANATRA**  
Partner  
Membership No. 043485

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013**

Particulars	Note No.	31st March 2013 (Rs.)		31st March 2012 (Rs.)	
<b>EQUITY AND LIABILITIES:</b>					
<b>Shareholders' Funds:</b>					
Share Capital	2	99,200,000		99,200,000	
Reserves & Surplus	3	265,655,655	364,855,655	207,719,387	306,919,387
<b>Non-Current Liabilities:</b>					
Long-term Borrowings	4	74,890,828		105,280,227	
Deferred Tax Liabilities		6,644,200		10,262,000	
Other Long Term Liabilities	5	611,112		730,444	
Long-term Provisions	6	772,827	82,918,967	643,384	116,916,055
<b>Current Liabilities:</b>					
Short-term Borrowings	7	24,285,225		51,681,978	
Trade Payables		22,369,569		13,604,349	
Other Current Liabilities	8	48,940,814		48,685,650	
Short-term Provisions	9	10,446,734	106,042,342	9,657,572	123,629,549
<b>TOTAL</b>			<u>553,816,964</u>	<u>547,464,991</u>	
<b>ASSETS:</b>					
<b>Non-Current Assets:</b>					
Fixed Assets					
Tangible Assets					
	10	226,625,398		243,442,084	
		-		-	
		5,714,011		571,896	
		232,339,409		244,013,980	
Non-current Investments	11	110,000		-	
Long-term Loans and Advances	12	18,414,454		16,144,819	
Other Non-current Assets		-	250,863,863	-	260,158,799
<b>Current Assets:</b>					
Current Investments		-		-	
Inventories	13	80,206,059		67,729,717	
Trade Receivables	14	122,899,185		111,315,200	
Cash and Bank Balances	15	35,290,926		38,236,716	
Short-term Loans and Advances	16	64,556,931		70,024,559	
Other Current Assets		-	302,953,101	-	287,306,192
<b>TOTAL</b>			<u>553,816,964</u>	<u>547,464,991</u>	
The accompanying notes 1 to 35 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 3, 2013

FOR AND ON BEHALF OF THE BOARD  
**B. F. Tamboli**  
**B. K. Shah**  
DIRECTORS  
  
Bhavnagar  
Dated: May 3, 2013



**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

Particulars	Note No.	2012-2013 (Rs.)	2011-2012 (Rs.)
<b>REVENUE:</b>			
Revenue from Operations	17	488,986,163	538,858,881
Other Income	18	333,781	251,246
<b>TOTAL</b>		<u>489,319,944</u>	<u>539,110,127</u>
<b>EXPENSES:</b>			
Cost of Materials Consumed	19	76,981,040	89,044,683
Purchases of stock-in-trade			-
Changes in inventories	20	-(15,795,946)	6,181,221
Employee Benefits Expense	21	52,045,932	51,189,467
Finance Costs	22	21,361,688	25,198,854
Depreciation and Amortization		42,267,338	35,246,159
Other Expenses	23	234,057,199	252,886,550
<b>TOTAL</b>		<u>410,917,251</u>	<u>459,746,934</u>
Profit before exceptional and extraordinary items and tax		78,402,693	79,363,193
Exceptional Items		-	-
Extraordinary Items		-	-
Profit Before Tax		<u>78,402,693</u>	<u>79,363,193</u>
Tax Expense :			
Current Tax		29,826,101	25,448,000
MAT Credit Entitlements		-(12,091,101)	-(9,075,000)
Earlier Years' Tax		-(34,022)	-(53,000)
Deferred		-(3,617,800)	104,000
Net Profit for the year		<u>64,319,515</u>	<u>62,939,193</u>
Face Value per Equity Share		10	10
Earning Per Equity Share (Basic/Diluted)		6.48	6.34
The accompanying notes 1 to 35 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 3, 2013

FOR AND ON BEHALF OF THE BOARD

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

DIRECTORS

Bhavnagar

Dated: May 3, 2013

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

(Rs. in Lacs)

	2012-2013	2011-2012
<b>A Cash Flow from operating activities:</b>		
Net Profit Before Tax And Extraordinary Items	784.03	793.63
Adjustments for:		
Depreciation and Amortization	422.67	352.46
Loss/(Profit) on sale of Assets	0.19	-
Interest	182.70	226.44
	<u>605.56</u>	<u>578.90</u>
Operating Profit Before Working Capital Changes	1389.59	1372.53
Adjustments for:		
Trade and Other Receivables	(91.56)	(393.84)
Inventories	(124.76)	(31.92)
Trade and Other Payables	91.04	25.34
	<u>(125.28)</u>	<u>(400.42)</u>
Cash Generated From Operations	1264.31	972.11
Direct Taxes Paid	(178.81)	(271.85)
	<u>(178.81)</u>	<u>(271.85)</u>
<b>Net Cash from operating activities</b>	1085.50	700.26
<b>B Cash Flow from investing activities:</b>		
Purchase of Fixed Assets	(318.55)	(693.05)
Purchase of Investments	(1.10)	-
Sale of Fixed Assets	12.43	-
Interest Received	36.18	27.11
	<u>36.18</u>	<u>27.11</u>
<b>Net Cash used in investing activities</b>	(271.04)	(665.94)
<b>C Cash Flow from financing activities:</b>		
Proceeds from Loans Borrowed (net)	(303.90)	174.40
Proceeds from Working Capital Finance(net)	(273.99)	53.31
Interest Paid	(218.88)	(253.55)
Dividend paid	(48.91)	-
	<u>(48.91)</u>	<u>-</u>
<b>Net Cash used in financing activities</b>	(845.68)	(25.84)
<b>Net Increase in Cash and Cash Equivalents</b>	(31.22)	8.48
Cash And Cash Equivalents as at beginning of the year	375.58	367.10
	<u>375.58</u>	<u>367.10</u>
Cash And Cash Equivalents as at end of the year	344.36	375.58
	<u>344.36</u>	<u>375.58</u>
Cash and Cash Equivalents		
Cash and Bank Balances	352.91	382.37
Statutory restricted accounts	(8.55)	(6.79)
	<u>(8.55)</u>	<u>(6.79)</u>
	<u>344.36</u>	<u>375.58</u>

As per our Report of even Date

**For SANGHAVI & COMPANY**

Chartered Accountants

FRN: 109099W

**MANOJ GANATRA**

Partner

Membership No. 043485

Bhavnagar

Dated: May 3, 2013

FOR AND ON BEHALF OF THE BOARD

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

DIRECTORS

Bhavnagar

Dated: May 3, 2013

**Note No. 1****Significant Accounting Policies:**

**1.1 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.

**1.2 Investments:**

Long term investments are stated at cost. Provision, if any, is made for permanent diminution in the value of investments. Current investments are stated at lower of cost or market value. Dividend/Interest are accounted for as and when right to receive the same is established.

**1.3 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.

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

**1.5 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 credit availed. Custom duty paid on import of materials is dealt with in respective materials accounts.

**1.6 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.

**1.7 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.

**1.8 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.

**1.9 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.

**1.10 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.

**Note No. 2**

**2.1 Share Capital**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
<b>Authorised:</b>		
10,000,000 Equity Shares of Rs. 10 each	100,000,000	100,000,000
<b>TOTAL</b>	<u>100,000,000</u>	<u>100,000,000</u>
<b>Issued, Subscribed and Paid up:</b>		
9,920,000 Equity Shares of Rs. 10 each	99,200,000	99,200,000
<b>TOTAL</b>	<u>99,200,000</u>	<u>99,200,000</u>

a. Equity shares issued as fully paid up bonus shares or otherwise than by cash during the preceding five years: Nil

**2.2 Share Capital Reconciliation**

Particulars	Equity Shares	
	No. of shares	Rs.
Shares outstanding at the beginning of the year	9,920,000	99,200,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	9,920,000	99,200,000

**2.3 Shares held by each shareholder holding more than five percent shares**

Name of Shareholder	31.03.2013		31.03.2012	
	No. of shares	% of holding	No. of shares	% of holding
Bipin F. Tamboli	3,515,056	35.43	3,435,056	34.63

**Note No. 3**  
**Reserves and Surplus**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
<b>a. Capital Reserve</b>		
Balance as at the beginning of the year	500,000	500,000
Current year transfer	-	-
Written back in current year	-	-
Balance as at end of the year	<u>500,000</u>	<u>500,000</u>
<b>b. General Reserve</b>		
Balance as at the beginning of the year	197,219,387	150,044,830
Transfer from surplus	57,936,268	47,174,557
Balance as at the end of the year	<u>255,155,655</u>	<u>197,219,387</u>
<b>c. Surplus</b>		
Balance as at the beginning of the year	10,000,000	-
Net profit for the current year	64,319,515	62,939,193
Transfer to general reserve	-(57,936,268)	-(47,174,557)
Proposed dividend	-(5,456,000)	-(4,960,000)
Corporate dividend tax	-(927,247)	-(804,636)
Balance as at the end of the year	<u>10,000,000</u>	<u>10,000,000</u>
<b>TOTAL</b>	<u><u>265,655,655</u></u>	<u><u>207,719,387</u></u>

**Note No. 4**  
**Long Term Borrowings**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
<b>a. Secured</b>		
Term loans from banks (Indian rupee accounts)	74,890,828	105,280,227
<b>TOTAL</b>	<u><u>74,890,828</u></u>	<u><u>105,280,227</u></u>
Notes:		
Term loans are from State Bank of India which are secured by equitable mortgage of Land & Building and Hypothecation of Machinery and further secured by personal guarantee of one of the Directors.		
Period of default: N.A		
Amount: Nil		

**Note No. 5**  
**Other Long Term Liabilities**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Staff security deposits	611,112	730,444
<b>TOTAL</b>	<u><u>611,112</u></u>	<u><u>730,444</u></u>

**Note No. 6**  
**Long Term Provisions**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Provision for leave encashment	772,827	643,384
<b>TOTAL</b>	<u>772,827</u>	<u>643,384</u>

**Note No. 7**  
**Short Term Borrowings**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
a. Secured		
Working capital finance from banks	24,285,225	51,681,978
<b>TOTAL</b>	<u>24,285,225</u>	<u>51,681,978</u>
Notes:		
Working capital finance are from State Bank of India which is secured by Hypothecation of inventories, book debts, machinery and equitable mortgage of Land & Building and further secured by personal guarantee of one of the Directors.		
Period of default: N.A		
Amount: Nil		

**Note No. 8**  
**Other Current Liabilities**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Current maturities of long-term debt	35,178,000	33,630,000
Interest accrued but not due on borrowings	1,080,000	2,535,452
Advances from customers	615,709	106,636
Statutory liabilities	1,594,542	1,319,017
Gratuity premium payable	112,456	102,459
Unclaimed Dividends	68,582	-
Other liabilities	10,291,525	10,992,086
<b>TOTAL</b>	<u>48,940,814</u>	<u>48,685,650</u>

**Note No. 9**  
**Short Term Provisions**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Provision for bonus	3,778,477	3,676,078
Provision for leave encashment	235,129	196,857
Provision for income tax (net of payments)	49,881	20,001
Proposed dividend	5,456,000	4,960,000
Corporate dividend tax	927,247	804,636
<b>TOTAL</b>	<u>10,446,734</u>	<u>9,657,572</u>

**Note No. 10  
Fixed Assets**

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 1.4.2012	Additions during the Year	Sales or Adjustments	As on 31.3.2013	As on 1.4.2012	For the Year	On Deductions/ Adjustments	Up to 31.3.2013	As at 31.3.2012	As at 31.3.2013
<b>Tangible Assets:</b>										
FREEHOLD LAND	9,480,760	4,558,553	-	14,039,313	-	-	-	-	9,480,760	14,039,313
BUILDINGS	62,648,769	2,581,534	-	65,230,303	8,696,487	3,114,775	-	11,811,262	53,952,282	53,419,041
PLANT & MACHINERY	269,601,064	10,300,077	869,026	279,032,115	96,267,146	37,117,125	825,574	132,558,697	173,333,918	146,473,418
OFFICE EQUIPMENT	5,679,522	1,891,108	-	7,570,630	2,573,233	927,257	-	3,500,490	3,106,289	4,070,140
FURNITURE & FIXTURES	1,856,508	447,382	-	2,303,890	841,994	151,585	-	993,579	1,014,514	1,310,311
VEHICLES	3,872,368	6,934,562	1,425,286	9,381,644	1,318,047	956,596	206,174	2,068,469	2,554,321	7,313,175
TOTAL	353,138,991	26,713,216	2,294,312	377,557,895	109,696,907	42,267,338	1,031,748	150,932,497	243,442,084	226,625,398
Capital Work in Progress	571,896	5,142,115	-	5,714,011	-	-	-	-	571,896	5,714,011
TOTAL	353,710,887	31,855,331	2,294,312	383,271,906	109,696,907	42,267,338	1,031,748	150,932,497	244,013,980	232,339,409
PREVIOUS YEAR	283,980,954	69,158,037	-	353,138,991	74,450,748	35,246,159	-	109,696,907	209,530,206	243,442,084

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

**Note No. 11**

**Non-current investments**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
a. Unquoted; at cost:		
11,000 equity shares of Tamboli Chemico (India) Pvt. Ltd. of Rs. 10/- each	110,000	-
b. Investments in Government Securities:	-	-
<b>TOTAL</b>	<u>110,000</u>	<u>-</u>

**Note No. 12**

**Long-term Loans and Advances**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Unsecured (considered good)		
Capital advances	10,679,506	9,026,885
Security deposits	3,958,186	3,947,582
Loans to staff (including officers of the company Rs. 91,238 (Rs. 71,938))	91,238	71,938
Loans to ancillary units	1,795,524	2,108,414
Other loans and advances	1,890,000	990,000
<b>TOTAL</b>	<u>18,414,454</u>	<u>16,144,819</u>

**Note No. 13**

**Inventories**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
(as taken certified and valued by the management)		
Raw materials (at cost)	4,015,133	6,442,513
Work-in-progress (at estimated cost)	30,411,939	16,504,926
Finished goods (at lower of cost or market value)	18,163,987	16,275,054
Stores & spares (at cost)	27,615,000	28,507,224
<b>TOTAL</b>	<u>80,206,059</u>	<u>67,729,717</u>

**Note No. 14**

**Trade Receivable**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Unsecured (considered good)		
Over six months	1,357,132	1,516,029
Others	121,542,053	109,799,171
<b>TOTAL</b>	<u>122,899,185</u>	<u>111,315,200</u>
Includes		
	More than six months	Others
Due from firms and companies in which directors are interested	Nil	Nil



**Note No. 15**  
**Cash and Bank Balances**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
I. Cash and Cash Equivalents		
a. Balances with Banks		
Current accounts	9,015,786	1,618,595
Short term deposits	1,000,000	12,500,000
Cheques on hand	-	-
	<u>10,015,786</u>	<u>14,118,595</u>
b. Cash on hand	151,095	39,521
	<u>10,166,881</u>	<u>14,158,116</u>
II. Other Bank Balances		
Dividend accounts	68,582	-
Margin money accounts	-	-
Terms deposits with more than 12 months maturity	3,855,463	11,678,600
Other terms deposits	21,200,000	12,400,000
	<u>25,124,045</u>	<u>24,078,600</u>
<b>TOTAL</b>	<u><u>35,290,926</u></u>	<u><u>38,236,716</u></u>
Term deposits of Rs. 855,463 are under lien with banks against bank guarantees with government authorities (previous year Rs. 678,600)		

**Note No. 16**  
**Short-term Loans and Advances**

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Unsecured (considered good)		
Trade advances to suppliers (Including to companies or firms in which some of the directors are interested Rs. Nil)	2,275,742	2,535,727
Loans and advances to staff (Including officers of the company Rs. 128,374) (140,000))	610,806	538,059
Input credits receivable	49,197,317	55,066,108
Prepaid expenses	1,915,922	912,248
Loans to ancillary units	510,435	880,894
Advance payment of taxes (net of provisions)	7,534,370	8,128,571
Share application money	-	110,000
Other loans and advances	2,512,339	1,852,952
<b>TOTAL</b>	<u><u>64,556,931</u></u>	<u><u>70,024,559</u></u>

**Note No. 17**  
**Revenue from Operations**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
Sale of Products				
Export sales	463,644,512		513,001,300	
Domestic sales	14,585,545		12,356,649	
	478,230,057		525,357,949	
Less: Excise duty	2,127,856	476,102,201	1,579,241	523,778,708
Other Operating Revenue				
Foreign currency fluctuation gain/(loss)	9,265,715		12,368,619	
Other operating income	3,618,247	12,883,962	2,711,554	15,080,173
<b>TOTAL</b>		<u>488,986,163</u>	<u>538,858,881</u>	

**Note No. 18**  
**Other Income**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
Miscellaneous income		333,781		251,246
<b>TOTAL</b>		<u>333,781</u>		<u>251,246</u>

**Note No. 19**  
**Cost of Materials Consumed**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
Raw materials consumed				
Raw Materials Consumed				
Opening stock	6,442,513		4,656,834	
Purchase and direct expenses	74,553,660		90,830,362	
	80,996,173		95,487,196	
Closing stock	4,015,133	76,981,040	6,442,513	89,044,683
<b>TOTAL</b>		<u>76,981,040</u>	<u>89,044,683</u>	

**Note No. 20**  
**Change in Inventories**

Particulars	2012-2013 (Rs.)		2011-2012 (Rs.)	
Opening Stock				
Finished Goods	16,275,054		9,310,112	
Work-in-progress	16,504,926	32,779,980	29,651,089	38,961,201
Closing Stock				
Finished Goods	18,163,987		16,275,054	
Work-in-progress	30,411,939	48,575,926	16,504,926	32,779,980
<b>TOTAL</b>		<u>-15,795,946</u>	<u>6,181,221</u>	

**Note No. 21**  
**Employee Benefit Expenses**

Particulars	2012-2013 (Rs.)	2011-2012 (Rs.)
Salary, wages, allowances and bonus	45,637,454	43,630,751
Contribution to employee benefit funds	5,441,380	6,524,343
Staff welfare expenses	967,098	1,034,373
<b>TOTAL</b>	<b>52,045,932</b>	<b>51,189,467</b>

**Note No. 22**  
**Finance Costs**

Particulars	2012-2013 (Rs.)	2011-2012 (Rs.)
Interest		
Working capital finance	3,050,867	4,144,710
Term loans	17,304,517	18,460,246
Income tax	5,894	2,814
Others	71,310	168,284
Other borrowing costs	929,100	2,422,800
<b>TOTAL</b>	<b>21,361,688</b>	<b>25,198,854</b>

**Note No. 23**  
**Other Expenses**

Particulars	2012-2013 (Rs.)	2011-2012 (Rs.)
<b><u>Manufacturing Expenses:</u></b>		
Power & fuel	54,023,742	52,142,213
Machinery repairs and maintenance	2,383,035	3,053,316
Fettling and other external processing expenses	28,281,435	34,360,363
Stores & spares	86,366,629	106,884,891
Other expenses	14,130,269	12,745,050
	185,185,110	209,185,833
<b><u>Selling and Distribution Expenses:</u></b>		
Sales promotion expenses	2,236,524	766,659
Export freight & insurance	3,347,065	5,032,771
Other selling expenses	-	45,988
	5,583,589	5,845,418
<b><u>Administrative and Other Expenses:</u></b>		
Travelling expenses	7,933,050	6,558,019
Rates & taxes	116,057	116,057
Advertisement expenses	180,005	160,477
Insurance premiums	308,136	267,908
Building and other repairs	19,227,959	16,330,980
Directors' sitting fees	321,000	336,000
Legal and professional fees	6,072,888	5,640,038
Payments to auditors	246,559	190,105
Bank discount, commission and other charges	1,666,019	1,263,903
Donations	46,000	290,000
Loss on sale of assets	18,570	-
Prior period expenses (net)	322,957	362,034
General expenses	6,829,300	6,339,778
	43,288,500	37,855,299
	<b>234,057,199</b>	<b>252,886,550</b>

**Note No. 24.****24.1 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 31<sup>st</sup> March 2013.
- 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.

**24.2 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.

**Note No. 25****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" as prescribed under the companies (Accounting Standards) Rules 2006.
- 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.

**Note No. 26****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.

**Note No. 27**

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.

**Note No. 28**

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.

**Note No. 29**

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

**Note No. 30**

Deferred tax assets of Rs. 3,617,800 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. 6,644,200 are as under:

Particulars	Rs.
Depreciation	6,985,497
Disallowance u/s 43B of the Income Tax Act	-(341,297)
Total	6,644,200

**Note No. 31**

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.

**Note No. 32****Contingent Liabilities:**

- (i) Guarantees given by the bank and counter guaranteed by the company : Rs. 5,795,388 (6,019,268).
- (ii) Disputed liabilities in respect of Value Added Tax (VAT) for F.Y. 2006-07 Rs. 2,897,871 (2,897,871) and for F.Y. 2007-08 Rs. 1,451,867 (1,451,867) for which the Company has preferred an appeal before The Dy. Commissioner of Gujarat Commercial Tax against the said demand.

**Note No. 32****Related Party Disclosures:****32.1 Associates:**

- (a) Mebhav Investment Private Limited, (b) Tamboli Exim Limited, (c) Aadvya Industries Private Limited

**32.2 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		2012-2013 Amount, Rs.	2011-2012 Amount, Rs.
1.	Purchase of Materials and Services	4,226,735	3,880,052
2.	Outstanding balance: Trade Payables	424,111	32,701
Key Management Personnel			
3.	Remuneration	7,605,806	8,266,219
4.	Outstanding balance: Other Current Liabilities	2,000,000	2,621,592

**Note No. 34**

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

**Note No. 35**

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

## Signatures to Notes 1 to 34

As per our Report of even Date  
**For SANGHAVI & COMPANY**  
 Chartered Accountants  
 FRN: 109099W  
**MANOJ GANATRA**  
 Partner  
 Membership No. 043485  
 Bhavnagar  
 Dated: May 3, 2013

FOR AND ON BEHALF OF THE BOARD  
**B. F. Tamboli**  
**B. K. Shah**  
 DIRECTORS  
 Bhavnagar  
 Dated: May 3, 2013

June 25, 2013

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](http://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.

**ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORM  
(For use by Investors holding shares in physical form)**

To,  
Tamboli Capital Limited  
C/o. MCS Ltd  
101, Shatdal Complex, Opp. Bata Show Room,  
Ashram Road, Ahmedabad 380 009.

Dear sirs,

**FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND**

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

**For shares held in physical form**

Master Folio No.

**For shares held in electronic form**

DP Id

Client Id

FOR OFFICE USE ONLY

ECS  
Ref. No.

Name of Sole/First holder

Bank Name

Branch Name

Branch Code

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

Account Type  
(Please Tick (√) wherever applicable)

→  Savings  Current  Cash Credit

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

→

Effective date of this mandate

→

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

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

Dated : \_\_\_\_\_

\_\_\_\_\_  
(Signature of Sole/First holder)

Notes:

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

# TAMBOLI CAPITAL LIMITED

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 August 10, 2013 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 ..... 2013.

Signed by the said.....

Affix  
1 Rupee  
Revenue  
Stamp

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

# TAMBOLI CAPITAL LIMITED

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

## ATTENDANCE FROM

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

I hereby record my presence at the 5<sup>th</sup> Annual General Meeting of the Company at Hotel Nilambag Palace, Bhavnagar at 1630 hours on August 10, 2013.

Signature of attending Member/Proxy

- Note:
1. A shareholder/Proxyholder wishing to attend this meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.
  2. He/She is advised to bring along with a copy of the Annual Report to the meeting for reference.