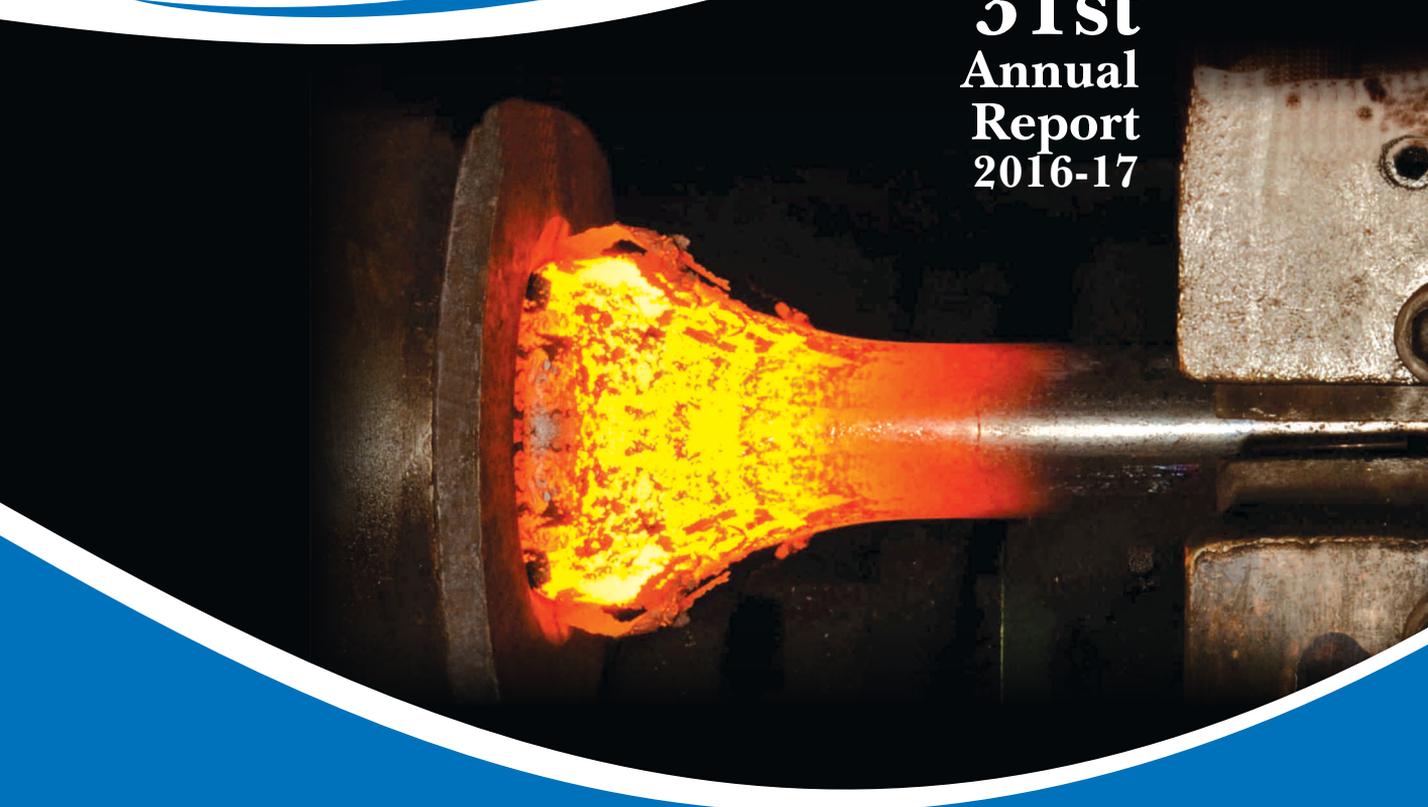




31st Annual Report 2016-17



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No. 02108/0

TALBROS ENGINEERING LIMITED



TALBROS ENGINEERING LIMITED

Regd. Office: Plot No. 74-75-76, Sector 6, Faridabad, Haryana – 121 006

CIN: L74210HR1986PLC033018

Phone: 0129-4284300, Fax: 0129-4061541

Email: cs@bnt-talbroS.com, Website: www.talbroSaxles.com

31ST ANNUAL REPORT 2016-2017

BOARD OF DIRECTORS

MR. SANJAY SHARMA	<i>(Executive Director)</i>
MR. VIJAY KUMAR SHARMA	<i>(Executive Director)</i>
MR. SUNIL KUMAR	<i>(Independent Director)</i>
MR. PRIYANKA KHATTAR	<i>(Independent Director)</i>
MR. KULDEEP SINGH BHALLA	<i>(Independent Director)</i>

CHIEF FINANCIAL OFFICER

MR. KANWAR PAL PAWAR

COMPANY SECRETARY

MR. ANKUSH JINDAL

BANKERS

HDFC BANK LIMITED
DBS BANK LTD
YES BANK LIMITED

AUDITORS

M/s RAKESH RAJ & ASSOCIATES
CHARTERED ACCOUNTANTS
PLOT NO.565, SECTOR-7B
FARIDABAD 121006 (HARYANA)

REGISTRAR AND TRANSFER AGENT (RTA)

M/s BEETAL FINANCIAL & COMPUTER SERVICES PVT LTD.
BEETAL HOUSE, 3rd FLOOR,
99, MADANGIR, BEHIND LSC, NEW DELHI - 110062
Ph. 011-29961281-282 Fax 011-29961284

REGISTERED AND WORKS OFFICE

PLOT NO. 74-75-76, SECTOR-6
FARIDABAD 121006 (HARYANA)

WORKS

PLOT NO. 35,36,37,38 & 57, INDL. AREA, HATHIN,
DISTT. PALWAL (HARYANA)
PLOT NO. 77, SECTOR-68, IMT FARIDABAD, HARYANA

STOCK EXCHANGE

BOMBAY STOCK EXCHANGE LIMITED

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DIRECTORS' REPORT

To The Members,

The Directors have pleasure in presenting 31st Annual Report on the business and operations of the Company alongwith the audited Balance Sheet and Statement of Profit & Loss for the year ended on 31st March 2017.

FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Gross Sales	17,635.39	15,407.52
Less: Excise Duty	1,546.18	1,476.78
Net Sales	16,089.21	13,930.74
Other Income	146.50	206.02
Total Income	16,235.71	14,136.76
Profit before Interest, Depreciation & Tax	1,659.18	1,165.80
Less : Interest	286.00	290.74
Depreciation	367.38	354.30
Profit Before Tax	1,005.80	520.76
Less : Previous Year adjustments	(9.45)	NIL
Provision for Wealth Tax	NIL	NIL
Provision for current year income-tax	320.00	200.00
Provision for Deferred Tax	(3.91)	(15.79)
Net Profit after tax	699.16	336.55
Net profit after tax and adjustments	699.16	336.55
Dividends		
Less : Interim Dividend	NIL	NIL
Final Dividend (Proposed)	50.76	NIL
Dividend Distribution Tax on Proposed Dividend	10.62	NIL
Transferred to General Reserve	NIL	34.00
Balance carried to Balance Sheet	2,974.53	2,336.75
EPS (Basic)	27.55	13.26
EPS (Diluted)	27.55	13.26

REVIEW OF OPERATIONS:

The net revenue from operations of the Company stands at ₹ 16,089.21 Lacs in this financial year ended on 31st March, 2017 at a growth of around 15.49 % as against ₹ 13,930.74 Lacs for the previous financial year. The net profit after tax for this year is ₹ 699.16 Lacs as compared to ₹ 336.55 Lacs for the previous financial year resulting an increase of 107.74%. The increase in profits is a result

of expansion done and good order book position. This is especially because of the exports sector which has seen an increase of almost 75% with good contribution to the profitability.

Reserves & Surplus as on 31st March, 2017 stand at ₹ 3,975.54 Lacs as against the paid-up capital of ₹ 253.83 Lacs.

DIVIDEND:

Your Directors recommend a dividend of ₹ 2/- per share (20%) for the financial year 2016-17. This dividend payout, if approved in the forthcoming Annual General Meeting, will result in outflow of ₹ 61.39 Lacs inclusive of ₹ 10.62 Lacs on Dividend Tax.

TRANSFER TO GENERAL RESERVE:

Your Directors do not propose transfer to the general reserves out and it is proposed to be retained in the profit and loss account.

SHARE CAPITAL

The paid up equity capital of the Company as on March 31, 2017 was ₹ 253.83 Lacs during the year under review. The Board has recommended for increase in Authorised Share Capital of the Company upto ₹ 5.10 Crores.

BONUS ISSUE

The Board has decided and recommended for capitalization of free reserves by way of issuance of bonus shares in the ratio of 1:1 i.e. one fully paid up equity share for every one equity share held.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND:

In terms of Section 125 of the Companies Act, 2013, no unclaimed dividend in relation to any financial year is due for remittance to the Investor Education and Protection Fund established by the Central Government.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has a proper Internal Control System commensurate with the size, scale and complexity of its operations. The Company has appointed M/s Harshit Bansal & Associates, Chartered Accountants as Internal Auditors of the Company for financial year 2016-17. To maintain the objectivity and independence, the Internal Audit team reports to the Chairman of the Audit Committee of the Board and to the President/COO.

The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control system in the company, accounting procedures and policies. Based on the internal audit report, the Company undertake corrective action in their respective areas and thereby strengthen the control.

MARKETING AND EXPORT:

The export sales have registered a growth to ₹ 3,840.83 Lacs in financial year 2016-17 as against ₹ 2,200.92 Lacs in previous year. Thus, showing an increase of 75% with good contribution in the profitability.

RATING:

Your Company has been assigned a rating of BBB+ for Long Term Bank Facilities (Term Loans) of ₹ 18.00 Crores and rating of BBB+/A2 for Long / Short Term Bank Facilities (Fund Based Limits) availed from Indusind Bank Limited, DBS Bank Limited and HDFC Bank Limited. The rating is assigned by CARE (Credit Analysis & Research Limited).

SUBSIDIARIES:

The Company is not having any subsidiary company.

DIRECTORS:

The Board of Directors consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

Mr. Vijay Kumar Sharma, Executive Director is liable to retire by rotation and being eligible offers himself for re-appointment. Your Directors recommend for his re-appointment.

Pursuant to section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company during the year are Mr. Tarun Talwar, Managing Director (upto 07th June, 2016) and CEO (Upto 01st February, 2017), Mr. Sanjay Sharma, Executive Director, Mr. Vijay Kumar Sharma, Executive Director, Mr. Kanwar Pal Pawar, Chief Financial Officer and Mr. Ankush Jindal, Company Secretary.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of section 134(5), the Board confirm and submit the Directors, Responsibility Statement:-

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments

and estimates that were 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 period;

- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis;
- (v) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of section 149(6) of the Companies Act, 2013 and under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NUMBER OF MEETINGS OF THE BOARD:

The Board met 8 (Eight) times during the financial year under review, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

BOARD EVALUATION:

Pursuant to the provisions of Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, Independent Directors at their meeting without the participation of the Non-Independent Directors and Management, considered / evaluated the Boards' performance including the chairman.

The Board subsequently evaluated its own performance, the working of its committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Director).

The criteria for performance evaluation have been detailed in the Corporate Governance Report attached to this report.

REGISTERED OFFICE

The Company has amended its Registered Office address as Plot No. 74-75-76, Sector 6, Faridabad, Haryana – 121 006 w.e.f. 09th February, 2017.

POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company's policy on director's appointment and remuneration and other matters pursuant to section 178(3) of the Companies Act, 2013 has been disclosed in Corporate Governance Report, which forms part of this report.

CODE OF CONDUCT:

The Board of Directors has approved a code of conduct applicable to the members of the Board, principal executive officers, principal financial officers, principal accounting officers or controllers and all senior management of the Company. The code has been titled as "Code of Ethics for Designated Persons". The same has been posted on the website of the Company www.talbro'saxles.com.

The code lays down as standard procedure for efficient working of designated employees and to build a transparency between the management and stakeholders of the Company, compliance with governmental laws, rules and regulations.

The Designated employees have confirmed the compliance with the code of conduct.

AUDIT COMMITTEE:

The Audit Committee consists of 3 (Three) Directors with Independent Director as chairman. During the year 4 (Four) meetings of the committee were held. The responsibility and duties of Audit Committee have been detailed in the Corporate Governance Report.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee consists of 3 (three) Non Executive Directors. During the year 4 (Four) meetings have been held. The key areas of Committee have been detailed in Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The Company has not given any loan or guarantees covered under the provisions of section 186 of Companies Act, 2013. The detail of investments made by the Company is given in the notes to the financial statements.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The details of related party transactions have been disclosed in notes to financial statement and information pursuant to section 134(3)(h) of Companies Act, 2013 read with rule 8(2) of Companies (Accounts) Rules, 2014 are given in form AOC-2 and the same forms part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The policy on Vigil Mechanism/Whistle Blower is hosted on the website of the Company.

The policy inter alia provided direct access to the Vice Chairman and CFO of the Company. The Vice Chairman and CFO can approach and discuss the matter with Chairman or Audit Committee as they deem fit.

Your Company affirms that no complaints have been received during the year under review.

STATUTORY AUDITORS:

Comments of the Auditors in their report and the notes forming part of the Balance Sheet are self explanatory and need no comments.

The Auditors M/s Rakesh Raj & Associates, Chartered Accountants, Faridabad retires at ensuing Annual General Meeting. The Board of Directors in their meeting held on 17 August, 2017 has proposed the appointment of M/s DSRV and Co. LLP, Chartered Accountants (FRN: 006993N) as Statutory Auditors of the Company for a period of 5 (Five) years from the conclusion of this Annual General Meeting till the conclusion of 36th Annual General Meeting, subject to ratification at every Annual General Meeting.

SECRETARIAL AUDIT REPORT AND THE APPOINTMENT OF THE SECRETARIAL AUDITOR:

The Company has appointed M/s Sonal Agarwal & Associates, Company Secretaries to hold the office of Secretarial Auditors and to conduct the Secretarial Audit pursuant to section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report for the financial year ended on 31st March, 2017 is being attached with the Director's Report as Annexure – B which is self explanatory and needs no comments.

COST AUDITOR'S AND THEIR REPORT:

Cost Audit is not applicable on the product being manufactured by the Company.

INSURANCE AND RISK MANAGEMENT:

The assets of the Company are adequately insured against the loss of fire, burglary and other risks which are considered necessary by the management and suggested by the bankers of the Company.

PREVENTION OF INSIDER TRADING:

The Company has formulated and adopted code for prevention of insider trading. The same has also been published on the website of the Company.

The code inter alia contains the formalities / pre clearance required for dealing in company's shares and prohibits the sale or purchase by the Directors and designated employees while in possession of the unpublished price sensitive information and during the closure of trading window. The Board is responsible for implementation of the code.

All the directors and designated employees have confirmed compliance with the code.

DEPOSITS:

The Company has not accepted any deposits from public during the year.

CORPORATE GOVERNANCE:

Your Company is committed to good Corporate Governance Practices and following to the guidelines prescribed by the SEBI and Stock Exchanges from time to time. The Company has implemented all of its major stipulations as applicable to the Company. The Statutory Auditor's Certificate dated 17 August, 2017 in accordance with SEBI (Listing Regulations), 2015 and report on Corporate Governance is annexed to and forming part of the Director's Report.

Mr. Tarun Talwar, Chief Operating Officer and Mr. Kanwar Pal Pawar, Chief Financial Officer, have given a certificate

to the Board as contemplated in Regulation 17(8) and Schedule V of SEBI (Listing Regulations), 2015.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is committed to discharging its social responsibility as a good corporate citizen. As part of its social responsibility, the Company has contributed to various NGOs for promoting good education, for promotion of games by constructing play ground at Inter College Jatpura, contribution for softwares and hardwares required for providing good knowledge and education to the childrens.

Further, the Company has also contributed to certain NGOs namely Savera Association engaged in promotion of health in rural areas where people lack the right guidance for regular health check-ups & proper treatment and Lily Foundation engaged in prevention of human trafficking in India.

The Company has contributed a major portion of its CSR expenditure in promotion and maintenance of flora and fauna in the vicinity of its registered office.

The Board provided a brief outline of the Company's CSR Policy including the statement of intent reflecting the ethos of the Company, broad areas of CSR interest and an overview of activities proposed to be undertaken. The CSR policy has been hosted on the website of the Company.

The present Composition of the CSR committee is:

1. Mr. Sanjay Sharma, Executive Director
2. Mr. Vijay Kumar Sharma, Executive Director
3. Mr. Sunil Kumar, Independent Director

The average net profit of the company for last three (3) financial years is ₹ 5.92 Crores (approx). The threshold limit (2%) and total proposed spending on CSR for the financial year 2016-17 is ₹ 11.86 Lacs (approx).

The total amount spent by the Company in year 2016-17 is ₹ 11.04 Lakhs (Approx.) leaving an unutilized amount of around 0.82 Lakhs. The said unutilized amount will be contributed to certain NGOs which will undertake their proposed projects in early next fiscal.

The details of CSR activities / projects undertaken during the financial year under review are as follows:

S. No.	CSR Project/activity identified	Sector in which the project is covered	Projects/ Programs Local area/others	Amount outlay (budget) project or programs wise (₹ In Lakhs)	Amount spent on the project/ Program (₹ In Lakhs)	Cumulative expenditure upto the date of reporting period (₹ In Lakhs)	Amount Spent: Director or through implementing agency (₹ In Lakhs)
1	Promoting Education and Games	Education	Bulandshahr (UP)	3.00	3.00	3.00	3.00
2	Promoting gender equality and empowering women	Empowering Women	New Delhi	1.50	1.00	1.00	1.00
3	Promoting Education and Health Care	Education & Healthcare	New Delhi	2.00	2.00	2.00	2.00
4	Promoting Education	Education	Faridabad	0.74	0.48	0.48	0.48
5	Sanitation Facility	Sanitation	Faridabad	0.72	0.72	0.72	0.72
6	Orphanage Home	Orphanage Home	New Delhi	0.10	0.10	0.10	0.10
7	Protection of Flora & Fauna	Flora & Fauna	Faridabad	3.80	3.74	3.74	3.74
				11.86	11.04	11.04	11.04

* Details of Implementing Agency: RBTH Singh Memorial Charitable Hospital Society, Savera Association, Lily Foundation and Chadrawati Chaudhary Smarak Trust

MANAGEMENT DISCUSSION AND ANALYSIS:

A Management discussion and Analysis as required under Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed and forming part of the Directors' Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The particulars prescribed under section 134(3)(m) of Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014, are enclosed as Annexure – A to the Board's Report.

INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employee of the company has received the remuneration in excess to the limits set out in the rules.

Further, pursuant to the provisions of Section 197(12) of Companies Act, 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures and details as required to be annexed to the Board's Report are provided hereunder:

(a) Ratio of remuneration of each director to the median remuneration of employees of the Company

Amount (In ₹)

Name of the Director	Designation	Remuneration paid	Ratio to median remuneration
Mr. Tarun Talwar	Managing Director (Upto 07.06.2016)	5.29	3.65
Mr. Sanjay Sharma	Executive Director	9.86	6.81
Mr. Vijay Kumar Sharma	Executive Director	9.78	6.75
Mr. Kuldeep Singh Bhalla	Independent Director	0.05	Only Sitting fees paid
Mr. Sunil Kumar	Independent Director	0.05	Only sitting fees paid
Ms. Priyanka Khattar	Independent Director	0.05	Only sitting fees paid

(b) Percentage increase in remuneration of Directors and KMPs

Amount (In ₹)

Name of the Director/KMP	Designation	Remuneration for the year ended 2016-17	Remuneration for the year ended 2015-16	% change during the year
Mr. Tarun Talwar*	Managing Director (Upto 07.06.2016) and CEO upto 01.02.2017)	26.07	52.56	(26.49)
Mr. Sanjay Sharma	Executive Director	9.86	9.26	6.48
Mr. Vijay Kumar Sharma	Executive Director	9.78	9.18	6.54
Mr. Sunil Kumar	Independent Director	0.05	0.05	0.00
Ms. Priyanka Khattar	Independent Director	0.05	0.05	0.00
Mr. Kuldeep Singh Bhalla	Independent Director	0.05	0.05	0.00
Mr. Ankush Jindal	Company Secretary	5.94	5.35	11.03
Mr. Kanwar Pal Pawar	CFO	3.63	3.28	10.67

* Mr. Tarun Talwar has resigned from the post of Managing Director w.e.f. 07th June, 2016.

- (c) The median remuneration of the employees has increased by 4.05 % in 2016-17 as compared to 2015-16.
- (d) Number of permanent employees on the rolls of the Company.

Financial Year	No. of Employees
2015-16	217
2016-17	233

- (e) We affirm that the remuneration paid to Directors, Key Managerial Personnel's and employees is as per the remuneration policy of the Company.

CORPORATE GOVERNANCE CERTIFICATE:

The Compliance Certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (Listing Regulations), 2015 has been annexed to this report.

EXTRACTS OF THE ANNUAL RETURN:

The Extracts of the Annual Return for the year 2016-17 being attached with the Directors Report as Annexure – C

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In order to prevent sexual harassment of women at work place, a new act, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the

said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the overwhelming co-operating and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who, through their dedication, co-operation, support and smart work, have enabled the Company to achieve rapid growth.

For and on behalf of the Board

Sd/-
Place: Faridabad
Date : 17 August, 2017

Sd/-
Sanjay Sharma
Chairman

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in General Meeting as required under first proviso to section 188: Not Applicable

2. Details of contracts or arrangements or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

ANNEXURE-A**CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO****(A) Conservation of Energy:**

The Company has created high degree of awareness on conservation and saving of energy among the workers, employees including top management of the Company. The initiatives taken by the company are as under:

- Installation of LED lights in whole unit located at Plot No. 76, Sector 6, Faridabad.
- Stabilizers have been installed on mains to reduce the cost of electricity.
- Use of PNG instead of diesel for furnaces which results in 20% cost efficiency.
- The Company is planning for installing solar panels which will result in conservation of energy.
- No use of Diesel Generator sets for machines during power cut off which results in less consumption of diesel.
- The LDO required machineries have been transferred to electricity in order to conserve the resources.
- Set up of new upgraded machineries have been adopted with inverter drives which consequently will lead to less electricity consumption.

(B) Technology absorption:

- The company has installed 2 CNCs, 2 VMCs, CNC grinder, Induction Hardening, Tempering, rolling machines in Plot No. 76 which results in 75% growth in production.
- Air Gages have been installed for self inspection at stations.
- Gravity shoots have been installed and consequently manpower has been reduced.
- The company has not incurred any expenditure on Research & Development activities during the year under review.

(C) Foreign Exchange Earning and Outgo:

S. No.	Particulars	Amount (In ₹)
	Expenditure	
1	Commission on Export Sales	13,44,091
2	Foreign Travelling	23,99,519
3	Repair & Maintenance (Plant & Machinery)	98,967
	Total	38,42,577
	Earnings	
1	Value of Exports on FOB Basis	38,03,47,240
	Total	38,03,47,240

Annexure – B SECRETARIAL AUDIT REPORT For the Financial Year Ended on 31st March, 2017

[Pursuant to the section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To
The Members
Talbro's Engineering Limited
Plot No. 74-75-76, Sector 6,
Faridabad, Haryana – 121 006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Talbro's Engineering Limited, CIN: L74210HR1986PLC033018** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and return filed and other records maintained by the Company for the financial year ended on 31st March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) OTHER APPLICABLE ACTS,
 - (a) Factories Act, 1948
 - (b) Payment of Wages Act, 1936, and rules made thereunder,
 - (c) The Minimum Wages Act, 1948, and rules made thereunder,
 - (d) Employees' State Insurance Act, 1948, and rules made thereunder,
 - (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
 - (f) The Payment of Bonus Act, 1956, and rules made thereunder,
 - (g) Payment of Gratuity Act, 1972, and rules made thereunder,
 - (h) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Based on the reports of the department heads of the premises located at Faridabad and Hathin, I report that the Company has substantially complied with the provisions of the Acts that are applicable to the Company. Based on the information, explanations and management representation, the Company has substantially complied with tax laws applicable to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes that took place in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members, views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-

Sonal Agarwal

Practising Company Secretary

M. NO. ACS 33123

COP No. 12199

Place: Faridabad

Date : 17 August, 2017

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this report.

ANNEXURE 1

To
The Members,
TALBROS ENGINEERING LIMITED
Plot No. 74-75-76, Sector 6,
Faridabad, Haryana – 121 006

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained Management representations about the compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Sonal Agarwal

Practising Company Secretary

M. NO. ACS 33123

COP No. 12199

Place: Faridabad

Date : 17 August, 2017

Annexure - C

FORM NO. MGT-9

EXTRACTS OF ANNUAL RETURN

As on the financial year ended on

31st March, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i) CIN: L74210HR1986PLC033018
- ii) Registration Date: 09/10/1986
- iii) Name of the Company: TALBROS ENGINEERING LIMITED
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the Registered Office and contact details:
Plot No. 74-75-76, Sector 6, Faridabad, Haryana – 121 006
Ph.: 0129-4284300, Fax: 0129-4061541
- vi) Whether listed Company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent:
Beetal Financial & Computer Services Private Limited
Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi – 110 062, Ph.: 011-29961281, 29961282

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Manufacturing of Axle Shafts	29301	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) INDIAN									
a) Individual / HUF	18,42,936	Nil	18,42,936	72.61	18,42,936	Nil	18,42,936	72.61	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	18,42,936	Nil	18,42,936	72.61	18,42,936	Nil	18,42,936	72.61	Nil

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2) FOREIGN									
a) NRIs – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other– Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other.....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	18,42,936	Nil	18,42,936	72.61	18,42,936	Nil	18,42,936	72.61	Nil
B. PUBLIC SHAREHOLDING									
1) INSTITUTIONS									
a) Mutual Funds	293	Nil	293	0.01	293	Nil	293	0.01	Nil
b) Banks / FI	Nil	360	360	0.01	Nil	360	360	0.01	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	45,715	Nil	45,715	1.80	43,060	Nil	43,060	1.70	(0.10)
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	46,008	360	46,368	1.82	43,353	360	43,713	1.72	(0.10)
2) NON-INSTITUTIONS									
a) Bodies Corp.									
i) Indian	13,549	2,075	15,624	0.62	16,313	1,975	18,288	0.72	0.10
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	2,64,297	1,34,716	3,99,013	15.72	2,69,070	1,28,797	3,97,867	15.67	(0.05)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others:									
i) Trusts	20	Nil	20	0.00	20	Nil	20	0.00	Nil
ii) NRI	2,28,718	310	2,29,028	9.02	2,28,707	310	2,29,017	9.02	Nil
iii)HUF	5,192	Nil	5,192	0.02	5,640	Nil	5,640	0.22	0.02
iv)Clearing Member	71	Nil	71	0.002	771	Nil	771	0.03	0.028
Sub-total (B)(2):-	5,11,847	1,37,101	6,48,948	25.57	5,20,521	1,31,082	6,51,603	25.67	0.10
Total Public Shareholding (B)= (B)(1) + (B)(2)	5,57,855	1,37,461	6,95,316	27.39	5,63,874	1,31,442	6,95,316	27.39	Nil
C.Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total(A+B+C)	24,00,791	1,37,461	25,38,252	100.00	24,06,810	1,31,442	25,38,252	100.00	Nil

(ii) Shareholding of Promoters and Promoter Group

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Mr. Kartik Talwar	20,487	0.81	Nil	20,487	0.81	Nil	Nil
2	Mr. Karan Talwar	52,524	2.07	Nil	52,524	2.07	Nil	Nil
3	Tarun Talwar (HUF)	78,945	3.11	Nil	78,945	3.11	Nil	Nil
4	Rakesh Talwar (HUF)	1,36,207	5.37	Nil	Nil	Nil	Nil	(5.37)
5	Mrs. Naini Talwar	1,47,330	5.80	Nil	1,47,330	5.80	Nil	Nil
6	Mr. Rakesh Talwar	2,96,317	11.67	Nil	4,32,524	17.04	Nil	5.37
7	Mrs. Gita Talwar	5,15,877	20.32	Nil	5,05,877	19.93	Nil	(0.39)
8	Mr. Rajesh Talwar	5,95,249	23.45	Nil	5,05,249	19.90	Nil	(3.55)
9	Mrs. Shweta Talwar	Nil	Nil	Nil	1,00,000	3.94	Nil	3.94
	Total	18,42,936	72.61	Nil	18,42,936	72.61	Nil	Nil

(v) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Rakesh Talwar (HUF)				
	At the beginning of the year	1,36,207	5.37	1,36,207	5.37
	Date wise Increase / Decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	All Shares transferred to Mr. Rakesh Talwar	Nil	Nil	Nil
	At the end of the year			Nil	Nil
2.	Mr. Rakesh Talwar				
	At the beginning of the year	2,96,317	11.67	2,96,317	11.67
	Date wise Increase / Decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	1,36,207 Shares transferred from Rakesh Talwar (HUF)	5.37	4,32,524	17.04
	At the end of the year			4,32,524	17.04
3.	Mr. Rajesh Talwar				
	At the beginning of the year	5,95,249	23.45	5,95,249	23.45
	Date wise Increase / Decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	90,000 Shares transferred to Mrs. Shweta Talwar	3.55	5,05,249	19.90
	At the end of the year			5,05,249	19.90
4.	Mrs. Gita Talwar				
	At the beginning of the year	5,15,877	20.32	5,15,877	20.32
	Date wise Increase / Decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	10,000 Shares transferred to Mrs. Shweta Talwar	0.39	5,05,877	19.93
	At the end of the year			5,05,877	19.93
5.	Mrs. Shweta Talwar				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	90,000 and 10,000 Shares acquired from Mr. Rajesh Talwar & Mrs. Gita Talwar Respectively	3.94	1,00,000	3.94
	At the end of the year			1,00,000	3.94

(vi) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Sartaj Kumar Sahni	2,25,502	8.880	2,25,502	8.880
2	General Insurance Corporation of India	17,950	0.710	17,950	0.710
3	Mahendra Girdharilal	16,050	0.632	16,050	0.630
4	Tushar Kanti Chopra	14,400	0.570	14,400	0.570
5	United India Insurance Company Limited	9,301	0.370	9,301	0.370
6	The Oriental Insurance Company Limited	7,168	0.280	7,168	0.280
7	Anil Soni	6,983	0.280	6,983	0.280
8	Naresh Soni	6,508	0.260	6,508	0.260
9	Sushil Soni	6,300	0.248	6,300	0.248
10	Sushil Soni	5,891	0.232	5,891	0.232
11	Sunita Aggarwal	12,500	0.490	NIL	NIL
12	Shailender Soni	6,983	0.280	NIL	NIL

(vii) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Tarun Talwar – Managing Director (upto 07.06.2016) and CEO (upto 01.02.2017)				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
2	Mr. Sanjay Sharma –Executive Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
3	Mr. Vijay Kumar Sharma – Executive Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	Mr. Sunil Kumar Sharma – Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
5	Ms. Priyanka Khattar – Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
6	Mr. Kuldeep Singh Bhalla – Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
7	Mr. Kanwar Pal Pawar – CFO				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
8	Mr. Ankush Jindal – Company Secretary				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS (₹ In Lakhs)

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,950.03	285.80	Nil	2,235.83
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	1.89	Nil	Nil	1.89
Total (i+ii+iii)	1,951.92	285.80	Nil	2,237.72

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition	Nil	247.34	Nil	247.34
• Reduction	(485.39)	Nil	Nil	(485.39)
Net Change	(485.39)	247.34	Nil	(238.05)
Indebtedness at the end of the financial year				
i) Principal Amount	1,459.27	533.14	Nil	1,992.41
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	7.26	Nil	Nil	7.26
Total (i+ii+iii)	1,466.53	533.14	Nil	1,999.67

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Tarun Talwar - MD*	Mr. Sanjay Sharma - ED	Mr. Vijay Kumar Sharma - ED	
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.29	9.86	9.78	24.93
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	0.07	Nil	Nil	0.07
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	- As % of profit	Nil	Nil	Nil	Nil
	- Others, specify	Nil	Nil	Nil	Nil
5.	Others:				
	i) Medical Reimbursement	Nil	0.26	0.26	0.52
	ii) Leave Travel Allowance	Nil	0.26	0.26	0.52
	Total (A)	5.36	10.38	10.30	26.04
	Ceiling as per the Act				56.67

* The remuneration paid to Mr. Tarun Talwar includes his remuneration as Managing Director upto 07th June, 2016.

B. Remuneration to other directors: (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Sunil Kumar	Ms. Priyanka Khattar	Mr. Kuldeep Singh Bhalla	
1.	Independent Directors				
	• Fees for attending board/ committee meetings	5,000	5,000	5,000	15,000
	• Commission	Nil	Nil	Nil	
	• Others, please specify	Nil	Nil	Nil	
	Total (1)	5,000	5,000	5,000	15,000
2.	Other Non-Executive Directors				
	• Fees for attending board/ committee meetings	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B) = (1+2)	5,000	5,000	5,000	15,000
	Total Managerial Remuneration				15,000
	Overall Ceiling as per the Act				62.33 Lakhs

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: (Amount in ₹ Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO*	Company Secretary	CFO	
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.41	5.77	3.58	27.76
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	0.23	Nil	Nil	0.23
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	N.A.	Nil	Nil	Nil
2.	Stock Option	N.A.	Nil	Nil	Nil
3.	Sweat Equity	N.A.	Nil	Nil	Nil
4.	Commission	N.A.			
	- As % of profit		Nil	Nil	Nil
	- Others, specify		Nil	Nil	Nil
5.	Others:				
	i) Medical Reimbursement	N.A.	0.16	0.05	0.21
	ii) Leave Travel Allowance	N.A.	0.16	0.05	0.21
	Total	18.64	6.09	3.68	28.41

* The remuneration paid to Mr. Tarun Talwar, CEO is from 08th June, 2016 upto 31st January, 2017.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board

Place : Faridabad
Date : 17 August, 2017

Sd/-
Sanjay Sharma
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended 31st March, 2017

(A) INDUSTRY STRUCTURE AND DEVELOPMENT

Talbro's Engineering is engaged in manufacturing of Rear Axle Shafts for the leading automobile companies in India and foreign markets. The Company's goal is to be a leader in supply of automotive rear axle shafts in the Indian & Overseas market to benefit from the growth and to profit from the opportunities that exist in this sector. During Financial Year 2016-17, the Company purchased Plot No. 76, an adjacent factory and production has started from January, 2017 in this facility. This is evident from the results posted in fourth quarter of the year. In Financial year 2017-18, the Company expects to continue this growth with continued focus on exports. A due facility has already been leased and trial production has started. This will contribute substantially to our performance during Financial Year 2017-18.

(B) OPPORTUNITIES AND THREATS

The Company has a world class manufacturing facility located at Faridabad and Hathin in Haryana and is equipped with latest technology and highly qualified engineering team. The Company is planning to diversify its product portfolio and entering into new international markets. For the purpose, the Company started expanding its hands in manufacturing of torsion bars, spindles and front axles. In international business, our largest market is North America and we also serve some small customers scattered across various Central and south American countries.

Besides opportunities, the Company is also facing some threats which includes shifts in the tastes of customers from SUV segment cars to small eco friendly cars due to continuous increase in fuel prices and heavy traffic on roads. The competition is also rising day by day but installation of excess capacity can lead to risk of price war.

(C) SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The Company is operating with mainly one product i.e. Rear Axle Shafts and continues to undertake steps for improvement measures.

(D) OUTLOOK

The Company does not foresee any major threats to its growth and market share in the coming years. The infrastructure need of the company is also completed by catering a new area for production. The company

does not foresee any technological obsolescence for its products.

(E) RISKS AND CONCERNS

The Company has its step wise risk management system which includes identification of risk at different levels including internal and external business risks. The risks so identified have been properly assessed and analysed at each level. After that, the corrective and preventive measures are taken by the Company to overcome the identified risks.

(F) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate internal control procedures commensurate with the size and structure of the Company. The company has also engaged the services of independent Chartered Accountant to carry out the internal audit and to identify the proper and adequate internal control system and sufficient measures are taken to update the internal control system. The system also ensures that all transactions are appropriately authorised, recorded and reported.

(G) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company has achieved a gross sales turnover of ₹ 17,635.39 Lacs in this financial year ended on 31st March, 2017 as against ₹ 15,407.52 Lacs in the previous financial year. Net profit after tax for this year stands at ₹ 699.16 Lacs as against ₹ 336.55 Lacs in previous year. Exports turnover (F.O.B. Value) for the year ended on 31st March, 2017 is ₹ 3,803.47 Lacs as compared to ₹ 2,140.49 Lacs in the previous financial year.

(H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL REALATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

As on March 31, 2017, the Company had 233 number of permanent employees at its manufacturing plants and administrative office located at Faridabad and Hathin.

The company considers the employee values and ensures proper encouragement both morally and financially to motivate them. The relationship between the management and employees is remarkable.

For and on behalf of the Board

Place: Faridabad
Date : 17th August, 2017

Sd/-
Sanjay Sharma
Chairman

CORPORATE GOVERNANCE

1. PHILOSOPHY:

The Company's philosophy on corporate governance is about commitment to values and ethical business conduct. It has been developed with a tradition of fair and transparent governance even before they were mandated by legislation. The management and decision taking of the company is done at three levels viz a viz Shareholders of the Company, Board of Directors of the Company and Sub-committees of the Board. Your Company has fulfilled all the existing guidelines and has complied with all the applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors of the Company is duly consisted comprising of Two Executive Directors and Three Non Executive Independent Directors as on 31st March, 2017.

The Chairman of the Board of the Company is Executive Director. The Executive Directors are authorized for conducting the general business of the Company. The Board of the Directors meets at regular intervals and take the decisions as and when required for smooth running of the operations of the Company. A separate meeting of independent directors are also being conducted at regular intervals to evaluate the performance of executive directors.

2. BOARD OF DIRECTORS:

(a) Composition, Category of Directors and their directorship as on March 31, 2017

S. No.	Name of the Director	Category	No. of Directorships held in other Companies (Public & Pvt. Ltd. Companies)	No. of memberships held in Committees of other Companies
1	Mr. Sanjay Sharma	Director (Executive)	Nil	Nil
2	Mr. Vijay Kumar Sharma	Director (Executive)	Nil	Nil
3	Mr. Sunil Kumar	Director (Non Executive and Independent)	Nil	Nil
4	Ms. Priyanka Khattar	Director (Non Executive and Independent)	Nil	Nil
5	Mr. Kuldeep Singh Bhalla	Director (Non Executive and Independent)	Nil	Nil

(b) Attendance of Directors in Board Meetings and Last AGM

S. No.	Name of the Director	Board Meetings held during the year and attendance of Directors								Attendance in Last AGM (30.09.2016)
		14.04.2016	29.04.2016	18.05.2016	07.06.2016	05.08.2016	09.09.2016	10.11.2016	09.02.2017	
1	Mr. Sanjay Sharma	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Mr. Vijay Kumar Sharma	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
3	Mr. Sunil Kumar	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Ms. Priyanka Khattar	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
5	Mr. Kuldeep Singh Bhalla	NA	NA	Yes						

The notice and agenda of each Board Meeting are circulated to all the directors before the prescribed dates of meeting through the permissible modes. All major agenda items are backed by comprehensive background information to enable the board to take informed decisions.

The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.

Independent Directors

Your Company has appointed Independent Directors who are renowned people having expertise / experience in their respective field / profession. None of the Independent Directors are promoters or related to promoters of the Company. They do not have any pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Every independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as required under section 149(7) of the Companies Act, 2013. The Company had issued a formal letter of appointment to all the independent Directors.

All Independent Directors maintain their limits of directorships as required under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Performance Evaluation of Directors

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

Role & Accountability

- Understanding the nature and role of independent directors' position
- Undertaking the risks associated with the business
- Application of knowledge for rendering advice to management for resolution of business issues
- Offer constructive challenge to management strategies and proposals
- Active engagement with the management and attentiveness to progress of decisions taken

Objectivity

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views

Leadership and Initiative

- Heading Board Sub-committees
- Driving any function or identified initiative based on domain knowledge and experience

Personal Attributes

- Commitment to role & fiduciary responsibilities as a Board member
- Attendance and active participation
- Proactive, strategic and lateral thinking.

3. DETAILS OF COMMITTEES OF BOARD OF DIRECTORS:

(A) AUDIT COMMITTEE:

(a) Terms of Reference:

As required and mandated under the Companies Act, 2013 and rules made thereunder and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee has been constituted by the Board of Directors. The major roles of Audit Committee are as follows:

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particulars reference to:
 - a. Matters required to be included in the Director's Responsibility Statement in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgement by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements

- f. Disclosure of any related party transactions
- g. Qualifications in the draft audit report
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval of any subsequent modification of transactions of the company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the Whistle Blower mechanism;
- (xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (b) Composition of Audit Committee, Meetings held during the year and Attendance of Members:**
- The Audit Committee presently consists of one Executive Director Mr. Sanjay Sharma and 2 Independent Directors Mr. Sunil Kumar and Ms. Priyanka Khattar. Ms. Priyanka Khattar has been designated as Chairman of the Committee. The Committee met 4 (Four) times during the year ended 31st March, 2017. The attendance record of the members at the meeting were as follows:

S. No.	Name of Member	Designation in Committee	Meetings held during the year and attendance of Members			
			18.05.2016	05.08.2016	10.11.2016	09.02.2017
1	Ms. Priyanka Khattar	Chairman	Yes	Yes	Yes	Yes
2	Mr. Sanjay Sharma	Member	Yes	Yes	Yes	Yes
3	Mr. Sunil Kumar	Member	Yes	Yes	Yes	Yes

(B) NOMINATION AND REMUNERATION COMMITTEE:

(a) Terms of Reference:

As required and mandated under the Companies Act, 2013 and rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has been constituted by the Board of Directors. The major roles of Nomination and Remuneration Committee are as follows:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- (ii) Formulation of criteria for evaluation of independent Directors and the Board;
- (iii) Devising a policy on Board diversity;

- (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

(b) Composition of Nomination and Remuneration Committee, Meetings held during the year and Attendance of Members:

The Nomination and Remuneration Committee has been constituted in compliance with the provisions of Section 178 of Companies Act, 2013 and rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4 (Four) meetings of Nomination and Remuneration Committee were held during the year ended on 31st March, 2017 and the attendance of the members were as follows:

S. No.	Name of Member	Designation in Committee	Meetings held during the year and attendance of Members			
			29.04.2016	07.06.2016	01.10.2016	08.02.2017
1	Mr. Kuldeep Singh Bhalla	Chairman	Yes	Yes	Yes	Yes
2	Mr. Sunil Kumar	Member	Yes	Yes	Yes	Yes
3	Ms. Priyanka Khattar	Member	Yes	Yes	Yes	No

(c) Remuneration Policy:

The Nomination and Remuneration Committee has formulated a policy which deals with the manner of selection of Board of Directors including Managing Director and payment of their remuneration. The criteria of selection and remuneration to be paid are as follows:

Non Executive and Independent Director

The Non-Executive Directors shall be selected and appointed on the basis of high integrity with relevant expertise and knowledge so as to govern the Board of Directors in the field of manufacturing, sales & marketing, finance, taxation, law, governance and general management.

The independent Directors shall be selected and appointed after considering the independence as prescribed in the provisions of section 149(5) of Companies Act, 2013 and rules made thereunder and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations,

2015. The independent director should be a person of integrity and possesses relevant expertise and experience.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment pursuant to the provisions of Section 164 of Companies Act, 2013.

Managing Director

In case for the appointment as a Managing Director, the Nomination and Remuneration Committee shall identify the person of integrity who possess rich expertise, experience, knowledge, qualification and leadership qualities required for the position and shall take into consideration, the recommendations, if any, received from the members of the Board. The candidate identified shall be recommended to the Board of Directors and is eligible for appointment only after the approval of members of the Company in general Meeting. The committee shall

also ensure that the candidate identified shall fulfil all the conditions and criteria as envisaged in the relevant clauses and schedules of Companies Act, 2013 and rules made there under.

Remuneration to Directors

The independent Directors shall only be entitled to receive the remuneration by way of sitting fees and reimbursement of the actual expenses incurred by them for participation in Board Meetings. The said remuneration to be paid should be approved by the Board of Directors considering the overall ceiling limits prescribed under the Companies Act, 2013 and rules made there under.

The Managing Director shall be entitled to receive the remuneration as mutually agreed between the members of the Board of Directors and Managing Director, subject to the approval of members of the Company in General Meeting. The remuneration to be paid shall be within the overall limits as prescribed under the Companies Act, 2013 and rules made there under.

The remuneration of Managing Director comprises of salary, allowances, perquisites, amenities and retirement benefits as decided by the Nomination and Remuneration Committee and approval of Board of Directors from time to time.

(d) Details of Remuneration paid during the year 31st March, 2017:

S. No.	Name of the Director	Designation	Remuneration Paid (Amount in ₹ Lakhs)
1	Mr. Tarun Talwar	Managing Director (Upto 07 th June, 2016)	5.29
2	Mr. Sanjay Sharma	Executive Director	9.86
3	Mr. Vijay Kumar Sharma	Executive Director	9.78

The Company has paid sitting fees of ₹ 5,000/- each to Mr. Sunil Kumar, Ms. Priyanka Khattar and Mr. Kuldeep Singh Bhalla for all the meetings attended during the year.

Regulations, 2015, the Company has a duly constituted Stakeholders Relationship Committee. The committee is looking after and reviewing the actions for redressal of shareholders and investors grievances. The Committee is also responsible for transfer, transmission and rematerialization of shares as requested by the shareholders of the company from time to time.

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

(a) Composition of Stakeholders Relationship Committee, Meetings held during the year and Attendance of Members:

As required and mandated under the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements)

During the year ended 31st March, 2017, the Stakeholders Relationship Committee met 24 times.

S. No.	Name of Member	Designation in Committee	Attendance of Members in Meetings held during the year
1	Mr. Kuldeep Singh Bhalla	Chairman	24
2	Ms. Priyanka Khattar	Member	22
3	Mr. Sanjay Sharma	Member	24

Mr. Ankush Jindal, Company Secretary of the Company has been appointed as compliance officer of the Company.

During the year, the Company has received 1 complaint from shareholder which has been resolved on time to the satisfaction of the complainant.

(D) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

(a) Composition of Corporate Social Responsibility Committee, Meetings held during the year and Attendance of Members:

The Corporate Social Responsibility (CSR) Committee has been constituted pursuant to the

provisions of Section 135 of Companies Act, 2013 and rules made thereunder. The Committee has Two Executive Directors and One Non

Executive and Independent Director as members. The Committee met 2 times during the financial year ended 31st March, 2017

S. No.	Name of Member	Designation in Committee	Attendance of Members in Meetings held during the year	
			14.04.2016	09.02.2017
1	Mr. Vijay Kumar Sharma	Chairman	Yes	Yes
2	Mr. Sanjay Sharma	Member	Yes	Yes
3	Mr. Sunil Kumar	Member	Yes	Yes

(b) Terms of Reference:

The Committee is responsible for the following purposes:

- formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the company as specified in the Companies Act, 2013, its rules and regulations thereof for the time being in force;
- recommendation on the amount of expenditure to be incurred on the various CSR activities;
- monitoring of the CSR Policy of the company from time to time;
- such other acts and deeds in relation to CSR activities of the company, as it may deem fit or as may be assigned to it by the Board of Directors.

(4) INDEPENDENT DIRECTORS MEETING:

During the year ended 31st March, 2017, the Independent Directors met on 09th February, 2017, inter alia to review and discuss:

- (i) the performance of Non Independent Directors and the Board of Directors as a whole;
- (ii) the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors;
- (iii) to assess the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

There are 3 (Three) independent Directors in the Company and both are present in the meeting held on 09th February, 2017.

(5) GENERAL BODY MEETINGS:

(a) Details of last 3 (Three) Annual General Meetings are as under:

S. No.	Financial Year	Date	Time	Venue
1	2015-16	30.09.2016	10:30 a.m.	Moti Mahal, SCO 16P, Huda Market, Sector 16, Faridabad, Haryana – 121 002
2	2014-15	12.08.2015	11:00 a.m.	Hotel Millennium Plus, 67, Neelam Bata Road, Faridabad, Haryana – 121 001
3	2013-14	13.09.2014	11:30 a.m.	Hotel Millennium Plus, 67, Neelam Bata Road, Faridabad, Haryana – 121 001

(b) Special Resolutions passed in past 3 Annual General Meetings:

- (1) At Annual General Meeting held on 13th September, 2014
 - a) Limits of borrowings under section 180(1)(c) of the Companies Act, 2013

- b) Adoption of new Articles of Association of the Company in conformity with the Companies Act, 2013.
- (2) At Annual General Meeting held on 12th August, 2015

- a) Re-appointment of Mr. Tarun Talwar as Managing Director for a period of 5 (Five) years commencing from 01.10.2015
 - b) Re-appointment of Mr. Sanjay Sharma as Executive Director for a period of 5 (Five) years commencing from 01.10.2015
 - c) Re-appointment of Mr. Vijay Kumar Sharma as Executive Director for a period of 5 (Five) years commencing from 01.10.2015
- (3) No special resolution has been passed in Annual General Meeting held on 30th September, 2016.

(c) Postal Ballot:

During the year ended March 31, 2017, no ordinary or special resolution has been passed by the shareholders through Postal Ballot.

(6) MEANS OF COMMUNICATION:

Your Company has promptly reported all material information, including declaration of financial results, press releases, etc., to the Stock Exchanges where the securities of your Company are listed. Such information was, also, simultaneously displayed immediately on your Company's website i.e. www.talbrosexles.com. The quarterly and half-yearly Financial Results of the Company during the year 2016-17 were published in leading newspapers

(English & Hindi), viz., The Pioneer and Naya India.

The "Limited Review" Reports of the Financial Results for the quarters ended June 30, 2016, September 30, 2016 and December 31, 2016 were obtained from the Statutory Auditors of the Company and filed with the stock exchange(s).

To facilitate prompt correspondence with investors/ shareholders relating to their queries and grievances, the Company has a dedicated Email-id, viz., cs@bnt-talbro.com.

As part of its 'Green Initiatives', Government has permitted Companies to provide various documents to its Shareholders in electronic form i.e. through e-mail. Your Company is fully committed towards such an initiative and has accordingly requested its Shareholders to provide or update their e-mail ids with their respective DPs/Company Registrar, as the case may be, and give their option for receiving documents in electronic form.

(7) GENERAL SHAREHOLDER INFORMATION:

(a) Forthcoming AGM: Date, time and venue

The 31st Annual General Meeting of the Company will be held on Thursday, 28th September, 2017 at 10:30 a.m. at Moti Mahal, SCO 16P, Huda Market, Sector 16, Faridabad, Haryana – 121 002

(b) Financial Year

The Financial year of the Company is from April 1st to March 31st every year.

Financial Calendar (Tentative)

For 1 st Quarter ending 30 th June, 2017	First week of August, 2017
For 2 nd Quarter / half year ending 30 th September, 2017	First week of November, 2017
For 3 rd Quarter / nine months ending 31 st December, 2017	First week of February, 2018
For 4 th Quarter / Year ending 31 st March, 2018	Last week of May, 2018
Annual General Meeting for the year ending 31 st March, 2018	Last week of September, 2018

(c) Date of Book Closure

The register of members and share transfer books of the Company shall remain closed from Friday, 22nd September, 2017 to Thursday, 28th September, 2017 (both days inclusive) for annual closing.

(d) Dividend Payment Date

The Dividend will be paid within 30 days of the approval of same in Annual General Meeting.

(e) Listing on Stock Exchanges

The Company's equity shares are traded on

Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Annual listing fees for fiscal 2017-18 has been paid to the above stock exchange.

(f) Stock Code

The Stock codes allotted to the Company are as follows:

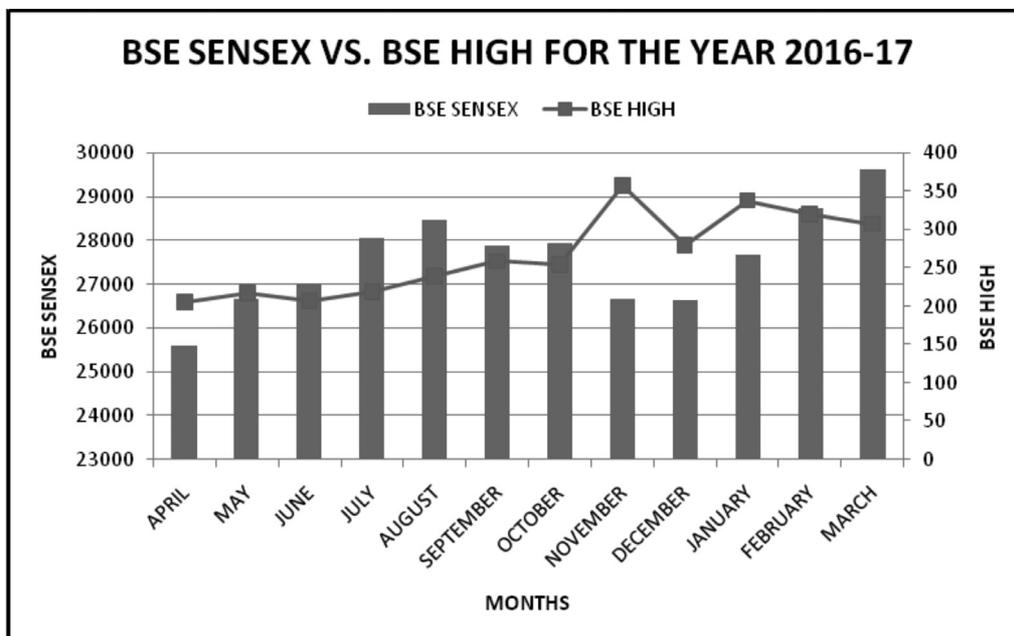
Name of the Stock Exchange	Stock Code (Scrip Code)
Bombay Stock Exchange Limited	538987

(g) Market price Data: High, Low during each month in last financial year

The Company's equity shares are listed and are available for trading on Bombay Stock Exchange

Limited (BSE). The month wise High/Low of Market Price of Company's equity shares traded on Bombay Stock Exchange Limited (BSE) during the year ended on 31st March, 2017 were as follows:

Month(s)2016-17	BSE		Month End BSE Sensex
	High	Low	
April	205.40	158.00	25,606.62
May	218.00	171.10	26,667.96
June	207.00	168.00	26,999.72
July	219.00	180.00	28,051.86
August	239.90	182.10	28,452.17
September	259.00	201.10	27,865.96
October	254.80	232.00	27,930.21
November	357.80	242.10	26,652.81
December	280.00	240.05	26,626.46
January	337.90	244.00	27,655.96
February	319.95	268.00	28,743.32
March	307.50	276.20	29,620.50



(h) Registrar and Transfer Agents

M/s Beetal Financial & Computer Services Private Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi – 110 062

(i) Share Transfer System

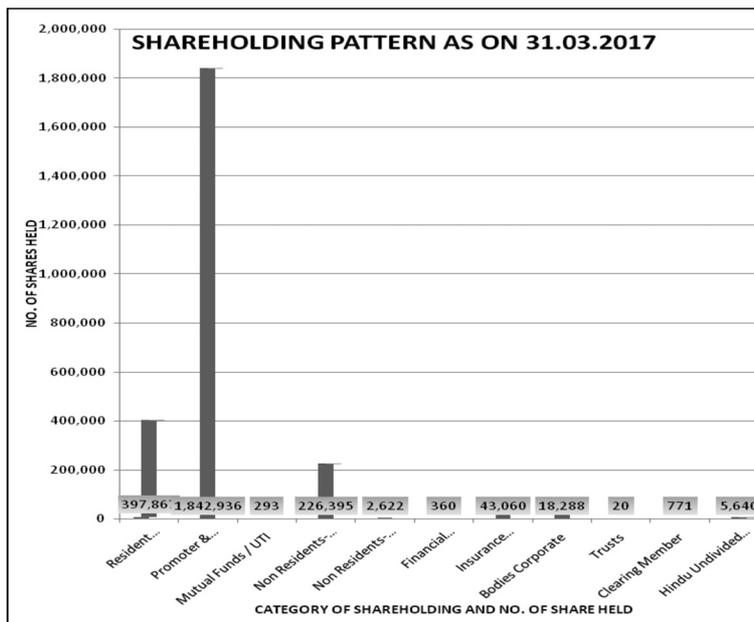
All physical share transfers are effected within 15 days of lodgement, subject to the documents being in order and complete in all respects. The

Board has delegated the authority for approval of transfer, transmission etc to Stakeholders Relationship Committee comprising of One Non Executive Director and two Executive Directors. A summary of transfer/transmission of shares so approved by the Committee is placed before the Board.

(j) Distribution of Shareholding

(a) *On the basis of Category*

S. No.	Category of Shareholding	Number of shareholders	No. of shares held	% of shareholding
1	Resident Individuals	5,730	3,97,867	15.67
2	Promoters	8	18,42,936	72.61
3	Mutual Funds / UTI	1	293	0.01
4	Non Residents – Non Repatriable	17	2,26,395	8.92
5	Non Residents - Repatriable	11	2,622	0.10
6	Financial Institutions / Banks	3	360	0.01
7	Insurance Companies	5	43,060	1.70
8	Bodies Corporate	86	18,288	0.72
9	Trusts	1	20	0.01
10	Clearing Member	8	771	0.03
11	Hindu Undivided Family	53	5,640	0.22
	TOTAL	5,923	25,38,252	100.00



(b) On the basis of Shares held

Size of Holdings	No. of Share holders	Percentage(%) to Total	No. of shares held	Percentage(%) to Total
Upto 5000	5,829	98.41	2,74,797	10.83
5001 to 10000	48	0.81	34,116	1.34
10001 to 20000	17	0.29	25,688	1.01
20001 to 30000	2	0.03	4,965	0.20
30001 to 40000	3	0.05	9,904	0.39
40001 to 50000	3	0.05	13,783	0.54
50001 to 100000	9	0.15	58,161	2.29
100001 and Above	12	0.21	21,16,838	83.40
TOTAL	5,923	100.00	25,38,252	100.00

(c) On the basis of ownership

S. No.	Category of Shareholder	Number of Shareholders	Total number of shares	% of holding
(A)	Promoters			
1.	<i>Indian Individuals</i>			
(a)	Promoters	8	18,42,936	72.61
(B)	Public Shareholding			
1.	<i>Institutions</i>			
(a)	Mutual Funds / UTI	1	293	0.01
(b)	Financial Institutions / Banks	3	360	0.01
(c)	Insurance Companies	5	43,060	1.70
2.	<i>Non-institutions</i>			
(a)	Bodies Corporate	86	18,288	0.72
(b)	Individuals	5,730	3,97,867	15.67
(c)	Trusts	1	20	0.01
(d)	Clearing Member	8	771	0.03
(e)	Non Resident Indians – Non Repatriable	17	2,26,395	8.92
(f)	Non Resident Indians – Repatriable	11	2,622	0.10
(g)	Hindu Undivided Family	53	5,640	0.22
	TOTAL	5,923	25,38,252	100.00

(k) Dematerialization of shares and liquidity

As on 31st March, 2017, 94.82% of the total shareholding was held in dematerialized form as per details mentioned below:

Particulars	No. of holders	No. of Shares	% of Total Issued Capital
Physical System	3,233	1,31,442	5.18
NSDL	1,943	17,59,929	69.34
CDSL	747	6,46,881	25.48
Total	5,923	25,38,252	100.00

The Demat ISIN of the Company's equity shares is *INE717E01013*.

(l) Outstanding GDRs/ADRs/Warrants or any other convertible instrument

There are no outstanding GDRs/ADRs/Warrants or any other convertible instrument.

(m) Plant Locations

(a) Registered and Corporate Office:

Plot No. 74-75-76, Sector 6,
Faridabad, Haryana – 121 006
Phone: +91-129-4284300
Fax No.: +91-129-4061541
Email ID: cs@bnt-talbro's.com

(b) Unit Locations:

- (i) Plot No. 35,36,37,38 & 57, Industrial Area, Hathin, Distt. Palwal, Haryana
- (ii) Plot No. 77, Sector 68, Faridabad, Haryana

(n) Address for Correspondence

Registered and Corporate Office:
Plot No. 74-75-76, Sector 6,
Faridabad, Haryana – 121 006
Phone: +91-129-4284300
Fax No.: +91-129-4061541
Email ID: cs@bnt-talbro's.com

DECLARATION

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct for the year ended 31st March, 2017.

For and on behalf of the Board

Date : 17th August, 2017
Place: Faridabad

Sd/-
Sanjay Sharma
Chairman

CERTIFICATE OF CHIEF OPERATING OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY ON CORPORATE GOVERNANCE

[Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015]

We, Tarun Talwar, Chief Operating Officer and Kanwar Pal Pawar, Chief Financial Officer of the Company, Talbro's Engineering Limited, to the best of our knowledge and belief, certify that:

- (1) We have reviewed financial statements and cash flow statement for the year and that to the best of our knowledge and belief:-
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the company's code of conduct.
- (3) We accept responsibility for establishing and maintaining internal controls for financial reporting and that have evaluated the effectiveness of internal control systems of the company pertaining to financial

reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- (4) We have indicated to the Auditors and the Audit Committee:-
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Tarun Talwar
Chief Operating Officer

Sd/-
Kanwar Pal Pawar
Chief Financial Officer

Place: Faridabad
Date : 17th August, 2017

AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Talbro's Engineering Limited

We have examined the compliance of conditions of Corporate Governance by Talbro's Engineering Limited ("the Company") for the year ended March 31, 2017 stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations give to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For Rakesh Raj & Associates
Chartered Accountants
Firm Regn. No.: 005145N

Sd/-
Ruchi Jain
Partner
M. No. 099920

Place: Faridabad
Date : 17th August, 2017

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Talbro's Engineering Limited
Faridabad (Haryana)

Report on the Financial Statements

We have audited the accompanying financial statements of **TALBROS ENGINEERING LIMITED** (the Company), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant Accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

We have taken into account the provisions of the act, the accounting and auditing standards and matter which are required to be included in the audit report under the provisions of the act and the rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c) the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified in section 133 of the Act, read with rule 7 of Companies (Accounts) Rules 2014;
- e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 and the same are in accordance with the books of accounts maintained by the Company.
- h) With respect to the other matters to be included in the auditors' report in accordance with rule 11 of The Companies (audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanation given to us:
 - i) The company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) The company is not required to transfer any amount to the Investor Education and Protection Fund.

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

Sd/-
Ruchi Jain
Partner

Place : Faridabad
Date : 29.05.2017

Membership No. 099920

ANNEXURE TO THE AUDITORS' REPORT

ANNEXURE 'A'

(As referred in paragraph 1 of **Report on other legal and regulatory requirements** of our report to the members of **TALBROS ENGINEERING LIMITED** on the accounts for the year ended 31st March 2017)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been regularly verified by the management at reasonable intervals. No material discrepancies have been noticed on such verification during the year.
- c) Based on the audit procedures performed and according to the records of the company, title deeds of the immovable properties are held with the company.
- ii) As explained to us, the inventory has been regularly verified during the year and the frequency of such verification is reasonable. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.
- iii) As per information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly sub-clauses (a), (b) and (c) of para (iii) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of act, in respect of loans, investments, guarantees, and security to the extent applicable to it.
- v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under with regard to deposits accepted from the public. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
- vi) To the best of our knowledge and as explained, the company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act 2013. Accordingly, Para (vi) of the order is not applicable to the Company.

- vii) (a) The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it though there has been a slight delay in few cases. According to the information and explanations given to us no undisputed amounts payable in respect of statutory dues were in arrear as at 31st March 2017 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans to the bank. The company did not have any outstanding dues / loans in respect of financial institution, government or debentures during the year.
- ix) We have verified that the end use of money raised by the public issue is as disclosed in the notes to the financial statements. The company did not have any terms loans outstanding during the year.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the year.
- xi) In our opinion, the managerial remuneration has been paid in accordance with the requisite approval mandated by the provisions of section 197 read with schedule V to the act.
- xii) In our opinion the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause 3(xii) of the order are not applicable to the company.
- xiii) In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of act, where applicable, and the details have been disclosed in the financial statement as required by applicable accounting standard.
- xiv) The company has not made any preferential allotment or private placement of shares or partly convertible debentures during the year, therefore reporting under clause 3(xiv) shall not be applicable.
- xv) According to the information and explanation given to us and on an overall examination of the financial statements of the company, we report that the company has not entered into any cash transactions with directors or persons connected with him.
- xvi) In our opinion the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **RAKESH RAJ & ASSOCIATES**

Chartered Accountants
Firm Regn No.005145N

Sd/-

Ruchi Jain

Partner

Place: Faridabad

Date : 29.05.2017

Membership No. 099920

Annexure 'B'

Annexure to the independent auditor' report of even date on the Standalone financial

Statements of Talbro's Engineering Limited

Report on the Internal financial controls under clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Talbro's Engineering Limited ("the company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's responsibility for internal financial controls

The companies' management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the guidance Note on the internal financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act, 2013.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance notes on Audit of internal financial controls over financial reporting (the "Guidance Note") and the standards of auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate financial controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing

And evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial controls system over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for the external purposes in accordance with generally accepted accounting principles. A company's internal financial controls system over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and the expenditures of the company are being made only in accordance with authorisations of management and directors of the company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitation of internal financial controls over financial reporting

Because of the Inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk of the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls over financial reporting and such of the internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal financial controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance Note on Audit of the internal financial controls over financial reporting issued by the Institute of Chartered Accountant of India.

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

Place: Faridabad
Date : 29.05.2017

Sd/-
Ruchi Jain
Partner
Membership No. 099920

TALBROS ENGINEERING LIMITED



BALANCE SHEET AS AT 31ST MARCH, 2017

(All Amount in ₹, unless otherwise stated)

	Notes	As at 31st March, 2017		As at 31st March, 2016	
		₹	₹	₹	₹
EQUITY AND LIABILITIES :					
Shareholders' Funds					
Equity Share Capital	3	25,382,520		25,382,520	
Reserves and Surplus	4	397,554,505	422,937,025	333,806,528	359,189,048
Non-Current Liabilities					
Long Term Borrowings	5	157,451,540		52,128,682	
Deferred Tax Liabilities (Net)	6	14,857,565		15,248,917	
Long Term Provisions	7	2,643,980	174,953,085	2,451,701	69,829,300
Current Liabilities					
Short Term Borrowings	8	118,199,958		158,151,368	
Trade Payables	9	106,518,847		87,379,015	
Other Current Liabilities	10	140,082,678		63,436,521	
Short Term Provisions	11	41,292,935	406,094,418	22,935,625	331,902,529
TOTAL			1,003,984,528		760,920,877
ASSETS :					
Non-Current Assets					
Fixed Assets					
Tangible Assets	12.1	411,172,812		212,349,007	
Intangible Assets	12.2	932,286		653,472	
Capital Work in Progress	12.3	99,314,038		50,537,750	
Non Current Investments	13	860,000		860,000	
Long-Term Loans and Advances	14	12,500,770	524,779,906	93,875,302	358,275,531
Current Assets					
Inventories	15	200,685,736		155,258,150	
Trade Receivables	16	186,404,385		166,608,821	
Cash and Bank Balances	17	13,886,146		7,734,815	
Short Term Loans and Advances	18	77,337,080		72,525,136	
Other Current Assets	19	891,275	479,204,622	518,424	402,645,346
TOTAL			1,003,984,528		760,920,877

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **Rakesh Raj & Associates**
Chartered Accountants
Firm Regn. No. 005145N

For and on behalf of the Board of Directors of
TALBROS ENGINEERING LIMITED

Sd/-
Ruchi Jain
Partner
Membership No: 99920

Sd/-
Vijay Kumar Sharma
Executive Director
DIN : 06394784

Sd/-
Sanjay Sharma
Executive Director
DIN : 06394774

Sd/-
Ankush Jindal
Company Secretary
M.No. : A26017

Sd/-
Kanwar Pal Pawar
Chief Financial Officer

Place : Faridabad
Date : 29.05.2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(All Amount in ₹, unless otherwise stated)

	Notes	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
		₹	₹	₹	₹
INCOME					
Revenue From Operations (Gross)	20	1,763,539,123		1,540,751,728	
Less: Excise Duty		<u>154,618,354</u>	1,608,920,769	<u>147,678,195</u>	1,393,073,533
Other Income	21		<u>14,650,482</u>		<u>20,602,779</u>
Total Revenue			<u><u>1,623,571,251</u></u>		<u><u>1,413,676,312</u></u>
EXPENSES					
Cost of Raw Material Consumed	22		<u>727,682,023</u>		690,141,150
Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	23		<u>(21,784,310)</u>		(25,911,429)
Employee Benefits Expenses	24		<u>146,301,167</u>		125,818,277
Finance Costs	25		<u>28,600,415</u>		29,074,573
Depreciation and Amortization Expense	26		<u>36,737,990</u>		35,429,801
Other Expenses	27		<u>605,454,187</u>		<u>507,048,029</u>
Total Expenses			<u><u>1,522,991,472</u></u>		<u><u>1,361,600,401</u></u>
Profit before tax			<u><u>100,579,779</u></u>		<u><u>52,075,911</u></u>
Tax Expenses :					
Current Tax			<u>32,000,000</u>		20,000,000
Deferred Tax			<u>(391,352)</u>		(1,579,025)
Wealth Tax			-		-
Taxes For Earlier Years			<u>(945,446)</u>		-
			<u><u>30,663,202</u></u>		<u><u>18,420,975</u></u>
Profit for the Year			<u><u>69,916,577</u></u>		<u><u>33,654,936</u></u>
Earnings per Equity Share (Face Value of ₹ 10/-)					
Basic and Diluted Restated Earnings Per Share			<u><u>27.55</u></u>		<u><u>13.26</u></u>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **Rakesh Raj & Associates**
Chartered Accountants
Firm Regn. No. 005145N

Sd/-
Ruchi Jain
Partner
Membership No: 99920

For and on behalf of the Board of Directors of
TALBROS ENGINEERING LIMITED

Sd/-
Vijay Kumar Sharma
Executive Director
DIN : 06394784

Sd/-
Ankush Jindal
Company Secretary
M.No. : A26017

Sd/-
Sanjay Sharma
Executive Director
DIN : 06394774

Sd/-
Kanwar Pal Pawar
Chief Financial Officer

Place : Faridabad
Date : 29.05.2017

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31ST MARCH, 2017

(All Amount in ₹, unless otherwise stated)

	<u>As at 31st March, 2017</u>	<u>As at 31st March, 2016</u>
	₹	₹
Net Profit before taxation, and extraordinary item	100,579,779	52,075,911
Adjustment for:-		
Depreciation	36,737,990	35,429,801
Preliminary Expenses W/off	-	-
Interest Paid	28,600,415	29,074,573
Loss/(Profit) on Sale of Fixed Assets	369,131	170,509
Interest Received	(163,050)	(127,449)
Operating Profit before Working Capital Changes	166,124,265	116,623,345
Adjustments for:-		
Trade and Other Receivables	(19,795,564)	(14,483,803)
Inventories	(45,427,586)	(28,065,038)
Other Current Assets	(5,184,795)	6,462,311
Trade Payables	19,139,832	(547,236)
Other Current Liabilities	17,858,749	45,661,232
Increase in Deferred Tax Liability	-	-
CASH GENERATED FROM OPERATIONS:	132,714,901	125,650,811
Interest paid	(28,600,415)	(29,074,573)
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES (A)	104,114,486	96,576,238
Interest Received	163,050	127,449
Purchase of Fixed Assets	(286,462,696)	(62,355,513)
Transfer to accumulated Depreciation	-	-
Sale of Fixed Assets	1,446,820	946,267
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES (B)	(284,852,826)	(61,281,797)
Proceeds from /(Repayment) of long Term Borrowings	105,515,137	8,329,594
Proceeds from Share Capital	-	-
Proceeds from Security Premium	-	-
Proceeds from /(Repayment) of long Term Loans & Advances	81,374,532	(46,665,232)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	186,889,669	(38,335,638)
INCREASE IN CASH OR CASH EQUIVALENTS (A+B+C)	6,151,329	(3,041,197)
Cash/Cash Equivalents as at 1st April (Opening Balance)	7,734,815	10,776,012
Cash/Cash Equivalents as at 31st March (Closing Balance)	13,886,144	7,734,815

As per our report of even date
For **Rakesh Raj & Associates**
Chartered Accountants
Firm Regn. No. 005145N

Sd/-
Ruchi Jain
Partner
Membership No: 99920

For and on behalf of the Board of Directors of
TALBROS ENGINEERING LIMITED

Sd/-
Vijay Kumar Sharma
Executive Director
DIN : 06394784

Sd/-
Ankush Jindal
Company Secretary
M.No. : A26017

Sd/-
Sanjay Sharma
Executive Director
DIN : 06394774

Sd/-
Kanwar Pal Pawar
Chief Financial Officer

Place : Faridabad
Date : 29.05.2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1 CORPORATE INFORMATION

Talbro's Engineering Limited (the 'Company') is a public company in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in manufacturing of Rear Axle Shafts. The company caters to both international and domestic market. The company has its manufacturing plants at Plot No 74-75-76, Sector-6, Faridabad-121006, Plot No 35-38 & 57, Industrial Area, Hathin, Palwal and Plot No. 2, Napco Compound, Mathura Road, Faridabad.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS FOR ACCOUNTING

The financial statements are prepared under historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 2013 and in compliance with the applicable Accounting Standards (AS) referred to in section 133 of Companies Act 2013. The accounting policies, except otherwise stated, have been consistently applied by the Company.

2.2 USE OF ESTIMATES

The preparation of financial statements is in conformity with the generally accepted accounting principles, which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

2.3 REVENUE RECOGNITION

- a) The company recognises revenues on the sale of products, net of discounts and sales incentives, at the time of dispatch, which is when risks and rewards of ownership pass to the customer. Sale of product is presented gross of excise duty where applicable, and net of other indirect taxes.
- b) Export benefits/incentives are recognized in the profits & loss accounts, when the right to receive credit as per terms of the scheme is established in respect of export goods.
- c) Interest income is recognised on accrual basis determined by the amount outstanding and the rate applicable and when there is no significant uncertainty as to measurability or collectability exists

2.4 INVENTORIES

Cost of inventory comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Closing inventories have been valued as follows:

- a) Raw Materials, Stores, Spares & Packing Material are valued at lower of cost or net realisable value. Costs of inventories are determined on First in First out ('FIFO') basis in the ordinary course of business.
- b) Work-in-Progress and Finished Goods are valued at cost. Cost includes variable and fixed overheads allocated to work in progress and finished goods.

2.5 TANGIBLE ASSETS

Fixed Assets

Fixed assets are stated at cost of acquisition or construction and amount added on revaluation less accumulated depreciation, amortisation. Cost includes purchase price, taxes and duties, labour cost and other direct costs incurred upto the date the asset is ready for its intended use. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Capital Works-in-Progress

Capital Works-in-Progress is carried at cost, comprising direct cost, related incidental expenses and interest on borrowings to the extent attributed to them.

2.6 INTANGIBLE ASSETS

Intangible assets are recognized as per the criteria specified in Accounting Standard 26 "Intangible Assets" and recorded at the consideration paid for acquisition, whenever acquired.

2.7 DEPRECIATION ON FIXED ASSETS

- a) Depreciation on all fixed assets is charged on straight line method basis (SLM) over the estimated useful life of the assets. Useful life of the assets is determined in accordance with schedule II to the Companies Act, 2013.
- b) During the current year, depreciation has been charged on double and triple shift basis, as per actual running of plants.
- c) Depreciation is not recorded on capital work in progress until construction and installation are complete and asset is ready for its intended use.

2.8 PROVISIONS AND CONTINGENCIES

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent, and disclosed by way of notes to the accounts. Contingent assets are neither recognized nor disclosed in the Financial statements.

2.9 RESEARCH AND DEVELOPMENT EXPENSE

Research and Development costs (other than cost of fixed asset acquired) are charged as an expense in the year in which they are incurred.

2.10 FOREIGN CURRENCY TRANSACTIONS

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- c) Any income or expense on account of exchange difference either on settlement or on restatement is recognized and reflected separately in the profit & loss accounts.

2.11 INVESTMENTS

Current investments are stated at lower of cost and fair market value. Long-term investments are valued at their acquisition cost. The provision for any diminution in the value of long-term investments is made only if such a decline is other than temporary.

2.12 EMPLOYEE BENEFITS

Retirement benefits to employees comprise contribution to Provident Fund, Gratuity and Leave Encashment under the scheme of the company. The company makes yearly contribution to the Provident Fund authorities in accordance with the provisions of the relevant statute. The contributions to the provident fund are charged to the statement of profit and loss for the year.

a) **Gratuity**

Gratuity is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. Valuation is done on "Projected Unit Credit Method". Gratuity is administered by a trust formed for this purpose through the Group Gratuity with Life Insurance Corporation of India.

b) **Leave encashment**

Leave Encashment liability, being a retirement benefit, is accounted for on actuarial valuation basis.

2.13 BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of Assets. Qualifying Asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which it was incurred.

2.14 LEASES

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Operating lease payments are recognised as expense in the profit and loss account on a straight line basis over the lease term.

2.15 CASH FLOW STATEMENT

Cash Flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash payments or receipts. The cash flows from operating, financing and investing activities of the company are segregated.

2.16 TAXATION

- a) Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961.
- b) Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement under Loans & Advances. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.
- c) Deferred Tax is recognized, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference.

Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses, which are recognized to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.17 IMPAIRMENT OF ASSETS

At the end of each year the company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with the accounting standard 28 on impairment of assets issued by the Institute of Chartered Accountants of India. An impairment loss is charged to statement of profit and loss in the year in which asset is identified as impaired when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.18 SHARE ISSUE EXPENSES

Share issue expenses are adjusted from Securities Premium Account at the time of issue of respective shares as prescribed under the provisions of company Act.

2.19 EARNING PER SHARE

Earning Per Share (EPS) is calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the Weighted Average Number of equity shares outstanding during the period determined as per Accounting Standard. For the purpose of calculating Diluted Earning Per share, the Net Profit or Loss for the period attributable to equity shareholders is divided by the Weighted Average Number of shares outstanding during the period determined as per Accounting Standard after adjusting for the effects of all dilutive potential equity shares.

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
3 EQUITY SHARE CAPITAL		
3.1 AUTHORISED SHARE CAPITAL		
30,00,000 Equity Shares of ₹ 10/- each	30,000,000	30,000,000
3.2 ISSUED, SUBSCRIBED AND FULLY PAID UP CAPITAL		
25,38,252 (P.Y.25,38,252) Equity Shares of ₹ 10/- each fully paid up	25,382,520	25,382,520
Total Issued, Subscribed and fully paid up capital	25,382,520	25,382,520
3.3 RECONCILIATION OF THE SHARES OUTSTANDING AT THE BEGINNING AND THE END OF THE REPORTING PERIOD		
	No. of Shares as at 31st March, 2017	No. of Shares as at 31st March, 2016
Equity shares		
At the beginning of the year	2,538,252	2,538,252
Add: Right Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Shares forfeited, etc	-	-
Outstanding at the end of the year	2,538,252	2,538,252

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3.4 TERMS/ RIGHTS AND RESTRICTIONS ATTACHED TO EQUITY SHARES

The company has only one class of equity shares having par value of INR ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. During the year ended 31st March 2017, the amount of dividend per share recognised as distribution to equity holders was INR 2.00 (P.Y. INR NIL). The total dividend appropriation for the year ended 31st March 2017 amounts to INR 50,76,504/- (P.Y. INR NIL) excluding Dividend Distribution Tax of INR 10,62,250/- (P.Y. INR NIL)

3.5 DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

	As at 31 st March,2017		As at 31st March,2016	
	No. of Shares	%	No. of Shares	%
Rajesh Talwar	505,249	19.91	595,249	23.45
Gita Talwar	505,877	19.93	515,877	20.32
Rakesh Talwar	432,524	17.04	296,317	11.67
Naini Talwar	147,330	5.80	147,330	5.80
Sartaj K Sahni	225,502	8.88	225,502	8.88
Rakesh Talwar (HUF)	NIL		136,207	5.37

As per the records of the company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

	As at 31st March, 2017	As at 31st March,2016
	₹	₹
4 RESERVES AND SURPLUS		
4.1 CAPITAL RESERVE		
As per last balance sheet	17,487,403	17,487,403
Add/less: adjustment during the year	-	-
Closing balance	17,487,403	17,487,403
4.2 SECURITIES PREMIUM ACCOUNT		
As per last balance sheet	43,319,713	43,319,713
Add: Security premium raised during the year	-	-
Less: Right Issue expenses W/o	-	-
Closing balance	43,319,713	43,319,713
4.3 REVALUATION RESERVE		
Revaluation Reserve	969,964	999,813
Less: Transferred to Profit & Loss A/c	(29,849)	(29,849)
Closing balance	940,115	969,964
4.4 GENERAL RESERVE		
As per last balance sheet	30,724,826	27,324,826
Add/less: adjustment during the year	-	3,400,000
Closing balance	30,724,826	30,724,826
4.5 OTHER RESERVES : CAPITAL SUBSIDY		
As per last balance sheet	7,629,905	7,629,905
Add/less: adjustment during the year	-	-
Closing balance	7,629,905	7,629,905

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
4.6 SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
As per last balance sheet	233,674,720	203,419,781
Profit for the year	69,916,577	33,654,936
Less: Appropriations		
Transfer to General reserve	-	3,400,000
Dividend proposed on equity shares	5,076,504	-
Dividend distribution tax on proposed dividend	1,062,250	-
Closing balance	297,452,543	233,674,717
TOTAL	397,554,505	333,806,528
5 LONG TERM BORROWINGS		
SECURED BORROWINGS		
Term loans		
From banks	104,137,410	23,176,203
From others	-	372,479
Total secured long term borrowings (I)	104,137,410	23,548,682
UNSECURED BORROWINGS		
Deposits	-	-
Loans and advances from related parties	53,314,130	28,580,000
Total unsecured long term borrowings (II)	53,314,130	28,580,000
Total Long Term Borrowings (I+II)	157,451,540	52,128,682

5.1 The requisite particulars in respect of secured long term borrowings are as under :

Particulars of loan /security/ guarantee	Terms of Repayment	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
1 TERM LOANS FROM BANKS			
Term Loans from HDFC Bank Limited are secured by First pari-passu charge by way of hypothecation of the Company's assets , both present and future, and further secured by equitable mortgage on Plot no. 74-75, Sector-6, Faridabad, Plot No. 35-38, Hathin and exclusive charge on Plot No. 77, Sector -68, Faridabad. The Term Loans are further secured by personal guarantees of President and Managing Director of the company. The rate of Interest is at the rate of 10.30%p.a.	Monthly payment of equated monthly Installments beginning from the month of disbursement.	Closing Balance INR 46,021,618	Closing Balance INR 20,697,153
		Current Maturity INR 14,716,752	Current Maturity INR 3,638,016
		Non-Current Maturity INR 31,304,866	Non-Current Maturity INR 17,059,237

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars of loan /security/ guarantee	Terms of Repayment	As at 31 st March, 2017 ₹	As at 31 st March, 2016 ₹
2 Term Loans from DBS Bank Limited are secured by First parri-passu charge on all present and future moveable and immovable fixed assets of the company viz. Plot no. 74-75, Faridabad and Plot no. 35-38, Hathin Palwal, and further secured by hypothecation of current assets both present and future. The Term Loans are further secured by personal guarantees of President and Managing Director of the company. The rate of Interest is at the rate of 10.25%p.a.	Quarterly payment of equated quarterly Installments beginning from the Year of taking the loan	Closing Balance INR 3,000,000 Current Maturity INR 3,000,000 Non-Current Maturity INR 0	Closing Balance INR 9,000,000 Current Maturity INR 6,000,000 Non-Current Maturity INR 3,000,000
3 Term Loans from Yes Bank Limited are secured by First parri-passu charge on all present and future moveable and immovable fixed assets of the company viz. Plot no. 74-75, Faridabad and Plot no. 35-38, Hathin Palwal, and exclusive charge on Plot no. 76, Sector-6, Faridabad and further secured by hypothecation of current assets both present and future. The Term Loans are further secured by personal guarantees of President and Managing Director of the company. The rate of Interest is at the rate of 10.00%p.a.	Monthly payment of equated monthly Installments beginning from the month of disbursement.	Closing Balance INR 90,000,000 Current Maturity INR 19,999,992 Non-Current Maturity INR 70,000,008	Closing Balance INR 0 Current Maturity INR 0 Non-Current Maturity INR 0
4 VEHICLE LOANS FROM BANKS Vehicles Loans are secured against Hypothecation of Vehicles. The rate of Interest is at the rate of 8.50% p.a to 12.08%p.a.	Monthly payment of equated Monthly Installments beginning from the Year of taking the loan	Closing Balance INR 6,533,091 Current Maturity INR 3,700,555 Non-Current Maturity INR 2,832,536	Closing Balance INR 6,060,437 Current Maturity INR 2,943,371 Non-Current Maturity INR 3,117,066
5 VEHICLE LOANS FROM NBFC'S Vehicles Loans are secured against Hypothecation of Vehicles. The rate of Interest is at the rate of 8.50% p.a to 12.08%p.a.	Monthly payment of equated Monthly Installments beginning from the Year of taking the loan	Closing Balance INR 372,479 Current Maturity INR 372,479 Non-Current Maturity INR 0	Closing Balance INR 1,095,430 Current Maturity INR 722,951 Non-Current Maturity INR 372,479
		As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
6 DEFERRED TAX LIABILITY AS PER AS-22			
Fixed Assets		14,857,564	16,251,828
Disallowance u/s 43 B		-	(1,002,911)
Deferred Tax Liability (Net)		14,857,564	15,248,917

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
7 LONG TERM PROVISION		
Annual Leave Payable	2,643,980	2,451,701
Total Long Term Provision	<u>2,643,980</u>	<u>2,451,701</u>
8 SHORT TERM BORROWINGS		
SECURED		
Working Capital Loans From Banks *		
IndusInd Bank Ltd	-	47,824,384
HDFC Bank Ltd	11,427,804	60,154,040
Yes Bank Ltd	12,081,059	-
DBS Bank Ltd	94,691,095	50,172,944
Total Short Term Borrowings	<u>118,199,958</u>	<u>158,151,368</u>
* The working capital facilities from banks are secured by way of hypothecation of stock in trade and book debts and further secured by way of a second charge on immovable properties of the company. The facilities of working capital from banks are further secured by personal guarantees of President and COO of the company.		
9 TRADE PAYABLES		
Dues to MSME *	-	-
Dues of other than MSME	106,518,847	87,379,015
Total Trade Payables	<u>106,518,847</u>	<u>87,379,015</u>
* The above information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
10 OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt	41,789,778	13,304,337
Interest accrued and due on Borrowings	-	-
Interest accrued but not due on borrowings	725,791	188,694
Advance from Customers	252,091	278,390
Creditors for Expenses	62,901,225	26,572,499
Creditors for Capital Expenditure	2,158,019	362,290
Unpaid Dividends	939,348	949,040
Other Liabilities:-		
Accrued Salary & Benefits	4,985,669	1,090,889
Statutory Dues payable	2,624,641	1,843,212
TDS payable	1,466,832	1,207,576
Security Job Contractors	2,961,121	2,961,121
Other payables	19,278,163	14,678,473
Total Current Liabilities	<u>140,082,678</u>	<u>63,436,521</u>
11 SHORT TERM PROVISIONS		
Provision for Income Tax	32,000,000	20,000,000
Proposed Equity Dividend	5,076,504	-
Provision for Tax on Proposed Equity Dividend	1,062,250	-
Provision for Employee Benefits	3,154,181	2,935,625
Total Short Term Provisions	<u>41,292,935</u>	<u>22,935,625</u>
12 FIXED ASSETS		
Tangible assets	411,172,812	212,349,007
Intangible assets	932,286	653,472
Capital work in progress	99,314,038	50,537,750
Total Fixed Assets	<u>511,419,136</u>	<u>263,540,229</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

12. FIXED ASSETS AS ON 31.03.2017

12.1 TANGIBLE ASSETS

NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 01-04-2016 ₹	Additions during the year ₹	Sale/Adjustment during the year ₹	As At 31.03.2017 ₹	Upto 31.03.2016 ₹	For the period ended as on 31.03.2017 ₹	Adjustment during the year ₹	Total upto 31.03.2017 ₹	As At 31.03.2017 ₹	As At 31.03.2016 ₹
LAND	5,635,342	129,782,379	-	135,417,721	-	-	-	-	135,417,721	5,635,342
BUILDING	23,014,460	24,411,960	-	47,426,420	9,164,704	984,597	-	10,149,301	37,277,119	13,849,756
PLANT & MACHINERY	416,959,717	72,506,800	-	489,466,517	245,256,905	30,875,875	-	276,132,780	213,333,737	171,702,812
VEHICLES	26,539,290	5,270,450	5,632,377	26,177,363	10,133,725	3,269,382	3,816,426	9,586,681	16,590,682	16,405,565
FURNITURE & FIXTURES	3,813,104	-	-	3,813,104	2,576,636	321,548	-	2,898,184	914,920	1,236,468
OFFICE EQUIPMENT	7,946,085	728,568	-	8,674,653	6,404,011	561,959	-	6,965,970	1,708,683	1,542,074
ELECTRIC INSTALLATION	6,382,004	3,943,100	-	10,325,104	4,826,466	393,163	-	5,219,629	5,105,475	1,555,538
TUBEWELL	351,708	-	-	351,708	280,777	15,200	-	295,977	55,731	70,931
COMPUTER	4,041,506	675,196	-	4,716,702	3,690,985	256,973	-	3,947,958	768,744	350,521
TOTAL	494,683,216	237,318,453	5,632,377	726,369,292	282,334,209	36,678,697	3,816,426	315,196,480	411,172,812	212,349,006
PREVIOUS YEAR	463,545,672	35,426,249	4,288,705	494,683,216	250,079,170	35,426,968	3,171,929	282,334,209	932,286	653,472

12.2 : INTANGIBLE ASSETS

INTANGIBLE ASSETS	686,154	367,956	-	1,054,110	32,682	89,142	-	121,824	932,286	653,472
TOTAL	686,154	367,956	-	1,054,110	32,682	89,142	-	121,824	932,286	653,472
PREVIOUS YEAR	-	686,154	-	686,154	-	32,682	-	32,682	653,472	-

12.2 : CAPITAL WORK IN PROGRESS

CWIP - BUILDING	12,508,506	31,564,036	-	44,072,542	-	-	-	-	44,072,542	12,508,506
CWIP - PLANT & MACHINERY	38,029,244	16,245,214	-	54,274,458	-	-	-	-	54,274,458	38,029,244
CWIP - INTANGIBLE	-	967,038	-	967,038	-	-	-	-	967,038	-
TOTAL	50,537,750	48,776,288	-	99,314,038	-	-	-	-	99,314,038	50,537,750
PREVIOUS YEAR	24,294,640	26,243,110	-	50,537,750	-	-	-	-	50,537,750	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹	
13 NON -CURRENT INVESTMENTS			
UNQUOTED NON TRADE EQUITY INSTRUMENTS(AT COST)			
Investments in equity instruments	860,000	860,000	
Talbro's Cork Products Private Limited (33000 fully paid up Equity Shares of ₹ 10/- each)			
Total Non-Current Investments	<u>860,000</u>	<u>860,000</u>	
14 LONG TERMS LOANS AND ADVANCES			
UNSECURED, CONSIDERED GOOD			
Capital Advances	6,925,223	69,368,745	
Security Deposits	5,575,547	24,506,557	
Total Long Term Loans and Advances	<u>12,500,770</u>	<u>93,875,302</u>	
15 INVENTORIES			
(Taken, Valued and Certified by the Management)			
Raw Materials	44,220,287	18,884,873	
Work-in-Progress	146,490,992	125,715,500	
Finished Goods	179,920	803,146	
Stores, Spares and Loose Tools	6,626,146	8,472,194	
Scrap	2,955,147	1,323,103	
Others (Packing Materials)	213,244	59,334	
Total Inventories	<u>200,685,736</u>	<u>155,258,150</u>	
16 TRADE RECEIVABLES			
Unsecured, Considered Good			
Outstanding for a period exceeding 6 months from the date they are due for payment	3,118,722	1,894,016	
Others	183,285,663	164,714,805	
Total Trade Receivables	<u>186,404,385</u>	<u>166,608,821</u>	
17 CASH AND BANK BALANCES			
CASH AND CASH EQUIVALENTS			
Cash in hand	55,810	406,527	
Balances with banks			
In current accounts	2,586,152	6,339,248	
In dividend accounts	939,348	949,040	7,694,815
OTHER BANK BALANCES			
Fixed Deposit with Bank (Current Maturity)	9,440,863	-	
Margin Money with Bank	863,973	40,000	40,000
Total Cash and Bank Balances	<u>13,886,146</u>	<u>7,734,815</u>	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
18 SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Advance Recoverable in Cash or in Kind	372,997	766,635
Loans to Employees	493,536	849,511
Advance to Suppliers	1,953,496	10,058,634
Balances with Statutory/Government Authorities:-		
Excise Duty Balance	27,136,141	16,942,596
Income Tax Advance	3,743,307	3,896,947
Sales Tax Advance	10,620,666	20,364,166
Other Short Term Loans and Advances:-		
Advance Income Tax	32,218,456	18,833,830
Prepaid Expenses	798,481	812,817
Total Short Term Loans and Advances	77,337,080	72,525,136
19 OTHER CURRENT ASSETS		
Duty Drawback Receivable	891,275	518,424
Total Other Current Assets	891,275	518,424
	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹
20 REVENUE FROM OPERATIONS		
SALE OF PRODUCTS		
Domestic Sales	1,348,668,354	1,294,396,553
Export Sales	384,083,516	220,091,963
	1,732,751,870	1,514,488,516
OTHER OPERATING REVENUES	30,787,253	26,263,212
Total Revenue From Operations	1,763,539,123	1,540,751,728
21 OTHER INCOME		
Interest Income	163,050	127,449
Discount Received	5,152,418	12,416,128
Duty Drawback Received	7,369,511	4,453,536
Foreign Exchange Fluctuation	1,965,503	2,410,065
Liabilities written back to the extent not required	-	694,234
Other non-operating income (Misc.Income)	-	501,367
Total Other Income	14,650,482	20,602,779

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹
22 COST OF RAW MATERIAL CONSUMED		
Opening Stock	18,884,873	19,931,264
Purchases	752,116,414	688,351,495
Cartage Inward	901,023	743,264
	<u>771,902,310</u>	<u>709,026,023</u>
Closing Stock	(44,220,287)	(18,884,873)
Total Cost of Raw Material Consumed	<u><u>727,682,023</u></u>	<u><u>690,141,150</u></u>
23 CHANGES IN INVENTORIES OF FINISHED GOOD, W.I.P. AND STOCK IN TRADE		
CLOSING STOCK		
Finished Goods	179,920	803,146
Work-in-progress	146,490,992	125,715,500
Scrap	2,955,147	1,323,103
	<u>149,626,059</u>	<u>127,841,749</u>
OPENING STOCK		
Finished Goods	803,146	1,151,841
Work-in-progress	125,715,500	99,763,718
Scrap	1,323,103	1,014,761
	<u>127,841,749</u>	<u>101,930,320</u>
(Increase) / Decrease In Stock	<u><u>(21,784,310)</u></u>	<u><u>(25,911,429)</u></u>
24 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	115,534,801	94,029,686
Contribution to Provident and other Funds	4,703,322	4,421,016
Director's Remuneration	2,711,592	7,099,896
Gratuity	1,246,811	732,862
Staff Welfare Expenses	22,104,641	19,534,817
Total Employee Benefits Expense	<u><u>146,301,167</u></u>	<u><u>125,818,277</u></u>
25 FINANCE COST		
Interest Expense	18,886,611	17,833,503
Other Borrowing Cost	9,713,804	11,241,070
Total Finance Cost	<u><u>28,600,415</u></u>	<u><u>29,074,573</u></u>
26 DEPRECIATION AND AMORTISATION		
Depreciation on Tangible Assets	36,767,839	35,459,650
Amount transferred from Revaluation Reserve	(29,849)	(29,849)
Total Depreciation and Amortisation	<u><u>36,737,990</u></u>	<u><u>35,429,801</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹
27 OTHER EXPENSES		
MANUFACTURING EXPENSE		
Stores, Spares and Tools Consumed	196,375,401	152,415,227
Power & Fuel	171,545,603	161,878,393
Processing Charges	57,539,711	38,352,778
Repairs & Maintenance :		
Buildings	1,681,314	3,867,642
Plant & Machinery	38,661,542	36,977,903
Other	3,992,024	4,394,006
Total Manufacturing Expense (I)	469,795,595	397,885,949
ADMINISTRATIVE EXPENSES		
Rent, Rates and Taxes	2,931,129	1,704,944
Fine and penalties	261,025	242,447
Insurance	2,062,613	1,383,807
Travelling Expenses	3,903,235	4,181,194
Commission on Sale	1,344,091	1,141,258
Discounts	2,199,499	1,378,930
Packing Expenses	43,514,738	38,225,042
Advertisement & Sales Promotion	625,670	377,667
Printing & Stationary	1,464,737	1,597,824
Postage & Telegram	428,790	332,224
Telephone Expenses	898,798	896,633
Legal & Professional Charges	3,917,662	3,440,166
Membership & Subscription	149,580	141,000
Charity & Donation	90,400	81,000
Corporate Social Responsibility Expense	1,104,261	1,480,879
Security Services	5,721,160	3,855,298
Miscellaneous Expenses	531,058	577,903
Loss on Sale of Fixed Assets (Net)	369,131	170,509
Conveyance Expenses	1,050,408	749,967
Vehicles Running & Maintenance	1,706,590	1,771,566
Freight Outward	59,984,618	44,891,290
Bad Debts written-off	659,399	5,532
Auditors Remuneration :-		
Audit Fees	625,000	425,000
Limited Review	100,000	100,000
Taxation Matter	-	-
Director's Sitting Fee	15,000	10,000
Total Administrative Expense (II)	135,658,592	109,162,080
Total Other Expenses (I+II)	605,454,187	507,048,029

28 CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

- a) Gross amount required to be spent by the company during the year ₹ 1,186,000/-
- b) Amount spent during the year on
- i) Construction/ acquisition of any asset NIL
 - ii) On purposes other than i) above 1,104,261

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
29 DISCLOSURE ON SPECIFIED BANK NOTES

Disclosure relating to Specified Bank Notes (SBNs) or other denomination notes during the period of demonitisation pursuant to MCA notification, G.S.R. 308(E), dated March 31, 2017.

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	215,000.00	21,611.95	236,611.95
Add: Permitted receipts	-	1,495,000.00	1,495,000.00
Less: Permitted payments		(1,506,160.00)	(1,506,160.00)
Less: Amount deposited in banks	(215,000.00)	-	(215,000.00)
Closing cash in hand as on December 30, 2016	-	10,451.45	10,451.45

30 SEGMENT REPORTING

The entire operations of the company relates to only one Segment, VIZ. Automobile Components. Hence, as per AS-17 issued by ICAI, there is no reportable Segment

	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹
31 FOREIGN CURRENCY TRANSACTIONS:		
I. CIF Value of Imports :		
a) Plant & Machinery	-	3,397,827
II. Expenditure in Foreign currency		
a) Commission on Export Sales	1,344,091	1,141,258
b) Foreign Travel (Foreign Exchange Utilized)	2,399,519	1,918,908
c) Repair & Maint. (Plant & Mach.)	<u>98,967</u>	<u>152,137</u>
III. Earnings in Foreign Exchange		
*Value of Export on F.O.B. basis	380,347,240	214,048,743
IV Dividend paid in Foreign Currency		
Details of amount remitted during the year in foreign currency on account of dividend		NIL
	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹

32 DEFINED BENEFIT PLANS AS PER AS-15
32.1 GRATUITY

Assumptions		
Discount Rate	7.37%	8.00%
Salary Escalation	6.00%	6.00%

EMPLOYEE BENEFITS
Defined Contribution Plans :-

The Company has recognised INR 12,46,811/- (P.Y. INR 7,32,862) as expense in Statement of Profit & Loss.

Defined Benefit Plans :-

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The following tables summarize the components of net benefit expense recognized in the Statement of Profit & Loss, the funded status and amounts recognized in the balance sheet for the respective plans (as per Actuarial Valuation as on 31st March 2017).

Table showing changes in present value of obligation

Present Value of Obligation as at beginning of Year	13,309,545	12,775,164
Interest Cost	980,913	1,022,013
Current Service Cost	1,037,416	727,434
Benefit Paid	(1,490,726)	(1,266,448)
Actuarial (Gain) / Loss on obligation	319,938	51,382
Present Value of Obligation as at end of Year	14,157,086	13,309,545

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹
Table Showing changes in the Fair Value of Plan Assets		
Fair Value of Plan Assets at Beginning of Year	13,301,804	12,722,480
Expected Return on Plan Assets	1,097,399	1,067,967
Employer Contributions	1,097,740	777,805
FMC Charges	(19,738)	-
Benefit Paid	(1,490,726)	(1,266,448)
Actuarial (Gain) / Loss on Plan Assets	(5,943)	NIL
Fair Value of Plan Assets at end of Year	13,980,536	13,301,804
Table Showing Fair Value of Plan Assets		
Fair Value of Plan Assets at Beginning of Year	13,301,804	12,722,480
Actual Return on Plan Assets	1,091,456	1,067,967
Employer Contributions	1,097,740	777,805
FMC Charges	(19,738)	-
Benefit Paid	(1,490,726)	(1,266,448)
Fair Value of Plan Assets at end of Year	13,980,536	13,301,804
Funded Status	(176,550)	(7,741)
Excess of Actual over estimated return on plan assets	(5,943)	-
Actuarial Gain / Loss recognized		
Actuarial Gain / Loss on obligation	(319,938)	(51,382)
Actuarial Gain / Loss for the year - plan assets	5,943	NIL
Total Gain / Loss for the year	325,881	51,382
Actuarial Gain / Loss recognized in the year	325,881	51,382
Net Assets / (Liability) Recognized in Balance Sheet		
Present value of obligations as at the end of year	14,157,086	13,309,545
Fair value of plan assets as at the end of the year	13,980,536	13,301,804
Fund status	(176,550)	(7,741)
Excess of Actual over estimated return on plan assets	(5,943)	-
Net Assets / (Liability) Recognized in Balance Sheet	(176,550)	(7,741)
Expense Recognized in statement of profit and loss		
Current Service Cost	1,037,416	727,434
Interest Cost	980,913	1,022,013
Expected return on plan assets	(1,097,399)	(1,067,967)
Net Actuarial (Gain) / Loss recognized in the year	325,881	51,382
Expenses recognized in statement of profit and loss	1,246,811	732,862

32.2 LEAVE ENCASHMENT

Following Basis were adopted for the computation of the said liabilities

- Mortality Table : LIC 1994-96 Ultimate
- Suitable adjustment in respect of withdrawals and other Restrictive provisions.
- Future (expected) payment based on terminals salary.

Determined by assuming salary rise of 6% per annum have been discounted by assuming the imputed rate of interest of 8 % per annum

Numbers of Employees	Actuarial Value of Leave Encashment for 31.03.2017	Numbers of Employees	Actuarial Value of Leave Encashment for 31.03.2016
230	2,643,980	217	2,451,701

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹
33 CONTINGENT LIABILITIES AND COMMITMENTS		
CONTINGENT LIABILITIES		
a) Guarantees	800,000	800,000
b) Bills discounted from Kotak Mahindra Bank Ltd with recourse not due for payment	50,788,732	38,422,727
c) Estimated amount of contracts remaining to be executed on capital account and not provided		
Total value of Contracts	30,428,638	149,148,875
Contracts Remaining to be executed	23,503,413	79,780,129

34 RELATED PARTY DISCLOSURE AS PER (AS-18) ISSUED BY ICAI:-

34.1 KEY MANAGERIAL PERSONNEL AND THEIR RELATIVES

Mr. Tarun Talwar	Managing Director (upto 07.06.2016); CEO (upto 01.02.2017)
Mr. Sanjay Sharma	Director
Mr. Vijay Kumar Sharma	Director
Mr. Ankush Jindal	Company Secretary
Mr. Kanwar Pal Pawar	CFO
Mr. Tarun Talwar (HUF)	HUF of Mr. Tarun Talwar
Mr. Rajesh Talwar	Father of Tarun Talwar
Ms. Gita Talwar	Mother of Mr. Tarun Talwar
Ms. Sameena Talwar	Sister of Mr. Tarun Talwar
Ms. Shweta Talwar	Wife of Mr. Tarun Talwar

Name of Person	Nature of Transaction	Transaction Amount		Receivables / (Payables)	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
MR. TARUN TALWAR	SALARY	2,880,000	5,256,000	-	-
MR. SANJAY SHARMA	SALARY	986,100	925,752	(66,192)	-
MR. VIJAY KUMAR SHARMA	SALARY	978,492	918,144	(74,514)	-
MR. ANKUSH JINDAL	SALARY	594,182	535,182	(44,862)	-
MR. KANWAR PAL PAWAR	SALARY	363,148	352,394	(27,144)	-
MR. TARUN TALWAR (HUF)	UNSECURED LOANS RECD.	-	1,000,000	(230,000)	(230,000)
	INTT. ON LOAN	28,751	98,098	-	-
	UNSECURED LOAN REPAID	-	1,000,000	-	-
MR. RAJESH TALWAR	SALARY	3,000,000	3,000,000	(166,800)	-
	UNSECURED LOANS RECD.	12,500,000	10,800,000	-	-
	UNSECURED LOANS REPAID	12,500,000	10,800,000	-	-
	INTT. ON LOAN	606,336	924,760	-	-
MS. GITA TALWAR	UNSECURED LOANS RECD.	60,700,000	21,200,000	-	(23,800,000)
	UNSECURED LOANS REPAID	60,700,000	20,700,000	-	-
	INTT. ON LOAN	2,328,390	4,164,013	-	-
MS. SAMEENA TALWAR	UNSECURED LOANS RECD.	700,000	1,010,000	(850,000)	(350,000)
	UNSECURED LOANS REPAID	200,000	9,015,000	-	-
	INTT. ON LOAN	95,600	554,381	-	-
	SALARY	2,216,800	350,000	(112,715)	-
MS. SHWETA TALWAR	UNSECURED LOANS RECD.	-	3,600,000	(3,600,000)	(3,600,000)
	INTT. ON LOAN	449,996.00	175,683	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

34.2 ENTERPRISES OVER WHICH KEY MANAGERIAL PERSONNEL AND THEIR RELATIVES HAVING SIGNIFICANT INFLUENCE

Name of Person	Nature of Transaction	Transaction Amount		Receivables / (Payables)	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
J.T.Engineering Private Limited.	Job Work Charges Paid	3,023,879	3,105,215	(2,415,706)	(1,137,793)

35 ASSETS TAKEN ON OPERATING LEASE AS PER AS-19

- a) The Company has taken industrial shed on non-cancellable operating lease. Minimum lease payments of INR 9,41,250/- is charged to Profit & Loss during the year.
- b) Future commitments in respect of minimum lease payments payable in respect of aforesaid lease entered by the company are as follows:

Particulars	As at 31.03.2017
Not later than one year	988312
Later than one year and not later than five years	3367159
Later than five years	0

36 EARNING PER SHARE

Earning per Share computed in accordance with Accounting Standard (AS-20)

	For the Year Ended 31st March, 2017 ₹	For the Year Ended 31st March, 2016 ₹
a) Numerator		
Net profit after taxation as per Statement of Profit and Loss	69,916,577	33,654,936
b) Denominator		
No. of Shares at the beginning of the year	2,538,252	2,538,252
Total Equity shares outstanding at the end of the year	2,538,252	2,538,252
Weighted Average no of Equity shares for the year	2,538,252	2,538,252
Weighted Average of Diluted Equity shares for the year	2,538,252	2,538,252
c) Face value per Share (₹)	10	10
d) Earning Per Share		
Basic and Diluted (₹) (Restated)	27.55	13.26

37 LICENSED AND INSTALLED CAPACITY

	Axles Shafts (Nos.)	Axles Shafts (Nos.)
Licensed Capacity	N.A.	N.A.
Installed Capacity Per Annum (As certified by the Management and relied upon by the Auditors being a technical matter)	1,300,000	1,300,000
Actual Production	1,312,872	1,215,653

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

38 TURNOVER, PURCHASE, OPENING AND CLOSING STOCK OF GOODS, CONSUMPTION ETC.

TURNOVER	Units	For the Year Ended 31st March, 2017		For the Year Ended 31st March, 2016	
		Quantity	Value	Quantity	Value
Finished Good					
Axle Shafts	Nos.	1,313,766	1,732,751,870	1,215,689	1,514,488,516
Scrap and Others	Kgs	1,947,092	30,593,196	1,506,454	26,263,212
Total			1,763,345,066		1,540,751,728
STOCKS OF GOODS					
Opening Stock:					
Axle Shafts	Nos.	1,092	803,146	1,128	1,151,841
Closing Stock:					
Axle Shafts	Nos.	198	179,920	1,092	803,146

39 CONSUMPTION ANALYSIS

39.1 CONSUMPTION OF RAW MATERIAL AND COMPONENTS:-

Units(kgs.)	For the Year Ended 31st March, 2017		For the Year Ended 31st March, 2016	
	Quantity	Value	Quantity	Value
Metallic Rods	17,746,305	727,682,023	15,953,144	690,141,150
Indigenous	100%	727,682,023	100%	690,141,150
Total	100%	727,682,023	100%	690,141,150

39.2 COMPOSITIONS OF STORES, SPARES AND TOOLS CONSUMED:-

	Quantity	Value	Quantity	Value
Indigenous	100%	196,375,401	100%	152,415,227
Total	100%	196,375,401	100%	152,415,227

40 In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.

41 Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

42 All amounts in the financial statements are rounded off to the nearest of Rupee, except as otherwise stated.

43 Current year figures are shown in bold prints

As per our report of even date
For **Rakesh Raj & Associates**
Chartered Accountants
Firm Regn. No. 005145N

For and on behalf of the Board of Directors of
TALBROS ENGINEERING LIMITED

Sd/-
Ruchi Jain
Partner
Membership No: 99920

Sd/-
Vijay Kumar Sharma
Executive Director
DIN : 06394784

Sd/-
Sanjay Sharma
Executive Director
DIN : 06394774

Sd/-
Ankush Jindal
Company Secretary
M.No. : A26017

Sd/-
Kanwar Pal Pawar
Chief Financial Officer

Place : Faridabad
Date : 29.05.2017



TALBROS ENGINEERING LIMITED

CIN No.: L74210HR1986PLC033018

Regd. Office: Plot No. 74-75-76, Sector 6, Faridabad, Haryana – 121 006

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