

TITAN TIMEPRODUCTS LIMITED

TWENTYFIRST ANNUAL REPORT 2011-12

Directors

Dr. C G Krishnadas Nair, Chairman
Mr. Bhaskar Bhat
Mr. V Parthasarathy
Mr. N Kailasanathan
Mr. H G Raghunath (from 27th April 2012)

Bankers

Canara Bank
Standard Chartered Bank

Auditors

Deloitte Haskins & Sells

Registered Office

L-15, Verna Industrial Estate
Verna, Salcette - 403 722
Goa

TITAN TIMEPRODUCTS LIMITED

NOTICE

The Twentyfirst Annual General Meeting of Titan TimeProducts Limited will be held at the Registered Office of the Company, at L-15, Verna Industrial Estate, Verna, Salcette - 403 722, Goa, on Wednesday, 18th July 2012 at 12:00 Noon to transact the following business:

1. To receive and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31st March 2012 and the Balance Sheet as at that date together with the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Bhaskar Bhat, who retires by rotation and is eligible for re appointment.
3. To appoint a Director in place of Mr. V Parthasarathy, who retires by rotation and is eligible for re appointment.
4. To appoint Auditors and in this regard to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

“RESOLVED that M/s. Deloitte Haskins & Sells (ICAI registration number 008072S), Chartered Accountants, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, to audit the accounts of the Company for the financial year 2012-13 on such remuneration and out of pocket expenses as may be decided by the Board of Directors.”

Special Business:

1. To appoint a Director in place of Mr. H G Raghunath, who holds office upto the date of this Annual General Meeting in terms of section 260 of the Companies Act, 1956, read with article 117 of the Articles of Association of the Company, who being eligible, offers himself for reappointment and in respect of whom the Company has received a valid nomination in writing from a Member proposing his candidature for the office of Director.

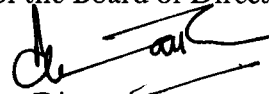


NOTE:

- a) The relative Explanatory Statements pursuant to section 173 of the Companies Act, 1956, in respect of the item no.1 under *Special Business* set out above is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY MAY NOT VOTE EXCEPT ON A POLL.

Registered Office:
L-15, Verna Industrial Estate
Verna, Salcette - 403 722
Goa

On behalf of the Board of Directors,



Director

Date: 27th April 2012

Annexure to Notice

1. As required by section 173 of the Companies Act, 1956, the following explanatory statement sets out all material facts relating to the business mentioned under item no.1 of the Special Business of the accompanying Notice dated 27th April 2012:

Item No.1 under *Special Business*: Mr. H G Raghunath was appointed as an Additional Director of the Company on 27th April 2012, by the Board of Directors. In terms of section 260 of the Companies Act, 1956, read with article 117 of the Articles of Association of the Company, Mr. H G Raghunath holds office as a Director till the date of the ensuing Annual General Meeting of the Company, but is eligible for appointment. Notice under section 257 of the Companies Act, 1956, along with the requisite deposit of Rs.500/- have been received from a Shareholder of the Company signifying intention of proposing Mr. H G Raghunath as a candidate for the office of Director.

Mr. H G Raghunath is the Chief Operating Officer of Watch & Accessories Division, Titan Industries Limited. The Board considers it desirable that the Company continues to avail of the services and wise counsel of Mr. H G Raghunath and accordingly the Directors recommend that he be appointed as a Director of the Company.

Other than Mr. H G Raghunath, none of the other Directors are in any way, concerned or interested in this resolution.

Registered Office:

L-15, Verna Industrial Estate
Verna, Salcette - 403 722
Goa

On behalf of the Board of Directors,



Director

Date: 27th April 2012

Directors' Report

To the Members of Titan TimeProducts Limited

The Directors are pleased to present the Twenty First Annual Report and Audited Statement of Accounts for the year ended 31st March 2012.

Financial Results

	2011-2012	2010-2011
Income	2590.54	2290.54
Expenditure	2369.37	2108.70
Profit before depreciation and interest	221.17	181.84
Depreciation/ Amortisation	71.97	62.93
Interest	3.27	2.92
	-----	-----
Profit before tax	145.93	115.99
Tax	42.99	43.37
	-----	-----
Profit after tax	102.94	72.62
Profit brought forward	443.97	371.36
	-----	-----
Amount available for appropriation	546.91	443.97
	-----	-----
Appropriations :		
Dividend on equity shares	--	--
Tax on dividend	--	--
Balance carried to balance sheet	546.91	443.97
	-----	-----
Total	546.91	443.97
	-----	-----

Dividend

In order to conserve the resources of the Company, your Directors do not recommend the payment of an equity dividend.

Manufacturing

During the year under review, your Company produced a total of 90,13,735 Nos. (Previous Year: 85,22,403 Nos.) Electronic Circuit Boards and Micro Assemblies. This includes the highest ever production of Watch circuit boards to the tune of 75,37,801 Nos. within the given resources and infrastructure.

Sales

During the year 2011-2012, your Company sold a total of 89,98,418 Nos. (Previous Year: 85,23,923 Nos.) Electronic Circuit Boards and Micro Assemblies. Net sales income of ECBs during the year was Rs.2542.65 lakhs (Previous Year: Rs. 2263.50 lakhs). Your Company met the entire requirement of Titan Industries Limited, as well as the committed numbers to the external customers. The quality, delivery and competitive price of the products continue to be well received.

Prospects

The Company continues to be one of the major suppliers of ECBs to Titan Industries. It has made continuous efforts to improve the quality of the product, simultaneously aligning to the varying market demands.

The Company has been able to grow its external business of electronics manufacturing services significantly by generating business opportunities in automotive, industrial control, power electronics, telecom, and recently from the green energy sectors.

About Rs.1084.14 lakhs of the revenue in the current fiscal has come from sale to these external customers, who have acknowledged the company's efforts on its ability to meet their stringent quality requirements.

The Company has earned a considerable goodwill in a span of six years and considered as an emerging player in the Indian electronic manufacturing services industry.

Technological Development

The Company has been steering through successfully high-mix low-volume manufacturing and has developed more than 45 new products of varying complexities during the year for both the domestic and overseas customers.

The company continues its efforts in terms of indigenization of several input materials including PCBs, inductors, fixtures and pallets, thus saving on the foreign currency outgo.

The Company has made significant efforts towards sustaining the Quality Management System and thus won the confidence of many a customer. The company's quality

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management system continued to be accredited to ISO 9001 and TS 16949 standards during the year.

Directors

Mr. Bhaskar Bhat and Mr. V Parthasarathy will retire by rotation and are eligible for reappointment. Mr. H G Raghunath's appointment as Director will come up for approval by the shareholders at the Annual General Meeting.

In accordance with the policy of the Holding Company, Mr. Xerxes Desai submitted his resignation upon attaining the age of 75 years on 19th March 2012.

Your Directors place on record their deep gratitude and appreciation for the guidance, wise counsel given by Mr. Xerxes Desai during his tenure as Director of the Company.


Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representations received from the operating management, confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
2. They have in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year, and of the profit of the company for that period;
3. They have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. They have prepared the annual accounts on a going concern basis.

Employees

Cordial industrial relations are maintained at all levels. The employees are being retrained to match the quality and workmanship levels as demanded by the external customers. The Company has seen sustained participation of employees in various continuous improvement projects, and productivity improvement projects. The Company has progressed well in terms of the recognition schemes, such as Moment of Fames to reward creditable contributions by employees.

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The company has made good efforts in implementing the Systems as per the requirements of OHSAS 18001: 2007 standards, and has been recommended for certification by third party auditors during the year. The implementation of the System is likely to further reinforce and strengthen our approaches and efforts in the areas of employees' safety, occupational risk hazards, and statutory compliance requirements.

Subsidiary Companies

The Company has no subsidiaries.

Particulars of Employees

The Company does not have any employee in respect of whom information is required to be provided under section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Section 217 (1) (e) of the Companies Act, 1956

In accordance with the provisions of section 217 (1) (e) of the Companies Act, 1956, the required information relating to "Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo" is annexed.

Secretarial Compliance Certificate

In accordance with the requirement of Section 383A of the Companies Act, 1956, the Certificate from a Practising Company Secretary is enclosed certifying Secretarial Compliance in respect of the Company for the year ended March 31, 2012.

Auditors


Members will be requested at the Annual General Meeting to authorize the Board of Directors to re-appoint M/s. Deloitte Haskins & Sells (ICAI registration number 008072S), Chartered Accountants, as the auditors for the financial year 2012-13, on such remuneration and out of pocket expenses as may be decided by the Board of Directors.

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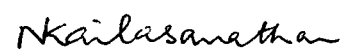
Acknowledgements

Your Directors are pleased to record their appreciation of the support received from Titan Industries Limited, Departments of the Government of Goa, the Company's Bankers and the employees and Management of the Company.

On behalf of the Board of Directors,



Director



Director

Bangalore, 27th April 2012

Annexure to the Directors' Report

(Additional information given in terms of Notification 1029 of 31.12.1988 issued by the Department of Company affairs)

A. Conservation of Energy

The average power factor achieved during the year was 0.99 against the minimum requirement of 0.95, which makes the company eligible for a nominal bonus from the distribution board.

B. Technology Absorption

The Company has acquired capabilities of assembling high-density circuit boards with Surface-mount, and through-hole technologies. The company has also been able to develop, and install customer specific testing equipment matching their varied needs. The team through its internal efforts has successfully demonstrated the precision joining technique of Ball Grid Array Soldering, and associated rework methodologies.

C. Foreign exchange earned and used

The Company has used foreign exchange worth Rs.953.47 lakhs (previous year: Rs. 966.93 lakhs) and earned Rs.182.04 lakhs (previous year: Rs. 139.46 lakhs).

On behalf of the Board of Directors,



Director

Nāilasanathan
Director

Bangalore, 27th April 2012

SECRETARIAL COMPLIANCE CERTIFICATE

Company Registration No. : **U33301GA1991PLC001148**
Nominal Capital : **Rs. 30,000,000.00**

To:

**THE MEMBERS,
TITAN TIME PRODUCTS LIMITED,
L-15, ELECTRONIC CITY,
VERNA, SALCETE,
GOA**

I have examined the registers, records, books and papers of **M/s. TITAN TIME PRODUCTS LIMITED** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its Officers and Agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all the Registers as stated in the "**Annexure A**" to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded;
2. The Company has duly filed the forms and returns as stated in the "**Annexure B**" to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other Authorities within the time prescribed under the Act and the rules made thereof;
3. The Company being a Public Limited Company, comments are not required;
4. The Board of Directors duly met 5 (five) times on 19.04.2011, 20.07.2011, 17.10.2011, 28.01.2012 and on 12.03.2012, in respect of which meetings proper notices were given as per the Articles Of Association of the Company and the proceedings were properly recorded and signed including the circular resolution dated 01.07.2011 passed in the Minutes Book maintained for the purpose;
5. The Company has not closed its Register of Members during the year under review;
6. The Annual General Meeting for the financial year ended on March 31, 2011 was held on 20.07.2011, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes book maintained for the purpose;

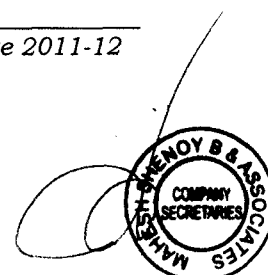
TITAN TIME PRODUCTS LIMITED

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Secretarial Compliance Certificate 2011-12



7. One extra ordinary general meeting of the Members of the Company was held during the financial year on 28th January, 2012 after giving due notices to the members of the Company and the resolutions passed there at were duly recorded in the minutes book maintained for the purpose;
8. During the year under review, the Company has not advanced any loans to its Directors and/or persons or firms or companies referred to under Section 295 of the Act;
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of the contracts specified in that section;
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act;
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Government;
12. During the year under scrutiny, no duplicate share certificates were issued;
13. The Company:
 - a. Has not allotted any shares during the financial year. However, shares were lodged for transfer in accordance with the provisions of the Act;
 - b. Was not required to deposit the dividend in a separate Bank account as no dividend was declared during the financial year;
 - c. As the Company has not paid any dividend for the period, no question of unpaid/unclaimed dividend would arise;
 - d. There are no dividend remained unpaid/unclaimed for more than seven years;
 - e. Has duly complied with the provisions of Section 217 of the Companies Act.
14. The Board of Directors of the Company is duly constituted and during the year one additional director was appointed during the financial year under review;
15. The Company has not appointed/re-appointed any Managing Director/Whole Time Director/ Manager during the financial year under review;
16. The Company has not appointed any sole selling agents during the financial year;
17. The Company was not required to obtain any approval from the Central Government, Company Law Board, Regional Director, Registrar of such other Authorities prescribed under the various provisions of the Act during the financial year under review;



18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder;
19. The Company has not issued any shares/debentures or other securities during the financial year under review;
20. The Company has not bought back any shares during the financial year ending March 31, 2012;
21. The Company was not required to redeem any preference shares/debenture during the year under review;
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividends, right shares and bonus shares pending registration of transfer of shares during the financial year;
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the financial year;
24. The Company has not borrowed any loans during the financial year under review under the provisions of Section 293(1)(d) of the Act;
25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate during the financial year under review;
26. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Company's Registered Office from one state to another during the year under scrutiny;
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny;
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the year under scrutiny;
29. The Company has altered the provisions of the Memorandum of Association with respect to Share capital of the Company during the year under scrutiny and has duly complied with the provisions of the Act;
30. The Company has altered its Articles of Association during the year under scrutiny and has duly complied with the provisions of the Act ;
31. There were no show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act;



32. The Company has not received any security from its employees which attracts the provisions of section 417(1) of the Act during the year under scrutiny;
33. The Company has not created any trust as defined in Section 418 of the Act. Hence, the said section is not applicable.

Place: Bangalore

Date: 12.04.2012

Signature:

Name of Company Secretary:
CS B. Mahesh Shenoy
CP No.4262



"ANNEXURE A"

List of Registers maintained by the Company:

1. Register of Charges u/s. 143;
2. Register of Members u/s.150;
3. Register and Returns u/s. 163;
4. Minutes of Board and General Body Meetings u/s.193;
5. Register of contracts u/s. 301;
6. Register of Directors, Managing Director etc, u/s 303;
7. Register of Directors Shareholdings u/s.307;
8. Directors Attendance Register and Shareholders Attendance Register;

"ANNEXURE B"

Forms filed with the Registrar of Companies, CLB, Regional Director etc:

1. Forms and returns as filed by the Company with the ROC during the financial year:

Sl.No	Form /Return	Filed under Section	For	Date of filing/ Registration	Whether filed within prescribed time Y/N	If delay in filing, whether requisite additional fees paid Y/N
1	Form 23AC Form 23ACA	220	Filing of Annual Report for the Financial year ended 31.03.2011 etc. laid before the AGM held on 20.07.2011	23/11/2011	Y	N
2	Form 66	383A	Secretarial Compliance Certificate for the Financial year ended 31.03.2011	02/08/2011	Y	N
3	Form 20B	159	Filing of Annual Return as per Schedule V made upto 20.07.2011	30/08/2011	Y	N
4	Form 5	95	Reclassification of redeemable cumulative preference shares into equity shares	21/02/2012	Y	N
5	Form 23	192	Registration of special resolution altering articles and memorandum of association	21/02/2012	Y	N
6	Form 23	192	Registration of special resolution altering articles and memorandum of association	21/02/2012	Y	N
7	Form 32	260 & 303(2)	Appointment of additional director and resignation of director	12/05/2011	Y	N
8	Form 32	303(2)	Regularization of Director	03/08/2011	Y	N
9	Form 32	303(2)	Retirement of Director	26/03/2012	Y	N

2. Forms filed with the Regional Director, Central Government, Company Law Board or other Authorities: **--NIL--**



AUDITORS' REPORT TO THE MEMBERS OF TITAN TIMEPRODUCTS LIMITED

1. We have audited the attached Balance Sheet of **TITAN TIMEPRODUCTS LIMITED** ("the Company") as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the 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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;

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- (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.008072S)



V. Srikumar
Partner
(Membership No. 84494)

BANGALORE, 27 April, 2012

Deloitte Haskins & Sells

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business/ activities/ result, clauses (iii) (b) to (d), (iii) (f), (iii) (g), (vi), (xii), (xiii), (xiv), (xvi), (xix) and (xx) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.

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- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased/ sold are of a special nature for which comparable alternative quotations/ prices are not available, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party and having regard to our comments in paragraph (v) above, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amount payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2012 for a period of more than six months from the date they became payable.

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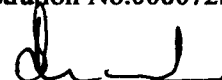
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- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2012 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where Dispute is pending
Income-tax Act, 1961	Income tax	6.96	2008-2009	Commissioner of Income Tax (Appeals)
		8.65	2009-2010	Commissioner of Income Tax (Appeals)

- (x) The Company neither has accumulated losses at the end of the financial year nor has incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not taken any loans from banks or financial institutions or has not issued any debentures.
- (xii) In our opinion and according to the information and explanation given to us, the Company has not given any guarantees during the year for loans taken by others from banks or financial institutions.
- (xiii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xiv) According to the information and explanation given to us, the Company has not made any preferential allotment to parties and companies covered in the register maintained under Section 301.
- (xv) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.008072S)



V. Srikumar
Partner

(Membership No. 84494)

BANGALORE, 27 April, 2012

TITAN TIMEPRODUCTS LIMITED

Balance Sheet as at 31st March 2012

Particulars	Note No.	As at 31-03-2012 ₹	As at 31-03-2011 ₹
EQUITY AND LIABILITIES			
1. Shareholders' funds			
a) Share capital	2.1	19,000,000	19,000,000
b) Reserves and surplus	2.2	58,617,809	48,324,258
		<u>77,617,809</u>	<u>67,324,258</u>
2. Non-current liabilities			
a) Deferred tax liabilities (net)	3.1	2,772,341	5,497,547
b) Other long-term liabilities	3.2	110,355	852,176
c) Long-term provisions	3.3	17,743,021	12,475,639
		<u>20,625,717</u>	<u>18,825,362</u>
3. Current liabilities			
a) Short-term borrowings	4.1	-	4,977,377
b) Trade payables	4.2	33,167,080	33,976,365
c) Other current liabilities	4.3	3,408,935	4,544,930
d) Short-term provisions	4.4	823,969	824,808
		<u>37,399,984</u>	<u>44,323,480</u>
TOTAL		<u>135,643,510</u>	<u>130,473,100</u>
ASSETS			
1. Non-current assets			
a) Fixed assets			
Tangible assets	5	52,912,525	53,508,783
b) Long-term loans and advances	6	2,316,505	332,695
2. Current assets			
a) Inventories	7.1	25,581,959	23,912,266
b) Trade receivables	7.2	32,301,516	39,765,199
c) Cash and bank balances	7.3	15,442,018	879,818
d) Short-term loans and advances	7.4	6,861,995	12,074,339
e) Other current assets		226,992	-
		<u>80,414,480</u>	<u>76,631,622</u>
TOTAL		<u>135,643,510</u>	<u>130,473,100</u>

See accompanying notes forming part of the financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants



V. Srikumar
Partner

For and on behalf of the Board of Directors



Bhaskar Bhat
Director



N. Kailasanathan
Director

Place : Bangalore

Date : 27-April-2012



TITAN TIMEPRODUCTS LIMITED

Statement of profit and loss for the year ended 31st March 2012

Particulars	Note No.	Current Year	Previous Year
		₹	₹
I. Revenue from operations (gross)	8.1	281,096,706	247,226,053
Less: Excise duty		22,375,136	19,314,206
Revenue from operations (net)		258,721,570	227,911,847
II. Other income	8.2	333,121	1,141,889
III. Total Revenue (I + II)		259,054,691	229,053,736
IV. Expenses			
a) Cost of materials consumed		135,759,511	126,212,679
b) Changes in inventories of finished goods and work-in-progress	9	(47,979)	(1,627,705)
c) Employee benefits expense	10	54,053,008	43,842,162
d) Finance costs	11	327,228	291,994
e) Depreciation and amortization expense	5	7,197,018	6,292,977
f) Other expenses	12	47,173,560	42,443,299
Total expenses		244,462,346	217,455,406
V. Profit before tax (III - IV)		14,592,345	11,598,330
VI. Tax expense			
a) Current tax		7,024,000	4,800,000
b) Deferred tax		(2,725,206)	(463,229)
		4,298,794	4,336,771
VII. Profit for the year (V - VI)		10,293,551	7,261,559
VIII. Earning per equity share of ₹10 each:			
Basic and diluted (₹)	19	5.42	3.82

See accompanying notes forming part of the financial statements.
in terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants



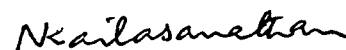
V. Srikumar
Partner

Place : Bangalore
Date : 27- April-2012

For and on behalf of the Board of Directors



Bhaskar Bhat
Director



N. Kailasanathan
Director



TITAN TIMEPRODUCTS LIMITED

Cash flow statement for the year ended 31st March 2012

Particulars	Current Year ₹	Previous Year ₹
A. Cash flow from operating activities		
Net profit before tax	14,592,345	11,598,330
Adjustments for:		
- Depreciation	7,197,018	6,292,977
- Unrealised exchange difference (net)	(266,401)	232,669
- Loss on assets sold/discarded	940,596	483,071
- Interest income	(333,121)	(40,072)
- Interest expense	327,228	291,994
- Liabilities no longer required written back	-	(324,922)
- Bad debts written-off	-	614,056
- Deposits written-off	-	152,199
- Provision for doubtful debts and advances	486,895	-
Operating profit before working capital changes	22,944,560	19,300,302
Adjustments for:		
- (Increase)/decrease in inventories	(1,669,693)	(9,922,993)
- (Increase)/decrease in trade receivables	7,682,357	(23,164,001)
- (Increase)/decrease in loans and advances	5,228,020	(1,268,936)
- Increase/(decrease) in liabilities and provisions	3,341,292	27,610,045
Cash generated from operations	37,526,536	12,554,417
- Direct taxes paid	(7,278,090)	(4,427,120)
Net cash from operating activities	A 30,248,446	8,127,297
B. Cash flow from Investing activities		
- Addition to fixed assets (including capital work-in-progress and capital advance)	(10,457,498)	(8,616,946)
- Proceeds from sale of fixed assets	-	53,037
- Fixed deposits with original maturity of more than 3 months	(9,500,000)	-
- Interest received	106,128	40,072
Net cash used in investing activities	B (19,851,370)	(8,523,837)
C. Cash flow from financing activities		
Proceeds/ (repayment) of borrowings	(4,977,377)	1,213,124
Interest paid	(327,228)	(291,994)
Net cash from/ (used in) financing activities	C (5,304,605)	921,130
Net cash flows during the year (A+B+C)	6,092,471	524,590
Cash and cash equivalents (opening balance)	879,818	352,520
Cash and cash equivalents (closing balance)	5,942,018	879,818
Exchange difference on translation of foreign currency cash and cash Equivalents	30,271	(2,708)
Increase in cash and cash equivalents	5,092,471	524,590

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

V. Sri Kumar
Partner

Place : Bangalore
Date : 27- April-2012

For and on behalf of the Board of Directors

Bhaskar Bhat
Director

N. Kailasanathan
Director



TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

1 Significant Accounting policies:

The financial statements have been prepared on an accrual basis under the historical cost convention in accordance with the accounting principles generally accepted in India and materially comply with the mandatory Accounting Standards notified by the Central Government of India under The Companies (Accounting Standards) Rules, 2006 (as amended) and with the relevant provisions of the Companies Act, 1956.

The revised Schedule VI notified under the Companies Act, 1956, for preparation and presentation of financial statements has become applicable to the Company for the year ended March 31, 2012. The adoption of revised Schedule VI does not impact the recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on the presentation and disclosure of the financial statements. The Company has also reclassified the prior year figures in accordance with the requirements applicable for the current year.

- i. Use of estimates: The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.
- ii. Revenue recognition: Revenue from sale of goods is recognised when the substantial risks and rewards of ownership are transferred to the buyer which generally coincides when the goods are dispatched from the factory or delivered to customers as per the terms of the contract.
- iii. Tangible fixed assets: All fixed assets are stated at cost less accumulated depreciation. Cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use.
Capital work-in-progress comprises the cost of fixed assets that are not ready for their intended use at the balance sheet date.
- iv. Depreciation: Depreciation has been provided on the straight-line method in accordance with the rates prescribed by the Schedule XIV to the Companies Act, 1956.
- v. Foreign currency transactions: Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Foreign exchange rate fluctuations relating to monetary assets and liabilities (including those relating to integral foreign operations) are restated at year end rates or forward cover rates, as applicable. The net loss or gain arising on restatement/ settlement is adjusted to the statement of profit and loss.

In respect of forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss of the reporting period in which the exchange rates change.
- vi. Inventories: Inventories are valued at lower of cost and net realisable value. The cost of various categories of inventory is determined as follows:
 - a) Consumable stores, loose tools, raw materials and components are valued on a moving weighted average rate.
 - b) Work-in-progress and manufactured goods are valued on full absorption cost method based on the average cost of production.
- vii. Employee Benefits:

Short term employee benefits

All short term employee benefits such as salaries, wages, bonus, special awards, medical benefits which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

Defined Contribution plan

Provident fund and Pension fund are defined contribution plans towards which the Company makes contribution at permitted rates to the Regional Provident Fund Commissioner. The same is debited to Profit and Loss Account on an accrual basis.

Defined Benefit Plan

Provision for gratuity and leave salary is made on the basis of an actuarial valuation using the Project Unit Credit method and is debited to the Profit and Loss Account on an accrual basis.
- viii. Taxes on Income: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- ix. Impairment of assets: Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the assets/ cash generating units. If any indication exists, an impairment loss is recognized when the carrying amount exceeds the greater of net selling price and value in use.
- x. Provisions and Contingencies: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes.
Contingent Assets are neither recognised nor disclosed in the financial statements.
- xi. Government grants: State investment subsidy is treated as Capital Reserve.
- xii. Cash and cash equivalents for cash flow statement comprise of cash at bank and in hand and short-term investments with original maturity period of 3 months or less.



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TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

2.1 i) Share capital

	As at 31-03-2012		As at 31-03-2011	
	No. of shares	₹	No. of shares	₹
i) Authorised share capital				
Equity share of ₹ 10 (2011: ₹ 10) each	3,000,000	30,000,000	2,000,000	20,000,000
Redeemable Cumulative preference shares of ₹ 10 each	-	-	1,000,000	10,000,000
ii) Issued, Subscribed and fully paid up share capital				
Equity share of ₹ 10 (2011: ₹ 10) each fully paid up	1,900,000	19,000,000	1,900,000	19,000,000

ii) Rights of Shareholders:

The Company has only one class of Equity Shareholders. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

iii) Reconciliation of shares outstanding at the beginning and end of the year

Sl. No.	Particulars	As at 31-03-2012		As at 31-03-2011	
		No.'s	₹	No.'s	₹
(i)	Equity Share Capital				
	Shares outstanding at the beginning of the year	1,900,000	19,000,000	1,900,000	19,000,000
(ii)	Add: Issued during the year	-	-	-	-
(iii)	Shares outstanding at the end of the year	1,900,000	19,000,000	1,900,000	19,000,000

iv) Share holders holding more than 5% shares in the Company.

Name	As at 31-03-2012		As at 31-03-2011	
	No. of shares held	% total holding	No. of shares held	% total holding
Titan Industries Limited (Holding Company) and its nominees	1,900,000	100	1,900,000	100

2.2 Reserves and surplus

Sl. No.	Particulars	As at	As at
		31-03-2012	31-03-2011
		₹	₹
(i)	Capital Reserve	2,500,000	2,500,000
(ii)	Capital Redemption Reserve	1,000,000	1,000,000
(iii)	General Reserves	427,000	427,000
(iv)	Surplus in statement of profit and loss		
	Opening balance	44,397,258	37,135,699
	Add: Profit for the year	10,293,551	7,261,559
	Closing balance	54,690,809	44,397,258
		58,617,809	48,324,258

W, K, N



TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

3.1 The details of deferred tax asset/(liability) are as under:

Particulars	As at 31-03-2011 ₹	Tax effect for the year	As at 31-03-2012 ₹
Deferred Tax Liability			
Fixed Assets	(9,812,877)	858,503	(8,954,374)
Sub Total	(9,812,877)	858,503	(8,954,374)
Deferred Tax Asset			
Provision for leave salary/gratuity	4,315,330	1,708,730	6,024,060
Provision for doubtful debts and advances	-	157,973	157,973
Sub Total	4,315,330	1,866,703	6,182,033
Net Deferred Tax Asset / (Liability)	(5,497,547)	2,725,206	(2,772,341)

3.2 Other long-term liabilities

Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
Payables on purchase of fixed assets	110,355	852,176
	110,355	852,176

3.3 Long-term provisions

Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
Provision for employee benefits (Refer note: 18)		
- Retiring gratuities	11,500,881	8,234,599
- Leave salaries	6,242,140	4,241,040
	17,743,021	12,475,639

4.1 Short-term borrowings

Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
Loans repayable on demand		
- from banks - Secured*	-	4,977,377
	-	4,977,377

* Cash credit account secured by hypothecation of inventories, spares and book debts both present and future.

4.2 There are no micro and small enterprises to whom the Company owes dues which are outstanding as at the balance sheet date. The above information have been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

4.3 Other current liabilities

Sl. No.	Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
(i)	Advances from customers	2,099,602	3,089,105
(ii)	Statutory dues	1,172,063	1,091,832
(iii)	Earnest money deposit	131,270	86,704
(iv)	Others	6,000	277,289
		3,408,935	4,544,930



W, A, N

TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

4.4 Short-term provisions

Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
Provision for employee benefits (Refer note: 18)		
- Retiring gratuities	355,898	530,436
- Leave salaries	468,071	294,372
	823,969	824,808

5 Tangible assets

(i) Gross block

Particulars	Cost as at 01-04-2011 ₹	Additions ₹	Deductions ₹	Cost as at 31-03-2012 ₹
Land - Leasehold	1,535,820	-	-	1,535,820
Buildings	21,632,896	430,663	-	22,063,559
Plant and equipment	101,302,503	4,846,392	4,601,235	101,547,660
Office equipment	4,050,103	1,653,384	251,872	5,451,615
Furniture and fixtures	3,072,259	559,365	45,032	3,586,592
Vehicles	2,031,142	51,552	293,272	1,789,422
TOTAL	133,624,723	7,541,356	5,191,411	135,974,668
Previous Year	130,710,019	8,799,162	5,884,458	133,624,723

(ii) Depreciation and net block

Particulars	Depreciation			Net block		
	Up to 31-03-2011 ₹	For the year ₹	On Deductions ₹	As at 31-03-2012 ₹	As at 31-03-2012 ₹	As at 31-03-2011 ₹
Land - Leasehold	968,420	51,194	-	1,019,614	516,206	567,400
Buildings	10,708,633	730,104	-	11,438,737	10,624,822	10,924,263
Plant and Equipment	64,131,429	5,774,805	3,937,852	65,968,382	35,579,278	37,171,074
Office equipment	1,403,434	238,986	78,499	1,563,921	3,887,694	2,646,669
Furniture and fixtures	2,389,737	206,114	41,870	2,553,981	1,032,611	682,522
Vehicles	514,287	195,815	192,594	517,508	1,271,914	1,516,855
TOTAL	80,115,940	7,197,018	4,250,815	83,062,143	52,912,525	53,508,783
Previous Year	79,171,313	6,292,977	5,348,350	80,115,940		53,508,783

6 Long-term loans and advances

(Unsecured and considered good unless otherwise stated)

Sl. No.	Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
(i)	Capital advances	2,360,321	186,000
	Less: Provision for doubtful advances	206,832	-
		2,153,489	186,000
(ii)	Security deposits	90,726	90,726
(iii)	Employee loans	72,290	55,969
		2,316,505	332,695

7.1 Inventories

Sl. No.	Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
(i)	Raw materials		
	- In Stock	17,653,782	17,562,903
	- Goods-in-transit	3,630,788	2,530,195
(ii)	Work-in-progress (Electronic Circuit Boards and Micro Assemblies)	1,812,010	2,272,081
(iii)	Finished goods	571,048	62,998
(iv)	Stores and spares	1,914,331	1,484,089
		25,581,959	23,912,266



W. A. N.C.

TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

7.2 Trade receivables

(Unsecured and considered good unless otherwise stated)

Sl. No.	Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
(i)	Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	- Considered good	301,761	1,119,287
	- Considered doubtful	57,970	-
		359,731	1,119,287
	Less: Provision for doubtful debts	57,970	-
		301,761	1,119,287
(ii)	Other trade receivables	31,999,755	38,645,912
		32,301,516	39,765,199

7.3 Cash and Bank Balances

Sl. No.	Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
(i)	Cash and Cash equivalents		
	- Cash on hand	15,952	30,452
	- Balance with banks		
	In current accounts	2,780,064	830,910
	In EEFC account	10,101	18,456
	In overdraft accounts	135,901	-
	In deposit accounts	3,000,000	-
		5,942,018.00	879,818.00
(ii)	Others		
	- Deposits with maturity for more than 3 months	9,500,000	-
		15,442,018	879,818

7.4 Short-term loans and advances

(Unsecured and considered good unless otherwise stated)

Sl. No.	Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
(i)	Employee Loans	255,322	286,078
(ii)	Advances to suppliers	662,834	3,819,516
	Less: Provision for doubtful advances	222,093	-
		440,741	3,819,516
(iii)	Prepaid expenses	1,472,017	794,487
(iv)	Balance with revenue authorities	944,929	3,679,362
(v)	Tax payments (net of provision)	3,748,986	3,494,896
		6,861,995	12,074,339

7.5 Other current assets

(Unsecured and considered good unless otherwise stated)

Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
Interest accrued on deposits	226,993	-
	226,993	-

8.1 Revenue from operations

Sl. No.	Particulars	Current Year ₹	Previous Year ₹
(i)	Sale of products- Electronic Circuit Boards and Micro Assemblies	276,640,292	245,664,309
(ii)	Other operating revenue (scrap sale and job work)	4,456,414	1,561,744
		281,096,706	247,226,053

Excise Duty of ₹ 22,375,136 (2011: ₹ 19,314,206) reduced from gross sales in the statement of Profit and Loss represents excise duty on sale of products.

8.2 Other Income

Sl. No.	Particulars	Current Year ₹	Previous Year ₹
(i)	Interest Income	333,121	63,626
(ii)	Exchange difference (net)	-	1,078,263
		333,121	1,141,889



W, H, NC

TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

9 Changes in Inventories of finished goods and work-in-progress

Sl. No.	Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
(i)	Finished goods		
	- Closing Stock	571,048	62,998
	- Opening Stock	62,998	102,802
		(508,050)	39,804
(ii)	Work-in-progress		
	- Closing Stock	1,812,010	2,272,081
	- Opening Stock	2,272,081	604,572
		460,071	(1,667,509)
		(47,979)	(1,627,705)

10 Employee benefits expense

Sl. No.	Particulars	Current Year ₹	Previous Year ₹
(i)	Salaries and wages	46,174,703	37,458,993
(ii)	Contribution to provident and other funds	1,940,294	1,811,198
(iii)	Gratuity (Refer Note 18)	3,091,744	1,887,064
(iv)	Staff welfare expense	2,846,267	2,684,907
		54,053,008	43,842,162

11 Finance costs

Particulars	Current Year ₹	Previous Year ₹
Interest expense	327,228	291,994
	327,228	291,994

12 Other expenses

Sl. No.	Particulars	Current Year ₹	Previous Year ₹
(i)	Consumption of stores and spare parts	10,864,272	9,257,710
(ii)	Power and fuel	3,185,321	3,447,327
(iii)	Rent	32,500	53,500
(iv)	Repairs to buildings	1,186,409	1,799,996
(v)	Repairs to machinery	4,696,570	3,235,390
(vi)	Repairs and maintenance-Others	4,512,295	4,232,026
(vii)	Insurance	296,262	364,518
(viii)	Rates and taxes*	488,076	317,196
(ix)	Legal and professional	11,200,896	9,385,338
(x)	Loss on assets sold/ discarded	940,596	483,071
(xi)	Security service charges	1,752,573	1,431,436
(xii)	Directors' sitting fee	69,000	54,000
(xiii)	Travelling and conveyance	2,149,542	1,822,133
(xiv)	Provision for doubtful debts and advances	486,895	-
(xv)	Bad debts written-off	-	906,428
	- Less: Provision for doubtful debts written back	-	292,372
		-	614,056
(xvi)	Deposits written-off	-	152,199
(xvii)	Auditors remuneration**	1,125,000	1,015,742
(xviii)	Bank charges	924,716	575,856
(xix)	Exchange difference (net)	544,374	-
(xx)	Miscellaneous expenses	2,718,263	4,201,805
		47,173,560	42,443,299

*Rates and taxes include ₹ 71,497 (2011: ₹ (3,324)) being the difference in excise duty included in closing stock and opening stock of finished goods.

** Auditors remuneration comprises of the following:*

Sl. No.	Particulars	Current Year ₹	Previous Year ₹
(i)	Fee for audit of statutory accounts	900,000	750,000
(ii)	Taxation matters	225,000	225,000
(iii)	Reimbursement of levies and expenses	-	40,472
		1,125,000	1,015,472

* Net of service tax credit availed ₹ 134,415 (2011: ₹ 100,425).



TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

13 Earnings in foreign currency on account of export of goods on FOB basis is ₹ 18,204,408 (2011: ₹ 13,945,832).

14 Estimated amount of contracts remaining to be executed and not provided for is as follows:

Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
- on Capital account	8,382,712	7,734,792
- others	23,730,313	-
	32,113,025	7,734,792

15 Non-fund based facilities availed of ₹ 609,000 (2011: ₹ 609,000) from a bank are secured by a first charge by way of hypothecation of inventories, spares and book debts, both present and future. The said security ranks pari passu with the security for the cash credit facility.

16 Value of imported and indigenous materials and components consumed and the percentage of each to the total consumption:

	Current Year ₹	%	Previous Year ₹	%
Imported				
- CIF Value	92,819,747	68	87,049,794	69
- Customs duties	1,409,119	1	1,243,287	1
	94,228,866	69	88,293,081	70
Indigenous	41,530,645	31	37,919,598	30
	135,759,511	100	126,212,679	100

17 Value of imports on CIF basis

	Current Year ₹	Previous Year ₹
Raw materials and components	93,190,219	93,040,217
Stores and spares	898,534	776,232
Capital goods	1,563,985	2,876,374

18 Employee Benefits

a) Defined Contribution Plan

The contributions recognized in the statement of profit and loss during the year are as under:

Defined Contribution Plan	Current Year ₹	Previous Year ₹
Employee Provident Fund	1,940,294	1,811,198

b) Defined Benefit Plan - Gratuity (non-funded) as per actuarial valuation.

		Current Year ₹	Previous Year ₹
I	Net Asset / (Liability) recognized in the balance sheet		
1	Present value of Unfunded obligations	11,856,779	8,765,035
2	Fair Value of Plan Assets	-	-
3	(Deficit) / surplus	(11,856,779)	(8,765,035)
4	Net Asset / Liability		
	- Assets	-	-
	- Liabilities		
	Current	355,898	530,436
	Non-current	11,500,881	8,234,599
	Total Liabilities	11,856,779	8,765,035
II	Expense recognized in the statement of profit and loss (under the head "Employee benefits expense." Refer Note 10)		
1	Current Service Cost	530,790	258,287
2	Interest on Defined Benefit Obligation	763,086	589,678
3	Net Actuarial Losses/ (Gains) recognized during the year	1,797,868	260,278
4	Past Service Cost	-	778,821
	Total	3,091,744	1,887,064
III	Actual return on Plan Assets	-	-
	Change in present value of obligation		
1	Opening Defined Benefit Obligation	8,765,035	6,877,971
2	Current Service Cost	530,790	258,287
3	Interest Cost	763,086	589,678
4	Actuarial Losses/ (Gains)	1,797,868	260,278
5	Benefits Paid	-	-
6	Past Service Cost	-	778,821
7	Closing Defined Benefit Obligation	11,856,779	8,765,035
IV	Principal actuarial assumptions		
	Discount Rate	8.40% p.a.	8.45% p.a.
	Expected Rate of Return on Plan Assets		
	Salary escalation	7.0% p.a.	6.5% p.a.
V	The employees are assumed to retire at the age of 58 years.		
VI	The mortality rates considered are as per the published rates in the LIC (1994-96) mortality tables.		



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TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

VII. Experience Adjustments

	Year Ended				
	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-08
	₹	₹	₹	₹	₹
Defined Benefit Obligation	11,856,779	8,765,035	6,877,971	6,569,284	4,703,524
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(11,856,779)	(8,765,035)	(6,877,971)	(6,569,284)	(4,703,524)
Experience adjustment on plan liabilities	(27,757)	326,176	(169,689)	699,802	(27,757)
Experience adjustment on plan assets	-	-	-	-	-

c. Other Long term benefits

The defined benefit obligations which are provided for, but not funded are as under:

Particulars	As at 31-03-2012 ₹	As at 31-03-2011 ₹
Leave salary	6,710,211	4,535,412

The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered takes into account the inflation, seniority, promotion, increments and other relevant factors.

19 The following table sets forth the computation of basic and diluted earnings per share:

Particulars	Current Year ₹	Previous Year ₹
Profit after tax for the year	10,293,551	7,261,559
Weighted Average Number of equity shares of ₹ 10 each	1,900,000	1,900,000
Earnings per Share - Basic and diluted	5.42	3.82

20 Segment information for the year ended 31st March, 2012

The Company's sole business segment is manufacture and sale of Electronic Circuit Boards and Micro Assemblies and there are no reportable primary business segments.

Geographical Segments:

Segment revenue from external customers, based on geographical location of customer

Particulars	Year ended	India ₹	Outside India ₹	Total ₹
Revenue	31 st March 2012	262,892,298	18,204,408	281,096,706
	31 st March 2011	233,280,221	13,945,832	247,226,053

The operating facilities of the company are commonly employed for both the domestic and export business, hence it is not possible to report segment assets and capital expenditure by geographical segment.

21 Details of foreign currency exposure:

a) There are no outstanding forward contracts entered into by the Company.

b) The year end outstanding foreign currency exposure that have not been hedged by a derivative instrument or otherwise are given below:

As at 31-03-2012

Particulars	₹	€	\$	₹	₹
Assets					
Sundry Debtors	7,244,909	28,280	104,707	-	-
Loans and Advances	496,039	3,334	5,182	133	-
Payables					
Current Liabilities	6,394,019	7,610	96,199	-	1,575,000

As at 31-03-2011

Particulars	₹	€	\$	₹	₹
Assets					
Sundry Debtors	7,609,655	95,311	35,306	-	-
Loans and Advances	1,708,704	11,646	21,692	-	-
Payables					
Current Liabilities	6,116,298	19,658	108,609	-	-

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TITAN TIMEPRODUCTS LIMITED

Notes forming part of the financial statements

22 Name of related parties and description of relationship:

- a) Holding Company : Titan Industries Limited
 b) Key Management personnel : Mr. N. Kallasanathan, Director
 Mr. B.G. Dwarakanath, Director

Transactions with the related parties during the year are set out in the table below:

Sl.No	Nature of transaction	Year Ended	Holding company	Key Management Personnel	Total
			₹		₹
(i)	Purchase of raw material, components and other items	31 st March 2012	4,489,460	-	4,489,460
		31 st March 2011	4,246,284	-	4,246,284
(ii)	Purchase of fixed assets	31 st March 2012	-	-	-
		31 st March 2011	58,162	-	58,162
(iii)	Sale of goods	31 st March 2012	171,442,640	-	171,442,640
		31 st March 2011	153,364,155	-	153,364,155
(iv)	Interest expense	31 st March 2012	280,727	-	280,727
		31 st March 2011	-	-	-
(v)	Reimbursement of expenses	31 st March 2012	-	-	-
		31 st March 2011	20,185	-	20,185
(vi)	Reimbursement of services	31 st March 2012	10,528,657	-	10,528,657
		31 st March 2011	9,516,919	-	9,516,919

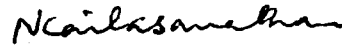
Balances as on balance sheet date

	Year ended	Holding company
		₹
Debit balance (net)	31 st March 2012	8,262,107
	31 st March 2011	496,884
Credit balance	31 st March 2012	3,000
	31 st March 2011	3,000

23 Previous years figures has been regrouped/recast, wherever necessary to comply with the presentation requirements of Revised Schedule VI.

For and on behalf of the Board of directors


 Bhaskar Bhat
 Director


 N. Kallasanathan
 Director

Place : Bangalore
 Date : 27- April-2012

