

# **S.N.Dhawan & CO**

Chartered Accountants

## **Review Report**

**To the Board of Directors**

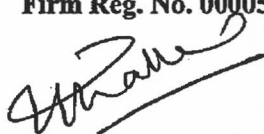
**Talbro Automotive Components Limited**

We have reviewed the accompanying statement of consolidated unaudited financial results of Talbro Automotive Components Limited for the period ended December 31, 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement, *except that Provision for Deferred Tax has not been made in accordance with the requirements of Accounting Standard (AS) - 22 "Accounting For Taxes on Income" and will be made at the end of the financial year.*

For S. N. Dhawan & Co.  
Chartered Accountants  
Firm Reg. No. 000050N



**S. K. Khattar**  
Partner  
M. No. 84993



**Place:- New Delhi**  
**Date:- February 13, 2013**

**TALBROS AUTOMOTIVE COMPONENTS LIMITED**  
REGD. OFFICE : 14/1, DELHI MATHURA ROAD,  
FARIDABAD-121 003 (HARYANA)

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/ NINE MONTHS ENDED 31ST DECEMBER, 2012**

PART I		(Rs. in lacs)											
S.No.	Particulars	Stand Alone						Consolidated					
		Quarter Ended			Nine Months ended			Quarter Ended			Nine Months ended		
		31st Dec. 2012	30th Sep. 2012	31st Dec. 2011	31st Dec. 2012	31st Dec. 2011	31st March 2012	31st Dec. 2012	30th Sep. 2012	31st Dec. 2011	31st Dec. 2012	31st Dec. 2011	31st March 2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations												
	(a) Net Sales from operations (Net of excise duty)	6704.61	7222.38	8468.37	23120.45	25312.24	34352.84	7796.97	8254.59	9265.26	25470.26	27625.54	37301.09
	(b) Other operating income	0.00	0.00	0.00	8.25	0.00	0.00	0.00	0.00	0.00	8.25	0.00	0.00
	Total Income from Operations (Net)	6704.61	7222.38	8468.37	23128.70	25312.24	34352.84	7796.97	8254.59	9265.26	25478.51	27625.54	37301.09
2	Expenses												
	a. Cost of materials consumed	4066.28	4087.00	4820.95	12897.25	14462.08	19477.65	4759.88	4808.04	5354.17	15195.04	15959.48	21633.05
	b. Purchases of Stock in Trade	37.04	35.73	63.39	103.04	105.24	160.95	37.04	25.73	63.39	103.04	105.24	160.95
	c. Changes in inventories of finished goods, work-in-progress and stock in trade	(572.04)	(117.32)	(261.71)	(1028.59)	(679.36)	(568.01)	(579.70)	(110.35)	(265.57)	(1024.76)	(700.54)	(630.12)
	d. Employee benefits expense	881.76	899.43	1008.84	2699.96	3057.65	3933.61	973.54	990.22	1044.33	2985.33	3153.26	4077.28
	e. Depreciation and amortisation expense	245.14	260.03	262.44	762.52	804.36	1079.43	262.35	281.66	273.36	821.70	836.30	1122.84
	f. Other Expenditure	1493.80	1477.40	1924.51	4799.51	5622.40	7570.77	1576.74	1604.04	2064.31	5153.57	6020.38	7788.80
	Total Expenses	6151.98	6632.32	7818.42	20233.69	23372.28	31654.40	7069.85	7699.34	8533.99	23234.42	25374.12	34152.78
3	Profit from Operations before Other Income, Finance Costs	552.63	590.06	649.95	1895.01	1939.96	2698.44	727.12	655.25	731.27	2244.09	2251.42	3148.31
4	Other Income	184.35	115.58	129.45	359.77	182.13	374.39	162.83	100.96	134.11	309.21	195.98	393.97
5	Profit/(Loss) from ordinary activities before Finance Cost (3 + 4)	736.98	705.64	779.38	2254.78	2122.09	3072.83	889.95	756.21	865.38	2553.30	2447.40	3542.28
6	Finance Costs	518.56	524.37	551.73	1555.22	1442.80	1990.98	519.04	524.57	551.81	1556.13	1443.21	1990.98
7	Profit/(Loss) from ordinary activities after Finance Costs but before Tax (5 - 6)	218.42	181.27	227.65	699.56	679.23	1081.85	370.91	231.64	313.54	997.17	1004.19	1551.30
8	Tax Expense												
	a. Current Tax/MAT	43.00	37.00	47.00	140.00	137.00	167.50	73.46	50.22	69.00	203.61	202.20	261.43
	b. Deferred Tax	0.00	0.00	0.00	0.00	0.00	23.14	0.00	0.00	0.00	0.00	0.00	33.32
	c. For earlier years	0.00	0.00	0.00	0.00	0.00	(3.86)	0.00	0.00	0.00	0.00	0.00	(13.71)
	d. MAT Credit available	(43.00)	(37.00)	(47.00)	(140.00)	(137.00)	(167.50)	(38.44)	(39.53)	(47.00)	(140.48)	(137.00)	(167.63)
	e. Total	0.00	0.00	0.00	0.00	0.00	19.28	35.02	10.69	22.00	63.12	65.20	113.41
9	Net Profit/(Loss) from Ordinary activities after tax (7 + 8)	218.42	181.27	227.65	699.56	679.23	1062.57	335.89	220.95	291.54	934.05	938.99	1437.89
10	Extraordinary Items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Net Profit/(Loss) for the period (9 + 10)	218.42	181.27	227.65	699.56	679.23	1062.57	335.89	220.95	291.54	934.05	938.99	1437.89
12	Paid up Equity Share Capital (Rs. 10/- per share)	1234.56	1234.56	1234.56	1234.56	1234.56	1234.56	1234.56	1234.56	1234.56	1234.56	1234.56	1234.56
13	Reserves excluding revaluation reserve (as per Balance Sheet of previous accounting year)						7843.52						8426.13
14	Earnings Per Share (of Rs. 10 each)												
	- Basic/Diluted EPS before Extra Ordinary Items (not annualised)	1.77	1.47	1.84	5.67	5.50	8.61	2.72	1.79	2.36	7.54	7.61	11.65
	- Basic/Diluted EPS after Extra Ordinary Items (not annualised)	1.77	1.47	1.84	5.64	5.50	8.61	2.72	1.79	2.36	7.54	7.61	11.65
See accompanying notes to the financial results													
PART II													
A.	PARTICULARS OF SHAREHOLDING												
1	Public Shareholding												
	- Number of shares	6639499	6687077	6782089	6639499	6782089	6735443	6639499	6687077	6782089	6639499	6782089	6735443
	- Percentage of shareholding	53.94%	54.17%	54.94%	53.94%	54.94%	54.56%	53.94%	54.17%	54.94%	53.94%	54.94%	54.56%
2	Promoters & Promoter Group Shareholding												
	a) Pledged/Encumbered												
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of Shares (as a % of the total share capital of the Company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non-encumbered												
	- Number of shares	5686131	5685553	5563541	5686131	5563541	5610187	5686131	5685553	5563541	5686131	5563541	5610187
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of the total share capital of the Company)	46.06%	45.83%	45.06%	46.06%	45.06%	45.44%	46.06%	45.83%	45.06%	46.06%	45.06%	45.44%
B.	INVESTOR COMPLAINTS												
	Pending at the beginning of the quarter								0				
	Received during the quarter								9				
	Disposed off during the quarter								9				
	Remaining unresolved at the end of the quarter								0				



**Notes:**

- 1 The above consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on 13th Feb. 2013 and have been subjected to "Limited Review" by the Statutory Auditors of the Company.
- 2 The consolidated results are prepared on the basis of proportionate consolidation as per the Accounting Standard (AS-27) after considering financial results of JV Companies viz Nippon Leakless Talbros Pvt. Ltd., and Magneti Marelli Talbros Chassis Systems Pvt. Ltd.,
- 3 The company's operations comprise of two segments viz 'Auto Components and Parts' and 'IT Activities'. In terms of the disclosure requirements of the Accounting Standard (AS-17) 'Segment Reporting' the IT Segment does not fall under the purview of Reportable Segment.
- 4 Provision for Deferred Tax Liabilities/Assets, if any, will be made at the end of the financial year.
- 5 In view of the transfer of Stamping business to the JV Company, Magneti Marelli Talbros Chassis Systems Pvt. Ltd., under slump sale effective from 1st April, 2012, the figures for the quarter/nine months ended 31st Dec. 2012 are not comparable with the preceding quarter/nine months ended 31st Dec. 2011. Stamping business turnover during the corresponding quarter/nine months ended 31st Dec. 2011 amounted to Rs.832.56 Lacs and Rs.2406.30 Lacs respectively.
- 6 The Board at its meeting held on 14th August, 2012, approved the sale and transfer of Rubber Business of the Company (other than rubberised gaskets) on a going concern basis to a separate Joint Venture company, Talbros Marugo Rubber Private Limited, by way of slump sale. It has been duly approved by the shareholders on 29th Sep. 2012 and the Joint Venture company has started its operations during Jan. 2013.
- 7 Figures for the previous periods/year have been regrouped and re-arranged, wherever considered necessary.
- 8 Standalone Results, though not comparable in view of Note no. 5 above, are available for perusal on Company's Website, www.talbro.com as well as on Stock Exchanges' Website, www.nseindia.com & www.bseindia.com. The key financials on standalone basis are as under:-

Particulars	Qtr. Ended 31st Dec. 2012	Qtr. Ended 30th Sep. 2012	Qtr. Ended 31st Dec. 2011	Nine Months ended 31st Dec. 2012	Nine Months ended 31st Dec. 2011	(Rs. in lacs) Year ended 31st March, 2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income from Operations (Net)	8704.61	7222.38	8468.37	22128.70	25312.24	34352.84
Profit before Tax	218.42	181.27	227.65	699.56	679.23	1081.85
Profit after tax	218.42	181.27	227.65	699.56	679.23	1062.57



For Talbros Automotive Components Ltd.,

*Unesh Talwar*  
Unesh Talwar  
Vice Chairman & Managing Director

Date : 13th Feb. 2013  
Place : New Delhi