

TITAN TIMEPRODUCTS LIMITED

Balance Sheet as at 31st March 2016

Particulars

Note No.

As at
31-03-2016
₹

As at
31-03-2015
₹

EQUITY AND LIABILITIES

1. Shareholders' funds

- a) Share capital
b) Reserves and surplus

2.1	42,437,500	34,625,000
2.2	82,237,912	78,075,309
	<u>124,675,412</u>	<u>112,700,309</u>

2. Non-current liabilities

- a) Long-term borrowings
b) Deferred tax liabilities (net)
c) Long-term provisions

3.1	-	25,000,000
3.2	4,248,168	3,323,440
3.3	20,723,970	29,970,266
	<u>24,972,138</u>	<u>58,293,706</u>

3. Current liabilities

- a) Trade payables
total outstanding dues of micro enterprises and small enterprises
total outstanding dues of other than micro and small enterprises

4.1	1,455,858	12,134
	<u>115,457,850</u>	<u>27,565,711</u>
	<u>116,913,708</u>	<u>27,577,845</u>

- b) Other current liabilities

4.2	17,114,732	4,880,274
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- c) Short-term provisions

4.3	12,434,303	1,307,870
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	<u>146,462,743</u>	<u>33,765,989</u>
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TOTAL

	<u>296,110,293</u>	<u>204,760,004</u>
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ASSETS

1. Non-current assets

- a) Fixed assets
Tangible assets
Capital work-in-progress

5	81,993,353	88,961,974
	<u>6,567,677</u>	<u>2,649,726</u>
	<u>88,561,030</u>	<u>91,611,700</u>

- b) Long-term loans and advances

6	8,667,419	9,562,985
	<u>97,228,449</u>	<u>101,174,685</u>

2. Current assets

- a) Inventories
b) Trade receivables
c) Current investments
d) Cash and cash equivalents
e) Short-term loans and advances
f) Other current assets

7.1	26,594,083	20,043,569
7.2	54,489,162	52,626,998
7.3	25,000,000	-
7.4	14,260,234	25,890,944
7.5	6,044,969	4,809,699
7.6	72,493,396	214,109
	<u>198,881,844</u>	<u>103,585,319</u>

TOTAL

	<u>296,110,293</u>	<u>204,760,004</u>
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See accompanying notes forming part of the financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS

Chartered Accountants


V. Srikumar


Partner

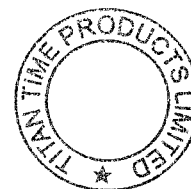
Place : Bangalore
Date : May 2, 2016



For and on behalf of the Board of Directors


Director


Director



TITAN TIMEPRODUCTS LIMITED

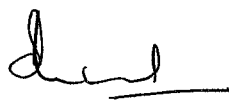
Statement of profit and loss for the year ended 31st March 2016

Particulars	Note No.	Current Year ₹	Previous Year ₹
I. Revenue from operations (gross)	8.1	285,222,112	268,752,840
Less: Excise duty		29,244,449	24,103,206
Revenue from operations (net)		255,977,663	244,649,634
II. Other income	8.2	2,774,918	1,807,504
III. Total revenue (I + II)		258,752,581	246,457,138
IV. Expenses			
a) Cost of materials consumed		126,290,452	121,413,846
b) Changes in inventories of finished goods and work-in-progress	9	(387,731)	(1,095,166)
c) Employee benefits expense	10	73,941,728	68,097,049
d) Finance costs	11	-	323,915
e) Depreciation	5	11,889,157	12,054,165
f) Other expenses	12	59,119,144	55,485,475
Total expenses		270,852,750	256,279,284
V. Loss before tax (III - IV)		(12,100,169)	(9,822,146)
VI. Tax expense			
a) Current tax		-	-
b) Deferred tax		924,728	(1,739,712)
		924,728	(1,739,712)
VII. Loss for the year (V - VI)		(13,024,897)	(8,082,434)
VIII. Earning per equity share of ₹10 each:			
Basic and diluted (₹)	19	(3.41)	(2.58)

See accompanying notes forming part of the financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

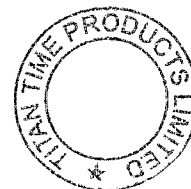

V. Srikumar
Partner



For and on behalf of the Board of Directors


Director


Director



Place : Bangalore
Date : May 2, 2016

TITAN TIMEPRODUCTS LIMITED

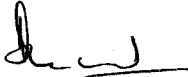
Cash flow statement for the year ended 31st March 2016

Particulars	Current Year ₹	Previous Year ₹
A. Cash flow from operating activities		
Loss before tax	(12,100,169)	(9,822,146)
Adjustments for:		
Depreciation	11,889,157	12,054,165
Unrealized exchange difference (net)	321,039	(110,290)
Loss on assets sold/discarded	4,152	-
Interest income	(2,721,481)	(1,765,593)
Finance costs	-	323,915
Gain on sale of current investments	(53,437)	-
Trade receivables and advances written-off	-	2,054
Operating profit/(loss) before working capital changes	(2,660,739)	682,105
Changes in working capital		
Adjustments for (increase)/decrease in operating assets		
Inventories	(6,550,514)	1,438,813
Trade receivables	(1,862,164)	(20,337,501)
Short-term loans and advances	(1,235,270)	3,857,289
Long-term loans and advances	(25,111)	(186,047)
Other current assets	(71,906,000)	-
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	89,001,264	765,126
Other current liabilities	13,282,356	580,542
Short-term provisions	11,126,433	109,525
Long-term provisions	(9,246,296)	7,075,518
Cash generated from/ (used in) operations	19,923,959	(6,014,630)
- Net income tax (paid) / refund	1,693,071	(426,149)
Net cash flow from/ (used in) operating activities	A 21,617,030	(6,440,779)
B. Cash flow from investing activities		
Capital expenditure on fixed assets including capital advances	(10,652,286)	(5,214,098)
Current investments not considered as cash and cash equivalents		
- Purchased	(25,000,000)	-
Proceeds from sale of fixed assets	2,500	-
Gain on sale of current investments	53,437	-
Interest received	2,348,194	1,551,484
Net cash flow from/ (used in) investing activities	B (33,248,155)	(3,662,614)
C. Cash flow from financing activities		
Proceeds from issue of equity shares (including premium)	-	37,500,000
Repayment of borrowings (net)	-	(5,699,788)
Finance costs	-	(323,915)
Net cash from financing activities	C -	31,476,297
Net cash flows during the year (A+B+C)	(11,631,125)	21,372,904
Cash and cash equivalents (opening balance)	25,890,944	4,517,586
Cash and cash equivalents (closing balance)	14,260,234	25,890,944
Exchange difference on translation of foreign currency Cash and cash equivalents	(415)	(454)
Increase/ (decrease) in cash and cash equivalents	(11,631,125)	21,372,904

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


Director


Director



Place : Bangalore
Date : May 2, 2016

1 Significant accounting policies:

i. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year .

ii. Use of estimates: The preparation of the financial statements in conformity with Indian GAAP 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.

iii. Revenue recognition: Revenue from sale of goods is recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership 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. Sales include excise duty but exclude sales tax and value added tax.

iv. 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.

v. Depreciation: Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act.

vi. 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 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 recognized in the statement of profit and loss of the reporting period in which the exchange rates change.

vii. Investments: Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

viii. Inventories: Inventories are valued at lower of cost and net realizable value. The cost of various categories of inventory is determined as follows:

a) Stores and spare parts, loose tools, raw materials and components are valued on a moving weighted average rate.

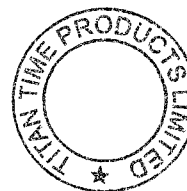
b) Work-in-progress and finished goods are valued on full absorption cost method based on the average cost of production.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recovered by the Company), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

ix. 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 recognized 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 are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan:

Provision for gratuity and compensated absences are made on the basis of an actuarial valuation using the Projected Unit Credit method and are debited to the statement of profit and loss on an accrual basis. Actuarial gains and losses arising during the year are recognized in the statement of profit and loss.

- x. Taxes on Income: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognized in reserves are recognized in reserves and not in the statement of profit and loss.

- xi. 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.

- xii. Provisions and contingencies: A provision is recognized 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 recognized but are disclosed in the notes.

Contingent assets are neither recognized nor disclosed in the financial statements.

- xiii. Government grants: State investment subsidy is treated as Capital Reserve.

- xiv. Operating cycle: Based on the nature of the products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

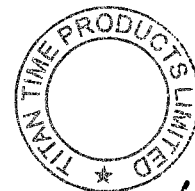
2.1 i) Share capital

Particulars	As at 31-03-2016		As at 31-03-2015	
	No. of shares	₹	No. of shares	₹
i) Authorized				
Equity share of ₹ 10 (2015: ₹ 10) each with voting rights	7,000,000	70,000,000	7,000,000	70,000,000
ii) Issued				
Equity share of ₹ 10 (2015: ₹ 10) each with voting rights	4,243,750	42,437,500	3,462,500	34,625,000
iii) Subscribed and fully paid up				
Equity share of ₹ 10 (2015: ₹ 10) each with voting rights	4,243,750	42,437,500	3,462,500	34,625,000

ii) Rights, preference and restrictions attached to shares:

The Company has only one class of equity shares having a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.



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

Particulars	As at 31-03-2016		As at 31-03-2015	
	No. of shares	₹	No. of shares	₹
Equity share with voting rights				
Shares outstanding at the beginning of the year	3,462,500	34,625,000	2,525,000	25,250,000
Add: Issued during the year (subscribed and fully paid up)	781,250	7,812,500	937,500	9,375,000
Shares outstanding at the end of the year	4,243,750	42,437,500	3,462,500	34,625,000

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

Name of shareholder	As at 31-03-2016		As at 31-03-2015	
	No. of shares held	% total holding	No. of shares held	% total holding
Equity shares with voting rights				
Titan Company Limited (Holding Company) and its nominees	4,243,750	100	3,462,500	100

2.2 Reserves and surplus

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Capital reserve	2,500,000	2,500,000
Capital redemption reserve	1,000,000	1,000,000
Securities premium reserve		
Opening balance	46,875,000	18,750,000
Add: Premium on shares issued	17,187,500	28,125,000
Closing balance	64,062,500	46,875,000
General reserve	427,000	427,000
Surplus in statement of profit and loss		
Opening balance	27,273,309	36,443,436
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax) (refer note 5)	-	1,087,693
Less: Loss for the year	13,024,897	8,082,434
Closing balance	14,248,412	27,273,309
	82,237,912	78,075,309

3.1 Long-term borrowings

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Zero coupon unsecured optionally convertible bond	-	25,000,000
	-	25,000,000

The above bond was issued on 23 October 2012, for a maximum tenure of five years. Allottee, M/s. Titan Company Limited has exercised their option to convert the Zero coupon unsecured optionally convertible bond to Equity. Consequentially, 781,250 number of equity shares with a face value of ₹ 10 each have been issued on 19 October 2015 at premium of ₹ 22 per share as mutually agreed between the Company and allottee.



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3.2 Deferred tax liabilities (net)

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	10,920,788	12,988,384
Tax effect of items constituting deferred tax liabilities	10,920,788	12,988,384
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	6,672,620	9,664,944
Tax effect of items constituting deferred tax assets	6,672,620	9,664,944
Deferred tax liabilities/ (asset) (net)	4,248,168	3,323,440

3.3 Long-term provisions

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Provision for employee benefits (Refer note: 18)		
- Provision for gratuity	13,408,608	19,283,606
- Provision for compensated absences	7,315,362	10,686,660
	20,723,970	29,970,266

4.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
- Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,455,858	12,134
- Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
- The amount of interest paid along with the amounts of the payment made to the supplier	-	-
- the amount of interest due and payable for the year	-	-
- The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
- The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

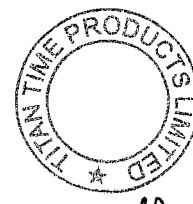
The information regarding dues to micro enterprises and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

4.2 Other current liabilities

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Advances from customers	6,336,885	2,324,511
Statutory dues	10,495,349	1,429,439
Earnest money deposit	282,498	91,571
Payables on purchase of fixed assets	-	1,034,753
	17,114,732	4,880,274

4.3 Short-term provisions

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Provision for employee benefits (Refer note: 18)		
- Provision for gratuity	9,715,275	548,302
- Provision for compensated absences	2,719,028	759,568
	12,434,303	1,307,870



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5 Tangible assets

i) Gross block
(Previous year figures are in brackets)

Particulars*	Amount (₹)			
	As at 01-04-2015	Additions	Deductions	As at 31-03-2016
Land - Leasehold	1,535,820 (1,535,820)	- (-)	- (-)	1,535,820 (1,535,820)
Buildings	35,117,748 (35,081,096)	- (36,652)	- (-)	35,117,748 (35,117,748)
Plant and equipment	143,492,236 (141,514,297)	4,574,113 (1,977,939)	- (-)	148,066,349 (143,492,236)
Office equipment	5,931,635 (5,738,033)	353,075 (193,602)	25,000 (-)	6,259,710 (5,931,635)
Furniture and fixtures	2,878,801 (2,802,449)	- (76,352)	- (-)	2,878,801 (2,878,801)
Vehicles	2,174,162 (2,174,162)	- (-)	- (-)	2,174,162 (2,174,162)
TOTAL	191,130,402 (188,845,857)	4,927,188 (2,284,545)	25,000 (-)	196,032,590 (191,130,402)

* Represents owned assets, unless otherwise stated

ii) Depreciation and net block
(Previous year figures are in brackets)

Amount (₹)

Particulars	Accumulated depreciation				Net block		
	As at 01-04-2015	Depreciation for the year	Deductions	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	As at 31-03-2016	As at 31-03-2016	As at 31-03-2015
Land - Leasehold	1,173,195 (1,122,001)	51,193 (51,194)	- (-)	- (-)	1,224,388 (1,173,195)	311,432 (362,625)	362,625 (413,819)
Buildings	14,380,722 (13,209,140)	1,171,924 (1,171,582)	- (-)	- (-)	15,552,646 (14,380,722)	19,565,102 (20,737,026)	20,737,026 (21,871,956)
Plant and equipment	79,360,979 (69,552,553)	9,256,741 (9,239,049)	- (-)	(569,377)	88,617,720 (79,360,979)	59,448,629 (64,131,257)	64,131,257 (71,961,744)
Office equipment	3,859,567 (1,766,519)	1,064,179 (1,108,412)	18,348 (-)	- (984,636)	4,905,398 (3,859,567)	1,354,312 (2,072,068)	2,072,068 (3,971,514)
Furniture and fixtures	2,129,678 (1,989,825)	113,405 (119,780)	- (-)	- (20,073)	2,243,083 (2,129,678)	635,718 (749,123)	749,123 (812,624)
Vehicles	1,264,287 (900,139)	231,715 (364,148)	- (-)	- (-)	1,496,002 (1,264,287)	678,160 (909,875)	909,875 (1,274,023)
TOTAL	102,168,428 (88,540,177)	11,889,157 (12,054,165)	18,348 (-)	- (1,574,086)	114,039,237 (102,168,428)	81,993,353 (88,961,974)	88,961,974 (100,305,680)



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iii) During the previous year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. Further, assets individually costing ₹ 5,000/- or less that were depreciated fully in the year of purchase are now depreciated based on the useful life considered by the Company for the respective category of assets.

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company had fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and had adjusted an amount of ₹ 1,087,693/- (net of deferred tax of ₹ 486,393/-) against the opening surplus balance in the statement of profit and loss under Reserves and surplus.

6 Long-term loans and advances
(Unsecured and considered good)

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Capital advances	1,668,806	896,412
Security deposits	90,726	90,726
Employee loans	395,666	370,555
Tax payments (net of provision)	6,512,221	8,205,292
	8,667,419	9,562,985

7.1 Inventories

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Raw materials [includes goods-in-transit of ₹ 1,603,958 (2015: ₹ 3,429,620)]	22,464,696	16,460,263
Work-in-progress (Electronic Circuit Boards and Micro Assemblies)	2,348,079	1,143,704
Finished goods	598,565	1,415,209
Stores and spares	1,182,743	1,024,393
	26,594,083	20,043,569

7.2 Trade receivables
(Unsecured and considered good)

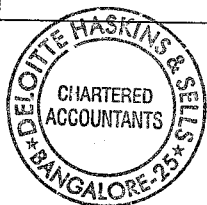
Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	547,897	546,444
Other trade receivables	53,941,265	52,080,554
	54,489,162	52,626,998

7.3 Current investments

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Investments in mutual funds (unquoted)		
Tata Liquid Fund Direct Plan- Growth	20,000,000	-
Tata Money Market Fund Direct Plan-Growth	5,000,000	-
	25,000,000	-
Aggregate amount of quoted investments	-	-
Aggregate market value of listed and quoted investments	-	-
Aggregate value of listed but not quoted investments	-	-
Aggregate amount of unquoted investments	25,000,000	-

7.4 Cash and cash equivalents

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Cash on hand	19,900	15,351
Balance with banks	4,240,334	1,875,593
Short-term deposits with a bank	10,000,000	24,000,000
	14,260,234	25,890,944



7.5 Short-term loans and advances
(Unsecured and considered good)

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Employee loans	429,734	690,718
Advances to suppliers	2,060,905	250,301
Prepaid expenses	1,967,540	1,931,331
Balance with government authorities	1,586,790	1,937,349
	6,044,969	4,809,699

7.6 Other current assets
(Unsecured and considered good)

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Interest accrued on bank deposits	587,396	214,109
Contractually reimbursable expenses	71,906,000	-
	72,493,396	214,109

8.1 Revenue from operations (gross)

Particulars	Amount (₹)	
	Current Year	Previous Year
Sale of products (Electronic Circuit Boards and Micro Assemblies)	280,028,727	266,260,595
Other operating revenue (Scrap sale and job work)	5,193,385	2,492,245
	285,222,112	268,752,840

Excise Duty of ₹ 29,244,449/- (2015: ₹ 24,103,206/-) reduced from gross sales in the statement of profit and loss represents excise duty on sale of products.

8.2 Other Income

Particulars	Amount (₹)	
	Current Year	Previous Year
Interest income on bank fixed deposits and staff loan	2,721,481	1,765,593
Gain on sale of current investments	53,437	-
Net gain on foreign currency transactions	-	41,911
	2,774,918	1,807,504

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

Particulars	Amount (₹)	
	Current Year	Previous Year
Finished goods		
- Closing stock	598,565	1,415,209
- Opening stock	1,415,209	858,505
	816,644	(556,704)
Work-in-progress		
- Closing stock	2,348,079	1,143,704
- Opening stock	1,143,704	605,242
	(1,204,375)	(538,462)
Decrease/(increase)	(387,731)	(1,095,166)

10 Employee benefits expense

Particulars	Amount (₹)	
	Current Year	Previous Year
Salaries and wages	124,987,564	54,697,960
Contribution to provident fund	3,036,290	2,854,236
Gratuity (Refer note 18)	3,291,975	5,316,957
Staff welfare expense	5,425,899	5,227,896
	136,741,728	68,097,049
Less: Recovery of expenses	62,800,000	-
	73,941,728	68,097,049



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11 Finance costs

Particulars	Amount (₹)	
	Current Year	Previous Year
Interest expense on:		
- Borrowings	-	10,590
- Delayed payment of taxes/duty	-	313,325
	-	323,915

12 Other expenses

Particulars	Amount (₹)	
	Current Year	Previous Year
Consumption of stores and spare parts	11,217,579	9,169,689
Power and fuel	4,754,381	4,325,826
Increase / (decrease) of excise duty on inventory	(102,080)	63,842
Repairs and maintenance - Building	728,181	752,658
Repairs and maintenance - Machinery	4,778,660	3,927,831
Selling and distribution expenses	4,548,118	4,267,273
Insurance	453,288	482,890
Rates and taxes	143,863	211,760
Legal and professional	20,268,559	20,275,354
Travelling and conveyance	2,501,994	2,449,575
Security services	2,571,669	2,537,669
Loss on assets sold/ discarded	4,152	-
Trade receivables and advances written-off	-	2,054
Payment to auditors*	1,336,752	1,337,925
General expenses	5,914,028	5,681,129
	59,119,144	55,485,475

* Payment to auditors comprise (net of service tax input credit):

Particulars	Amount (₹)	
	Current Year	Previous Year
For audit	1,100,000	1,100,000
For taxation matters	225,000	225,000
Reimbursement of expenses	11,752	12,925
	1,336,752	1,337,925

13 Earnings in foreign exchange

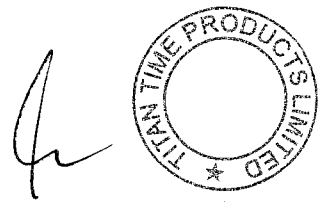
Particulars	Amount (₹)	
	Current Year	Previous Year
Export of goods on FOB basis	-	1,247

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

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
- on capital account	5,373,168	9,955,553
- others	28,909,126	21,109,170
	34,282,294	31,064,723

15 Non-fund based facilities availed of ₹ 609,000/- (2015: ₹ 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.

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

Particulars	Current Year	%	Previous Year	%
	₹		₹	
Imported				
- CIF Value	90,040,447	71	86,237,375	71
- Customs duties	1,293,419	1	1,502,108	1
	91,333,866	72	87,739,483	72
Indigenous	34,956,586	28	33,674,363	28
	126,290,452	100	121,413,846	100

17 Value of imports on CIF basis

Particulars	Amount (₹)	
	Current Year	Previous Year
Raw materials and components	93,398,718	83,900,245
Stores and spares	1,161,510	938,418
Capital goods	4,026,455	-

18 Employee Benefits

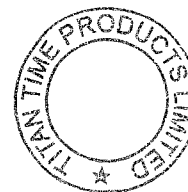
a) Defined Contribution Plan

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

Particulars	Amount (₹)	
	Current Year	Previous Year
Employee Provident Fund	3,036,290	2,854,236

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

		Amount (₹)	
		Current Year	Previous Year
I	Net asset / (liability) recognized in the balance sheet		
1	Present value of unfunded obligations	23,123,883	19,831,908
2	Fair value of plan assets	-	-
3	(Deficit) / surplus	(23,123,883)	(19,831,908)
4	Net asset / liability		
	- Assets	-	-
	- Liabilities		
	Current	9,715,275	548,302
	Non-current	13,408,608	19,283,606
	Total liabilities	23,123,883	19,831,908
II	Expense recognized in the statement of profit and loss (under the head "Employee benefits expense" Refer Note 10)		
1	Current service cost	1,011,695	780,800
2	Interest on defined benefit obligation	1,635,271	1,397,677
3	Net actuarial losses/ (gains) recognized during the year	645,009	3,138,480
4	Past service cost	-	-
	Total	3,291,975	5,316,957
	Actual return on plan assets	-	-
III	Change in present value of obligation		
1	Opening defined benefit obligation	19,831,908	14,652,651
2	Current service cost	1,011,695	780,800
3	Interest cost	1,635,271	1,397,677
4	Actuarial losses/ (gains)	645,009	3,138,480
5	Benefits paid	-	(137,700)
6	Past service cost	-	-
7	Closing defined benefit obligation	23,123,883	19,831,908



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		Amount (₹)	
		Current Year	Previous Year
IV	Principal actuarial assumptions		
	Discount rate	8.00% p.a.	7.95% p.a.
	Expected rate of return on plan assets	-	-
	Salary escalation	7.00% p.a.	7.00% 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 Indian assured lives mortality (2006-2008) Ult tables.		

VII. Experience adjustments

	Amount (₹)				
	Year ended				
	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Defined benefit obligation	23,123,883	19,831,908	14,652,651	14,178,062	11,856,779
Plan assets	-	-	-	-	-
Surplus / (deficit)	(23,123,883)	(19,831,908)	(14,652,651)	(14,178,062)	(11,856,779)
Experience adjustment on plan liabilities	735,963	58,007	916,664	119,168	1,708,671
Experience adjustment on plan assets	-	-	-	-	-

c) Other long-term benefits

The other long-term benefits which are provided for, but not funded are as under:

Particulars	Amount (₹)	
	As at 31-03-2016	As at 31-03-2015
Compensated absences		
- Current	2,719,028	759,568
- Non-current	7,315,362	10,686,660
	10,034,390	11,446,228

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
Loss after tax for the year (₹)	(13,024,897)	(8,082,434)
Weighted average number of equity shares	3,814,703	3,136,301
Nominal value of shares (₹)	10	10
Earnings per share - Basic and diluted (₹)	(3.41)	(2.58)

- 20 Segment information

The Company is in the business of manufacture and sale of Electronic Circuit Boards and Micro Assemblies in India, which in the opinion of the Management is subject to similar risk and returns and hence represent a single business and geographical segment and no separate reporting is therefore required as per Accounting Standard-17 "Segment Reporting".



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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 31-03-2016					
Particulars	₹	€	\$	£	¥
Assets					
Loans and advances	11,00,871	-	16,612	-	-
Payables					
Trade payables	1,89,73,510	20,830	1,59,520	53,438	29,68,600
Advance from customer	72,853	-	1,100	-	-

As at 31-03-2015					
Particulars	₹	€	\$	£	¥
Assets					
Loans and advances	8,15,546	-	13,055	-	-
Payables					
Trade payables	71,96,207	9,520	68,482	20,314	7,73,500
Advance from customer	68,717	-	1,100	-	-

22 Name of related parties and description of relationship:

- a) Holding Company : Titan Company Limited
- b) Key Management personnel : Mr. R. Vivekanandah, Director

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

Nature of transaction	Year Ended	Amount (₹)
		Holding company
Purchase of raw material, components and other items	31 st March 2016	74,63,258
	31 st March 2015	50,63,676
Purchase of fixed assets	31 st March 2016	-
	31 st March 2015	4,59,574
Sale of goods	31 st March 2016	13,67,61,485
	31 st March 2015	14,01,16,608
Reimbursement of expenses/ services	31 st March 2016	2,33,41,363
	31 st March 2015	2,11,75,011
Recovery of expenses	31 st March 2016	7,19,06,000
	31 st March 2015	-
Subscription to equity share capital (including premium)*	31 st March 2016	2,50,00,000
	31 st March 2015	3,75,00,000
Sitting fee	31 st March 2016	54,000
	31 st March 2015	45,000

*During the year, M/s. Titan Company Limited has exercised their option to convert the Zero coupon unsecured optionally convertible bond to Equity. Consequentially, 781,250 number of equity shares with a face value of ₹ 10 each have been issued on 19 October 2015 at premium of ₹ 22 per share as mutually agreed between the Company and allottee.



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TITAN TIMEPRODUCTS LIMITED
Notes forming part of the financial statements

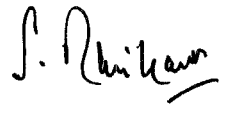
Balances as on balance sheet date

	As at	Amount (₹) Holding company
Trade receivables / Other current assets	31 st March 2016	82,367,005
	31 st March 2015	28,209,217
Trade payables	31 st March 2016	-
	31 st March 2015	4,610,652

23 The figures of the previous year have been regrouped/recast, wherever necessary to conform with the current year classification.

Signatures to Note 1 to 23.
 For and on behalf of the Board of directors


 Director


 Director

Place : Bangalore
 Date : May 2, 2016

