

OUR MISSION

WE DON'T JUST
MANUFACTURE
TYRE VALVES.
OUR GREATER CAUSE
IS SAFETY IN THE
MOVEMENT OF PEOPLE
AND GOODS IN INDIA.

OUR VISION

OUR VISION IS TO SET
GLOBAL BENCHMARKS OF
EXCELLENCE IN EVERY
ASPECT OF BUSINESS.

OUR VALUES

PEOPLE

AT TRITON, WE HAVE TRAVELLED MANY A MILE ON THE ROUGH ROAD TO SUCCESS. BUT WE HAVE RACED PAST EVERY FRONTIER AND MILESTONE, RIDING ON THE UNPARALLELED STRENGTH OF OUR PEOPLE. AS THE MOST IMPORTANT FORCE OF OUR BUSINESS, WE HAVE ALWAYS ENDEAVOURED TO RESPECT AND EMPOWER THEM, THEREBY BRINGING OUT THE BEST IN EACH.

CRAFTSMANSHIP

AT TRITON, THE SPIRIT OF CRAFTSMANSHIP IS AT THE HEART OF ALL THAT WE DO. PAYING ATTENTION TO THE SMALLEST DETAILS AND BEING METICULOUS AND THOUGHTFUL IN OUR DAILY ACTIVITIES MEANS THAT OUR VALVES AND CORES ARE PRECISION CRAFTED PRODUCTS.

EXCELLENCE

WE HAVE AN INNATE DESIRE TO EXCEL IN WHATEVER WE DO, HOWEVER SMALL OR BIG THE TASK MAY BE. ALWAYS ON THE TRAIL OF NEWER FRONTIERS AND BENCHMARKS, PHILOSOPHIES LIKE 'GET IT RIGHT THE FIRST TIME'; 'ZERO-DEFECT' AND 'CUSTOMER COMES FIRST' ARE A WAY OF LIFE WITH US.

PASSION

WE WEAR THE TRITON BADGE ON OUR HEARTS AND IT IS THIS PASSION THAT ALLOWS US COMMON PEOPLE TO ATTAIN UNCOMMON RESULTS EVERY TIME. TEAM TRITON HAS ALWAYS BEEN ABOUT COMING TOGETHER, SHARING TOGETHER, WORKING TOGETHER, AND SUCCEEDING TOGETHER.

CUSTOMER SUCCESS

AT TRITON, WE DON'T AIM TO MERELY SATISFY OUR CUSTOMERS. IT IS THE SUCCESS OF OUR CUSTOMERS FOR WHICH WE STRIVE. WE TRULY BELIEVE THAT OUR CUSTOMERS' SUCCESS IS OUR SUCCESS.

ETHICS

AT TRITON, UNCOMPROMISING ETHICS IS ROOTED IN OUR VERY DNA. WE ARE COMMITTED TO BEING TRANSPARENT, FAIR AND HONEST AND WE WORK WITH THE HIGHEST LEVELS OF INTEGRITY WITH RESPECT TO OUR PEOPLE, THE ENVIRONMENT AND SOCIETY AT LARGE.

JOY OF LIFE

THE SMILE ON A CUSTOMER'S FACE, THE THRILL OF SOLVING A PROBLEM, THE SHEER JOY OF SUCCESS. AT THE END OF THE DAY, ENJOYING WHAT WE DO IS WHY WE GO TO WORK. WE STRIVE TO BUILD AN ECOSYSTEM CALLED TRITON BASED ON THIS JOY OF LIFE.

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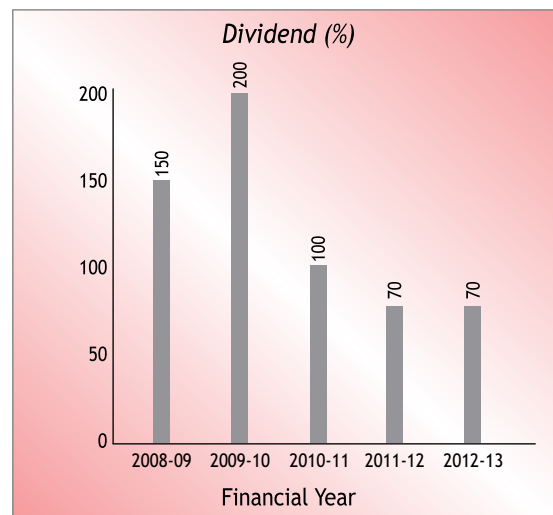
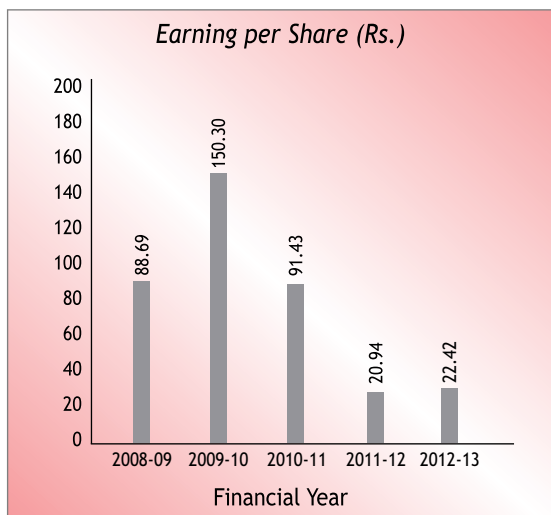
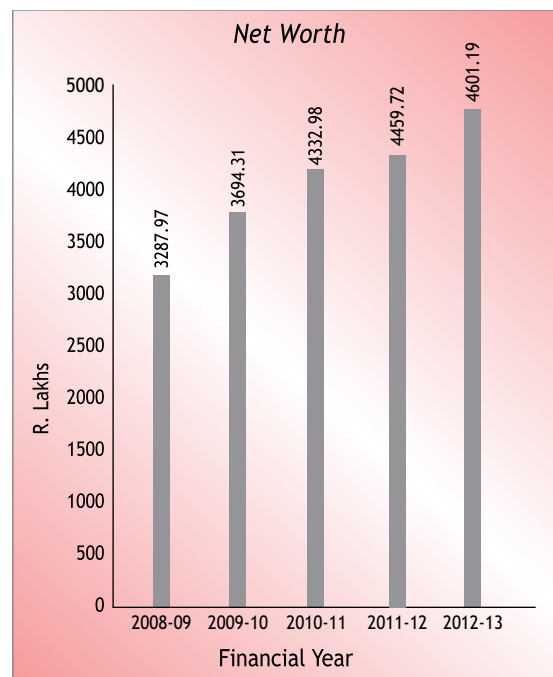
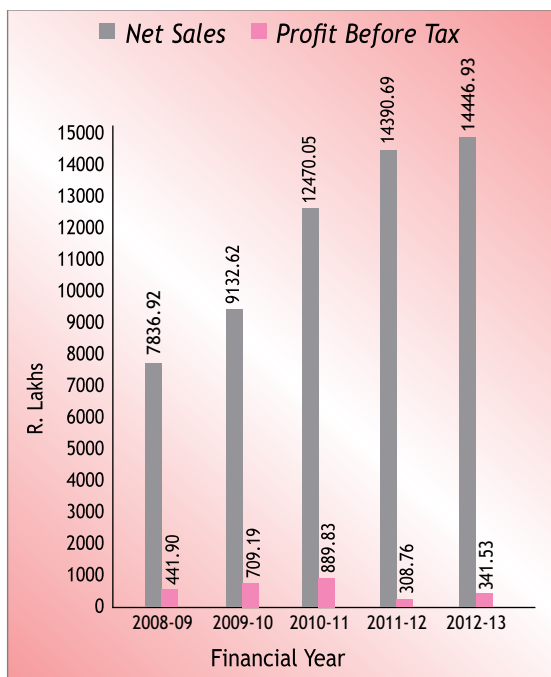
General Shareholders' Information:

- | | | |
|--|---|--|
| 1. Time & Date of AGM | : | 3.30 p.m. on Wednesday, 12th July, 2013 |
| 2. Venue of AGM | : | Hotel Ramada, 11, Park Road, Near Indian Express Circle, Bangalore-560051 |
| 3. Dates of Book Closure | : | July 3rd, 2013 to July 12th 2013 |
| 4. Financial Year | : | 1st April to 31st March each year |
| 5. Dividend Payment Date | : | On or before 11th August 2013 |
| 6. The equity shares of Rs.10/- each listed at | : | Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-400 001. |

TEN YEARS AT A GLANCE

Rs. Lakhs

Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Net Sales	4026.71	4552.90	4910.12	6438.47	7469.12	7836.92	9132.62	12470.05	14390.69	14446.93
Profit Before Tax	739.83	687.04	372.50	293.53	383.45	441.90	709.19	889.83	308.76	341.53
Profit After Tax	418.81	439.13	245.43	199.72	241.24	283.82	480.98	603.72	207.28	222.01
Dividend	150%	140%	125%	100%	125%	150%	200%	100%	70%	70%
Earnings per Share	130.87	137.22	76.69	62.41	75.39	88.69	150.30	91.43	20.94	22.42
Gross Fixed Assets	1431.32	1528.08	1796.44	2372.06	3664.40	4412.69	4772.14	6127.05	8727.59	10235.43
Net Worth	2116.03	2504.50	2753.44	2915.72	3054.62	3287.97	3694.31	4332.98	4459.72	4601.19



BOARD OF DIRECTORS

S.K. Welling, Chairman
Anuradha M. Gokarn
M.R. Hosangady (Upto 25-07-2012)
Dr. M.N. Srinivasan, (Upto 31-01-2013)
Dr. B.R. Pai
Aditya M. Gokarn, Managing Director

BANKERS

HDFC Bank Limited
Citibank N.A.
Standard Chartered Bank
Kotak Mahindra Bank
ICICI Bank Limited

AUDITORS

Brahmayya & Co
Chartered Accountants
10/2, Kasturba Road
Bangalore - 560 001

REGISTERED OFFICE

Sunrise Chambers
22, Ulsoor Road
Bangalore - 560 042

FACTORY

Mercara Road
Belavadi
Mysore - 570 018

SHARE TRANSFER AGENT

Canbank Computer Services Ltd.,
218, JP Royale, 1st Floor, 2nd Main,
Near 14th Cross, Sampige Road,
Bangalore - 560 003

NOTICE

Notice is hereby given that the Thirtyseventh Annual General Meeting of Triton Valves Limited will be held at Hotel Ramada, 11, Park Road, Near Indian Express Circle, Bangalore-560051 on Wednesday the 12th of July 2013 at 03.30 P.M to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013, Statement of Profit and Loss for the year ended on that date, the reports of the Board of Directors & Auditors and Compliance Certificate thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr.S.K.Welling who retires by rotation and being eligible, offers himself for re- appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

5. To appoint Mrs. Anuradha M.Gokarn as an Additional Director of the Company and to consider and if thought fit, to pass with or without modification(s) the following Resolution as an ordinary Resolution

“RESOLVED THAT Mrs. Anuradha M. Gokarn, who was appointed as an Additional Director of the Company w.e.f. January 01, 2013 and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation.”

6. To appoint Mr. Aditya M. Gokarn as Managing Director of the Company and to consider and if thought fit, to pass with or without modification(s) the following Resolution as an ordinary Resolution.

“RESOLVED THAT, pursuant to the provisions of Section 269 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, and subject to the approval of the Central Government, if necessary, the approval of the Company be and is hereby accorded to the appointment of Mr. Aditya M. Gokarn as the Managing Director of the Company for a period of 5 years with effect from 31st January 2013 on the remuneration and other terms and conditions as set out in the explanatory statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT in the event of Company not having any profit or its profits are inadequate in any financial year during the tenure of his appointment, the above remuneration by way of salary, allowances and perquisites shall be paid to Mr. Aditya M. Gokarn as a minimum remuneration, but however subject to the approval of the Central Government and/ or limits laid down under Section II of Part II of Schedule XIII of the Companies Act, 1956 including any statutory modification or re-enactment thereof as may be for the time being be in force.

RESOLVED FURTHER THAT Mr. Aditya M. Gokarn shall not retire by rotation during the tenure of his appointment as Managing Director.”

RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby authorised to vary, alter or modify the terms and conditions including remuneration as may be directed by the Central Government and as may be agreed to by the Board of Directors and Mr.Aditya M. Gokarn.

Bangalore
29th May 2013
Registered Office:
Sunrise Chambers
22, Ulsoor Road,
Bangalore - 560 042

By order of the Board of Directors of
Triton Valves Limited

Aditya M.Gokarn
Managing Director

NOTES

1. The Explanatory Statement in regard to Special Business as required pursuant to Section 173(2) of the Companies Act, 1956 is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The Instrument appointing the proxy, in order to be valid, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 3rd July 2013 to 12th July 2013 (both days inclusive).
5. The dividend recommended by the Board, if approved at the Annual General Meeting, will be paid on or before 11th August 2013 to the Shareholders whose names appear in the Register of Members of the Company as on 3rd July 2013. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories as on that date.
6. Members who wish to claim dividends, which have remained unclaimed, are requested to either correspond with the Corporate Secretarial Department at the Company's Registered Office or the Company's Registrar and Share Transfer Agent, Canbank Computer Services Ltd., 218, J.P.Royale, 1st Floor, 2nd Main, Near 14th Cross, Sampige Road, Malleswaram, Bangalore-560 003. Members are requested to note that dividends remaining unpaid or unclaimed for a period of seven years from the date they became due for payment will, as per Section 205A(5) read with Section 205C of the Companies Act, 1956, be transferred to the Investors Education and Protection Fund. The Company has transferred the unclaimed dividend up to the Financial Year ended 31st March 2005 to the Fund.

After completion of seven years as aforesaid, no claims shall stand against the Investors Education and Protection Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.

7. Details of Directors seeking Appointment at the Annual General Meeting

Particulars	Mr.S.K.Welling	Mrs. Anuradha M. Gokarn	Mr.Aditya M. Gokarn
Date of Birth	November 15, 1946	December 25, 1942	May 25, 1980
Date of Appointment	January 28, 2011	July 12, 1986	June 20, 2005
Qualifications	B.E.M.B.A.	M.Phil	B.E.
Expertise in specific functional area	Wide experience in Corporate Management	Management of the Company	Management of the Company
Directorships held in other Public Companies	AUMA India Pvt. Ltd. Fortune Technologies Pvt. Ltd.	Nil	Nil
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit and Shareholder Grievance Committees)	Nil	Nil	Nil
No. of shares held in the Company	Nil	280041	46822

Bangalore
29th May 2013
Registered Office:
Sunrise Chambers
22, Ulsoor Road,
Bangalore - 560 042

By order of the Board of Directors of
Triton Valves Limited

Aditya M.Gokarn
Managing Director

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF COMPANIESACT, 1956

Item 5

Mrs Anuradha M. Gokarn, consequent to her retirement as Managing Director of the company, was appointed as Additional Director on the Board of Directors w.e.f January 01, 2013. Pursuant to section 260 of the Companies Act, 1956, (the Act) she holds office upto the date of Annual General Meeting. The company has received a notice pursuant to section 257 of the Act along with a deposit of Rs 500/- from a shareholder proposing her candidature to the office of the Director of the Company. Considering her long services to the Company and also the necessity of her continued guidance, the Board of Directors recommend her appointment as a Director of the Company.

Mrs Anuradha M. Gokarn, as the Resolution relates to her appointment and Mr. Aditya M. Gokarn being a relative in terms of Section 6 read with Schedule 1A of the Companies Act, 1956, may be regarded as interested or concerned in the Resolution. No other Director is interested or concerned in the Resolution.

Item 6

Mrs. Anuradha M. Gokarn resigned as Managing Director of the Company w.e.f 31.12.2012. In order to ensure effective management of the affairs of the Company, it was found necessary to appoint a new Managing Director.

Mr. Aditya M. Gokarn had been working as Whole time Director (Executive Director) of the Company since 20th June 2005 and had been directing the operations of the Company including production, factory administration, marketing and financial functions of the Company. He has made a significant contribution to the improvement of manufacturing techniques, production, sales and overall growth of the company. The Company implemented a major expansion program under his dynamic leadership. In view of the above, the Board deemed it appropriate to appoint Mr. Aditya M. Gokarn to the post of the Managing Director.

Considering the increased responsibility being entrusted to him and the managerial remuneration currently prevailing in the industry, the Board deemed it appropriate to review the same and bring it on par with the industry norm. Accordingly, pursuant to the recommendation of the remuneration committee, the Board in their meeting held on 31st January 2013, subject to approval of the shareholders and that of the Central Government if necessary, has appointed Mr. Aditya M. Gokarn as the Managing Director of the company for a period of 5 years w.e.f. 31st January 2013 on the following terms and conditions:

- a. Salary : Rs.3,50,000/- per month with an annual increment of Rs.35,000/- per month (in the scale of Rs 3,50,000-35,000- 5,60,000)
- b. Perquisites and Allowances

Category A

- a. Housing: Furnished residential accommodation or House Rent Allowance up to 60% of the Salary in lieu thereof subject to a maximum of Rs. 1,50,000/- per month.
- b. Provision of gas, electricity, furnishing, etc... and the expenditure incurred by the Company on the same shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 3% of the salary.
- c. Medical reimbursement: For self and family subject to a ceiling of one month's salary in a year or three months' salary in a block of three years.
- d. Leave Travel Concession: For self and family, once in a year incurred in accordance with the rules of the Company subject to a maximum of 5% of salary.
- e. Club Fees: Club fees subject to a maximum of Rs. 60,000/- per annum for two clubs. This will not include admission and life membership fee.
- f. Personal Accident Insurance: Premium not to exceed Rs. 10,000/- per annum.

Category B

- i. Company's Contribution to Provident Fund, Superannuation Fund or Gratuity as per the Rules of the Company.
- ii. Gratuity not exceeding half months' salary for every completed year of service.
- iii. Earned / Privilege Leave as per the rules of the Company.
- iv. Encashment of leave as per the rules of the Company.

Category C

- I. Provision of car for use on Company's business and telephone at residence. Personal long distance calls on telephone and use of car for private purpose shall be billed to the Managing Director.
- ii. Commission: Commission at a percentage of the net profits of the Company as may be determined by the Board of Directors.

He shall also be entitled to the benefits of continuity of service for all purposes from the date of his appointment as Whole time Director.

The appointment is terminable with three months notice on either side.

The Managing Director is not entitled to sitting fees for attending meetings of the Board of Directors or any Committee thereof.

The Resolution seeks the approval of the Shareholders for the appointment of Mr. Aditya M. Gokarn as Managing Director of the Company for a period of 5 years w.e.f. January 31, 2013, pursuant to the provisions of Section 269 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 and the payment of the above remuneration to him.

Mr. Aditya M. Gokarn , Managing Director as the Resolution relates to his appointment, and Mrs.Anuradha M. Gokarn, Director being a relative in terms of Section 6 read with Schedule 1A of the Companies Act, 1956, may be regarded as interested or concerned in the Resolution. No other Director is interested or concerned in the Resolution

This may also be regarded as an Abstract of Terms and Conditions of appointment of Managing Director and Memorandum of Interest pursuant to Section 302 of the Act..

Bangalore
29th May 2013

Registered Office:
Sunrise Chambers
22, Ulsoor Road,
Bangalore - 560 042

By order of the Board of Directors of
Triton Valves Limited

Aditya M. Gokarn
Managing Director

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Thirtyseventh Annual Report together with the Audited Accounts for the year ended 31st March 2013.

1. Financial Results

During the year under review, the Company achieved the following financial results :

	31.03.2013 (Rs. Lakhs)	31.03.2012 (Rs. Lakhs)
Total Income	14502.29	14425.22
Profit Before Tax	341.53	308.76
Provision for Taxation	119.52	101.48
Profit After Tax	222.01	207.28
Add: (a) Balance Brought Forward	511.71	484.97
Profit available for appropriation	733.72	692.25
Appropriations		
Proposed Dividend on equity shares	69.30	69.30
Tax on Dividend	11.24	11.24
General Reserve	200.00	100.00
Balance Carried Forward	453.18	511.71
	<u>733.72</u>	<u>692.25</u>

2. Dividend

Your Directors are pleased to recommend a dividend of Rs.7/- per Equity Share (70 %) for the financial year ended 31st March 2013.

3. Performance

The Company's sales turnover net of excise duty and discount increased to Rs. 144.47 crore as against Rs. 143.92 crore in the previous year. Sales volumes of valves and cores increased by 9% and 1% respectively. Operating Profit increased to 11.40% of Sales during the year from the previous year's level of 9.74%. This was primarily on account of the good control exercised over raw material costs during the year. In spite of the increase in interest cost by Rs.2.11 crore, Profit Before Tax increased to Rs. 342 lakhs from the previous year's level of Rs.309 lakhs representing an increase of 10.68%.

4. Prospects for the Financial Year 2013-14

The year ahead is expected to be a challenging one. Growth in the automobile industry has been impacted by high interest rates and high fuel costs. Most automobile OEMs are expected to grow very marginally during the year ahead. The Society for Indian Automobile Manufacturers (SIAM) has forecast an overall growth rate of 3-5% for the Financial Year 2013-14. Your Company aims to grow at a rate higher than that of the industry by opening new customer accounts, increasing market share in key market segments and increasing product offerings to customers. The Company has also launched an aggressive cost cutting drive to further improve the operating profit.

5. Board of Directors

Mr.S.K.Welling retires by rotation at the Annual General Meeting and being eligible has offered himself for re-appointment.

The Board deeply regrets the sad demise of its former Chairman Mr. M.R.Hosangady on 11th March 2013 and places on record its appreciation of the services rendered by him as a key member of the Board of Directors for over two decades.

Dr. M.N.Srinivasan resigned from the Board of Directors on health grounds with effect from 31st January 2013. The Board places on record its appreciation of the services rendered by Dr. M.N.Srinivasan as a key member of the Board for over three decades.

Mrs. Anuradha M. Gokarn, Managing Director retired from the position of Managing Director on 31st December 2012. Mrs. Gokarn took the mantle of leadership from the founder Managing Director Mr. M.V. Gokarn in extremely difficult circumstances upon his untimely demise in 1986. She led the Company to market leadership and further on to great heights during her tenure of 26 years. She continues to contribute to the Company in the capacity of a Non-executive Director. The Board places on record its appreciation of the valuable services rendered by her during her tenure as Managing Director.

6. Corporate Governance

As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate report on Corporate Governance and Management Discussion and Analysis together with a certificate from the Company's Auditors confirming the compliance of conditions of Corporate Governance is attached to this report.

7. Particulars of Employees

In terms of the provisions of Section 217(2a) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are set out in the annexure to the Directors' Report. However, having regard to the provisions of section 219(1)(b)(4) of the Companies act 1956, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and other entitled thereto. Any member interested in obtaining a copy of such particulars may write to the Company Secretary at the Registered Office of the Company.

8. Auditors

The Statutory Auditors of the Company, M/s Brahmayya & Co., Bangalore, retire at the conclusion of this Annual General Meeting and are eligible for re-appointment.

9. Cost Audit

Cost Audit under Section 233B of the Companies Act 1956 is applicable to your Company for the Financial Year 2012-13. The due date for filing the cost audit report with the Ministry of Corporate Affairs is 27th September 2013. The Company has appointed Rao, Murthy & Associates as the Cost Auditors for the year ended 31st March 2013. The report shall be filed by the Company before the due date.

10. Employee Relations

Employee relations continued to be cordial during the year.

11. Conservation of Energy, Technology Absorption, Exports and Foreign Earnings & Outgo

Information required to be furnished pursuant to Section 217(1)(e) of the Companies Act 1956 read with Companies (Disclosure of Particulars in the Report of Directors) Rules 1988 is set out in the Annexure to this report.

12. Listing with Stock Exchanges

As per the requirement of Clause 49 of the Listing Agreement with Stock Exchanges, the Company hereby declares that the listing of its shares continued throughout the year with the Stock Exchange Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 and that the Company has paid the listing fees up to date.

13. Directors' Responsibility Statement as required under Section 217(2AA) of the Companies' Act 1956

Your Directors, on the basis of information made available to them by the Management and the Auditors wish to place on record:

- (i) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures.
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments 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 or Loss of the Company for that period.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Annual Accounts have been prepared on a going concern basis

14. Secretarial Compliance Certificate

The Compliance Certificate obtained from a Company Secretary in whole time practice in accordance with Section 383(A) of the Companies Act 1956 and the rules made thereunder is annexed to this report.

15. Appreciation

Your Directors thank the customers and vendors for their continued support to your Company's growth. Your Directors place on record their appreciation of the support given by HDFC Bank, Standard Chartered Bank, Citibank, Kotak Mahindra Bank and ICICI Bank for meeting the long term and working capital needs of the Company.

Your Directors are grateful to the State Government for their continued support to the Company's activities.

Your Directors are thankful to the esteemed shareholders for their support and encouragement. They also wish to place on record their appreciation of the contribution made by employees at all levels.

For and on behalf of the Board of Directors

Bangalore
29th May 2013

S.K.Welling
Chairman

ANNEXURE TO DIRECTORS' REPORT

Particulars pursuant to Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988

A. CONSERVATION OF ENERGY

- a. Power factor has been improved to 0.98 by installing capacitors in the Main Voltage Panel
- b. Air compressors have been connected in loop to optimize the energy consumed.
- c. High energy consumption equipment is operated during off-peak hours to take advantage of the lower power tariffs
- d. Boiler steam is utilized in the canteen substituting LPG wherever possible.

B. TECHNOLOGY ABSORPTION

1. Research and Development (R&D)

The specific areas in which R&D was carried out by the Company are:

- a. Development of new products for the domestic and export markets
- b. Development of new rubber compounds and formulations
- c. Development of new tools, moulds, jigs and fixtures
- d. Development of new manufacturing processes and techniques
- e. Development of new equipment and modification of existing machinery.

2. Benefits derived as a result of the above R&D

The R&D activities are primarily carried out in our in-house, independent R&D Center located within our Mysore facility. The R&D center is well equipped to cater to our needs. New products are continuously designed, developed and tested for compliance to internationally recognized standards as well as customer specific requirements. The development of new tools, moulds and fixtures has resulted in increased productivity, waste reduction and improvement in quality. Several new and improved manufacturing processes have been developed which have resulted in reduction in scrap generation and improvements in product performance. Development of new equipment has resulted in savings in capital expenditure and increased levels of shop-floor automation.

3. Future Plan of Action

It is planned to develop new products to meet the changing needs of customers. It is also proposed to focus on process improvements for cost reduction and quality improvement. Another area of work which the Company has identified is to reduce the adverse impact of manufacturing on the environment. It is proposed to take up projects which will substitute existing processes with more environmental friendly ones.

4. Expenditure on Research & Development

R&D Expenses	2012-13 (Rs. Lakh)	2011-12 (Rs. Lakh)
a. Capital	37.59	5.03
b. Recurring	106.40	37.51
Total	143.99	42.54
Total R&D expenditure as a percentage of turnover	0.99%	0.26%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	Equivalent in Rupees
Foreign exchange earned through exports	Rs. 529.46 lakh
Foreign exchange used	Rs. 5500.36 lakh

For and on behalf of the Board of Directors

Bangalore
29th May 2013

S.K.Welling
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Tyre Valve Industry Structure and Developments

Your Company's primary business is the design, manufacture and sale of automotive tyre valves, valve cores and accessories. Your Company is a major Original Equipment (OE) supplier to both the tyre and the automobile industries. The size of the Indian tyre valve business is estimated at approximately Rs.250 crore in the organized sector in the period 2012-13. Exports do not constitute a significant proportion of this turnover. Four manufacturers contribute over 90% of the total production and sales.

At a macro-economic level, the Financial Year 2012-13 saw the Indian economy weakening further with the GDP growth rate slowing to an estimated range of 5.5-6.5%. The year was one of the toughest years for the automobile industry in the last decade. High interest rates and continuous increases in fuel prices diminished growth across all segments. Although there was an expectation from the automobile industry of a policy stimulus, the government was unable to effect any significant policy initiatives to stimulate growth. Overall production of automobiles in India grew by just 1.2% over the previous year. Domestic Passenger Car sales fell by 6.7% during the year while sales of two & three wheelers grew by just 2.9% and 4.87% respectively. The Commercial Vehicle segment recorded negative growth of 2%. Overall domestic sales increased by just 2.6% during the Financial Year 2012-13. The only segment that performed well during the year was the Utility Vehicle segment which recorded a growth of 52% over the previous year. However, with the increase in excise duty on this segment and the steady deregulation of diesel prices, this growth is not expected to sustain very long.

The scenario was no different for the tyre industry. The tyre industry produced fewer tyres than the previous year for the first time in the last decade with production falling by over 2% compared to the previous year. Tube production also recorded very marginal growth or a reduction in almost all categories except for the motorcycle segment which grew by close to 15%. The industry as a whole experienced a year of stagnation and under-utilization of capacities as a result of the poor market conditions.

Opportunities and Threats

Although the general economic environment is not conducive for strong growth, your Company has a competitive advantage in the market due to its superior technology, large installed capacities in all product categories, high quality products, competitive pricing and approvals from almost every tyre and vehicle manufacturer in the country. Your Company holds the market leadership position in every segment that it operates in, from two and three wheelers to passenger cars, trucks & buses and Off-the-Road vehicles. These strengths can be leveraged to further widen the customer base, increase the product offerings and improve the Company's overall performance.

The market scenario in India is likely to continue to be subdued in the year ahead. Under these circumstances, payments from some customers can tend to be delayed. This can adversely affect cash-flows and can put an additional interest burden on the Company due to increased utilization of working capital. The primary raw materials used in manufacturing valves are highly volatile commodities, namely brass which is an alloy of copper and zinc and synthetic rubber. Continued volatility in the prices of these commodities can pose a threat to profitability. The Company is also a net importer; hence volatility in currency rates also poses a threat to profitability. Competition in the tyre valve industry is also likely to intensify with domestic competitors adding capacities and new products while low priced imports from China are also a potential threat.

Segment-wise Performance

The Company manufactures automobile tyre valves, valve cores and accessories. The sales figures net of discounts and excise duties in the domestic and export segments are shown below:

	(Rs. crore) 2012-13	(Rs. crore) 2011-12
Overall Sales	144.47	143.91
Domestic Sales	139.18	136.54
Export Sales	5.29	7.37

Outlook

The overall outlook for the Financial Year 2013-14 is subdued. The automobile industry is expected to show marginal growth of 3-5% during the year ahead. The Company expects to grow at a rate higher than that of the industry and has developed plans to achieve the same. The Company also expects to improve its operating profits by improving operating efficiencies and aggressive cost cutting.

Risks and Concerns

The operations of the Company relate to the manufacture and sale of automotive tyre valves, cores and accessories which constitute only one major business segment. From the risk perspective, this can be viewed as one of the strategic risk factors since the Company does not currently possess a diversified set of products and customers beyond the automobile and tyre industries. Operationally, the Company has only one manufacturing location at Mysore and exposure to only one geographical region. Exports do not contribute significantly to the turnover of the Company. The Board of Directors has been apprised of the strategic and operational risks identified by the Company and the initiatives taken to mitigate them.

Internal Control Systems and Their Adequacy

The Company has proper and adequate systems of internal controls. Internal audits and checks are carried out at regular intervals. An audit committee headed by an Independent Director reviews control systems and their adequacy.

Discussion on Financial Performance with respect to Operational Performance

The details of the financial performance of the Company appear in the Balance Sheet, Statement of Profit and Loss and other Financial Statements. Highlights for the year 2012-13 are as under:

	(Rs. crore)
Sales net	144.47
Other Income	0.55
Profit Before Tax	3.42

The financial performance of the Company has been explained in the Directors' Report of the Company for the year 2013 appearing separately.

Human Resources

Human Resources are a key focus area of the Company. The Company endeavors to attract and develop the best talent available in each area of its operations. The Company's policy is to create a conducive environment for nurturing talent and developing the requisite skills needed to keep pace with the ever-changing needs of the market. Training is imparted to employees at all levels and covers both technical and behavioral aspects.

The Industrial Relations scenario during the year under review was smooth. The Company has an excellent track record in this regard and has maintained cordial relationships with all its employees. The Company has signed a Long Term Agreement (LTA) with the union for a four year period ending 30th September 2014. The employees and the recognized union continue to play a positive and constructive role in the growth and development of the Company.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's views about the industry, expectations, objectives, etc... may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Factors like supply and demand situations, input prices and their availability, changes in Government regulations, economic developments, etc... may influence the Company's operations or performance.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2012-13

Company's Philosophy on Corporate Governance

The Company has been committed to the highest standards of Corporate Governance since its inception. Corporate Governance encompasses the values, ethics and the best business practices followed by the Company. The Company believes that a strong Corporate Governance policy is indispensable for healthy business growth and is an important instrument of investor protection. Good Corporate Governance provides an appropriate framework for the Board and the Management to achieve the objectives that are in the interest of the Company and the Shareholders.

Board of Directors

- i. The Board of Directors of the Company consists of 4 Directors out of which one is Executive, one is Non-Executive and two are Independent Directors. The Chairman of the Board is Non-executive.
- ii. The Board of Directors met four times during the year on 18th May 2012, 25th July 2012, 29th October 2012 and 31st January 2013.
- iii. The particulars of Directors and their attendance at Board Meetings are given below:

Name of Director	Category	Number of Board Meetings attended	Whether attended last AGM	Number of Directorship in other Indian companies
Mr.Aditya M. Gokarn	Managing Director	4	Yes	Nil
Mrs. Anuradha M. Gokarn	Non-executive Director	4	Yes	Nil
Dr. B.R.Pai	Non-executive Independent Director	4	Yes	1
Dr. M.N.Srinivasan (Upto 31st January 2013)	Non-executive Independent Director	4	Yes	Nil
Mr.S.K.Welling	Non-executive Independent Director	4	Yes	2

Audit Committee

- i. The Audit Committee consists of three members two of which are Independent Directors and one Non-executive Director. The Chairman of the Committee is an Independent Director. The Managing Director, Internal Auditors and Statutory Auditors are invitees to the Meetings. The Vice President Finance of the Company acts as Secretary to the Audit Committee.
- ii. The Terms of Reference of the Audit Committee are as set out hereunder:
 - To oversee the financial reporting system of the Company.
 - To review with the Management the financial statements of every quarter before submission to the Board.
 - To review the annual financial statements and Auditors' report thereon.
 - To review the scope and coverage of the Internal Audit function and reporting structure.
 - To review the efficiency of the internal control system.
 - To review the findings of any internal investigation and to report these to the Board.
 - To review the Company's financial and risk management policies and strategies.
 - To recommend the appointment of External Auditors and Internal Auditors and fixation of their fees.
 - To monitor the quality of Internal and Statutory Audit.

The committee members and their attendance is as under.

Name	Category	No. of Meetings held	No. of Meetings attended
Dr.B.R.Pai	Independent	4	4
Mr.S.K.Welling	Independent	4	4
Dr.M.N.Srinivasan (Upto 31st January 2013)	Independent	4	4
Mrs Anuradha M. Gokarn	Non-Executive	4	1

Remuneration Committee:

The Remuneration Committee reviews and recommends to the Board the appointment of and remuneration payable to Managerial persons.

Remuneration to Non- Executive Directors.

The Non-Executive Directors are paid sitting fees for attending the Board Meetings and Committee Meetings. They are also paid commission on net profit not exceeding one percent of the net profit in aggregate as sanctioned by the Shareholders by a Special Resolution in the AGM held on 15th July 2011.

The Remuneration Committee consists of 3 members out of which two are Independent Directors and one is Non Executive Director.

Remuneration paid to Directors during 2012-13

Name of Director	Sitting Fees	Salaries & Perquisites	Commission
Mrs. Anuradha M. Gokarn	10,000	5,025,305	27,691
Dr.M.N.Srinivasan	90,000	-	92,305
Dr.B.R.Pai	90,000	-	110,766
Mr.Aditya M. Gokarn	-	3,900,888	-
Mr.S.K.Welling	90,000	-	110,766

Details of Annual/Extraordinary General Meetings

Location and time of General Meetings held since 2010

Year	AGM/EGM	Location	Date	Time
2010	AGM	Hotel Ajantha, 22-A, MG Road, Bangalore-560001	16.06.2010	11.00 AM
2011	AGM	Hotel Ajantha, 22-A, MG Road, Bangalore-560001	15.07.2011	04.30 PM
2012	AGM	Hotel Ajantha, 22-A, MG Road, Bangalore-560001	25.07.2012	04.30 PM

Disclosures:

- (i) Significant related party transactions:
The Company has entered into contract for purchase of goods of aggregate value of Rs.98.77 lakhs with M/s Suvadhan a partnership firm in which Mrs.Anuradha M.Gokarn, Non-executive Director and Mr.Aditya M.Gokarn, Managing Director are interested as partners.
- (ii) There are no non-compliances, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities on any matter related to the Capital Markets during the last three years.

Means of Communication:

Quarterly results are published in one English daily, Business Standard and in one Kannada daily, Samyukta Karnataka. All quarterly results are sent to the Stock Exchanges. The financial results are displayed on the Company's website www.tritonvalves.com and on the Bombay Stock Exchange www.bseindia.com

The Management Discussion & Analysis is attached to the Directors' Report and forms a part of this Annual Report.

General Shareholders' Information:

1	Time & Date of AGM	3.30 PM on 12th July 2013
2	Venue of AGM	Hotel Ramada, II, Park Road, Near Indian Express Circle Bangalore-560051
3	Dates of Book closure	July 03, 2013 to July 12, 2013
4	Financial Year	1st April to 31st March each year
5	Dividend Payment Date	On or before 11th August 2013
6	The equity shares of Rs.10/- each listed at	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
7	Registered Office	Sunrise Chambers, 22, Ulsoor Road, Bangalore-560 042
8	Stock Code	505978
9	Demat ISIN No.	INE440G01017
10	Registrar & Transfer Agents	Canbank Computer Services Limited, 218, J.P.Royale, 1st Floor, 2nd Main, Sampige Road, Malleswaram, Bangalore-560 003
11	Investor correspondence:	Investor correspondence may be addressed to: V.Sridhar, Compliance Officer, Triton Valves Limited, Sunrise Chambers, 22, Ulsoor Road Bangalore-560042

12. Stock Market Price Data (BSE)

Triton Valves Share Price			BSE SENSEX	
Month	High	Low	High	Low
Apr - 12	535.00	460.00	17664.10	17010.16
May - 12	513.90	445.00	17432.33	15809.71
June - 12	465.00	412.05	17448.48	15748.98
July - 12	474.80	427.00	17631.19	16598.48
Aug - 12	476.00	390.10	17972.54	17026.97
Sept - 12	500.00	396.20	18869.94	17250.80
Oct - 12	495.00	435.10	19137.29	18393.42
Nov - 12	460.80	420.00	19372.70	18255.69
Dec - 12	465.00	420.00	19612.18	19149.03
Jan - 13	474.00	375.00	20203.66	19508.93
Feb - 13	434.00	381.00	19966.69	18793.97
Mar - 13	409.80	300.00	19754.66	18568.43

13. Distribution of Shareholding as on 31.03.2013

No. of Equity shares held	No. of Shares	No. of Shareholders	% of Shareholders
1-500	268283	5944	97.86
501-1000	51636	74	1.22
1001-5000	88083	43	0.71
5001-10000	57304	8	0.13
10001 & above	524721	5	0.08

14. Shareholding Pattern as on 31.03.2013

Category	No. of Shares held	% of Shareholding
Promoters' Holding:		
- Indian Promoters	500004	50.51
- Foreign Promoters	Nil	-
Persons Acting in Concert	Nil	-
Sub- total	500004	50.51
Non Promoter Holding:		
- Mutual Funds	Nil	-
- Banks, financial Institutions, Insurance companies	Nil	-
Sub-Total	Nil	-
Others:		
Private Corporate Bodies	27035	2.73
Indian Public	459213	46.38
NRIs/OCBs	3775	0.38
Sub-Total	490023	49.49
Grand Total	990027	100.00

The Company's shares are dematted with effect from April 2004 and trading in the Company's shares is permitted only in demat form. As on 31st March 2013, 936,683 shares (94.62 %) are held in demat form and 53,344 shares (5.38 %) in physical form.

Share Transfer system

The transfer/transmission of shares in physical form is normally processed and completed within 21 days from the date of receipt of request. In the case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

There were no cases of loss of Share Certificates and no complaints either from SEBI or the Stock Exchanges. Twenty three Dividend warrants and sixty nine dividend intimation letters were returned undelivered. There were 19 investor grievances during the year and all have been addressed and closed.

Auditors' Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing agreement(s)

AUDITORS' COMPLIANCE CERTIFICATE

To
The Members,
Triton Valves Limited

We have examined the compliance to the conditions of Corporate Governance by Triton Valves Limited for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement(s).

We state that in respect of investor grievances received during the year ended 31st March 2013, no investor grievance is pending for a period exceeding one month as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 0005155

Place: Bangalore
Date: 29th May 2013

G.Srinivas
Partner
Membership No. 86761

SECRETARIAL COMPLIANCE CERTIFICATE

I have examined the registers, records, books and papers of TRITON VALVES 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 31st March, 2013. In my opinion and to the best of our information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act 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 Annexure 'B' to this certificate, subject to our comments therein with the Registrar of Companies.
3. The Company being a Public Limited Company comments are not required.
4. The Board of Directors duly met 4 (four) times on 18.05.2012, 25.07.2012, 29.10.2012 & 31.01.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including Circular Resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, from 16.07.2012 to 25.07.2012 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31.03.2012 was held on 25.07.2012 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.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and / or persons or firms or Companies referred in the Section 295 of the Act during the financial year.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made the necessary entries in the Register maintained under Section 301 of the Act.
11. As informed to us by the Company there were no instances falling within the purview of Section 314 of the Act during the Financial Year.
12. The Company has not issued any duplicate Share Certificate issued during the Financial Year.
13. The Company has:
 - i. Not allotted / transferred / transmitted of Securities in physical form during the Financial Year.
 - ii. Deposited the amount of dividend declared in a separate bank account on 28.07.2012 which is within five days from the date of declaration of such dividend.

- iii. Paid / Posted warrants for dividends (by means of cheques / demand drafts / pay orders) to all the members within a period of 30 (thirty) days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to the Unpaid Dividend Account of the Company with HDFC Bank on 1st august 2012.
 - iv. Transferred the amount(s) in unpaid dividend account and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund; and
 - v. Has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointments of Directors/Additional Directors have been duly made and there was an appointment of Alternate Director to fill casual vacancy during the financial year.
15. The appointment of Managing Director/Whole-time Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act and no approval of Central Government was necessary in respect of the appointments during the Financial Year.
16. The Company has not appointed any Sole-Selling Agent during the Financial Year.
17. The Company has made application to the Central Government seeking approval pursuant to Sections u/s 269, 198, 309, etc. in respect of appointment of Mr. Aditya M Gokarn as Managing Director of the Company for a period of 5 years w.e.f. 31.01.2013.
- The Company has obtained necessary order dt. 20.06.2012 of the Company Law Board for condonation of delay and extension of time for filing Form 8 dt. 26.09.2011 in respect of charge for Rs. 34.20 crore created in favour of HDFC Bank Ltd.
- Except as above, the Company was not required to obtain any other approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other Authorities as prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued Shares/ Debentures/ Other securities during the Financial year.
20. The Company has not bought back any shares during the Financial year.
21. The Company has not redeemed preference shares / debentures during the year.
22. The Company has not kept in abeyance rights to dividend, rights 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 Sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 / the applicable directions issued by the Reserve Bank of India / any other authority during the Financial Year.
24. The amounts borrowed by the Company from Directors, Members, Public, Financial Institutions, Banks and Others during the Financial Year ending 31.03.2013 are within the borrowing limits of the Company sanctioned by necessary Resolutions passed as per Sec. 293 (1) (d) of the Act in the 34th Annual General Meeting held on 16th June 2010.
25. The Company has not advanced loans or made investments or given guarantees or provided securities to other bodies Corporate during the Financial Year.

26. The Company has not altered the provisions of the Memorandum 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 with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. No Show Cause Notice has been received by the Company under the Companies Act, 1956, nor has any prosecution been launched or penalty imposed against the Company.
32. The Company has not received any money as security from its employees during the year under certification falling within the purview of Section 417(1) of the Act.
33. The Company has deposited both Employees' and Employer's contribution to the Employees Provident Fund with the prescribed authorities pursuant to Section 418 of the Act.

Place : Bangalore
Date: 29th May 2013

P.G.HEGDE
Hegde & Hegde
Company Secretaries
C. P. No. 640

ANNEXURES TO COMPLIANCE CERTIFICATE OF EVEN DATE

Annexure A

Registers as maintained by the Company

1. Register of Charges	:	S 143
2. Register of Members	:	S 150 / 151.
3. Register of Share Transfers		
4. Register of particulars of contracts	:	S 301
5. Register of Directors / Managing Directors	:	S 303
6. Register of Directors' Shareholdings	:	S 307
7. Register of Investments & Loans	:	S 372A
8. Board Meeting Minutes Book	:	S 193 / 196
9. General Meeting Minutes Book	:	S 193 / 196
10. Books of Accounts & Cost Records	:	S 209
11. Register of Proxies	:	

Notes:

1. The Register of Members and Register of Share Transfers are maintained in electronic form by the Registrars and Share Transfers Agents of the Company.
2. The Company has informed that it has maintained Cost Account Books and records as prescribed in the order of the Central Government u/s.209(1)(D) of the Act. However we have not verified the same.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2013 (as per the copies of returns made available by the company).

1. Form 8 dated 15.06.2012 filed u/s. 125/127 in respect of modification of charge created in favour of Kotak Mahindra Bank.
2. Form 8 dated 12.07.2012 filed u/s. 125/127 in respect of creation of charge created in favour of ICICI Bank.
3. Form 8 dated 27.11.2012 filed u/s. 125/127 in respect of modification of charge created in favour of Kotak Mahindra Bank (filed on 29.12.2012 with additional fees).
4. Form 61 for filing copy of petition to CLB filed u/s. 141.
5. Form 21 in respect of order dated 20.06.2012 passed by Company Law Board u/s 141.
6. Form 32 dated 01. 07.2012 filed u/s 303 (2) for cessation of a Director (filed on 30.08.2012 with additional fees).
7. Form 32 dated 31.12.2012 filed u/s 303 (2) for cessation of Managing Director
8. Form 32 dated 01.01.2013 filed u/s 303(2) for appointment of a Additional Director.
9. Form 32 dated 30.01.2013 filed u/s 303(2) for cessation of a Director.

10. Form 32 dated 31.01.2013 filed u/s 303(2) for appointment of a Managing Director (filed on 15.03.2013 with additional fees).
11. Form 23 dated 31.01.2013 filed u/s. 192 for appointment of a Managing Director (filed on 15.03.2013 with additional fees).
12. Form 25A dated 31.01.2013 filed u/s 269(2) and Schedule-XIII of the Companies Act, 1956 for appointment of Managing Director.
13. Form 66 Compliance Certificate filed u/s 383A for the financial year ended 31.03.2012
14. Form 20B Annual Return made up 25.07.2012 filed u/s 159.
15. Form 23AC XBRL & 23ACA XBRL Balance Sheet and Profit & Loss Account for the financial year ended 31.03.2012.
16. Form 1 INV dated 24.02.2013 filed pursuant to Rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of Triton Valves Limited Report on the Financial Statements

1. We have audited the accompanying financial statements of Triton Valves Limited (the company) which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. As required by section 227(3) of the Act, we report that:
- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as 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 the Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
 - (e) on the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For Brahmaya & Co.,
Chartered Accountants
Firm Registration No. 000515S

Place : Bangalore
Date: 29th May 2013

G. Srinivas
Partner
Membership No. 086761

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of our report of even date to the Shareholders of Triton Valves Limited ('the Company') for the year ended 31st March, 2013.

- i) (a) As per the information and explanation provided to us the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed..
- (c) During the Year the Company has not disposed off its substantial part of fixed assets.
- ii) (a) The inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt within the books of accounts.
- iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, clauses (iii)(b) to (iii)(d) of paragraph 4 of the order are not applicable to the Company.
- (b) The Company has taken loans from Companies, Firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and the terms at which the loans were taken are prima facie not prejudicial to the interest of the Company. No stipulations for repayment have been prescribed and as such no comments regarding regularity of payments are being made:

Details of Unsecured Loans taken from Parties Listed in the Register Maintained U/s 301:

Sl. No.	Name of the Party	Loan Accepted during the year	Maximum amount outstanding during the year	Balance As At 31st March, 2013
1	Aditya M. Gokarn	-	60,00,000	-
2	Anuradha M. Gokarn	1,10,00,000	2,50,00,000	2,50,00,000

- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control systems.
- v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act 1956, have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 exceeding the value of rupees five lakh in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public; as such the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, do not apply.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of Cost records has been prescribed under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of records with a view to determine whether they are accurate or complete.
- ix) (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities the undisputed statutory 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 statutory dues to the extent applicable to it. There are no arrears of outstanding statutory dues as at 31st March 2013 for a period of more than six months from the date they become payable.
- (b) According to the records of the Company and information and explanations given to us, there are no dues in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty/Cess which have not been deposited on account of dispute except the following:

Name of the Statute	Nature of the dues	Amount in (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income-tax	23,27,115/-	2010-11	Commissioner of Income Tax - Appeals (III)

- x) The Company does not have accumulated losses as at 31st March 2013 and has not incurred any cash losses during the financial year covered by our Audit or in the immediately preceding financial year.
- xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has no dues to Financial Institutions at the balance sheet date and the Company has not issued any Debentures.
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause (xii) of Paragraph 4 of the Order is not applicable to the Company.
- xiii) In our opinion, the Company is not a Chit Fund / Nidhi / Mutual Benefit Fund / Society. Accordingly Clause (xiii) of Paragraph 4 of the Order is not applicable to the Company.

- xiv) In our opinion and according to explanations given to us, the Company is not a dealer or a trader in Securities. Accordingly Clause (xiv) of the Paragraph 4 of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly Clause (xv) of Paragraph 4 of the Order is not applicable to the Company.
- xvi) According to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- xvii) Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds amounting to Rs.77,42,240 /- *raised on short term basis have been used for long-term investment representing acquisition of fixed assets and repayment of long-term loan.*
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year. Accordingly clause (xviii) of the paragraph 4 of the order is not applicable.
- xix) The Company has not issued debentures during the year. Accordingly Clause (xix) of Paragraph 4 of the Order is not applicable to the Company.
- xx) During the year the Company has not raised any money by Public issue during the period. Accordingly clause (xx) of the paragraph 4 of the order is not applicable
- xxi) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during course of our audit.

For Brahmaya & Co.,
Chartered Accountants
Firm Registration No. 000515S

G. Srinivas
Partner
Membership No. 086761

Place : Bangalore
Date: 29th May 2013

BALANCE SHEET AS AT 31ST MARCH 2013

		<i>(Amount in Rupees)</i>	
	Notes	As at 31st March, 2013	As at 31st March, 2012
I. Equity and liabilities			
(1) Shareholders' funds			
(a) Share capital	3	9,900,270	9,900,270
(b) Reserves and surplus	4	450,218,504	436,071,821
		<u>460,118,774</u>	<u>445,972,091</u>
(2) Non-current liabilities			
(a) Long-term borrowings	5	174,697,143	199,190,820
(b) Deferred tax liability (net)	6	45,163,338	34,881,232
(c) Other long-term liabilities	7	195,000	180,000
(d) Long-term provisions	8	-	6,229,881
		<u>220,055,481</u>	<u>240,481,933</u>
(3) Current liabilities			
(a) Short-term borrowings	9	400,926,327	405,531,682
(b) Trade Payables	10	141,380,006	159,383,753
(c) Other current liabilities	11	109,331,262	126,383,770
(d) Short-term provisions	8	20,864,863	26,057,319
		<u>672,502,458</u>	<u>717,356,524</u>
TOTAL		<u><u>1,352,676,713</u></u>	<u><u>1,403,810,548</u></u>
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	696,482,157	593,555,237
(ii) Intangible assets	13	333,108	444,144
(iii) Capital work-in-progress	12	8,121,543	110,183,652
(b) Non-current investments	14	73,041	73,041
(c) Long-term loans and advances	15	19,675,887	18,357,887
(d) Long-term Trade receivables	16.1	-	966,901
		<u>724,685,737</u>	<u>723,580,862</u>
(2) Current assets			
(a) Inventories	17	303,210,122	294,892,781
(b) Trade receivables	16.1	301,776,352	354,783,356
(c) Cash and Bank Balances	18	5,924,709	4,759,240
(d) Short-term loans and advances	15	17,077,116	25,727,233
(e) Other current assets	16.2	2,677	67,076
		<u>627,990,976</u>	<u>680,229,686</u>
TOTAL		<u><u>1,352,676,713</u></u>	<u><u>1,403,810,548</u></u>

Summary of significant accounting policies 2

The accompanying notes from 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

For Brahmaya & Co.,
Chartered Accountants
Firm Registration No. 0005155

G.Srinivas
Partner
Membership No.86761
Bangalore
29th May 2013

For and on behalf of the Board of Directors

S.K.Welling
Chairman

Aditya M. Gokarn
Managing Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

		(Amount in Rupees)	
	Notes	For the Year ended 31st March, 2013	For the Year ended 31st March, 2012
Continuing operations			
I. Income			
(a) Revenue from operations	19	1,444,693,295	1,439,069,291
(b) Other income	20	5,536,019	3,452,560
Total revenue (i)		<u>1,450,229,314</u>	<u>1,442,521,851</u>
II. Expenses			
(a) Cost of material consumed	21	954,793,862	1,006,258,681
(b) (Increase) / decrease in inventories of finished goods, work-in-progress.	22	(10,115,093)	(18,252,930)
(c) Employee benefits expense	23	161,330,439	143,663,983
(d) Other expenses	24	180,434,180	173,418,603
Total (ii)		<u>1,286,443,388</u>	<u>1,305,088,337</u>
III. Earnings before interest, tax, depreciation and amortization (EBITDA) [(I) - (ii)]		163,785,926	137,433,514
IV. Depreciation and amortization expense	25	54,859,195	52,899,313
V. Finance costs	26	74,773,933	53,658,570
VI. Profit / (Loss) before tax (III-IV-V)		34,152,798	30,875,631
VII. Tax expenses			
Current tax		6,832,315	6,177,519
Less: MAT Credit		(5,162,779)	(6,059,447)
Deferred tax		10,282,106	10,029,405
Total tax expense		<u>11,951,642</u>	<u>10,147,477</u>
VIII. Profit/(loss) for the year (VI-VII)		<u>22,201,156</u>	<u>20,728,154</u>
IX. Earnings per equity share			
[nominal value of share Rs.10/- (31 March 2012: Rs.10/-)]			
Basic and Diluted		22.42	20.94
Summary of significant accounting policies	2		

The accompanying notes from 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 0005155

G.Srinivas
Partner
Membership No.86761

Bangalore
29th May 2013

For and on behalf of the Board of Directors

S.K.Welling
Chairman

Aditya M. Gokarn
Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2013

	For the Year ended 31st March, 2013	For the Year ended 31st March, 2012
Cash flow from operating activities		
Profit before tax	34,152,798	30,875,631
Share of profit from investment in partnership firm	-	-
Depreciation/ amortization on continuing operation	54,859,195	52,899,313
Interest Income	(617,159)	(580,476)
Dividend income	(4,453)	(10,132)
Loss/ (profit) on sale of fixed assets	472,422	1,132,883
Provision no longer required, written back	(67,764)	(2,112,528)
Finance costs	74,773,933	53,658,570
Unrealized foreign exchange loss	-	(420,158)
Operating profit before working capital changes	163,568,972	135,443,103
Movements in working capital :		
Increase/ (decrease) in trade payables	(17,935,983)	51,518,023
Increase/ (decrease) in other long term liabilities	15,000	-
Increase/ (decrease) in other current liabilities	(9,045,952)	22,512,929
Decrease/ (increase) in trade receivables	53,973,905	(84,800,859)
Decrease / (increase) in inventories	(8,317,341)	(22,981,168)
Decrease / (increase) in Margin Money Deposit	(70,743)	-
Decrease / (increase) long term loans and advances	1,277,669	5,448,456
Decrease / (increase) short term loans and advances	4,377,551	5,408,916
Increase / (decrease) in long term provisions	(6,229,881)	(119,374)
Increase / (decrease) in short-term provisions	(5,192,492)	(4,675,274)
Cash generated from / (used in) operations	176,420,705	107,754,752
Direct taxes paid (net of refunds)	(2,559,749)	(6,277,143)
Net cash flow from/ (used in) operating activities (A)	173,860,956	101,477,609
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	(57,577,469)	(231,022,158)
Proceeds from sale of fixed assets	3,553,949	1,150,300
Proceeds from sale of CWIP	505,238	-
Interest received	617,159	580,476
Dividends received	4,453	10,132
Net cash flow from/ (used in) investing activities (B)	(52,896,670)	(229,281,250)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	29,800,000	80,000,000
Repayment of long-term borrowings	(87,300,233)	(80,201,372)
Proceeds from short-term borrowings	15,394,645	171,455,435

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2013

	For the Year ended 31st March, 2013	For the Year ended 31st March, 2012
Proceeds from Long term borrowings(Loan from related Party)	5,000,000	-
Proceeds from Short term borrowings(Loan from related Party)	-	20,000,000
Interest paid	(74,773,933)	(53,658,570)
Dividends paid on equity shares	(6,930,189)	(9,900,270)
Tax on equity dividend paid	(1,124,249)	(1,644,311)
Tax on preference dividend paid	-	-
Net cash flow from/ (used in) in financing activities (C)	(119,933,959)	126,050,912
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	1,030,327	(1,752,729)
Cash and cash equivalents at the beginning of the year	826,316	2,579,046
Cash and cash equivalents at the end of the year	1,856,643	826,317
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on hand	68,555	118,365
Cheques/ drafts on hand	62,178	-
With banks- on current account	1,033,764	55,977
- Accrued Interest	2,677	67,076
- unpaid dividend accounts	689,469	584,898
Total cash and cash equivalents	18** 1,856,643	826,316
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 000515S

For and on behalf of the Board of Directors

G.Srinivas
Partner
Membership No.86761

S.K.Welling
Chairman

Aditya M. Gokarn
Managing Director

Bangalore
29th May 2013

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Company Overview

Triton Valves Limited (‘the Company’) was incorporated on 10th September 1975 as a Limited Company with its Registered office at Bangalore. The Company is engaged in the business of Manufacturing of valves and cores for the automobile tubes and supplies to tyre and tube manufacturers. The Company had a technical collaboration with M/s Pingeot Bardin S.A. of France for the first five years. The manufacturing facility was set up in the Belavadi Industrial Estate at Mysore. The Company is a market leader for its products from the Year 1992.

2. Statement of Significant Accounting Policies

a. Conventions

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b. Tangible Fixed Assets and Depreciation

- (i) Tangible Fixed Assets are stated at cost net of Cenvat credit. Additions to Tangible Fixed Assets in the Gross Block are stated at cost of acquisition and all costs relating to the acquisition and installation up to the date the asset is ready to be put to use are capitalized. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.
- (ii) Depreciation on the tangible fixed assets is provided on straight line method at the rates specified in Schedule XIV of the Companies Act 1956. Depreciation on additions to Plant and Machinery is provided for the proportionate period in use.

c. Intangible Fixed Assets and Amortization

- (iii) Cost relating to software licenses, which are acquired, are capitalized and amortized on a straight - line basis over their useful life not exceeding five years.

d. Investments

Investments in equity shares are held as long term and are stated at cost. Provision is made when permanent diminution in value has arisen in the opinion of the Management.

e. Inventories

- (i) Inventories are valued at lower of cost or net realizable value.
- (ii) Cost is determined following the weighted average method.
- (iii) Unsold scrap at the end of the year is taken at an estimated realisable value.

f. Revenue / Expenditure Recognition

Sales are recognised on dispatch of goods to customers. Sales are inclusive of excise duty net of discount and sales tax. Income accruing in the current year and ascertainable/realisable with reasonable certainty on the date of financial statements is taken into account.

Expenses accruing in the accounting year and ascertainable with reasonable accuracy on the date of financial statement are provided in the accounts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

g. Foreign Currency Transactions

- (i) Foreign currency transactions are recorded in the reporting currency, at the exchange rates prevailing on the date of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end exchange rates and those covered by forward exchange contracts are determined by their respective contracts.
- (iii) Premium for forward contracts is recognised as income or expenditure over the life of the contract.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

h. Research and Development

Revenue expenses relating to Research and Development are included under respective heads of expenditure. Capital expenditure on Research and Development is treated in the same manner as expenditure on other fixed assets.

i. Retirement Benefits

- (i) The Company's contributions to recognized funds such as Provident Fund, Employees State Insurance, Superannuation, etc. are charged to Profit and Loss account.
- (ii) Gratuity liability is covered by a policy with Life Insurance Corporation of India. Annual contribution to the fund is charged to revenue and the Liability has been provided as per actuarial Valuation by Life Insurance Corporation.
- (iii) Leave encashment is covered by a policy with Life Insurance Corporation of India. Annual contribution to the fund is charged to revenue and the Liability has been provided as per actuarial Valuation by Life Insurance Corporation.

j. Accounting for Taxes on Income

Current tax is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one year and is capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are computed on the timing differences applying the enacted tax rate. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

k. Borrowing Cost

Borrowing costs that are attributable to acquisition, construction or production of a qualifying asset are capitalised as a part of cost of such asset. All other borrowing costs are recognized as an expense in the year in which they are incurred.

l. Impairment of Assets

At each Balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Statement of Profit & Loss to the extent the carrying amount exceeds the recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

m. Provisions

A provision is recognized when an enterprise has a present obligation as a result of a past event 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 their present values and are determined based on the Management's estimate of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the Management's current estimates.

n. Segment Report

The Company has only one reportable business segment, which is automobile tyre and tube valves, cores and accessories and operates in a single business segment based on the nature of the services, the risk and returns, the organization structure and the internal financial reporting systems. Accordingly, the amounts appearing in the financial statements relate to the company's single business segment.

o. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential Equity Shares.

p. Measurement of EBIDTA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBIDTA) as a separate line item on the face of the statement of profit and loss. The Company measures EBIDTA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

	As at 31st March, 2013	As at 31st March, 2012
3. SHARE CAPITAL		
(a) Authorized shares (Nos.) 50,00,000 (March 31, 2012: 50,00,000) Equity Shares of Rs. 10 each	50,000,000	50,000,000
(b) Issued, subscribed and fully paid-up shares (Nos.) 9,90,027 (March 31, 2012: 9,90,027) Equity Shares of Rs.10 each Fully Paid up	9,900,270	9,900,270
Total issued, subscribed and fully paid-up share capital	<u>9,900,270</u>	<u>9,900,270</u>

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the period	990,027	9,900,270	990,027	9,900,270
Outstanding at the end of the period	990,027	9,900,270	990,027	9,900,270

(d) Terms/ rights attached to equity shares

- i. The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share.
- ii. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	% Holding	Nos.	% Holding
Equity Shares of Rs.10/- each fully paid Anuradha Maruti Gokarn	280,041	28.29%	280,041	28.29%
Nirmala Shridharmurthy Nagarkatte	112,506	11.36%	112,506	11.36%
K Raghunath Shenoy	54,000	5.45%	54,000	5.45%

(f) Details of Bonus Shares and preferential allotments made for the period of 5 years immediately before the date of Balance Sheet

	On July 28, 2010	
	Nos.	Amount Received
Preferential allotment	10,000	15,040,000
Bonus shares allotted (at the ratio of 2 :1)	660,018	-
	670,018	15,040,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

	As at 31st March, 2013	As at 31st March, 2012
4. RESERVES AND SURPLUS		
Securities premium account		
Balance as per the last financial statements	14,940,000	14,940,000
Add: received during the year on issue of equity shares	-	-
Closing balance	<u>14,940,000</u>	<u>14,940,000</u>
GENERAL RESERVE		
Balance as per the last financial statements	369,961,144	359,961,144
Add: Transfer from the Statement of Profit & Loss	20,000,000	10,000,000
Less: Bonus Issue	-	-
Closing Balance	<u>389,961,144</u>	<u>369,961,144</u>
Surplus/ (Deficit) in the statement of profit and loss		
Balance as per last financial statements	51,170,678	48,496,961
Add: Profit for the year	22,201,156	20,728,154
	<u>73,371,834</u>	<u>69,225,115</u>
Less: Appropriations		
Proposed Dividend	6,930,189	6,930,189
Tax on dividend	1,124,285	1,124,249
General Reserve	20,000,000	10,000,000
Total appropriations	<u>28,054,474</u>	<u>18,054,438</u>
Net Surplus / (Deficit) in the Statement of Profit and Loss	<u>45,317,360</u>	<u>51,170,677</u>
Total reserves and surplus	<u>450,218,504</u>	<u>436,071,821</u>

	Non-current portion		Current maturities	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
5. LONG-TERM BORROWINGS				
From Banks				
Indian Rupee loans	56,147,709	50,769,232	24,421,532	29,789,136
Foreign currency loans	93,549,434	148,421,588	57,511,048	60,150,000
From Others				
Loan from Directors	25,000,000	-	-	-
	<u>174,697,143</u>	<u>199,190,820</u>	<u>81,932,580</u>	<u>89,939,136</u>
The above amount includes				
Secured borrowings	149,697,143	199,190,820	199,190,820	89,939,136
Unsecured borrowings	25,000,000	-	-	-
"Amount disclosed under the head "other current liabilities" (note 11)"	-	-	-	(89,939,136)
Net amount	<u>174,697,143</u>	<u>199,190,820</u>	<u>199,190,820</u>	<u>-</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

i. Indian Rupee Term Loans from Banks (secured) consist of:

Term Loan from HDFC Bank carrying interest rate @ 12% p.a. and repayable in 66 equated monthly instalments beginning from September 29, 2011.

Term Loan from Kotak Mahindra Bank carrying interest rate @ PLR minus 2.65 p.a. and repayable in 50 equated monthly instalments beginning from June, 2013.

ii. Foreign currency Term Loans from Banks (secured) consist of:

FCNR Term Loan from HDFC Bank carrying interest rate @ 9.5% p.a. and repayable in 16 equated quarterly instalments beginning from September, 2011.

ECB Term Loan from Standard Chartered Bank carrying interest rate @ 9.75% p.a. and repayable in 48 equated monthly instalments beginning from November, 2011.

iii. Indian Rupee Term Loan and Foreign Currency Term Loans are secured:

(a) By way of First pari passu charge, on hypothecation of all the plant and machinery at the Company's existing plant at Belavadi Industrial Area and Hebbal Industrial Estate, Mysore, Company's Registered Office and Company Flat at Bangalore,

(b) By way of First pari passu charge, on Equitable mortgage of Land and Building at Belavadi Industrial Area and Hebbal Industrial Area, Mysore, Company's Registered Office and Company Flat at Bangalore,

(c) By way of Second Paripassu charge, on hypothecation of Company's entire current assets including stocks of raw material, semi finished goods and finished goods, consumable stores and spares and such other movables, book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, and

(d) Further secured by personal guarantee of the Managing Director.

iv. Loan from Directors carries an interest @ 10.5% and the Loan is repayable after 31st March, 2014

(Amount in Rupees)

	As at 31st March, 2013	As at 31st March, 2012
6. DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
Fixed assets: Impact of difference between Tax Depreciation and Depreciation / Amortization	46,812,675	37,440,144
Gross Deferred Tax Liability	<u>46,812,675</u>	<u>37,440,144</u>
Deferred tax Asset		
Employee Benefits	1,649,337	2,558,912
Others	-	-
Gross Deferred Tax Asset	<u>1,649,337</u>	<u>2,558,912</u>
Net Deferred Tax Liability	<u>45,163,338</u>	<u>34,881,232</u>
7. OTHER LONG-TERM LIABILITIES		
Dealer Deposits (Interest Free)	45,000	30,000
Others	150,000	150,000
	<u>195,000</u>	<u>180,000</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

	Non-current		Current	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
8. PROVISIONS				
Provision for employee benefits				
Provision for gratuity	-	6,229,881	4,834,820	1,657,043
Provision for leave benefits	-	-	21,278	-
Provision for other employee benefits	-	-	7,954,291	16,345,838
	-	6,229,881	12,810,389	18,002,881
Other Provision				
Provision for equity dividend	-	-	6,930,189	6,930,189
Provision for tax on proposed equity dividend	-	-	1,124,285	1,124,249
	-	-	8,054,474	8,054,438
	-	6,229,881	20,864,863	26,057,319

	As at 31st March, 2013	As at 31st March, 2012
9. SHORT-TERM BORROWINGS		
(I) Cash Credit from Banks	400,926,327	385,531,682
(ii) Loans from Directors	-	20,000,000
	<u>400,926,327</u>	<u>405,531,682</u>
The above amount includes		
Secured borrowings	400,926,327	385,531,682
Unsecured borrowings	-	20,000,000

Cash credit from banks carry interest rate @ 11.5% - 14% p.a. and are repayable on Demand

(I) Cash credit from banks are secured:

- By way of first Paripassu charge, on hypothecation of Company's entire current assets including stocks of raw material, semi finished goods and finished goods, consumable stores and spares and such other movables, book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future,
- By way of Second paripassu charge, on hypothecation of all the plant and machinery at the company's existing plant at Belavadi Industrial Area, Hebbal Industrial Area, Mysore and Company's registered Office and Company Flat at Bangalore,
- By way of Second paripassu charge, on Equitable mortgage of Land and Building at Belavadi Industrial Area and Hebbal Industrial Area, Mysore, Company's registered Office and Company Flat at Bangalore.
- Further secured by personal guarantee of the Managing Director.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

	As at 31st March, 2013	As at 31st March, 2012
10. TRADE PAYABLES		
Trade payable		
- dues to enterprises covered under MSMED Act, 2006 (refer Note No.28)	-	-
	141,38,006	159,383,753
- Others	141,38,006	159,383,753
	<u>141,38,006</u>	<u>159,383,753</u>
11. OTHER LIABILITIES		
Current maturities of long-term borrowings (note 5)	81,932,580	89,939,136
Unpaid dividend	588,272	567,429
Others		
Interest free deposits from customers*	-	115,000
Advance from Customers	2,000,254	1,091,898
Discount Payable	1,262,768	2,599,583
Statutory dues	4,885,874	6,490,708
Others	18,661,514	25,580,016
	<u>109,331,262</u>	<u>126,383,770</u>

* Customer deposits are repayable within 6-9 months from the reporting date upon completion of supply contracts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Tangible Assets										Intangible Assets		
	Land	Buildings	Plant and Machinery	Computer Equipments	Office Equipments	Vehicles	Furniture & Fixtures	TOTAL	Software	TOTAL	13. TANGIBLE ASSETS		
Cost or valuation At April 1, 2011	15,037,330	106,665,168	454,800,759	11,356,459	3,826,857	7,202,837	13,815,559	612,704,969	-	-			
Additions	-	132,697,390	110,986,697	573,750	221,629	-	2,898,510	247,377,976	555,180	555,180			
Disposals	-	-	2,472,492	-	-	-	-	2,472,492	-	-			
Borrowing cost adjustments	-	9,402,037	5,746,290	-	-	-	-	15,148,327	-	-			
At March 31, 2012	15,037,330	248,764,595	569,061,254	11,930,209	4,048,486	7,202,837	16,714,069	872,758,780	555,180	555,180			
Additions	-	42,035,849	107,014,101	320,457	240,486	1,560,276	828,873	152,000,042	-	-			
Disposals	-	-	5,520,333	-	-	4,664,728	-	10,185,061	-	-			
Borrowing cost adjustments	-	2,607,335	6,362,076	-	-	-	-	8,969,411	-	-			
At March 31, 2013	15,037,330	293,407,779	676,917,098	12,250,666	4,288,972	4,098,385	17,542,942	1,023,543,172	555,180	555,180			
Depreciation At April 1, 2011	-	20,954,893	187,587,455	9,710,072	748,838	2,840,335	4,762,983	226,604,576	-	-			
Charge for the year	-	4,712,781	44,358,085	1,810,161	197,600	656,676	1,052,973	52,788,276	111,036	111,036			
Disposals	-	-	189,309	-	-	-	-	189,309	-	-			
At March 31, 2012	-	25,667,674	231,756,231	11,520,233	946,438	3,497,011	5,815,956	279,203,543	111,036	111,036			
Charge for the year	-	8,509,314	46,072,319	1,038,005	266,323	497,919	1,053,955	57,437,835	111,036	111,036			
Adjustments *	-	-	-	2,689,676	-	-	-	2,689,676	-	-			
Disposals	-	-	5,191,534	-	-	1,699,153	-	6,890,687	-	-			
At March 31, 2013	-	34,176,988	272,637,016	9,868,562	1,212,761	2,295,777	6,869,911	327,061,015	222,072	222,072			
Net Block													
At March 31, 2012	15,037,330	223,096,921	337,305,023	409,976	3,102,048	3,705,826	10,898,113	593,555,237	444,144	444,144			
At March 31, 2013	15,037,330	259,230,791	404,280,082	2,382,104	3,076,211	1,802,608	10,673,031	696,482,157	333,108	333,108			

* Adjustment in on account of Excess depreciation charged in earlier years.

	As at		Additions	Deletions	Capitalisation	As at	
	March 31, 2012	March 31, 2013				March 31, 2012	March 31, 2013
Work-in-Progress	110,183,652	110,183,652	60,144,578	1,237,235	160,969,453	8,121,543	
			60,144,578	1,237,235	160,969,453	8,121,543	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

14. NON-TRADE INVESTMENTS (Valued at Cost unless stated otherwise) (Amount in Rupees)

	Number of Shares as at 31st March, 2013	Number of Shares as at 31st March, 2012	Face Value	As at 31st March, 2013	As at 31st March, 2012
Investment in Equity Instruments (traded - quoted)					
Apollo Tyres Ltd	500	500	Rs.1/-each	2,762	2,762
T.V.S. Srichakra Tyre Ltd	100	100	Rs.10/-each	1,975	1,975
MRF Ltd	50	50	Rs.10/-each	12,850	12,850
J.K.Tyre & Industries Ltd	60	60	Rs.10/-each	4,504	4,504
Ceat Limited	37	37	Rs.10/-each	3,983	3,983
Goodyear India Ltd	200	200	Rs.10/-each	9,850	9,850
Govind Rubber Ltd	200	200	Rs.10/-each	1,750	1,750
Modi Rubber Ltd	50	50	Rs.10/-each	2,800	2,800
Investment in equity instruments (traded - unquoted)					
Dewan Tyres Ltd.	100	100	Rs.10/-each	1,355	1,355
Bombay Tyres International Ltd	50	50	Rs.10/-each	1,490	1,490
Dunlop India Ltd	100	100	Rs.10/-each	6,500	6,500
Investment in equity instruments (non-trade - quoted)					
ICICI Bank Ltd	408	408	Rs.10/-each	22,200	22,200
Bengal & Assam Company Ltd.	4	4	Rs.10/-each	106	106
J.K.Agri Genetics Limited	5	5	Rs.10/-each	332	332
J.K.Sugar Ltd.	7	7	Rs.10/-each	464	464
Summit Securities Limited	2	2	Rs.10/-each	120	120
				<u>73,041</u>	<u>73,041</u>

(Aggregate Market value of quoted equity shares is Rs 11,53,706/- Previous year Rs10,19,147/-)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

	Non-current		Current	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
15. LOANS AND ADVANCES				
Capital advances				
Unsecured, considered good	1,855,491	4,422,601	-	-
(A)	<u>1,855,491</u>	<u>4,422,601</u>	-	-
Security deposit				
Unsecured, considered good	5,331,654	6,391,694	3,441,885	-
(B)	<u>5,331,654</u>	<u>6,391,694</u>	<u>3,441,885</u>	-
Other loans and advances				
Advance Income-tax (net of provision for taxation)	-	-	2,048,146	6,320,712
MAT credit entitlement	11,222,226	6,059,447	-	-
Advances to Suppliers	-	-	841,680	2,970,015
Prepaid expenses	-	-	2,144,639	1,874,679
Loans to employees	1,266,516	1,484,145	549,498	940,426
Balances with statutory / Government authorities	-	-	5,885,868	13,399,081
Others	-	-	2,165,400	222,320
(C)	<u>12,488,742</u>	<u>7,543,592</u>	<u>13,635,231</u>	<u>25,727,233</u>
Total (A+B+C)	<u>19,675,887</u>	<u>18,357,887</u>	<u>17,077,116</u>	<u>25,727,233</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

16. TRADE RECEIVABLES AND OTHER ASSETS

(Amount in Rupees)

	Non-current		Current	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
16.1 Trade Receivables				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	966,901	24,244,276	9,387,691
Doubtful	-	-	-	-
	-	966,901	24,244,276	9,387,691
Provision for doubtful trade receivables	-	-	-	-
(A)	-	966,901	24,244,276	9,387,691
Other Receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	277,532,076	345,395,665
Doubtful	-	-	-	-
	-	-	277,532,076	345,395,665
Provision for doubtful trade receivables	-	-	-	-
(B)	-	-	277,532,076	345,395,665
Total (A+B)	-	966,901	301,776,352	354,783,356
16.2 Other Assets				
Others				
Interest accrued on fixed deposits	-	-	2,677	67,076
Total	-	-	2,677	67,076

	As at 31st March, 2013	As at 31st March, 2012
17. INVENTORIES (Valued at lower of cost and net realizable value)		
(i) Inventories:		
Raw materials and components	115,220,198	113,960,431
Goods-In-Transit	-	7,648,043
Work-in-progress	112,554,276	108,428,125
Finished goods	32,260,733	26,271,791
Packing Materials	745,430	963,680
Stores and spares	38,999,125	34,436,607
Loose Tools	3,430,360	3,184,104
	303,210,122	294,892,781

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

18. CASH AND BANK BALANCES

(Amount in Rupees)

	Non-current		Current	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
Balances with Banks:				
On current accounts	-	-	1,033,764	55,977
Cheques/ Drafts on Hand	-	-	62,178	-
Cash on hand	-	-	68,555	118,365
	-	-	<u>1,164,497</u>	<u>174,342</u>
Other Bank balances				
On Unpaid Dividend Account	-	-	689,469	584,898
Margin Money Deposit*	-	-	4,070,743	4,000,000
	-	-	<u>4,760,212</u>	<u>4,584,898</u>
Amount disclosed under non-current assets (note 15.2)	-	-	-	-
Total	-	-	<u>5,924,709</u>	<u>4,759,240</u>

* Fixed Deposit of Rs.40,70,743 (March 31, 2012 : Rs.40,00,000) with HDFC Bank Limited represents Margin Money Deposit against LC is considered as Current.

	As at 31st March, 2013	As at 31st March, 2012
19. REVENUE FROM OPERATIONS		
Sale of products	1,564,319,258	1,522,632,024
Other operating Income	61,358,706	65,711,932
	<u>1,625,677,964</u>	<u>1,588,343,956</u>
Less : Excise Duty Paid	180,984,669	149,274,665
Revenue from operations	<u>1,444,693,295</u>	<u>1,439,069,291</u>
20. OTHER INCOME		
Interest income on		
Bank deposits	304,228	385,070
Others	312,931	195,406
Dividend income on Long-term investments	4,453	10,132
Gain on account of foreign exchange fluctuations (net)	4,559,399	440,723
Creditors written back	67,764	2,112,528
Rent Received	277,200	273,000
Other non-operating income	10,044	35,701
	<u>5,536,019</u>	<u>3,452,560</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	(Amount in Rupees)	
	As at 31st March, 2013	As at 31st March, 2012
21. DETAIL OF RAW MATERIAL CONSUMED		
Brass:		
Opening Stock	89,600,457	91,902,859
Add: Purchases during the year	773,851,917	830,893,909
Closing Stock	86,683,456	89,600,457
(A)	<u>776,768,918</u>	<u>833,196,311</u>
Rubber:		
Opening Stock	17,275,975	25,414,324
Add: Purchases during the year	139,847,921	129,712,341
Closing Stock	18,675,952	17,275,975
(B)	<u>138,447,944</u>	<u>137,850,690</u>
Others:		
Opening Stock	7,083,999	6,400,414
Add: Purchases during the year	42,353,790	35,895,265
Closing Stock	9,860,789	7,083,999
(C)	<u>39,577,000</u>	<u>35,211,680</u>
Total Raw material Consumed (A+B+C)	<u>954,793,862</u>	<u>1,006,258,681</u>
22. (INCREASE)/ DECREASE IN INVENTORIES		
Inventories at the end of the year		
Work-in-progress	112,554,276	108,428,125
Finished goods	32,260,733	26,271,791
	<u>144,815,009</u>	<u>134,699,916</u>
Inventories at the beginning of the year		
Work-in-progress	108,428,125	74,898,715
Finished goods	26,271,791	41,548,271
	<u>134,699,916</u>	<u>116,446,986</u>
	<u>(10,115,093)</u>	<u>(18,252,930)</u>
23. EMPLOYEE BENEFIT EXPENSE		
Salaries, wages and bonus	134,301,002	117,261,539
Contribution to Provident and other fund	7,160,190	8,895,573
Gratuity Leave Encashment & Superannuation Expenses	2,772,859	2,230,845
Staff welfare expenses Remuneration	8,679,465	8,326,186
Directors Remuneration-MD	4,787,705	3,809,864
Directors Remuneration-ED	3,629,218	3,139,976
	<u>161,330,439</u>	<u>143,663,983</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

	As at 31st March, 2013	As at 31st March, 2012
24. OTHER EXPENSES		
Administrative Expenses		
Electricity and Water Charges	33,428,569	32,461,443
Other Manufacturing Expenses	21,295,045	19,135,704
Carriage Inwards	2,287,297	3,653,139
Rent	499,412	841,276
Rates and Taxes	536,509	963,866
Insurance	2,055,099	1,445,901
Repairs and Maintenance		
Plant and Machinery	1,486,794	888,259
Buildings	959,736	642,514
Others	1,870,886	1,294,663
Advertising and Sales Promotion	1,765,872	1,820,521
Travelling and Conveyance	3,342,390	3,270,021
Communication Costs	1,119,518	1,119,716
Printing and Stationery	1,928,470	1,653,261
Legal and Professional Fees	6,024,371	7,217,878
Directors' Sitting Fees	280,000	350,000
Directors' Commission	341,528	397,054
Payment to Auditor (Refer details below)	457,710	468,161
Vehicle Maintenance	700,411	909,998
Watch & Ward	2,836,564	2,265,982
Light & Water	159,306	137,349
Packing & Forwarding	22,196,954	21,602,584
Stores & Spares Consumed	73,841,489	69,103,073
Donations	75,000	130,000
Loss on Sale of Fixed Assets (net) (Including CWIP)	472,422	1,132,883
Miscellaneous Expenses	472,828	513,357
	180,434,180	173,418,603
Payment to Auditors		
As Auditor:		
-Statutory Audit Fee	275,327	296,545
-Taxation Matters	80,000	56,845
-Company Law Matters	-	33,090
- VAT Audit Fee	16,854	20,000
-Reimbursement of Expenses	85,529	61,681
	457,710	468,161

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees)

	As at 31st March, 2013	As at 31st March, 2012
25. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of tangible assets	54,748,159	52,788,277
Amortization of intangible assets	111,036	111,036
	54,859,195	52,899,313
26. FINANCE COSTS		
Interest Expenses	71,630,796	51,120,337
Other Borrowing Costs	3,143,137	2,538,233
Amortization of ancillary borrowing costs	-	-
Exchange difference (net)	-	-
	74,773,933	53,658,570
27. CONTINGENT LIABILITIES		
a) Letters of Credit outstanding	93,100,777	112,773,048
b) Estimated amount of contracts remaining to be executed on capital accounts and not provided for	907,688	30,741,138
c) In respect of Income-tax Matters	2,327,115	-
d) Bank guarantee	100,000	-
28. Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)-Based on the information available with the Company, there are no Micro, Small and Medium enterprises, to which the company owes dues, which are outstanding for more than 45 days as at 31st March, 2013. Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.		
29. Confirmation letters of balances to Sundry Debtors & Creditors have been sent by the Company and some confirmatory Letters have been received and reconciled.		
30. The actuarial value of Gratuity liability As at 31st March 2013 is Rs. 21,215,068/- (Rs.20,563,878) as per the workings under AS15 (Revised) issued by the Institute of Chartered Accountants of India		

Gratuity Report under AS-15 (Revised 2005) for year ended 31st March 2013

The following tables sets out the funded status of the gratuity plans and the amounts recognized in the Company's financial statements as at 31 March, 2013

a) Assumption :

Discount Rate	8.00%	8.00%
Salary Escalation	5%	5.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

b) Table Showing Changes in Present Value of Obligation:

	2012-13	2011-12
Present value of obligation as at beginning of year	20,563,878	20,602,252
Interest Cost	1,645,110	1,648,180
Current Service Cost	1,089,585	1,166,852
Benefits Paid	(2,004,890)	(1,729,367)
Actuarial (gain) / loss on obligation	(78,615)	(1,124,039)
Present value of obligation as at end of year	21,215,068	20,563,878

c) Table Showing Changes in the Fair Value of Plan Assets:

Fair value of plan assets at beginning of year	15,901,954	14,279,024
Expected return on plan assets	1,388,145	1,333,586
Contributions	1,095,039	2,018,711
Benefits Paid	(2,004,890)	(1,729,367)
Actuarial gain / (loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	16,380,248	15,901,954

d) Table Showing Fair Value of Plan Assets:

Fair value of plan assets at beginning of year	15,901,954	14,279,024
Actuarial return of plan assets	1,388,145	1,333,586
Contributions	1,095,039	2,018,711
Benefits Paid	(2,004,890)	(1,729,367)
Fair value of plan assets at the end of year	16,380,248	15,901,954
Funded status	(15,290,663)	4,661,924

Excess of Actual over estimated return on plan assets NIL

(Actual rate of return - Estimated rate of return as ARD falls on 31st March)

e) Actuarial Gain / Loss Recognised :

Actuarial (gain) / loss on obligations	78,615	1,124,039
Actuarial (gain) / loss the year - plan assets	Nil	Nil
Total (gain) / loss for the year	(78,615)	(1,120,439)
Actuarial (gain) / loss recognised in the year	(78,615)	(1,120,439)

f) The amount to be recognised in the Balance Sheet and Statement of Profit and Loss :

Present value of obligation as at the end of the year	21,215,068	20,563,878
Fair value of plan assets as at the end of the year	16,380,248	15,901,954
Funded status	(4,834,820)	(4,661,924)
Net asset / (liability) recognised in Balance Sheet	(4,834,820)	4,661,924

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31. The actuarial value of Leave Encashment liability As at 31st March 2013 is Rs. 2,952,582/- (nil) as per the workings under AS15 (Revised) issued by the Institute of Chartered Accountants of India

Group Leave Encashment Report under AS-15 (Revised 2005) for year ended 31st March 2013

The following tables sets out the funded status of the Leave encashment plans and the amounts recognized in the Company's financial statements as at 31st March, 2013

1) Assumption :	As at 31st March, 2012
Discount Rate	8.00%
Salary Escalation	5.00%

2) Table Showing Changes in Present Value of Obligation: 2012-13

Present value of obligation as at beginning of year	2,677,832
Interest Cost	214,227
Current Service Cost	181,180
Benefits Paid	(389,867)
Actuarial (gain) / loss on obligation	269,201
Present value of obligation as at end of year	2,952,573

3) Table Showing Changes in the Fair Value of Plan Assets:

Fair value of plan assets at beginning of year	2,859,012
Expected return on plan assets	262,616
Contributions	199,534
Benefits Paid	(389,867)
Actuarial gain / (loss) on Plan assets	NIL
Fair value of plan assets at the end of year	2,931,295

4) Table Showing Fair Value of Plan Assets :

Fair value of plan assets at beginning of year	2,859,012
Actuarial return of plan assets	262,616
Contributions	199,534
Benefits Paid	(389,867)
Fair value of plan assets at the end of year	2,931,295
Funded status	21,278

Excess of Actual over estimated return on plan assets NIL
(Actual rate of return - Estimated rate of return as ARD falls on 31st March)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5) Actuarial Gain / Loss Recognised :

2012-13

Actuarial (gain) / loss on obligations	(269,201)
Actuarial (gain) / loss the year - plan assets	-
Total (gain) / loss for the year	269,201
Actuarial (gain) / loss recognised in the year	269,201

6) The amount to be recognised in the Balance Sheet and Statement of Profit and Loss :

Present value of obligation as at the end of the year	2,952,573
Fair value of plan assets as at the end of the year	2,931,295
Funded status	21,278
Net asset / (liability) recognised in Balance Sheet	(21,278)

32. Rs.18,09,84,669/- of Excise duty paid includes Rs.35,48,795/- (Rs.28,89,991) being provision made for duty payable on the unsold stock of finished goods.

33. Related Party Transactions:

Information given in accordance with the requirements of Accounting Standard 18 on related party disclosures issued by the Institute of Chartered Accountants of India

Name of the Party	Nature of Relationship	
(I) M/s Suvardhan, Bangalore Partnership Firm	Firm where Directors are interested	
(ii) Mrs. Anuradha M.Gokarn & Mr.Aditya M.Gokarn.	Key Management Personnel	
(iii) Transaction with the above related party.		
	Transactions for the year ended 31 March, 2013	Transactions for the year ended 31 March, 2012
(a) Nature of Transactions:		
Suvardhan, Bangalore		
Purchase of Goods (Inclusive of taxes)	9,584,322	12,168,778
Sales (Inclusive of taxes)	256	-
Rent Received	51,348	51,348
Interest Paid	2,154,725	1,369,552
(b) Loan from Directors	11,000,000	20,000,000
(c) Loan Repaid to Directors	6,000,000	-
(d) Balance as at March 31, 2013		
Receivables	256	-
Payable	25,565,232	23,000,360
(iv) Managerial Remuneration:		
(I) Mrs.A.Gokarn *	5,025,305	4,108,664
(ii) Mr.Aditya M. Gokarn *	3,900,888	3,327,176
*includes contribution to Provident Fund	8,926,193	7,435,840

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

34. In Calculating Basic and Diluted Earnings per Share:

	Current Year Value (Rs.)	Previous Year Value (Rs.)
Numerator used:		
(a) Profit after Tax	22,201,156	20,728,154
Denominator used:		
(b) Number of equity shares	990,027	990,027

35.1 a) CIF Value of Imports :

	Current Year Value (Rs.)	Previous Year Value (Rs.)
i) Raw Materials	546,541,389	280,237,855
ii) Stores & Spares	6,795,058	4,939,554
iii) Machinery	3,158,719	58,021,997

b) Expenditure in Foreign Currency :

i) Travelling	155,314	17,653
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Total	556,650,480	343,217,060
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c) Value of Imported and Indigenous Materials Consumed :

	Current Year		Previous Year	
	Value Rs.	% to total consumption	Value Rs.	% to total consumption
i) Raw Materials				
Imported	575,655,998	60.29	70,244,648	6.98
Indigenous	379,137,863	39.71	936,014,033	93.02
	954,793,862	100.00	1,006,258,681	100.00
ii) Stores, Spares & Components :				
Imported	6,964,179	9.43	3,174,892	4.59
Indigenous	66,877,310	90.57	65,928,181	95.41
	73,841,489	100.00	69,103,073	100.00

35.2 Earnings in Foreign Exchange on FOB basis:

	Current Year Value (Rs.)	Previous Year Value (Rs.)
Export of goods.	52,945,714	73,739,283

36. The previous year's figures are regrouped and rearranged wherever necessary.

For Brahmayya & Co.,
Firm Registration No.000515S
Chartered Accountants

G.Srinivas
Partner
Membership No.086761

Place: Bangalore
Date: 29th May 2013

For and on behalf of the Board of Directors

S.K.Welling
Chairman

Aditya M.Gokarn
Managing Director

Triton Valves Limited
Sunrise Chambers, 22 Ulsoor Road, Bangalore - 560 042

ATTENDANCE SLIP

I hereby record my presence at the Thirty seventh Annual General Meeting held on Wednesday, July 12, 2013 at 03.30 p.m. at Hotel Ramada, 11 Park Road, Near Indian Express Circle, Bangalore - 560 051.

Name of the Shareholder(s)
(In Block Capitals)

Name of the Proxy or Company Representative
(In Block Capitals)

Signature of Shareholder(s) or
Proxy or Company Representative

Note: 1. A Proxy attending on behalf of Shareholder(s) should write the name of the Shareholder(s) from whom he holds Proxy.

2. Members are requested to bring their copy of the Annual Report with them to the Meeting as additional copies of the same not be made available at the Meeting.

Reg. Folio No.

* Client ID No.

* DP ID No.

No. of Shares held

* Applicable for investors holding shares in electronic form.



Triton Valves Limited
Sunrise Chambers, 22 Ulsoor Road, Bangalore - 560 042

PROXY FORM

I/We.....of.....in
the district of being a Member / Members of the above named Company hereby appoint Mr./Mrs./Ms.
.....of.....
.....in the district ofor failing him of.....
in the district ofas my / our proxy to vote for me us
on my / our behalf at the Thirty seventh Annual General Meeting of the Company to be held on Wednesday,
July 12, 2013 at 03.30 p.m. at Hotel Ramada, 11 Park Road, Near Indian Express Circle, Bangalore - 560 051.

Signed this.....day of.....2013

Reg. Folio No.

No. of Shares held

* Client ID No.

* DP ID No.

Note: The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the company not less than FORTY-EIGHT HOURS before the time fixed for holding the meeting.

* Applicable for investors holding shares in electronic form.

(Signature)

FORM B

Format of covering letter of the annual audit report to be filed with the Stock Exchange

		TRITON VALVES LIMITED.
1.	Name of the company	TRITON VALVES LIMITED.
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit qualification	Un-Qualified
4.	Frequency of qualification	NA
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report.	NA
	Additional comments from the board/audit committee chair.	NA
5.	To be signed by- <input type="checkbox"/> CEO/Managing Director <input checked="" type="checkbox"/> CFO <input type="checkbox"/> Auditor of the company <input type="checkbox"/> Audit Committee Chairman	

For TRITON VALVES LTD.



V. SRIDHAR
Vice President - Finance

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	TRITON VALVES LIMITED
2.	Annual financial statements for the year ended	31 st March 2013..
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	NA
5.	To be signed by- <input type="checkbox"/> CEO/Managing Director <input checked="" type="checkbox"/> CFO <input type="checkbox"/> Auditor of the company <input type="checkbox"/> Audit Committee Chairman	

For TRITON VALVES LTD.



V. SRIDHAR
Vice President - Finance