

Secaud/09-10/

COMPLIANCE CERTIFICATE

The Members
Tanishq (India) Limited
Golden Enclave, Tower A, Airport Road,
Bangalore - 560 017

Reg. No. 08/20977

I have examined the registers, records, books and papers of Tanishq (India) Limited (the Company) as required to be maintained under the Companies Act 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2010, In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed, and with additional fees wherever there has been a delay in filing as required under this Act and the rules made thereunder.
3. The Company being Limited Company has the minimum prescribed paid-up capital and its maximum number of members during the financial year was 7 (Seven) excluding its present and past employees and the Company during the year under scrutiny.
4. The Board of Directors duly met 5 (Five) times on dates mentioned below in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.



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Sl. No	Quarter	Date
1.	First (April - June)	24 th April 2009
2.	Second (July-September)	30 th September 2009
3.	Third (October -December)	21 st December 2009
4.	Fourth (January- March)	8 th February 2010
5.		24 th March 2010

5. The Company is not required to close its Register of Members.
6. The Annual General Meeting for the financial year ended on 31st March 2009 was held on 21st August 2009 after giving due notice to the members of the Company and the resolutions passed thereafter were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the year.
8. The Company has not advanced any loans to its Directors and/or persons or firms or companies referred in Section 295 of the Companies Act, 1956.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. There were transactions that has been entered in the Register of Companies and firms in which Directors are interested, maintained under Section 301(1) of the Act.
11. As there are no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued duplicate share certificates during the financial year.



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13. The Company has:

- (i) Delivered all the certificates on allotment and lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act, 1956.
- (ii) Not deposited any amount in a separate bank account as no dividend was declared during the financial year.
- (iii) Not declared dividend during the financial year hence the postage of Warrants for dividends does not rise.
- (iv) No unclaimed or unpaid dividend account application money due for refund, matured deposits, matured debentures and the interest accrued thereon, hence the transfer of unclaimed or unpaid does not arise.
- (v) Duly complied with the requirements of Section 217 of the Act.

14. The Board of Directors of the Company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies has been duly made.

15. The Company has not appointed any Managing Director/Whole Time Director /Manager during the financial year.

16. The Company has not appointed any sole selling agents during the year.

17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act during the financial year under consideration.

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 there under and the same has been recorded in the register maintained under Section 301(3) of the Act.

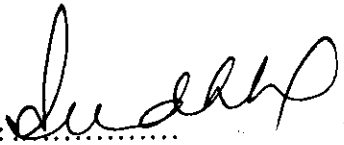
19. The Company has not issued any shares, debentures or other securities during the financial year.

20. The Company has not bought back any shares during the financial year.

21. There was no redemption of preference Shares/debentures during the year, since the Company has not issued preference Shares/debentures.



Place: Bangalore
Date: 16th April 2010

Signature: 
Name: B G Anirudh
Company Secretary
C. P. No.: 6999



22. There were no transactions, necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provision of the Act.
23. The Company has not invited and accepted any deposits falling within the purview of Section 58A during the financial year.
24. The Company has not borrowed any loans during the financial year under the provisions of Section 293(1)(d).
25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate necessitating making necessary entries in the register kept for the purpose.
26. The Company has not altered any of the provisions of the Memorandum with respect to 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 share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under consideration.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the year under certification.
33. The provisions of Section 418 is not applicable to the Company.



A handwritten signature in black ink, appearing to be 'G. Anirudh'.

ANNEXURE A

Registers maintained by the Company

Sl. No	Name of Register	Applicable Sections of the Companies Act,
1	Register of Members	150
2	Register of Transfer	108
3	Register of Directors, Manager /Secretaries	303
4	Register of Directors Shareholding	307
5	Register of Contracts	279,299 and 301
6	Register of Charges	143(1)
7	Register of Common Seal	34 with Table A
8	Register of Companies in which Directors are interested 301(3)	301(3)
9	Register of Investments	49(7), 372(5)
10	Register of Deposits	Rule 7

ANNEXURE B

Forms and Return 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 2010.

Sl. No	Form No.	Filed u/s	Particulars	Due Date of filing	Date filed	Rec No	Delay Y/N
1.	66	383A	Compliance Certificate	20/09/09	28/08/09	P34105072	N
2.	23AC &ACA	210	Balance Sheet& P&L	20/09/09	03/09/09	P34262063	N
3.	20B	159	Annual Return	20/10/09	21/10/09	P36609527	Y
4	23	372A	Increasing the Investment limits	23/05/08	16/04/09	A59921031	Y



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**AUDITORS' REPORT
TO THE MEMBERS OF
TANISHQ (INDIA) LIMITED**

1. We have audited the attached Balance Sheet of **TANISHQ (INDIA) LIMITED** ("the Company") as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account 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 Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;

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**ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph (3) of our report of even date)**

- (i) Having regard to the nature of the Company's business, activities and results, clauses (i), (ii), (iv), (v), (viii), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xvii), (xviii), (xix) and (xx) of CARO are not applicable.
- (ii) The Company has not taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956

In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

- (a) The Company had granted inter corporate deposits in earlier years. At the year end, the outstanding balance of such loans granted and the maximum amount involved during the year was Rs. Nil and Rs. 575 lakhs respectively.
 - (b) The rate of interest and other terms and conditions on which inter-corporate deposits had been granted is, in our opinion, prima facie not prejudicial to the interest of the Company.
- (iii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
 - (iv) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (v) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues, if any, applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no arrears of undisputed statutory dues as at 31st March, 2010 for a period of more than six months from the date they became payable *except Rs. 41,844/- relating to interest on sales tax*
 - (b) There was no disputed dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2010 on account of any dispute

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**Deloitte
Haskins & Sells**

- (vi) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 008072S)

B. Ramaratnam

B. Ramaratnam
Partner
(Membership No. 21209)

Bangalore, April 27, 2010

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TANISHQ (INDIA) LIMITED

Profit and Loss Account for the year ended March 31, 2010

(Rupees)

Particulars	Schedule		Year ended 31.03.2010	Year ended 31.03.2009
Income				
Other Income	F		6,097,324	3,878,334
Total			6,097,324	3,878,334
Expenditure				
Rates and taxes			-	240,215
Bad debt written off		2,692,925	-	-
Provision for doubtful debts of earlier years written back		(2,692,925)	-	-
Professional fees			10,000	10,828
Bank charges			1,905	19,410
Miscellaneous expenses			5,500	3,500
Auditors' remuneration				
Audit fees		25,000		25,000
Fees for tax matters		30,000		64,000
Reimbursement of expenses and levies		5,665		10,485
			60,665	99,485
Total			76,070	373,238
Profit before taxes			6,019,254	3,505,096
Taxes - Current tax		985,000		1,083,075
Deferred tax		842,000		92,000
			1,827,000	1,175,075
Profit after taxes			4,192,254	2,330,021
Profit brought forward			42,324,376	39,994,355
Balance profit carried to balance sheet			46,516,630	42,324,376
Notes to accounts	G			
Basic & diluted earnings per share of Rs.10 each			2.17	1.21

The Schedules referred to above form an integral part of the profit and loss account

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

B. Ramarathnam

B. Ramarathnam
Partner

Place: Bangalore
Date: 27-April-2010

For and on behalf of the Board of Directors,

B. Pansari
B. Pansari

Chairman

Directors

[Signature]
[Signature]

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TANISHQ (INDIA) LIMITED

Cash flow statement for the year ended 31st March 2010

(Rupees)

	Current Year	Previous Year
A. Cash flow from operating activities		
Net profit before tax	6,019,254	3,505,096
Adjustments for :		
Interest Income	(4,493,593)	(3,878,334)
Profit on sale of Investments	(217,886)	-
Operating profit before working capital changes	1,307,775	(373,238)
Adjustments for :		
(Increase) / Decrease in sundry debtors	-	13,080,692
Increase / (Decrease) in current liabilities and provisions	(1,455,917)	(94,231)
Cash generated from operations	(148,142)	12,613,223
Direct taxes paid	(1,285,769)	(1,626,800)
Net cash from / (used in) operating activities	(1,433,911)	10,986,423
B. Cash flow from investing activities		
Purchase of investments	-	(1,547,260)
Proceeds from sale of investments	326,926	-
Inter corporate deposits placed	-	(34,000,000)
Inter corporate deposits redeemed	57,500,000	1,600,000
Interest received	5,713,963	3,077,302
Net cash from / (used in) investing activities	63,540,889	(30,869,958)
C. Cash flow from financing activities		
Interest paid	-	-
Net cash from / (used in) financing activities	-	-
Net cash flows during the year (A + B + C)	62,106,977	(19,883,535)
Cash and cash equivalents (opening balance)	13,313,486	33,197,021
Cash and cash equivalents (closing balance)	75,420,463	13,313,486
Increase/ (decrease) in cash and cash equivalents	62,106,977	(19,883,535)

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

B. Ramarathnam

B. Ramarathnam
Partner

Place: Bangalore
Date : 27-April-2010

For and on behalf of the Board of Directors,

V. Panwar

Chairman

Directors

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Alpuri

TANISHQ (INDIA) LIMITED

Schedules forming part of the accounts

(Rupees)

Particulars	31.03.2010	31.03.2009
"A" SHARE CAPITAL		
Authorised capital 30,00,000 (2009 : 30,00,000) equity shares of Rs. 10 each	30,000,000	30,000,000
Issued and subscribed 19,31,319 equity shares of Rs. 10 each, fully paid up (The above equity shares are held by Titan Industries Limited, the holding company and its nominees. (2009:19,30,350 equity shares held by Titan Industries Limited and 950 equity shares held by its subsidiaries)	19,313,190	19,313,190
Total	19,313,190	19,313,190
"B" RESERVES AND SURPLUS		
Share premium account	12,125,670	12,125,670
Capital Redemption Reserve	6,437,500	6,437,500
Balance in profit and loss account	46,516,630	42,324,376
Total	65,079,800	60,887,546
"C" INVESTMENTS		
Non trade Investments (long term) - quoted, at cost		
7,033 (2009: 7,033) 6.75% Non-Convertible Debentures of Titan Industries Limited of Rs.250 each	1,547,260	1,547,260
Non trade Investments (long term) - unquoted, at cost		
Nil (2009:10,900) equity shares of Rs.10 each in Titan Mechatronics Limited - sold during the year 10,900 shares	-	109,000
Nil (2009:4) equity shares of Rs.10 each in Titan Properties Limited - sold during the year 4 shares	-	40
500 (2009: 500) 5.50% Non-Convertible Redeemable Taxable Bonds of Rural Electrification Corporation Limited of Rs.10,000 each	5,000,000	5,000,000
	6,547,260	6,656,300
Market value of quoted investments	1,814,514	1,673,854

S. K.

S. K.

TANISHQ (INDIA) LIMITED

Schedules forming part of the accounts

(Rupees)

Particulars		31.03.2010	31.03.2009
"D" CURRENT ASSETS, LOANS AND ADVANCES			
Interest accrued on Investments		740,061	1,960,431
Sundry debtors (Unsecured)			
Over six months		-	-
Considered good		-	2,692,925
Considered doubtful		-	2,692,925
Less: Provision for doubtful debts		-	2,692,925
		-	-
Cash and bank balances :			
Cheques on hand	325,910		-
With scheduled banks - in current accounts	594,553		813,486
- in deposit accounts	74,500,000		12,500,000
		75,420,463	13,313,486
Loans and advances (unsecured and considered good)			
Advances recoverable in cash or in kind or for value to be received			
Considered good (Inter Corporate Deposits)	-		57,500,000
Considered doubtful	234,771		234,771
	234,771		57,734,771
Less: Provision for doubtful loans and advances	(234,771)		(234,771)
		-	57,500,000
Tax payments, net of provision		1,702,716	1,401,946
Total		77,863,240	74,175,863
"E" CURRENT LIABILITIES AND PROVISIONS			
Current liabilities			
Sundry creditors :			
Dues to micro enterprises and small enterprises		-	-
Others		54,599	88,217
Advance from customers		-	1,385,845
Other liability		47,911	84,365
Total		102,510	1,658,427
"F" OTHER INCOME			
Interest income		4,493,593	3,878,334
(Includes tax deducted at source Rs.555,978; 2009:Rs.779,395)			
Profit on Sale of Investments		217,886	-
Unclaimed balances written back		1,385,845	-
Total		6,097,324	3,878,334

TANISHQ (INDIA) LIMITED

Schedule forming part of the accounts

"G" Notes to the accounts for the year ended 31st March 2010

i) Accounting policies:

a) Basis of accounting:

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

b) Revenue Recognition

Interest on Inter Corporate Deposit and Bank Deposits are recognised on time proportion basis. Dividend income is recognised on establishment of right to receive the dividend.

c) Investments :

All Long term investments are valued at acquisition cost. However, provision for diminution in the value is made to recognise a decline, other than temporary in the value of investments.

d) Taxes on Income

In accordance with the provisions of the Income Tax Act 1961, current tax is determined as the amount of tax payable in respect of taxable income for the year

Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

ii) Quantitative details

Description	Opening Stock		Purchases		Sales		Closing Stock	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	Nos	Rs.	Nos	Rs.	Nos	Rs.	Nos	Rs.
Finished Goods - Traded Jewellery	1,105 (1,105)	- (-)	- (-)	- (-)	- (-)	- (-)	1,105 (1,105)	- (-)
Watches	26 (26)	- (-)	- (-)	- (-)	- (-)	- (-)	26 (26)	- (-)
Total	1,131 (1,131)	- (-)	- (-)	- (-)	- (-)	- (-)	1,131 (1,131)	- (-)

Note :

Figures in brackets are those of the previous year.

iii) Earnings Per Share

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

	<i>(all figures in rupees except number of shares)</i>	
	Year ended 31.03.2010	Year ended 31.03.2009
Profit after tax for the year	4,192,254	2,330,021
Weighted average number of equity shares of Rs.10 each	1,931,319	1,931,319
Earnings per share - Basic and Diluted	2.17	1.21

iv) Deferred Tax

The details of deferred tax asset are as under:

	As at 31 March 2009 Rs.	Tax effect for the year Rs.	As at 31 March 2010 Rs.
Deferred Tax Asset			
Provision for doubtful debts and Loans and Advances	904,000	832,000	72,000
Disallowances Under Section 43B	23,000	10,000	13,000
Net Deferred Tax Asset	927,000	842,000	85,000

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v) Contingent liability not provided for :

Income Tax - Rs. 10.09 Lakhs (2009:Rs. 10.09 Lakhs)

(The Company has received income tax demand notice for Rs.10.09 Lakhs including interest of Rs.2.43 lakhs, which has been paid but contested before the concerned authority by the company. The demand relates to applicability of Interest Income on debtors balance of Titan Industries Limited.)

vi) Names of related parties and description of relationship:

Holding Company : Titan Industries Limited
Fellow Subsidiary : Titan Properties Limited
Key management personnel : There are no key management personnel

vii) Transactions with the related parties are set out in the table below:

			(Rupees)
Nature of Transaction	Category	Name	Amount
Sale of investment	Holding Company	Titan Industries Limited	1,016
			(-)
Inter corporate deposits placed	Holding Company	Titan Industries Limited	-
			(34,000,000)
Inter corporate deposits redeemed	Holding Company	Titan Industries Limited	57,500,000
			(-)
	Fellow Subsidiary	Titan Properties Limited	-
			(1,600,000)
Interest income	Holding Company	Titan Industries Limited	251,011
			(3,365,323)
	Fellow Subsidiary	Titan Properties Limited	-
			(6,230)

Balance as on balance sheet date

			(Rupees)
Balance as on balance sheet date	Holding Company	Fellow Subsidiaries	
Debit balance	-	-	
	(57,500,000)	(-)	
Credit balance	-	-	
	(-)	(-)	

Note:

Figures in brackets are those of the previous year.

viii) Previous year's figures have been regrouped/recast, wherever necessary, to conform to current year's classification.

SIGNATURE TO SCHEDULES "A" TO "G"
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Bangalore
Date : 27-April-2010

Chairman

Directors

Handwritten initials

Handwritten signatures of J. Pansary and other directors

TANISHQ (INDIA) LIMITED

Balance Sheet Abstract and Company's General Business Profile :

I. REGISTRATION DETAILS

REGISTRATION NO.

2 0 9 7 7

STATE CODE

0 8

BALANCE SHEET DATE

3 1

0 3

2 0 1 0

DATE

MONTH

YEAR

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN Rs. THOUSANDS)

PUBLIC ISSUE

N I L

RIGHTS ISSUE

N I L

BONUS ISSUE

N I L

PREFERENTIAL ALLOTMENT

N I L

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN Rs. THOUSANDS)

TOTAL LIABILITIES

8 4 4 9 5

TOTAL ASSETS

8 4 4 9 5

SOURCE OF FUNDS

PAID-UP CAPITAL

1 9 3 1 3

RESERVES & SURPLUS

6 5 0 8 0

SECURED LOANS

N I L

UNSECURED LOANS

N I L

APPLICATION OF FUNDS

NET FIXED ASSETS

N I L

INVESTMENTS

6 5 4 7

NET CURRENT ASSETS

7 7 8 6 4

MISC. EXPENDITURE

N I L

ACCUMULATED LOSSES

N I L

DEFERRED TAX ASSET

8 5

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