

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Shri Bhupinder Kumar  
Chairman

Shri Kapil Sekhri  
Director

Shri Rajesh Kumar Garg  
Director

Shri Anil Kumar Grover  
Director

Shri Kulbir Singh  
Additional Director

Shri Choudhary Runveer Krishanan  
Company Secretary & Compliance Officer

### BOARD COMMITTEES

#### AUDIT COMMITTEE

Shri Rajesh Kumar Garg  
Chairman

Shri Anil Kumar Grover  
Member

Shri Kulbir Singh  
Member

#### REMUNERATION COMMITTEE

Shri Anil Kumar Grover  
Chairman

Shri Rajesh Kumar Garg  
Member

Shri Kulbir Singh  
Member

#### SHAREHOLDERS'/INVESTORS'/ GRIEVANCES COMMITTEE

Shri Anil Kumar Grover  
Chairman

Shri Rajesh Kumar Garg  
Member

Shri Kulbir Singh  
Member

### REGISTERED OFFICE

No. 6, Sultanpur (Mandi Road)  
Mehrauli, New Delhi - 110030

### STATUTORY AUDITORS

Rawla & Company  
Chartered Accountants

### BANKERS

Syndicate Bank

<b>CONTENTS</b>	<b>Page No(s)</b>
Corporate Information	
Chairman's Message	
Notice	1 - 7
Directors' Report & Annexures	8 - 11
Report on Corporate Governance	12 - 22
Auditors' Report & Annexures	23 - 27
Balance Sheet	28
Profit & Loss Account	29
Schedules to Accounts	30 - 50
Cash Flow Statement	51
Statement pursuant to Section 213(3) and other details of Subsidiary Companies under Section 212(8) of the Companies Act, 1985	52
Balance Sheet Abstract	53
Consolidated Accounts & Auditor Reports Thereon	54 - 80
Accounts on Subsidiary Company: B.G.K. Infrastructure Developers Pvt. Ltd.	81 - 92
Form of Proxy and Attendance Slip	

**CHAIRMAN'S MESSAGE**

*Dear Shareholders,*

I am delighted to connect with you through this annual report of the Company.

First, I take this opportunity to thank our Customers, Partners, Bankers and Shareholders for reposing their confidence in the Company and providing their unstinted support. My thanks to the management team and all employees of the company for having their enthusiasm and dedication towards the company.

As you are aware that the trading of shares of the company was under suspension. With its continuous sincere efforts the Company was able to get the revocation of suspension of its shares. I am very happy to inform you that the trading of shares resumed w.e.f 07<sup>th</sup> July, 2011. The trading of equity will provide a continuous liquidity to the shareholders of the company which in turn helps broaden the shareholder base. The company is fast emerging and steadily overcoming the bottlenecks of the past.

The company is a market leader in the field of rubber & bituminous products, the company has captured substantial share in the market by maintaining high quality, reliability and customer satisfaction.

I urge you to read the details of the developments and performance of the various business in the chapter on Management Discussion and Analysis. We are confident of contributing the growth story backed by good performance across businesses.

I am pleased to inform you that after pioneering and crossing 200,000 ton marks last year in field of rubber modifier, CRMB & PMB production, we have now entered into manufacturing of quality bitumen Emulsions at our Panipat central plant where we have installed a state of the art plant. This fully computerized sophisticated plant is capable of producing 12 TPH Bitumen Emulsion of very high quality was imported from Europe from the world leaders in this technology.

Poor maintenance of roads costs the country about ₹ 35,000 Crore annually and erodes some 40,000 km of rural roads, and 10,000 km of secondary roads as per report prepared by the national transport development policy committee of RBI. Poor roads reduce life of vehicles, increase traveller freight time, push up consumption of fuel and raise maintenance costs of automobiles.

Most central banks in emerging economics, like the Reserve Bank of India (RBI) reached to high inflation by adopting a hard line in terms of monetary policy. Consequently, interest rates have increased by several basis points in these emerging economies, including India. High interest rates may hinder investment future growth. These are worrisome and may affect growth in the near terms even in India, but I do believe that the macro-economic fundamentals and the demographic characteristics are well in place to foster growth momentum in the long run.

I would like to express our delight at presenting you the financial result of your company. Over the years, we have built a sizeable business in India and with renewed focus on bitumen industries as an independent entity, we aim to accelerate our growth into global markets.

We stay committed to deliver value to our shareholders and renew our promise to constantly focus on exceeding customer's expectations by providing world class product and services.

Thank you for your participation in the evolution of the company so far.

Best Wishes & Regards,

*Chairman*

## NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Shareholders of Tinna Overseas Limited will be held on **Friday, 30th September, 2011 at 9.00 A.M. at 18 South Drive Way, DLF Farms, Chhattarpur, New Delhi** to transact the following business:

## ORDINARY BUSINESS

01. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011, and Profit & Loss Account for the year ended on that date together with the reports of Directors and Auditors thereon.
02. To appoint a Director in place of Shri Bhupinder Kumar who retires by rotation and being eligible offers himself for re-appointment
03. To appoint M/s Rawla & Co., Chartered Accountants, New Delhi, the retiring Auditors as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors.

## SPECIAL BUSINESS

04. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**"Resolved That** Shri Kulbir Singh be and is hereby appointed as a Director of the company liable to retire by rotation."

05. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

**"Resolved That** in partial modification of special resolution passed at the annual general meeting of the company held on 30<sup>th</sup> September, 2010 and pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII & other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) & subject to such other approvals/sanctions, if any, Shri Bhupinder Kumar shall be given/entitled to remuneration w.e.f. 01<sup>st</sup> April, 2011 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 in case of inadequate profit or no profit during his remainder

tenure. Further, in case of sufficient profits, his remuneration shall be calculated in terms of the special resolution as earlier approved at the Annual General Meeting held on 30<sup>th</sup> September, 2010.

**Resolved Further That** other terms and conditions/ contents shall be as per earlier resolution and remain unchanged.

**Resolved Further That** in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956, the required disclosure be and is hereby also given."

06. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

**"Resolved That** in partial modification of special resolution passed at the annual general meeting of the company held on 11<sup>th</sup> December, 2009 and pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII & other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) & subject to such other approvals/sanctions, if any, Shri Kapil Sekhri shall be given/entitled to remuneration w.e.f. 01<sup>st</sup> April, 2011 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 in case of inadequate profit or no profit during his remainder tenure. Further, in case of sufficient profits, his remuneration shall be calculated in terms of the special resolution as earlier approved at the Annual General Meeting held on 11<sup>th</sup> December, 2009.

**Resolved Further That** other terms and conditions/ contents shall be as per earlier resolution and remain unchanged.

**Resolved Further That** in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956, the required disclosure be and is hereby also given."

By Order of the Board of Directors  
For Tinna Overseas Limited

New Delhi  
August 24, 2011

Choudhary Runveer Krishnan  
Company Secretary

**NOTES**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. The proxy in order to be effective must be lodged at the Regd. Office of the Company at No. 6, Sultanpur (Mandi Road), Mehrauli, New Delhi-110030 at least 48 hours before the commencement of the meeting.
3. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
4. Members are requested to bring their copies of the Annual Report to the meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from Monday, the 26th September, 2011 to Friday, the 30th September, 2011- (both days inclusive).
6. Members who are holding Company's shares in dematerialization form are requested to bring details of their depository A/c Number for identifications.
7. Members holding equity shares in physical form are hereby requested to notify change of their address, if any, quoting folio number.
8. Members are requested to inform us their e-mail address to enable us to send important communications such as un-audited financial results, press releases and other similar information soon after these are intimated to the stock exchanges.
9. The Company has a dedicated e-mail address "investor@tinna.in" for shareholders to mail their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.
10. The Company's website "www.tinna.in" has a dedicated section on investors.
11. SEBI has placed the Company's shares under compulsory demat i.e transactions in the Company's shares are required to be done only in the demat form. Further considering the advantages of scripless trading like exemption from stamp duty, elimination of bad deliveries, reduction in transaction costs, improved liquidity etc., members are requested to consider dematerialisation of their shareholding, if not already done, to avoid inconvenience in future.

**STATEMENT CONTAINING FOLLOWING INFORMATION PURSUANT TO SECTION II OF PART II OF SCHEDULE XIII OF THE COMPANIES ACT, 1956****Item No. 5.**

In terms of the Section II of Part II of Schedule XIII, the following Information as listed:-

**I. General Information:**

- (1) **Nature of industry-** To deal in all kind of rubbers, rubber sheets, rubber products and P.V.C. Chemicals, Bituminous Products;
- (2) **Date or expected date of commencement of commercial production-** The Company was incorporated on 04th March, 1987 and is an existing company and production activities already commenced many years back.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus-** The Company is an existing company and hence, the para is not applicable to the company.
- (4) **Financial performance based on specified indicators-** The total turnover of the company in the financial year is ₹ 11,801.98 lacs. During the year the total turnover from bitumen activity is increased by 21 % and the company is now entering into manufacturing of quality bitumen Emulsions at our Panipat central plant where we have installed a state of the art plant. This fully computerized sophisticated plant is capable of producing 12 TPH Bitumen Emulsion of very high quality was imported from Europe from the world leaders in this technology.
- (5) **Export performance and net foreign exchange collaborations-** There is no export in the company during the financial year.
- (6) **Foreign investments or collaborators, if any-** There is no foreign investment or collaborators in the company.

**II. Information about the appointee:**

- (1) **Background details-** Shri Bhupinder Kumar is the principal promoter of the Company. He is also Director/ Chairman of other group companies. He is visionary leader. Under his leadership, the Company

has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 60 years old having vast and varied experience of the industry over 40 years.

- (2) **Past remuneration -** Shri Bhupinder Kumar was given overall remuneration of 5% of net profits of the Company calculated in terms of Section 198, 269, 309, 310, 311 read with Schedule XIII & other applicable provisions of the Companies Act, 1956 as applicable from time to time.
- (3) **Recognition or awards -** Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. The dream of "TINNA" was developed and established by Shri Bhupinder Kumar. Today, Tinna group is well known entity on the global industrial dimension.
- (4) **Job profile and his suitability -** He is Chairman cum whole Time Director of the company and looking after/ guiding entire operations/ policy matters.
- (5) **Remuneration proposed -** Shri Bhupinder Kumar shall be given/entitled to remuneration w.e.f. 01<sup>st</sup> April, 2011 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 in case of inadequate profit or no profit during his remainder tenure. Further, in case of sufficient profits, his remuneration shall be calculated in terms of Section 198, 269, 309, 310, 311 of the Companies Act, 1956.
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) -** The Company is a market leader in the Bitumenous Product as well as the Company is having major investment in Winery & Agro Products. In current business performance of the company the remuneration designed is very competitive keeping in view the growth of the Company. In last few years the management is having very disciplined approach

towards the remuneration policy. The phenomenal growth in activity and the increase in investment in different sectors viz., agro product, winery, etc. have substantially increased the responsibility and accountability of the management and its directors.

- (7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, if any** - Except specified remuneration, there is no pecuniary relationship directly or indirectly with the company or with the managerial personal.

### III. Other information:

- (1) **Reasons of loss or inadequate profits** - The reduction in profit mainly resulted due to lowering of margin as due to increased competition, selling price/job work charges of refineries has remained same/reduced but operational cost has increased. Price of scrap rubber has gone up. Due to inflation manpower cost has also increased. Financial cost has increased due to increased lending rate. During the year company booked Cess Tax of Mumbai units and interest ₹ 56.22 lacs (including interest etc ₹25 lacs) relating to earlier years as per order adjudicated on 31 August 2010. Company started activity of site mixing in the 4th quarter on 2009-10 and achieved turnover of Rs 11 lacs and during the current year 2010-11 its turnover was ₹ 448 lacs for the material sold for site mixing. Being the first year of site mixing it was a learning experience and there was higher cost of site mixing operation (Mobile Blending Units) and the profit from this activity was less than expected. However, the operational and administrative system of the site mixing unit is now in better position and company is hopeful for the better contribution from MBU. The Company also booked bad debts /provision for doubtful debts ₹ 49.47 lacs.
- (2) **Steps taken or proposed to be taken for improvement**- Company is working hard to increase non-tender business, directly with private parties and by setting up site mixing units. In previous financial year 2009-10, company was having 2 site mixing units and in current year company is having 8 site mixing units. At Panipat company has set up Emulsion Plant which has become operational in August 2011.
- (3) **Expected increase in productivity and profits in measurable terms** - Above steps of new plant and better utilization of existing assets expected to give improvements in results.

### IV. Disclosures:

The information pertaining to remuneration package of the managerial person is disclosed separately in the column "Report on Corporate Governance" of this annual report.

The following disclosures are mentioned in the Board of Director's report under the heading "Report on Corporate Governance" attached to this annual report:-

- (i) \*All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
- (ii) \*Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) \*Service contracts, notice period, severance fees;
- (iv) \*Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

[\* Please refer the Sub Para III of Para 2 of "Report on Corporate Governance" ]

### Item No. 6.

In terms of the Section II of Part II of Schedule XIII, the following Information as listed:-

#### I. General Information:

- (1) **Nature of industry**- To deal in all kind of rubbers, rubber sheets, rubber products and P.V.C. Chemicals, Bituminous Products;
- (2) **Date or expected date of commencement of commercial production**- The Company was incorporated on 04th March, 1987 and is an existing company and production activities already commenced many years back.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**- The Company is an existing company and hence, the para is not applicable to the company.

- (4) **Financial performance based on specified indicators-** The total turnover of the company in the financial year is ₹ 11,801.98 lacs. During the year the total turnover from bitumen activity is increased by 21 % and the company is now entering into manufacturing of quality bitumen Emulsions at our Panipat central plant where we have installed a state of the art plant. This fully computerized sophisticated plant is capable of producing 12 TPH Bitumen Emulsion of very high quality was imported from Europe from the world leaders in this technology.
- (5) **Export performance and net foreign exchange collaborations-** There is no export in the company during the financial year.
- (6) **Foreign investments or collaborators, if any-** There is no foreign investment or collaborators in the company.
- II. Information about the appointee:**
- (1) **Background details-** Shri Kapil Sekhri is also principal promoter and whole time director of the Company. He is also Director/ Chairman of other group companies. He is a BBA from Richmond College London (UK). He is visionary leader. Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is young, energetic and is also one of the leading force for the company. He is 36 years old and having vast and varied experience of the industry over 16 years.
- (2) **Past remuneration-** Shri Kapil Sekhri was given overall remuneration of 5% of net profits of the Company calculated in terms of Section 198, 269, 309, 310, 311 read with Schedule XIII & other applicable provisions of the Companies Act, 1956 as applicable from time to time.
- (3) **Recognition or awards-** Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level.
- (4) **Job profile and his suitability-** He is whole Time Director of the company and looking after/guiding entire operations/ policy matters.
- (5) **Remuneration proposed-** Shri Kapil Sekhri shall be given/entitled to remuneration w.e.f. 01<sup>st</sup> April, 2011 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 in case of inadequate profit or no profit during his remainder tenure. Further, in case of sufficient profits, his remuneration shall be calculated in terms of Section 198, 269, 309, 310, 311 of the Companies Act, 1956.
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)-** The Company is a market leader in the Bitumen Product as well as the Company is having major investment in Winery & Agro Products. In current business performance of the company the remuneration designed is very competitive keeping in view the growth of the Company. In last few years the management is having very disciplined approach towards the remuneration policy. The phenomenal growth in activity and the increase in investment in different sectors viz., agro product, winery, etc. have substantially increased the responsibility and accountability of the management and its directors.
- (7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, if any-** Except specified remuneration, there is no pecuniary relationship directly or indirectly with the company or with the managerial personal.
- III. Other information:**
- (1) **Reasons of loss or inadequate profits-** The reduction in profit mainly resulted due to lowering of margin as due to increased competition, selling price/job work charges of refineries has remained same/reduced but operational cost has increased. Price of scrap rubber has gone up. Due to inflation manpower cost has also increased. Financial cost has increased due to increased lending rate. During the year booked Cess Tax of Mumbai units and interest ₹ 56.22 lacs (including interest etc ₹ 25 lacs) relating to earlier years as per order adjudicated on 31 August 2010. Company started activity of site mixing in the 4th quarter on 2009-10 and achieved turnover of Rs 11 lacs and during the current year 2010-11 its turnover was ₹

448 lacs for the material sold for site mixing. Being the first year of site mixing it was a learning experience and there was higher cost of site mixing operation (Mobile Blending Units) and the profit from this activity was less than expected. However, the operational and administrative system of the site mixing unit is now in better position and company is hopeful for the better contribution from MBU. The Company also booked bad debts /provision for doubtful debts ₹ 49.47 lacs.

- (2) **Steps taken or proposed to be taken for improvement-** Company is working hard to increase non-tender business, directly with private parties and by setting up site mixing units. In previous financial year 2009-10, company was having 2 site mixing units and in current year company is having 8 site mixing units. At Panipat company has set up Emulsion Plant which has become operational in August 2011.
- (3) **Expected increase in productivity and profits in measurable terms -** Above steps of new plant and better utilization of existing assets expected to give improvements in results.

#### IV. Disclosures:

The information pertaining to remuneration package of the managerial person is disclosed separately in the column "Report on Corporate Governance" of this annual report.

The following disclosures are mentioned in the Board of Director's report under the heading "Report on Corporate Governance" attached to this annual report:-

- (i) \*All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
- (ii) \*Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) \*Service contracts, notice period, severance fees;
- (iv) \*Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

[\* Please refer the Sub Para III of Para 2 of "Report on Corporate Governance" ]



**Explanatory Statement  
Pursuant to Section 173(2)  
of the Companies Act, 1956**

**Item No. 4.**

The Board of Directors of your company at its meeting held on 27th October, 2010 appointed Shri Kulbir Singh as an Additional Director w.e.f. 27th October, 2010. He holds the office upto the date of ensuing Annual General Meeting. As required under section 257 of the Companies Act, 1956 the company has received notices from some members proposing his candidature as director of the Company. Shri Kulbir Singh aged 42 years having wide and varied experience of accounting, finance & related matters. He is a post graduate. He is not holding any equity shares in the company. He is also member of board committees.

Except, Mr. Kulbir Singh, none of the Directors of the company is, in any way, concerned or interested in the resolution.

The Board of Directors commends the resolution for approval.

**Item No. 5.**

Shri Bhupinder Kumar is the principal promoter of your Company. He is also Director/ Chairman of other group companies. He is visionary leader. Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 60 years old having vast and varied experience of the industry over 40 years. Your Directors consider that Shri Bhupinder Kumar be given remuneration w.e.f. 1<sup>st</sup> April, 2011 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 in case of inadequate profit or no profit during his remainder tenure. Further, in case of sufficient profits, his remuneration shall be calculated in terms of the provisions of the Act as earlier approved at

the Annual General Meeting held on 30<sup>th</sup> September, 2010. Further other terms and conditions/ contents of earlier resolution passed on 30<sup>th</sup> September, 2010 shall remain unchanged. The necessary disclosures in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 is also given for your reference.

None of the Directors except, S/Shri Bhupinder Kumar & Kapil Sekhri is directly or indirectly interested in the proposed Special Resolution at Item No.5 of the Notice and the Board recommends your acceptance thereof in the interest of the Company.

**Item No. 6.**

Shri Kapil Sekhri is the principal promoter of your Company. He is also Director/ Chairman of other group companies. He is also visionary leader. Under his direction, the Company has achieved enviable growth. He has also been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 36 years old having vast and varied experience of the industry over 16 years. Your Directors consider that Shri Kapil Sekhri be given remuneration w.e.f. 01<sup>st</sup> April, 2011 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 in case of inadequate profit or no profit during his remainder tenure. Further, in case of sufficient profits, his remuneration shall be calculated in terms of the provisions of the Act as earlier approved at the Annual General Meeting held on 11<sup>th</sup> December, 2009. Further other terms and conditions/contents of earlier resolution passed on 11<sup>th</sup> December, 2009 shall remain unchanged. The necessary disclosures in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956 is also given for your reference.

None of the Directors except, S/Shri Bhupinder Kumar & Kapil Sekhri is directly or indirectly interested in the proposed Special Resolution at Item No. 6 of the Notice and the Board recommends your acceptance thereof in the interest of the Company.

## DIRECTORS' REPORT

### The Members

Your Directors are pleased to present the 24th Annual Report and the Audited Statement of Accounts of the Company for the financial year ended on 31st March, 2011 (01-04-2010 to 31-03-2011)

### FINANCIAL RESULTS

	(` in Lacs)	
	2010-2011	2009-2010
Total Income	11801.98	15819.65
Profit/(loss) before interest, Depreciation & Taxation	483.17	679.02
Interest	192.99	119.49
Depreciation	112.78	98.38
Tax	110.84	125.54
Profit/(loss) after interest, Depreciation & Taxation	66.56	335.61
Reserves & Surplus	2882.63	2816.07

### REVIEW OF OPERATIONS

During the year under review, the Company achieved a level of total income to the tune of ₹ 11,801.98 lacs as against ₹ 15,819.65 in the previous year. This year the Company earned a profit of ₹ 66.56 lacs as against a profit of ₹ 335.61 lacs in the previous year.

During the year under review in the bitumen division the Company did a business of ₹ 8967.00 lacs as against a business of ₹ 7410.77 lacs in the previous year. In this division, during the year under review the Company earned a profit of ₹ 1115.75 lacs as against a profit of ₹ 1258.44 in the previous year. The reduction in profit mainly resulted due to lowering of margin as due to increased competition selling price/job work charges of refineries has remained same/reduced but operational cost has increased, Price of scrap rubber has gone up. Due to inflation manpower cost has also increased. Financial cost has increased due to increased lending rate. During the year company booked Cess Tax of Mumbai units and interest ₹ 56.22 lacs (including interest etc ₹ 25 lacs) relating to earlier years as per order adjudicated on 31 August 2010. Being the first year of site mixing it was a learning experience and there was higher cost of site mixing operation (Mobile Blending Units) and the profit from this activity was less than expected. However, the operational and administrative system of the site mixing unit are now in better position

and company is hopeful for the better contribution from MBU. Your Company also booked bad debts /provision for doubtful debts ₹ 49.47 lacs.

The company is a market leader in the field of bituminous products, the company has captured substantial share in the market due to the high quality, reliability and customer satisfaction. The Company has aggressively marketed the technology of enhancing the properties of bitumen. It lays strong emphasis on utilization of modern technology for qualitative services and business efficiency geared towards complete customer satisfaction and achieving milestones.

The Company after pioneering and crossing 2 lac ton marks last year in field of rubber modifier, CRMB & PMB production, the company now entered into manufacturing of quality bitumen Emulsions at our Panipat central plant where we have installed a state of the art plant. This fully computerized sophisticated plant capable of producing 12 TPH Bitumen Emulsion of very high quality is imported from Europe from the world leaders in this technology who are also one of the world leaders in Asphalt modification machinery manufacturing.

A fully equipped laboratory with all testing facilities complements the Emulsion manufacturing plant studded with most advanced PILOT PLANT for making trials samples and recipe fixing also sourced from Europe from the world leaders in this industry. The manufacturing and processing is handled by most competent personnel from the industry who are fully dedicated towards producing high quality materials which is the main USP of Tinna.

During the year under review in the trading division the Company did a business of ₹ 2691.52 lacs as against a business of ₹ 8302.73 lacs in the previous year. In this division, during the year under review the Company earned a profit of ₹ 7.21 lacs as against a profit of ₹ 16.68 lacs in the previous year.

In view of the changing Government policy, the company do not find the enough scope in the jatropa business.

### CLB MATTER/ORDEK

The Hon'ble Company Law Board, New Delhi, vide its Order dated (effective from 05th January, 2009) directed for division in group business/activities in the overall interest of the group and public at large. Thereafter also various petitions/applications filed by/against the company by/against the discontent/unsatisfied/separated family members who were the party to the dispute, before the Hon'ble Company Law Board, New Delhi. And the matters

are under consideration of Hon'ble Company Law Board, New Delhi.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as amended, regarding conservation of energy and technology absorption & foreign exchange earnings & outgo is given in the annexure forming part of this Report.

#### **FIXED DEPOSITS**

The Company has not accepted deposits from the public. Hence, the provisions of Section 58A of the Companies Act, 1956 and the Rules made under the Companies (Acceptance of Deposits), Rules, 1975, as amended with regard to the deposits accepted from the public are not applicable.

#### **AUDITORS**

M/s Rawla & Co., Chartered Accountants, New Delhi retires at the conclusion of this Annual General Meeting & being eligible have offered themselves for re- appointment.

#### **AUDITORS' REPORT**

The Auditors' observations on the accounts have been extensively dealt with in the notes & necessary corrective actions are being taken. The Directors wish to further state that the Company is continuously making efforts for further streamlining/improving the internal audit and other systems.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review.

- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2011, on going concern basis.

#### **PARTICULARS OF EMPLOYEES**

The Company has not paid any remuneration attracting the provisions of the Companies (Particulars of Employees) Rules, 1975 read with section 217 (2A) of the Companies Act, 1956 as amended. Hence, no information is required to be appended to this report.

#### **DIRECTORS**

Shri Bhupinder Kumar retires by rotation and being eligible offer himself for re-appointment.

Shri Madan Kukreja resigned from the directorship of the company w.e.f. 27th October, 2010. The Board places on record its appreciation for the valuable contribution made by them during their tenure as Director of the Company.

Shri Kulbir Singh who was appointed as additional director on 27th October, 2010 shall be confirmed in the coming shareholders meeting.

#### **DELISTING**

The Company has requested for voluntary delisting of equity shares from Delhi Stock Exchange Association Limited (DSE), The Calcutta Stock Exchange Association Limited (CSE) & The Stock Exchange Ahmedabad (ASE) in 2003. The equity shares are yet to be delisted from these exchanges. But, even after delisting from these exchanges the equity shares will continue to be listed at the Bombay Stock Exchange (BSE) having nation wide terminals.

#### **REVOCAION OF SUSPENSION OF SHARES**

As you are aware that the trading of shares of the company was under suspension. With its continuous sincere efforts the Company has been able to get the revocation of suspension of its shares. The trading of shares resumed w.e.f 07th July, 2011. In future, the company is committed to serve the stakeholders to increase the investment value.

**SUBSIDIARY COMPANY**

As required under Section 212 of the Companies Act, 1956, the audited statement of accounts along with the Reports of the Board of Directors of B.G.K. Infrastructure Developers Pvt. Ltd. and the Auditor's Report for the year ended 31<sup>st</sup> March, 2011 is annexed.

**CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the listing agreement (a) Management Discussion & Analysis Report (b) Report on Corporate Governance (c) the certificate on Corporate Governance are given in the annexure to this report.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation for the assistance and co-operation extended to the Company by the Banks/ Govt. Authorities and other agencies. The Directors also thank all the employees of the Company at every level for their valuable services and continued support during the year.

**For & on behalf of the Board**

New Delhi  
August 24, 2011

Bhupinder Kumar  
Chairman

Kulbir Singh  
Director

**ANNEXURES TO THE DIRECTORS' REPORT**

Information as per Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended on 31<sup>st</sup> March, 2011.

**A. CONSERVATION OF ENERGY**

- (a) Energy conservation measures taken: The imported and indigenous machinery is of latest technology and con-servng energy to the maximum.
- (b) Additional investments & proposals, if any, being imple-mented for reduction of consumption of energy: During the period the Company has made additions in the machinery to the extent of ₹ 35,911,472 of improved quality.
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: The machines used by the Company are of latest technology and conserving energy to the maximum. The Company further continues to improve productivity by employing trained manpower for effi-cient utilization of machinery.
- (d) Not applicable.

**B. FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION**
**1. RESEARCH & DEVELOPMENT (R & D)**

- (a) Specific areas in which R & D is being carried out by the Company: The Company is making continuous efforts to improve the quality of bitumen modifier and other related products.
- (b) Benefits derived as a result of above R & D.
  - Products developed are of better quality.
  - This has resulted in reduction in cost.
- (c) Future plan of action: Continuous efforts are being made to improve the quality and reduce the cost so as to expand our market.

- (d) Expenditure on R & D: The Company incurred ₹11.10 lacs on R & D during the year.

**2. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

- (a) The Company is using latest technology/ machinery. Further the Company interacts with parties/buyers for product improvement.
- (b) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc: The results are encouraging.

Use of latest developed techniques has enabled the Company to improve quality of its products and productivity of factory staff.

- (c) Not applicable.

**C. FOREIGN EXCHANGE EARNINGS & OUTGO**

- 1. Activities relating to export initiatives taken to increase exports, development of new export markets for products and services, and export plan: The Company has abandoned the shoe business and not very keen in export business.

**2. Total Foreign Exchange Used and Earned**

	(₹ in lacs)
(a) Total Foreign Exchange Used	897.33
(b) Total Foreign Exchange Earned	nil

**For & on Behalf of the Board of Directors  
For Tinna Overseas Limited**

New Delhi  
August 24, 2011

**Bhupinder Kumar**      **Kulbir Singh**  
Chairman                      Director

## REPORT ON CORPORATE GOVERNANCE

### A) Company's Philosophy

The Company believes in meeting all its obligations, in terms of its size, as a corporate entity to the best of its spirit. The Company is further committed to make continuous efforts for further improving the level of corporate governance.

The Company's Corporate Governance philosophy is led by core principles of:

- Caring for the environment which includes caring for the society around us
- Enhancement of stakeholder's value through pursuit of excellence, efficiency of operations, quest for growth and continuous innovation
- Transparency, promptness and fairness in disclosures to and communication with all stakeholders including shareholders, government authorities, customers, suppliers, lenders, employees and the community at large
- Complying with laws in letter as well as in spirit

### B) Board of Directors

The Board of Directors consisted of five directors as on 31st March, 2011 out of which three were Non-Executive Directors and two were Executive (paid) Directors. Out of the five Directors three Directors were independent Directors and two from promoters group.

Seven Board Meetings were held during the financial year 2010-2011 (01-04-2010 to 31-03-2011) 30-04-2010, 26-07-2010, 29-07-2010, 03-09-2010, 27-10-2010, 27-12-2010, & 28-01-2011. The composition of Board of Directors and the related information as on 31<sup>st</sup> March, 2011 was as follows:

Name of Director	Attendance At last AGM	No. of Board Meetings Attended	Category of Director	Other directorships	Other Board's Committees	
					Member	Chairman
Sh. Bhupinder Kumar	YES	7	WTD/PG	2	-	-
Sh. Anil Kr. Grover	YES	6	NED/ID	-	1	2
Sh. Kapil Sekhri	NO	7	WTD/PG	1	-	-
Sh. Rajesh Kumar Garg	YES	5	NED/ID	-	2	1
Sh. Kulbir Singh\$	NA	2	NED/ID	-	2	-
Sh. Madan Kukreja+	NO	-	NED/ID	-	-	-
Sh. Gaurav Sekhri*	NA	1	NED/PG	1	-	-
Sh. DPL Nanda*	NA	2	NED/ID	-	3	-

PG - Promoter Group      NED - Non Executive Director      ID Independent Director

WTD - Whole Time Director

\$ appointed w.e.f. 27/10/2010

+ resigned w.e.f. 27/10/2010

\* resigned w. e. f. 26/07/2010

\*\* Directorships in private companies, associations are excluded.

**Committees of the Board****1. Audit Committee****I Terms of reference**

Apart from all the matters provided in clause 49 of the listing agreement and Section 292A of the Companies Act, 1956, the Committee reviews reports of Internal Audit, meets Statutory Auditors periodically and discusses their findings, suggestions, internal control systems, scope of audit, observations of auditors and other related matters and reviews major accounting policies followed by the Company.

**II. Composition**

The Committee comprises 3 Non - Executive Directors. The Committee met 4 times during the year and the attendance of the members at the meetings was as follows:

Name of the Member	Status	No. of meetings Attended	Remarks
Shri Rajesh Kumar Garg	Chairman	2	
Shri Anil Kumar Grover	Member	3	
Shri D.P.L. Nanda*	Member	2	
Shri Kulbir Singh%	Member	2	

\* Resigned w.e.f. 26/07/2010 & committee reconstituted

% Inducted w.e.f. 27/10/2010

**2. Remuneration Committee****I Terms of reference**

The remuneration committee has been constituted to recommend/ review the remuneration package of Managing/ Whole Time Directors

**II. Composition**

The Committee comprises 3 Non-Executive Directors The Committee met 4 times during the year and the attendance of the members at the meeting was as follows:

Name of the Member	Status	No. of meetings Attended	Remarks
Shri Anil Kumar Grover	Chairman	3	
Shri Rajesh Kumar Garg	Member	2	
Shri D.P.L. Nanda*	Member	2	
Shri Kulbir Singh%	Member	2	

\*resigned w.e.f. 26/07/2010 & committee reconstituted

% inducted w.e.f. 27/10/2010

### III. Details of remuneration paid to Directors

#### i. Executive Directors

Name of Director	Salary (₹ in lacs)	Other perquisites (₹)
Sh. Bhupinder Kumar	24.00	0.00
Sh. Kapil Sekhri	24.00	0.00
TOTAL	<u>48.00</u>	

The following disclosures are made here in terms of the Section II of Part II of Schedule XIII :-

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;

Name	Salary (₹)	P.F. (₹)	Perquisites (₹) (As per Income tax Act, 1961)
Shri Bhupinder Kumar	2,00,000*	24,000	39,600
Shri Kapil Sekhri	2,00,000*	24,000	39,600

(ii) Details of fixed component and performance linked incentives along with the performance criteria;

The company is neither paying any fixed component nor any performance linked incentives to its directors

(iii) Service contracts, notice period, severance fees;

S/Shri Bhupinder Kumar & Kapil Sekhri are whole time directors of the company and have not entered in any service contracts with the company. The appointment of S/Shri Bhupinder Kumar & Kapil Sekhri is for fixed term, i.e. till 30th August, 2013 and 31st March, 2012 respectively.

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

\*Due to inadequate profit, maximum permissible remuneration (as per Schedule XIII of the Companies Act, 1956) is ₹ 1,25,000/- pm for each of Director. The excess amount paid ₹ 18,79,200/- for both the Directors shall be recovered / adjusted in remuneration for 2011-12.

#### ii. Non- Executive Directors

The Company does not pay any remuneration to its Non- Executive Directors

#### Remuneration Policy

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis, keeping in mind the position of the Company and practice prevalent in industry. The Company does not have an Employee Stock Option Policy.

#### Shareholding of Directors as on 31st March, 2011

Sr. No.	Name	No. of Shares Held
1	Shri Bhupinder Kumar	10,000
2	Shri Kapil Sekhri	25,000

### 3. Investors Grievance Committee

#### 1. Terms of reference

The Committee has been formed to review the functioning relating to redressal of investors services/grievances and make suggestions for further improving system, follow up on the implementation of suggestions for improvement, periodically report to the Board about serious concerns, if any, and deal/review other related matters.



**II. Composition**

The Committee comprises 3 Directors and all are Non- Executive Directors the Committee met 4 times during the year and the attendance of the members at the meeting was as follow:

Name of the Member	Status	No. of meetings Attended	Remarks
Shri Anil Kumar Grover	Chairman	3	
Shri Rajesh Kumar Garg	Member	2	
Shri D.P.L. Nanda*	Member	2	
Shri Kulbir Singh%	Member	2	

\*resigned w.e.f. 26/07/2010 & committee reconstituted

% inducted w.e.f. 27/10/2010

The Company had 6241 shareholders During the year under review very few requests/ complaints were received and they were attended/ resolved. Further, no physical securities were pending for transfer for more than 15 days as on 31-03-2011

**C. General Body Meetings**

The last four Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Location	Remarks
2009-2010	30th September, 2010	9:00 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	
2008-2009	11th December, 2009	10:00 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	
2007-2008	11th December, 2009	9:30 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	
2006-2007	28th March., 2008	9:00 a.m.	No. 6, Sultanpur (Mandi Road) Mehrauli, New Delhi-110030	

No postal ballots were used/ invited for voting at these meetings in respect of special resolutions passed as there were no such provisions in the Companies Act, 1956. The Company will comply with the requirements relating to postal ballots as and when the requirement arises.

**D. Disclosures**

- (i) There are no materially significant transactions with the related parties viz. promoters, directors or the management, their subsidiaries or relatives etc. that may have a conflicting potential conflict with the interest of the Company at large.
- (ii) Except payment of ₹ 5,75,766 to the Bombay Stock Exchange towards payment of revocation of suspension of trading of equity shares, there is no penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital market for non compliance by the Company. However, the Company was not regular in paying listing fees to all the Stock Exchanges where its shares are listed. Now, the Company has cleared all pending dues of Bombay Stock Exchange, NSDL and CDSL.

**E Means of Communication**

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies. The results of the Company are also made available at the web-site of the Company [www.tinna.in](http://www.tinna.in).

**F General Shareholders' Information****i. 24th Annual General Meeting**

Venue : 18 South Drive Way, DLF Farms, Chhattarpur, New Delhi-110074  
 Time : 9:00 AM  
 Date : 30th September, 2011

**ii. Tentative Financial Calendar**

1st Quarter Results	-	end July 2011
2nd Quarter Results	-	end Oct 2011
3rd Quarter Results	-	end Jan 2012
4th Quarter Results	-	end April 2012

**iii. Book Closure**

The register of members and share transfer books of the Company remained close from Monday the 26th September, 2011 to Friday the 30th September, 2011- (Both days inclusive).

**iv. Listing on Stock Exchanges**

The names and addresses of the stock exchanges at which the equity shares of the Company are listed are as under:

S.No.	Name of Stock Exchange
1.	*The Delhi Stock Exchange Association Ltd. DSE House, 3/1 Asaf Ali Road, New Delhi-110002
2.	BSE, Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street, Mumbai-400001
3.	The Calcutta Stock Ex. Association Ltd. 7, Lyons Range, Kolkata- 700001
4.	The Stock Exchange, Ahmedabad Kamdhenu Complex, Panjara Pole, Ahmedabad 380015

\*Regional Stock Exchange of the Company.

**G Market Price Data**

During the year under review there has been no trading in the scrip of the company.

**H Registrar & Transfer Agent and Share Transfer System**

The physical transfer of shares of the company was earlier been handled "In House" by the Company but w.e.f. 01st January, 2011 the company has entered into the agreement with M/s Alankit Assignment Limited for the physical transfer of shares. The Company is availing the services of M/s Alankit Assignments Ltd. for the purpose of physical shares and electronic connectivity with the depositories for dematerialized shares. Normally, the physical shares are transferred within 15-30 days, if found in order. The dematerialized shares are directly transferred to the beneficiaries by the Depositories.

**I. Details/Distribution of Shareholding as on 31st March, 2011**

S.No.	Category	No. of Shares held	% of Shareholding
1.	Promoters	60,75,850	70.94
2.	NRI's/ OCBs	94,700	1.11
3.	Indian Public (Including Indian Cos)	23,94,200	27.95
<b>Total</b>		<b>85,64,750</b>	<b>100.00</b>

**J. Dematerialisation of Shares**

The Company has arranged with both the Depositories i.e., NSDL & CDSL for dematerialisation of its shares. Only 5% of the total equity capital is held in demat form as on 31-03-11. At present 75.06% shares are in dematerialised form.

**K. Locations of the Plants**

- |                                                                                                                            |                                                                                                                               |                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Modified Bitumen<br>A-185, Industrial Area,<br>MIDC, Kherne, Navi Mumbai,<br>Mumbai – 400705                            | 2. Modified Bitumen<br>Emulsion & Modifier Plant,<br>Refinery Road, Village Rajapur,<br>Panipat (Haryana) – 132103            | 3. Modifier Plant<br>Plot No. 42-43, Manali Oil,<br>Refinery Road, Ernavoor,<br>Chennai – 600057                                           |
| 4. Modifier Plant<br>Survey No. 166/3 & 4<br>Village - Naroli, Silvassa<br>Ut of Dadra Nagar, Haveli,<br>Silvassa - 396235 | 5. Modifier Plant<br>Village – Mavza Rampur,<br>Jattan. Near IIT Engg. College,<br>Kalamb, Dist. Sirmour,<br>Himachal Pradesh | 6. Modifier Plant<br>Plot No. 2693, 2694, 2696 & 2697<br>Mauza-dighasipur, Po-chakdwipa<br>Dist. Purba Medinipore,<br>West Bengal – 721666 |
| 7. CRMB Plant<br>Kuthethoor Bala Post,<br>Via Katipalla,<br>Mangalore – 575026                                             | 8. CRMB Plant<br>Haldia Oil Refinery<br>(IOCL) Campus, Haldia,<br>Purba Medinipore – 721606<br>West Bengal                    | 9. Jatropa Agricultural<br>Tuluka-tuljapur<br>Dist. Osmanabad<br>Maharashtra                                                               |
| 10. Operation & Management<br>(CRMB Plant)<br>Mathura Oil Refinery<br>Mathura – 281006                                     | 11. Operation & Management<br>(CRMB Plant)<br>Phase-I, IOCL, Panipat Refinery,<br>Panipat – 132140 Haryana                    |                                                                                                                                            |

**L. Address for Correspondence**

*For all stakeholders:*

**Tinna Overseas Limited**

No. 6, Sultanpur (Mandi Road), Mehrauli, New Delhi-1100303

*For Physical Transfer of shares/Dematerialisation request:*

**M/s Alankit Assignment Limited**

Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110055

**M. Non-Mandatory Requirements**

The Company has not adopted non-mandatory requirements except stated elsewhere in the report.

**N. Re-appointment of the Directors**

One Director is due for retirement by rotation at this Annual General Meeting, who is eligible for reappointment. Brief particulars of the Director are given below:

1. Shri Bhupinder Kumar is the principal promoter of your Company. He is also Director/ Chairman of other group companies. He is visionary leader. Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 60 years old having vast and varied experience of the industry over 40 years. He is holding 10,000 equity shares of the company as on 31.03.2011. He is also holding directorship and member/ chairman of the committees details of which as given below:

Sr. No.	Name of Companies in which Director	Audit Committee	Shareholders' Committee	Remuneration Committee
A	Tinna Agro Ventures Limited	-	-	-
B	Gautam Overseas Limited	-	-	-

**O. Code of Conduct and Ethics**

The Board of Directors of the Company has laid down Code of Conduct and Ethics (the code) for Company's Directors and Senior Employees. All the Directors and the Senior Employees covered by the Code have affirmed compliance with the Code on an annual basis.

**P. CEO/CFO Certification**

Since there is no CEO/CFO in the Company, the Board affirm/certify the Annual Financial Statements conform in terms of Clause 49 of the Listing Agreement on Corporate Governance Code.

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management of Tinna Overseas Limited is pleased to present its analysis report covering segment - wise performance and outlook. The report contains expectations of the Company's businesses based on current environment. Many unforeseen and uncontrollable external factors could alter these expectations.

### **Business Organisation/ Review**

The Company was incorporated on 4th March, 1987. The Company was initially engaged in the manufacturing and exports of leather footwear & related products.

Presently, the Company is mainly focusing on bitumen related activities wherein the Company finds a great potential. The company is a market leader in the field of bituminous products, the company has captured substantial share in the market due to the high quality, reliability and customer satisfaction. The Company has aggressively marketed the technology of enhancing the properties of bitumen. It lays strong emphasis on utilization of modern technology for qualitative services and business efficiency geared towards complete customer satisfaction and achieving milestones.

The reduction in profit mainly resulted due to lowering of margin as due to increased competition, selling price/job work charges of refineries has remained same/reduced but operational cost has increased. Price of scrap rubber has gone up. Due to inflation manpower cost has also increased. Financial cost has increased due to increased lending rate. During the year, booked Cess Tax of Mumbai units and interest ₹ 56.22 lacs (including interest etc ₹25 lacs) relating to earlier years as per order adjudicated on 31 August 2010. Company also booked bad debts /provision for doubtful debts ₹ 49.47 lacs. Company is working hard to increase non-tender business, directly with private parties and by site mixing units. In previous financial year 2009-10, company was having 2 site mixing units and in current year company is having 8 site mixing units. At Panipat, the company has set up Emulsion Plant which has become operational in August 2011. Better utilization of existing assets expected to give improvements in results.

We are pleased to inform you that after pioneering and crossing 2 lac ton marks last year in field of CRMB & PMB production, we have now entered into manufacturing of quality bitumen Emulsions at our Panipat central plant where we have installed a state of the art plant. This fully computerized sophisticated plant capable of producing 12 TPH Bitumen Emulsion of very high quality is imported from Europe from the world leaders in this technology who are the world leaders in Asphalt modification machinery manufacturing.

A fully equipped laboratory with all testing facilities, the Emulsion manufacturing plant studded with most advanced PILOT PLANT for making trials samples and recipe fixing also sourced from Europe from the world leaders in the industry. The manufacturing and processing is handled by most competent personnel from the industry who are fully dedicated towards producing high quality materials which is the main USP of Tinna.

*The Management is looking forward to capitalize this Opportunity.*

### **Industry Structure and Development**

#### **Bitumen Modifier & related products**

The Company's recently developed Bitumen Modifier, trade named "TBM SUPER" which substantially improves the vital properties of Bitumen and in turn quality and life of roads as evidenced by various laboratory reports, as mentioned in the Directors' Report, after being test launched/ successful test tracks being undertaken by them at various places, has a great potential in the coming times. Further, the Govt. has also made special stress on Infrastructure Sector for the coming years.

#### **Opportunities - Bitumen Modifier & related products**

- The outlook for demand of bitumen modifier & modified bitumen is encouraging.
- One of the main Company which has tied up with refineries.
- Potential increase in Govt spending on infrastructure development with special stress on development of roads.
- Cost effective product with other similar products.
- Great scope in the country.

**Threats/ Challenges**

- Normal competition from other competitors.
- Change in Govt. policies.
- Invent of other better alternative product in a fast changing globally environment.

**Outlook**

- The Govt is giving continuous thrust on Infrastructure Sector with special stress on Road development. The Govt spending on infrastructure development is expected to increase the demand of bitumen modifier & modified bitumen & other related products. In view of the same, the long term look of bitumen modifier/modified bitumen and other products of the Company remains positive.

**Risks & Concerns**

- Technology obsolescence is an inherent business risk in a fast changing world and speed of change and adaptability is crucial for survival of the business.
- The domestic, regional and global macro- economic environment directly influences the demand of the bitumen modifier.
- Any economic slowdown may adversely impact the business.
- Any change in Govt policies may adversely affect the demand/profitability of the product.
- High quality of the product is very much needed.

**Opportunities - in Trading Activities**

- The Company has great experience of trading/export of various products.
- Always Demand of one or another product.
- Government encouraging policies from time to time
- Cost effective.
- Great scope in the country.

**Threats/ Challenges**

- Normal competition from other competitors.
- Change in Govt. policies.
- Rejection of orders/products.

**Outlook**

- The trading is a continuous process in business therefore it always has scope provided the trading product is judiciously dealt with.

**Risks & Concerns**

- Extreme competition.
- The domestic, regional and global macro- economic environment directly influences the demand of the products.
- Any economic slowdown may adversely impact the business.
- Any change in Govt policies may adversely affect trading activities.
- High quality of the product is very much needed.

In view of the changing Government policy. the company do not find the enough scope in the jatropa business.

**Human Resources/ Industrial Relations**

The Company's human resource policies are carefully structured to the aspirations of the employees as well as the organization. These policies are implemented through training and other developmental programs. The policies encourage continuous learning & innovations. The Company continues to have cordial industrial relations.

**Internal Control Systems**

The Company is taking adequate steps to strengthen internal control systems and to make them more effective. The Company is taking special care that the systems be followed by the Executives at all levels. The Company is further taking steps to ensure that operating Managers ensures compliance within their areas. Further, their activities are monitored through internal audit. Discrepancies/ Weaknesses, if any, be found, are reported and rectified at the earliest possible.

With the objective of improving the systems and removing bottlenecks, if any, periodic systems review is being carried out and policies and procedures also being continuously amended.

**CERTIFICATE**

To  
**The Members of Tinna Overseas Limited**

We have examined the compliance of conditions of Corporate Governance by Tinna Overseas Limited for the year ended on 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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 the 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 the above mentioned clause of Listing Agreement except regular reporting and no CFO/CEO in the Company & non-regular payment of listing fee.

We state that generally no investor grievances are pending for a period exceeding one month against the Company 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 efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Ajay Baroota & Associates**  
Company Secretaries

New Delhi  
August 24, 2011

Ajay Baroota  
C.P. No. 3945



## AUDITORS' REPORT

To  
The Members of,  
M/s. TINNA OVERSEAS LIMITED

1. We have audited the annexed Balance Sheet of M/s. TINNA OVERSEAS LIMITED as at 31st March, 2011 and the profit and loss account of the company and also the cash flow statement for the period ended on that date 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 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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, as amended by the companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5, to the extent applicable to the company, of the said order.
4. Further to our comments in the annexure referred to in the above paragraph, 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 these books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

- c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account ;
- d) In our opinion, the balance sheet, profit & loss account and cash flow statement, dealt with by this report, comply with the accounting standards referred to in sub-section 3(C) of section 211 of the Companies Act, 1956 except in case of AS-29 and AS-6 as mentioned in point no. (I) & (II) respectively;
- e) On the basis of written representation received from the directors, as on 31st March 2011 and taken on record by the board of directors, we report that none of the directors are disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
- f) Attention is drawn to the following notes appearing in Schedule "O" :-
  - i. Note no. 1(v) Contingent liability. Non Provision of for crystallized liability in case of litigation between ADM Cocoa Pte Ltd ("M/S.National Ability" originally) And TinnaPinex Ltd.Tinna Overseas Ltd is liable for 50% of the following:
    - (a) USD 819,983.16 together with interest @ 7% p.a. from 01.10.1995 to 19.11.1998 which works out to be USD 1,80,059.32.

AND

  - (b) also cost in the same matter GBP 2,05,805.31 together with interest @ 7% p.a. from 19.11.1998 until the day of final payment to M/s National Ability.
- ii. Note no.12. The assets were to be diminished on the basis of time period specified under MRPL contract and accordingly non-provision of ₹ 95,57,689/- due to diminution in value of Assets at MRPL unit in absence of any Accounting policy in the regard.

Effect of the above points on profit and Loss account and balance sheet is that:

- (i) Total profits for the year are overstated to the extent of:
- (a) Convertible value of foreign exchange of principle and the interest thereon as per Note No. 1(v) of Schedule-"O".
  - (b) Non-provision of diminution in value of plant of ₹95,57,689/- as per the Note No.12 of Schedule - "O".
- (ii) Total liabilities are understated to the extent of:
- (a) Non-provision of crystallized liability as per Note No.1(v) of Schedule - "O".
  - (b) Non-provision of diminution in value of plant of ₹95,57,689/- as per the Note No.12 of Schedule - "O".
- g) In our opinion, and to the best of our information and according to explanations given to us, subject to Note No.14(d)(ii)(c) & 14(d)(ii)(d) appearing in Schedule "O" where a contravention of Sec.295 of The Companies

Act,1956 is observed, the said balance sheet, profit & loss account and cash flow statement read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:-

- i) in the case of the balance sheet, of the state of affairs of the company for the period ended 31st March, 2011;
- ii) in the case of the profit and loss account of the profit of the company for the period ended on that date; and
- iii) in the case of cash flow statement, of the cash flows of the company for the period ended on that date.

For Rawla & Company  
(Chartered Accountants)  
FRN No.001661N

CA Y. P. Rawla  
(Partner)  
M. No. 10475

New Delhi  
August 24, 2011

**ANNEXURE TO THE AUDITORS' REPORT**

Annexure referred to in paragraph 3 of our report to the members of M/S TINNA OVERSEAS LIMITED on the accounts as at and for the period ended 31st March, 2011 that ;

- 1) (a) The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
- (b) The company has a phased periodical programme of physical verification of all fixed assets, which in our opinion is reasonable having regard to the size of the company and the nature of its business. No material discrepancies have been noticed on such verification.
- (c) During the year, the company has not disposed off major part of the assets
2. (a) As per explanations given to us, inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of the 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 inventory records, in our opinion, the company has maintained proper records of inventories. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.
3. (a) The company has granted loan to one company covered in the register maintained under section 301 of Companies Act, 1956. The maximum amount involved is ₹25,00,000/- and the year end balance is ₹5548/-
- (b) Based on our examination, rate of interest and other terms & conditions of loans given by the company, secured or unsecured, are prima facie not prejudicial to the interest of the company
- (c) There is no stipulation of receipt of principal amount and interest on loans granted by the company, accordingly, clause 4(iii) (d) of the Companies (Auditors Report) Order, 2003 is not applicable to the company
- (d) The company has taken loans from five parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹4,30,00,000/- and the year end balance of loans from such parties was ₹ 4, 25,823/-.
- (e) The company has paid interest on loans taken from parties covered in the register maintained u/s 301 of the Companies Act, 1956. However, rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the company.
- (f) There is no stipulation of repayment of loans and interest
4. 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 inventories, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have been so entered; and
- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or agreements that need to be entered in the register maintained under section 301 of the Companies Act, 1961 have been made at prices which are reasonable having regard to the prevailing market prices.

6. In our opinion and according to the information given to us, the company has not accepted any deposits from the public under section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company during the year has a reasonable internal audit system which requires to be strengthened to make it commensurate with size and the nature of its business.
8. We have broadly reviewed the cost records of the company and are of opinion that, prima facie, the accounts and records prescribed under clause (d) sub section (1) section 209 of the Companies Act, 1956 have been maintained. However, we have not made a detailed examination of the records with a view to satisfy ourselves that the records are complete and correct.
9. (i) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it, except few cases of late deductions and depositions of TDS and late depositions of ESI/PF & value added tax.
- (ii) According to the information and explanations given to us, no undisputed amount outstanding payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess, at the end of the period ending 31st March, 2011 for a period more than six months from the date they become payable except wealth tax of ₹ 5,63,987/-
- (iii) According to the information and explanations given to us there are no dues of value added tax, income tax, custom duty, wealth tax, excise duty, service tax and cess which have not been deposited on account of any dispute, except the following:

S. No.	Name of Statute	Nature of dues	Amount (₹)	Fin. Year	Forum where dispute is pending
1.	ESI Corporation	Additional demand	3,96,629/-	1999-2000	Regional Director Faridabad.
2.	Cess payment under BPMC (cess on entry of goods) Rules 1996	Interest on unpaid Cess	24,91,063/-	2002-2009	No appeal filed as on 24/08/2011
3.	Cess payment under BPMC (cess on entry of goods) Rules 1996	Penalty on unpaid Cess	70,000/-	2002-2009	No appeal filed as on 24/08/2011
4.	Haryana VAT	Increase in rate of Levy	10,02,579/-	2010-2011	Haryana Tax Tribunal
5.	Income Tax Act, 1961	Income Tax	73,50,358/-	2000-2001	Delhi High Court

10. The company does not have any accumulated losses as at end of accounting period nor has incurred any cash losses in the accounting period covered under audit and in the immediate preceding financial year.
11. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institutions or banks.
12. In our opinion and according to the information and explanation given to us that the company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.

14. In our opinion the company is not dealing in or trading of shares / securities / debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
15. Based on our examination of records and according to the information and explanation given to us, the company has not given guarantees for loans taken by others from banks or financial institutions, which are prejudicial to the interest of the company.
16. In our opinion and according to the information and explanation given to us, on and overall basis, the term loans have been applied for the purposes for which they were raised.
17. According to the information and explanation given to us and an overall examination of the balance sheet of the company, we are of the opinion that the funds raised on short term basis have not been utilized for long term investment.
18. According to the information and explanation given to us the company has not made any preferential allotment, accordingly the provisions of clause 4(xviii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
19. According to the information and explanation given to us the company has not issued any debenture, accordingly the provisions of clause 4(xix) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
20. According to the information and explanation given to us the company has not raised money by public issue during the year, accordingly the provisions of clause 4(xx) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
21. According the information and explanation given to us, no fraud on or by the company has been noticed or reported during the period that causes the financial statement to be materially misstated.

For Rawla & Company  
(Chartered Accountants)  
FRN No. 001661N

CA Y. P. Rawla  
(Partner)  
M. No. 10475

New Delhi  
August 24, 2011

### Balance Sheet as at 31st March, 2011

DESCRIPTION	SCHEDULES	As at 31-03-2011	Amount (₹) As at 31-03-2010
<b>I. SOURCES OF FUNDS :</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
Share Capital	A	85,370,333	85,370,333
Reserve & Surplus	B	288,263,245	281,606,983
<b>Total</b>		<u>373,633,578</u>	<u>366,977,316</u>
<b>(2) LOAN FUNDS</b>			
Secured Loans	C(i)	132,628,558	131,309,823
UnSecured Loans	C(ii)	2,500,000	5,000,000
<b>Total</b>		<u>135,128,558</u>	<u>136,309,823</u>
<b>(3) DEFERRED TAX LIABILITIES</b>			
		24,471,145	17,524,956
<b>Grand Total</b>		<u>533,233,281</u>	<u>520,812,095</u>
<b>II. APPLICATION OF FUNDS :</b>			
<b>(1) FIXED ASSETS</b>			
Gross Block	D	272,963,777	232,722,769
Less : Depreciation		58,958,136	53,279,979
Net Block		214,005,641	179,442,790
Capital work in progress		16,450,787	27,243,697
<b>Total</b>		<u>230,456,428</u>	<u>206,686,487</u>
<b>(2) INVESTMENTS</b>			
<b>(3) CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(a) Inventories	E	85,801,166	37,127,387
(b) Sundry Debtors	F	122,918,340	197,243,991
(c) Cash & Bank Balance		13,376,803	12,655,208
(d) Other Current Assets		38,497,510	37,248,148
(e) Loans and Advances		30,319,616	23,756,826
<b>Total</b>		<u>290,913,435</u>	<u>308,031,560</u>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	G	63,793,194	115,718,344
Provisions		11,147,518	12,985,318
<b>Total</b>		<u>74,940,712</u>	<u>128,703,662</u>
<b>NET CURRENT ASSETS</b>			
		215,972,723	179,327,898
<b>Grand Total</b>		<u>533,233,281</u>	<u>520,812,095</u>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS O**

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date attached.

For Rawla & Company  
(Chartered Accountants)  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Y. P. Rawla  
(Partner)  
M. No. 10475

Kulbir Singh  
(Director)

Bhupinder Kumar  
(Whole time Director)

New Delhi  
August 24, 2011

Ch. Runveer Krishanan  
(Company Secretary)

Ravindra Chhabra  
(C. M Accounts)

**Profit & Loss Account for the year ended 31st March, 2011**

DESCRIPTION	SCHEDULES	2010-11	Amount (₹) 2009-10
<b>(I) INCOME</b>			
Sale	H	1,269,739,418	1,649,846,550
Less: Excise Duty		(103,887,094)	(78,496,636)
		1,165,852,324	1,571,349,914
Other Income	I	14,345,623	10,615,242
Variation in Stock	J	19,491,420	(7,716,122)
<b>Total</b>		<b>1,199,689,367</b>	<b>1,574,249,034</b>
<b>(II) EXPENDITURE</b>			
Manufacturing / Trading Expenses	K	1,050,479,776	1,416,991,436
Office, Administrative & Other Expenses	L	55,359,660	40,263,026
Selling & Distribution Expenses	M	42,896,070	43,777,244
Financial Charges	N	21,935,003	17,264,441
Depreciation		11,278,066	9,838,121
<b>Total</b>		<b>1,181,948,575</b>	<b>1,528,134,268</b>
<b>(III) PROFIT / (LOSS) BEFORE TAXATION (I-II)</b>		<b>17,740,792</b>	<b>46,114,766</b>
Less:			
Provision for Income Tax (inclusive of MAT adjustment)		3,817,583	8,321,372
Provision (Reversal) for Deferred Tax		6,946,189	2,800,637
Provision for Fringe Benefit Tax		-	54,865
Provision for Wealth Tax		107,139	90,475
Income Tax related to Earlier year		211,219	1,408,337
Prior Period Expenses (Add / Less)		2,400	(121,907)
<b>(IV) PROFIT / (LOSS) AFTER TAXATION</b>		<b>6,656,262</b>	<b>33,560,987</b>
ADD: BALANCE BROUGHT FORWARD FROM LAST YEAR		93,044,201	59,483,213
BALANCE CARRIED TO BALANCE SHEET		99,700,463	93,044,201
BASIC / DILUTED EARNING PER SHARE		0.78	3.93

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS O**

The schedules referred to above form an integral part of the Profit & Loss account.

As per our report of even date attached.

For Rawla & Company  
(Chartered Accountants)  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Y. P. Rawla  
(Partner)  
M. No. 10475

Kulbir Singh  
(Director)

Bhupinder Kumar  
(Whole time Director)

New Delhi  
August 24, 2011

Ch. Runveer Krishnan  
(Company Secretary)

Ravindra Chhabra  
(G. M Accounts)

### Schedule forming part of the Balance Sheet as at 31st March, 2011

DESCRIPTION	Amount (₹)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
100,00,000 Equity Shares of ₹10/- EACH (Previous year 1,00,00,000/- Shares of ₹10/- Each)	100,000,000	10,00,00,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
85,64,750 Equity Shares of ₹ 10/- each fully paid up (Previous year 85,64,750 Equity Shares),	85,647,500	85,647,500
Less : Calls in arrears (From Others on 1,14,100 Shares) (Previous Year 1,14,100 Shares)	(277,167)	(277,167)
<b>Total</b>	<b>85,370,333</b>	<b>85,370,333</b>
<b>SCHEDULE 'B' RESERVES &amp; SURPLUS</b>		
i) GENERAL RESERVE	11,704,929	11,704,929
ii) Share Premium Balance	179,075,186	179,075,186
Less : Outstanding on account of calls in arrears	2,217,333	2,217,333
	<b>176,857,853</b>	<b>176,857,853</b>
iii) Profit and Loss A/c As per last Balance Sheet Add : Transfer from P&L	93,044,201 6,656,262	59,483,213 33,560,988
<b>Total</b>	<b>99,700,463</b>	<b>93,044,201</b>
<b>Grand Total</b>	<b>288,263,245</b>	<b>281,606,983</b>
<b>SCHEDULE 'C' (i) SECURED LOANS</b>		
<b>LOANS FROM BANKS :</b>		
From Syndicate Bank, Mayapuri, New Delhi Cash Credit against Stock & Book Debts	44,589,069	13,668,352
WCDL A/c against Stock & Book Debts	66,488,219	88,031,945
Term Loan against plant & machinery	14,876,664	20,660,715
<b>LOANS AGAINST HYPOTHECATION OF VEHICLES FROM :</b>		
ICICI Bank LIMITED, New Delhi	29,945	798,759
Tata Capital Car Loan	6,153,223	7,327,295
HDFC Bank Limited, New Delhi	491,438	822,757
<b>Total</b>	<b>132,628,558</b>	<b>131,309,823</b>
<b>SCHEDULE 'C' (ii) UNSECURED LOANS</b>		
Best Buildmart Pvt. Ltd.	-	1,000,000
Luminant Distributors Pvt. Ltd.	-	3,000,000
Raj Prof'n Pvt. Ltd.	1,000,000	1,000,000
Rishu Agencies Pvt. Ltd.	1,500,000	-
<b>Total</b>	<b>2,500,000</b>	<b>5,000,000</b>

**NOTES:**

- Working capital limits are secured by stock and book debts of the Company.
- Term loans are secured against Machinery and Vehicles.
- Secured loans include ₹ 121.05 lacs repayable within one year (Previous Year ₹ 137.63 Lacs).
- The bank borrowings are collaterally secured by all the Fixed Assets of the company and the personal guarantee of Sh. Bhupinder Kumar, Sh. Gaurav Sekhri and Sh. Kapil Sekhri.



SCHEDULE-D

Schedule of Fixed Assets Annexed to & Forming Part of the Balance Sheet as at 31.03.2011

S. No	DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Balance as at 01.04.2010	Additions	Sale/ Adjustments	Balance as at 31.03.2011	Upto 31.03.10	For the year	Adjustment	Balance as at 31.03.2011	As at 31.03.2010	
		1	2	3	4	5	6	7	8	9	10
1	Land	18,151,840	-	-	18,151,840	-	-	-	-	18,151,840	18,151,840
2	Building	66,778,131	3,457,276	-	70,235,407	8,429,277	1,805,707	-	10,234,984	59,980,423	58,948,854
3	Plant & Machinery	79,949,683	35,911,472	(4,481,532)	111,379,623	13,551,286	4,773,205	-	18,324,491	93,055,132	66,398,397
4	Furniture & Fixtures	5,231,855	255,668	-	5,987,524	4,827,410	190,712	-	5,018,122	969,402	904,446
5	Electric Fittings	5,224,705	1,036,871	-	6,261,576	2,933,769	232,173	-	3,165,942	3,095,634	2,290,936
6	Office Equipments	3,778,475	966,865	(9,690)	4,735,650	3,216,025	64,665	(666)	3,280,004	1,455,646	562,490
7	Vehicles	30,253,255	2,444,331	(5,087,448)	27,610,138	8,357,998	2,580,004	(3,450,875)	7,487,127	20,123,011	21,895,257
8	Computer	8,087,693	904,566	(1,688,395)	7,403,864	6,993,780	357,556	(1,688,392)	5,362,944	1,640,920	1,393,913
9	Generator	5,780,549	-	-	5,780,549	1,752,144	274,576	-	2,026,720	3,753,829	4,028,465
10	Testing Equipment	2,734,890	926,602	-	3,281,492	510,752	154,720	-	665,472	2,616,020	2,244,138
11	Air Conditioner	793,347	103,345	(503,380)	393,312	609,529	16,759	(484,596)	141,692	251,620	183,818
12	Weighing Machine	1,384,920	67,544	-	1,452,464	620,619	66,142	-	686,761	745,703	744,301
13	100% Depreciable Assets	570,610	144,334	-	714,944	549,957	164,865	-	714,822	122	20,653
14	Intangible Assets	937,919	-	-	937,919	937,919	-	-	937,919	-	-
15	Agricultural Division Assets:										
	Building	47,703	-	-	47,703	4,247	4,412	-	8,659	39,044	43,456
	Agriculture Plantation (Jamphol)	-	6,512,579	-	6,512,579	-	471,077	-	471,077	6,041,502	-
	Plant & Machinery	2,065,116	-	-	2,065,116	163,483	98,095	-	261,578	1,803,538	1,801,633
	Office Equipments	15,000	-	-	15,000	1,439	713	-	2,152	12,848	13,561
	Computer	31,000	-	-	31,000	8,398	5,025	-	13,423	17,577	22,602
	Vehicle-Tractor	374,000	-	-	374,000	79,870	42,300	-	122,170	251,830	294,130
	100% Depreciable Assets	32,077	-	-	32,077	32,077	-	-	32,077	-	-
	<b>TOTAL-Current Year</b>	<b>232,722,569</b>	<b>52,011,463</b>	<b>(11,770,445)</b>	<b>272,963,777</b>	<b>53,279,979</b>	<b>11,392,686</b>	<b>(5,624,529)</b>	<b>58,958,136</b>	<b>214,005,641</b>	<b>179,442,790</b>
	<b>CWIP/Prior Operative Exps.</b>	<b>27,243,697</b>	<b>26,872,444</b>	<b>(37,665,354)</b>	<b>16,450,787</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,450,787</b>	<b>27,243,697</b>
	<b>TOTAL-Current Year</b>	<b>259,966,266</b>	<b>78,883,897</b>	<b>(49,435,799)</b>	<b>289,414,564</b>	<b>53,279,979</b>	<b>11,392,686</b>	<b>(5,624,529)</b>	<b>58,958,136</b>	<b>230,456,428</b>	<b>206,686,487</b>

Note: (1) The depreciation amount related to Tuljapur Unit is not considered in Profit & Loss Account and is capitalised  
 Amount debited to Profit & Loss A/C. 11,278,066  
 (2) The depreciation charges for the year are net of reversal of excess provided in earlier years ₹ (1,01,242).  
 (3) Capital work in progress includes advances ₹ 33,79,605/-

### Schedule Forming Part of the Balance Sheet as at 31st March, 2011

SCHEDULE-E	DESCRIPTION	As at 31-03-2011	Amount (₹) As at 31-03-2010
<b>INVESTMENTS :</b>			
(1)	<b>TRADE INVESTMENTS</b>	NIL	NIL
(2)	<b>NON TRADE INVESTMENTS</b>		
	<b>LONG TERM INVESTMENTS (UNQUOTED)</b>		
<b>I. INVESTMENT IN PREFERENCE SHARES :</b>			
1)	<b>M/S. INDO ENTERPRISES (P) LTD. (UNQUOTED)</b> 1,20,000 (PY 1,20,000) 9% Non-Cumulative Preference Shares of ₹ 10/- each at a premium of ₹ 90/- each.	12,000,000	12,000,000
	<b>Total</b>	<b>12,000,000</b>	<b>12,000,000</b>
<b>II. INVESTMENT IN EQUITY SHARES:</b>			
1)	<b>Shiv Ratna Agro Product Pvt. Ltd. (unquoted)</b> 2,30,000 (PY 2,30,000) Equity share of ₹ 10/- each fully paid up	2,306,500	2,306,500
2)	<b>Kearthi International Agro Pvt. Ltd. (unquoted)</b> 11,000 (PY 11,000) equity shares of ₹ 100/- each fully paid up	1,100,750	1,100,750
3)	<b>Tinna Viterra Trade Pvt. Ltd. (unquoted)</b> 11,96,186 (PY 7,88,914) equity shares of ₹ 10/- each fully paid up 4000 (PY 4,000) equity shares of ₹ 10 each at a premium of ₹ 75.08 each fully paid up	11,961,860 340,320	7,889,140 340,320
4)	<b>Nova Infratech Ltd. (unquoted)</b> 1,50,000 (PY 6,75,200) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up	7,500,000	33,760,000
5)	<b>Fratelli Wines Pvt. Ltd. (unquoted)</b> 930000 (PY 9,30,000) equity shares of ₹ 10/- each fully paid up	9,300,000	9,300,000
6)	<b>B.S. Farms &amp; Properties Pvt. Ltd. (unquoted)</b> 1,00,000 (PY 6,06,700) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up	3,000,000	18,201,000
7)	<b>Puja Infratech Pvt. Ltd. (unquoted)</b> 1,90,000 (PY 2,50,000) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up	5,700,000	7,500,000
8)	<b>Space Age Tech. Pvt. Ltd. (unquoted)</b> 40000 (PY 40,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up	2,000,000	2,000,000
9)	<b>S.S. Horticultures Pvt. Ltd. (unquoted)</b> 98,000 (PY 3,60,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up	4,900,000	18,000,000
10)	<b>BGX Infrastructure Developers Pvt. Ltd. (unquoted)</b> 26,17,500 (PY Nil) equity shares of ₹ 10/- each fully paid up	26,194,700	
11)	<b>Shiv Ratna Udyog Pvt. Ltd. (unquoted)</b> 50,000 Equity shares of ₹ 10/- each fully paid up	500,000	
12)	<b>Gautam Overseas Limited (unquoted)</b> Refer Note No.1 for 89,983 equity shares of ₹ 100/-each fully paid up.	-	-
<b>III. ADVANCE FOR SHARES</b>			
(i)	<b>B.G.K Infrastructure Developers Private Ltd.</b>	-	17,200,000
(ii)	<b>Fratelli Wines Private Ltd.</b>	-	5,200,000
	<b>Total</b>	<b>74,804,130</b>	<b>122,797,710</b>
	<b>Total Investment</b>	<b>86,804,130</b>	<b>134,797,710</b>
<b>NOTES:</b>			
1)	Aggregate Amount of :		
	Quoted Investments	-	-
	Unquoted Investments	86,804,130	134,797,710
	<b>Total</b>	<b>86,804,130</b>	<b>134,797,710</b>
2)	Aggregate Market value of :		
	Quoted Investments	-	-
	Unquoted Investments	69,474,133	134,797,710
	Book Value*#	69,474,133	134,797,710
	<b>Total</b>	<b>69,474,133</b>	<b>134,797,710</b>

\* Market Value is not referred in the absence of its availability, since the companies are in progressive stage.

# The Book Value of Investments have been computed on the basis of financial statements available for the year ended 31.03.2010 except Shiv Ratna Udyog Pvt. Ltd., where invested amount has been taken to be the book value in absence of any Financial Statements.

**Schedule Forming Part of the Balance Sheet as at 31st March, 2011**

DESCRIPTION	Amount (₹)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 'F' CURRENT ASSETS, LOANS AND ADVANCES :</b>		
a) <b>INVENTORIES (As taken valued &amp; certified by the management)</b>		
Stores, Spares & Others	916,917	465,734
Raw Material	60,076,398	32,827,046
Work in Progress	2,202,786	55,389
Finished Goods	20,673,462	3,329,439
Add: Excise duty on finished goods	1,932,503	449,779
	<u>85,801,166</u>	<u>37,127,387</u>
b) <b>SUNDRY DEBTORS (Unsecured, unconfirmed but considered good)</b>		
More than Six Months	7,467,253	5,095,320
Less :Provision for doubtful debts	(596,313)	-
Others	116,047,400	192,148,671
	<u>122,918,340</u>	<u>197,243,991</u>
c) <b>CASH AND BANK BALANCES</b>		
Cash in hand	715,389	539,150
Balance with Scheduled Banks :		
In Current Accounts	2,074,588	1,649,928
In Fixed Deposit Account	10,586,826	10,466,130
	<u>13,376,803</u>	<u>12,655,208</u>
d) <b>OTHER CURRENT ASSETS</b>		
Claims Receivable	32,606,930	32,123,262
Security Deposits	2,293,095	2,103,782
Less : Provision for Doubtful debts	(115,525)	(50,000)
Excise Duty P.L.A / Modvat / Service Tax / Vat	2,924,320	1,941,693
Other Assets	788,690	1,129,411
	<u>38,497,510</u>	<u>37,248,148</u>
e) <b>LOANS &amp; ADVANCES</b>		
Advance Recoverable in Cash or kind or for value to be received	22,327,367	13,298,876
Other Advances	6,290,527	6,852,390
Tax deducted at source	1,701,722	3,605,560
	<u>30,319,616</u>	<u>23,756,826</u>
<b>Total</b>	<u>290,913,435</u>	<u>308,031,560</u>
<b>Grand Total</b>		
<b>SCHEDULE 'G' CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors for Goods Services & Expenses	42,855,924	89,257,314
Government Dues	8,671,898	4,302,198
Other Liabilities	12,265,372	22,158,832
	<u>63,793,194</u>	<u>115,718,344</u>
<b>Provisions</b>		
Income Tax	2,590,285	7,663,931
Wealth Tax	671,126	654,462
Bonus	712,663	879,248
Ex-gratia	522,585	482,005
Gratuity	6,038,049	3,003,348
Leave Encashment	612,810	302,324
	<u>11,147,518</u>	<u>12,985,318</u>
<b>Total (B)</b>	<u>11,147,518</u>	<u>12,985,318</u>
<b>Grand Total (A+B)</b>	<u>74,940,712</u>	<u>128,703,662</u>

**Schedule Forming Part of the Profit & Loss Account for the year ended 31st March, 2011**

DESCRIPTION	2010-11	Amount (₹) 2009-10
<b>SCHEDULE 'H' SALES</b>		
Sales (Modifier)	362,249,160	214,743,365
Sales CTCR	3,063,750	45,626,000
Sale- PTSA Crumb Rubber 40# Mesh	18,548,750	61,987,500
Sale CRMB/PMB	442,705,837	378,713,083
Modification Charges	24,229,721	38,837,850
Sale-Fine Crumb Rubber	44,883,087	1,169,274
Sale Soya Doc Yellow	269,151,549	830,272,842
Sale Natural Asphalt	155,430	-
Equipment Rental Income (Mobile units)	3,864,746	-
Equipment Rental Expenses(interunit)	(2,999,706)	-
<b>Total</b>	<b>1,165,852,324</b>	<b>1,571,349,914</b>
<b>SCHEDULE 'I' OTHER INCOME</b>		
Interest Received	1,795,444	1,833,737
Rent Received	1,480,312	1,363,255
Profit on Sale of Assets	1,597,841	319,200
Freight on sales Recovered	6,918,478	2,581,249
Profit on Sale of Investment/ Shares	-	3,595,700
Foreign Exchange Fluctuation	460,020	922,101
Misc Income	2,093,528	-
<b>Total</b>	<b>14,345,623</b>	<b>10,615,242</b>
<b>SCHEDULE 'J' VARIATION IN STOCK :</b>		
<b>CLOSING STOCK:</b>		
Semi-Finished Goods	2,202,786	55,389
Finished Goods including traded goods	22,605,965	3,779,218
Less: Excise Duty	(1,932,503)	(449,779)
<b>Total (A)</b>	<b>22,876,248</b>	<b>3,384,828</b>
<b>OPENING STOCK:</b>		
Semi-Finished Goods	55,389	3,523,535
Finished Goods	3,779,218	8,285,341
Less: Excise Duty	(449,779)	(707,926)
<b>Total (B)</b>	<b>3,384,828</b>	<b>11,100,950</b>
Variation in Stock	(A-B)	(7,716,122)
<b>SCHEDULE 'K' MANUFACTURING EXPENSES :</b>		
<b>Raw Material Consumed:-</b>		
Opening Stock	32,827,046	41,698,923
Add : Purchase	693,448,587	519,148,440
Less : Closing Stock	(60,076,398)	(32,827,046)
Purchase Fine Crumb Rubber	29,174,083	596,200
Purchase Soya Doc Yellow	268,430,586	828,604,732
Electricity & Water Charges	11,614,998	5,443,407
Short in Process	-	4,243
Consumable Stores Consumed	4,425,744	3,866,037
<b>Packing Material Consumed:-</b>		
Opening Stock	465,734	364,336
Add : Purchase	6,081,475	4,200,050
Less : Closing Stocks	(688,846)	(465,734)
Grinding/Hanling Charges	386,030	-
Repair to Machinery	5,508,638	4,735,305
Establishments	47,123,381	32,349,455
Contribution to PF & ESI	5,222,814	4,228,163
Staff Welfare	3,394,709	3,018,958
Duties & Taxes	-	85,035
Rent - Factory	2,043,520	1,024,767
Freight & Cartage Others	1,097,675	916,165
<b>Total</b>	<b>1,050,479,776</b>	<b>1,416,991,436</b>

**Schedule Forming Part of the Profit & Loss Account for the Year Ended 31st March, 2011**

DESCRIPTION	2010-11	Amount (₹) 2009-10
<b>SCH-'L' OFFICE, ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent	539,826	404,141
Printing & Stationery	1,241,957	814,243
Tour & Travelling Expenses	15,233,518	11,074,323
Conveyance	3,403,023	1,967,067
Festival Expenses	1,303,722	1,564,879
Telephone, Telex & Fax	2,174,899	2,068,809
Postage & Courier	416,107	326,472
Vehicle Maintenance	3,840,172	3,798,904
Repairs & Maintenance	3,669,160	4,777,048
General Expenses	271,246	483,468
Insurance Charges (Others)	926,121	590,201
Legal & Consultancy	4,275,883	3,400,352
Donation	89,183	311,584
Director's Remuneration	2,920,800	4,640,000
Short & Excess Recovery, balance written off	191,359	70,479
Rates & Taxes	4,674,060	920,209
AGM Expenses	281,151	600,720
Loss on Sale of Fixed Assets	652,389	1,187,796
Difference in Foreign Exchange Fluctuation	651,844	554,999
Provision for doubtful debts	665,389	(477,556)
Bad Debts	4,281,915	440,994
Interest Others	2,665,054	19,694
Penalty	108,847	74,000
Agricultural Expenses (Tuljapur)	128,533	-
Auditor's Remuneration	753,500	650,000
<b>Total</b>	<b>55,359,660</b>	<b>40,263,026</b>
<b>SCH-'M' SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement	88,269	188,343
Membership & Subscription	212,229	1,109,363
Freight & Clearing Charges	25,670,313	24,821,337
Lab Exp./Research & Development	1,110,119	948,848
Commission & Brokerage	7,222,233	7,681,142
Discount/Shortage	691,622	1,243,567
Business Promotion	7,897,306	7,753,659
Sales Tax	3,979	30,985
<b>Total</b>	<b>42,896,070</b>	<b>43,777,244</b>
<b>SCH-'N' FINANCIAL CHARGES</b>		
Bank Charges	2,635,591	5,315,671
Interest Paid	19,299,412	11,948,770
<b>Total</b>	<b>21,935,003</b>	<b>17,264,441</b>

**SCHEDULE 'O'****SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS FOR THE YEAR ENDING 31.03.2011****(A) SIGNIFICANT ACCOUNTING POLICIES:****1. GENERAL:**

- a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting standards and relevant provisions of the Companies Act, 1956 as adopted consistently by the company.
- b) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis, except that certain transactions are accounted on cash basis, since it is not possible to ascertain with reasonable accuracy the quantum to be provided for, such as (i) bank commission / charges on foreign transactions (ii) insurance claims (iii) export demurrages or claims (iv) interest on calls in arrears / doubtful loans & advances (v) income tax / value added tax / wealth tax / service tax / excise duty / cess.

**2. USE OF ESTIMATES:**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that effect reportable amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

**3. FIXED ASSETS:**

- a) Fixed assets are stated at cost of acquisition net of cenvat credit of excise duty/ countervailing duty or of construction, including preoperative financial and incidental expenses attributable to acquisition or construction of fixed assets less depreciation.
- b) Capital work in progress are carried at cost, comprising direct costs, related incidental expenses, attributable interest & advances to supplier/ contractor on its performance.
- c) Expenses of revenue nature, which are related to project setup are transferred to capital work in progress pending capitalisation. These expenses are to be allocated to fixed assets in the year of commencement of the related projects.

**4. DEPRECIATION:**

- a) Fixed assets have been depreciated on straight line method in accordance with the rates as prescribed in Schedule XIV and provisions of the Companies Act, 1956 on such assets put to use.
- b) Assets costing not more than ₹ 5,000/- each individually are depreciated at 100%.
- c) Buildings on the leasehold/ rental premises are amortised over the lease period.

**5. INVESTMENTS:**

- a) Long term investments are valued at cost after appropriate adjustment, if necessary for permanent diminution in their value.
- b) Current investments are stated at lower of cost and fair value on the date of Balance sheet.

**6. INVENTORIES:**

- a) The raw materials, stores & spare parts are valued at cost. The raw material, stores & spares & raw material contents of work in progress are valued by using the first in first out (FIFO) method while the finished goods are valued by using weighted average cost method. Cost relating to finished goods mean direct raw material, labour cost & allocable overhead manufacturing expenses.

- b) Work in progress and material in progress are valued at raw material cost & additionally any specific cost attributable to such WIP.
- c) Finished goods are valued at cost plus excise duty or realizable value whichever is lower. The policy of valuation of inventories is in accordance with Accounting Standard-2 (Revised) of the Institute of Chartered Accountants of India.
- d) Damaged goods / scrap stocks are valued at expected realizable value.

**7. TAXES:****a) DIRECT TAXES:****i) INCOME TAX / WEALTH TAX:**

Provision for income tax, if any, is based on assessable / assessed profits / losses computed in accordance with the provisions of the Income Tax Act, 1961. Wealth tax is ascertained in accordance with the provisions of the Wealth Tax Act 1957.

**ii) DEFERRED TAX:**

Deferred income tax, expense or benefit is recognized on timing differences, being the difference between the accounting income and the taxable income that originate in one period & are capable of reversal in one or more subsequent periods. Deferred tax assets or liabilities are measured using the tax rates and laws enacted or substantively enacted as on balance sheet date.

Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**b) INDIRECT TAXES:****i) EXCISE DUTY**

Excise duty (including education cess) has been accounted for in respect of the goods cleared. The company is providing excise duty liability in respect of finished products.

**ii) SERVICE TAX:**

Service Tax has been accounted for in respect of services rendered.

**iii) SALES TAX / VALUE ADDED TAX:**

Final sales tax liability / Value added tax liability is ascertained on the finalisation of assessments in accordance to provisions of sales tax laws / value added tax laws of respective states where the company is having offices/works.

**8. REVENUE RECOGNITION:****a) SALE:**

- i. Export sale is recognized as on the date of shipment and accounted for on the rates prevailing on the date of negotiations of documents. The revenue in respect of export benefit is recognized on post exports basis, at the rate at which the entitlement accrues
- ii. Domestic sales are inclusive of excise duty.
- iii. In case of job works, the system of accounting in financial books are to consider net effect of material received and dispatched whereas in excise records complete details of input / output quantity and excise duty is accounted for.
- iv. In respect of Mobile blending unit where company has got composite price of material consumed & equipment rental, the rate for equipment rental is calculated on the basis of charge received under similar job work arrangements with government refineries and the remaining portion of income is considered as sale price of material.

**b) INTEREST INCOME:**

Interest income is recognised on accrual basis, except on doubtful or sticky loans and advances.

**c) DIVIDEND FROM INVESTMENT IN SHARES:**

Dividend income is recognized when the right to receive the payment is established.

**9. GRATUITY/RETIREMENTS BENEFITS:**

a) Company's contribution to provident fund are charged to profit & loss account.

b) The company is following the Accounting Standard-15 (Revised) issued by The Institute of Chartered Accountants of India for gratuity and leave encashment and the same is valued on the basis of actuarial valuation.

**10. RESEARCH AND DEVELOPMENT:**

Net of revenue expenditure on research and development is charged to profit and loss account in the year in which it is incurred. Capital expenditure on research and development is shown as fixed assets and depreciation is considered.

**11. FOREIGN EXCHANGE TRANSACTIONS:**

a) Foreign currency transactions are accounted for at equivalent rupee value converted at the exchange rates prevailing at the time of such transaction.

b) Export on collection / import on payment basis, as on the close of the year are finally adjusted on the basis of exchange rates prevailing as on that date through exchange fluctuation account to the respective accounts as per the guidance issued by The Institute of Chartered Accountants of India.

c) Short / excess payments received for export on account of difference in foreign exchange are accounted through exchange fluctuation account.

d) Bank guarantee and letter of credits are recognized at the point of negotiation with banks and converted at the rates prevailing on the date of negotiation, however, outstanding at the period end are recognized at the rate prevailing as on that date and total sum is considered as contingent liability.

e) Short / excess payment for import/export on account of difference in foreign exchange are charged to the profit & loss account.

**12. BORROWING COST:**

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue in the period in which they are incurred.

**13. IMPAIRMENT OF ASSETS:**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and value in use. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**14. LEASES:**

Leases of assets under which the lessor effectively retains all the risks and benefits of ownership are classified as operating lease. Payments made under operating lease are charged to profit and loss account over the period of lease.



**15. SEGMENT REPORTING:**
**(a) Primary Segment: Business Segment**

The company's operating business are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products. The identified segments are bitumen division, trading in poultry feed and agricultural activity division.

**(b) Secondary segment: Geographical Segment**

The analysis of geographical segment is not applicable since all the works are situated within India including exports executed from India.

**(c) Unallocated items:**

All common income, expenses, assets and liabilities where so ever are not possible to be allocated to different segments are treated as unallocated items.

**16. OPERATING EXPENSES:**

For works performed at the site of refineries and deduction made by them for expenses - electricity and steam charges etc. are accounted for on accrual basis.

**17. PRIOR PERIOD ITEMS:**

Significant items of income & expenditure which relate to prior accounting period, other than those occasioned by events occurring during or after the close of year and which is treated as relatable by the current year are accounted in the profit & loss account under respective head of account.

**(B) NOTES ON ACCOUNTS**
**I. Contingent liabilities:-**

	31.03.2011	(Amount in ₹) 31.3.2010
i) Bond executed in favour of Asstt. Commissioner of Central Excise, New Delhi. Shoes division*	Nil	1,25,00,000/-
*The footwear unit situated at A - 151, Mayapuri Industrial Area, Phase - II, New Delhi was closed and disposed off in 2003, hence the company had applied for release of the bond vide letter dated 17.08.2005 & followed by letter dtd. 02.08.2011. Although the bonds of ₹ 1,25,00,000/- are still lying with the department and is not received, however Company has received no due certificate no CE-20/Misc./R-26/MOD-V// 2002 dated 23.08.2011 from the Office of the Superintendent of Central Excise, Janak Puri New Delhi.		
ii) (a) Bank guarantee	894,72,633	5,58,94,270
(b) Foreign Letter of Credit (Margin money held ₹ 1,00,00,000) (Previous Year ₹ 1,03,99,394/-)	61,54,390	--
iii) Surety with Sale Tax / Vat (Margin) money as FDR of ₹ 69,840/- (Previous Year ₹ 66,736/-)	55,000	55,000
iv) Claim against the company / disputed liability not acknowledged as debts (Jai Bharat Tanners)	17,76,558	17,76,558
v) M/s. National Ability obtained Arbitration Award from Hon'ble court of London (UK) against Tinna Finex Limited. The claimant had filed a petition in 1998 in the Hon'ble High Court of Delhi to make the Arbitration Award as rule of this court. The other company (TFL) has contested the same and the matter was decided in favour of National Ability. TFL filed Special Leave Petition (SLP) in Hon'ble Supreme Court of India and was decided, whereby under noted liability continued to exist:		

- (a) USD 819,983.16 together with interest @ 7% p.a. from 01.10.1995 to 19.11.1998 which works out to be USD 1,80,059.32

AND

- (b) also cost in the same matter GBP 2,05,805.31 together with interest @ 7% p.a. from 19.11.1998 until the day of final payment to M/s National Ability.

As per order of Hon'ble Company Law Board (CLB) order dated 9th June 2009 effective from 5th January 2009, family settlement between share holder of TFL and Tinna Overseas Ltd(TOL), 50% of the liability was undertaken by TOL and balance with TFL.

In further development National Ability settled the matter with ADM Cocoa Pte Ltd, Singapore (ADM) by entering into an agreement dated 13.10.2010 with ADM for total consideration of USD 11,35,000/- and assigning its rights and interest in favour of ADM.

ADM has settled aforesaid liability of TFL as decided vide agreement dated 15th July 2011 towards its claim with TFL and accordingly filed application dated 16th July 2011 in the Hon'ble High Court of Delhi intimating the settlement and the assignee(ADM) has sought permission to withdraw the case. Hon'ble High court of Delhi has allowed substitution of ADM in place of National Ability and also allowed the application to withdraw the case vide order dated 18th July 2011.

- vi) Income Tax Department has filed an Appeal with the High court of Delhi for the F.Yr. 2000-01 against the order dated 17.07.2009 passed by The Income Tax Appellate Tribunal, Delhi. The appeal is admitted by the Hon'ble High Court of Delhi with respect to disallowance of the expenses of ₹ 1,90,91,839-(Tax amount ₹ 73,50,358/-excluding interests).
- vii) The company has filed appeal before the Commissioner of Income Tax (Appeals), New Delhi against the disallowance of expenses of ₹ 42,53,968/- in the assessment order for the financial year 2007-08 and the proceeding are in progress. No additional tax demand is created as for the year company is liable to pay Minimum alternate Tax which had been deposited.
- viii) Company manufactures Crumb Rubber/Polymer Modified Bitumen at Panipat (Haryana). The Haryana Government has issued order of clarification vide letter no 1564-1566/ST-1 dated 19/11/2009. As per the clarification Modified Bitumen is different than the Bitumen and accordingly Modified Bitumen falls in unclassified goods and attracts higher rate of local VAT @ 12.50%. Company has contested and submitted that Modified Bitumen should fall under the category of Bitumen only. In this context company has filed appeal before the Haryana Tax Tribunal, Chandigarh arguing that bitumen is a generic term and includes and refers to all kinds and varieties of bitumen. Pending decision on the appeal company has not made provision of additional Value Added Tax liability of ₹ 5,12,060/-(Net of recovery ₹ 4,90,519/-)
- ix) Company had entered into agreement to sell 89,983 equity shares of ₹100 each of Gautam Overseas Ltd.during 2009-10 for ₹ 90,00,000/-(Rupees ninety lacs). The Company Law Board earlier granted stay order dated 28.06.2010 restraining the company to transfer the shares. The company had filed appeal in the Hon'ble High Court of Delhi against the matter and the same was restored to the Company Law Board for reconsideration. Any further impact in the accounts is contingent upon the final order by the appropriate authority.
- x) Two Ex- Directors of Company claimed regular monthly remuneration @ ₹ 5,00,000- per month since August 2009 based on decision of Company Law Board. The total dues upto 31st March 2011 is ₹ 1,00,00,000/- for which the matter is pending with the Company Law Board. Any impact in the accounts is contingent upon the final order by the appropriate authority.
- xi) Non provision of expenses relating to compounding fees / security provided under Uttar Pradesh Value Added Tax Act ₹ 3.46.575/-, the matter is under contest.

2. Capital Commitment: Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 3,23,92,497/- net of advances (Previous Year Nil)
3. Investments include :
  - i) Advance for Shares include : ₹ Nil (Previous year as follows) :
    - a) M/s B.G.K.infrastructure Developers Pvt. Ltd. ₹ Nil (Previous year ₹ 1, 72, 00,000/- advance & applied during- Financial year.2009-10 and shares have been allotted during the year 2010-11)
    - b) i) Fratelli Wines (P) Ltd. Nil (Previous Year ₹ 52, 00,000/- advanced & applied during Financial year 2009-10 and the refund is received during the financial year 2010-11)
    - ii) M/S B.G.K. infrastructure Developers (P) Ltd. has become 100% subsidiary of Company during the year 2010-2011.1(one) share is held by Mr. Bhupinder Kumar, Whole time Director as nominee of company.
4. The company has an agriculture business segment(Jatropha Plantation) located at Tuljapur (Maharashtra).The company's policy was to capitalize all the expenditures including depreciation till the period of completion of first phase of the unit is 31 May 2010. The total capital cost of the unit is amortised over the remaining period of lease period expiring on 5th December 2021
5. Loans & Advances include interest free advance ₹ Nil written off during the year (Previous year ₹ 13.10 lacs)
6. **Disclosure on 'Employee Benefits'**

The disclosure required under Accounting Standard 15, "Employee Benefits" (Revised) notified in the Companies (Accounting Standards) Rules 2006, are given below:-

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, paid during the year is as under:-

	2010-11	(Amount ₹) 2009-10
Employer's Contribution to Provident Fund	13,01,280	11,16,964
Employer's Contribution to Family Pension Fund	29,53,586	25,35,234

**Defined Benefit Plan**

**Gratuity**

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(Amount ₹)

Sr. No.	Particulars	Gratuity 2010-11	Gratuity 2009-10
a)	<b>Change in Present Value of Defined Benefit Obligations</b>		
	Defined Benefit obligation as on 01.04.2010	30,20,930	25,68,301
	Current cost	10,31,997	8,17,762
	Interest cost	2,48,544	2,04,901
	Actuarial (Gain)/ Loss	17,65,771	(4,40,976)
	Benefits paid	(32,308)	(1,29,058)
	Defined benefits obligation as on 31.03.2011	60,34,934	3,020,930

b)	<b>Change in fair value of plan assets</b>		
	Fair value of plan assets as on 01.04.2010	-	-
	Expected return on plan assets actuarial (Gain/Loss)	-	-
	Employer Contribution	-	-
	Benefits paid	-	-
	Fair value of plan assets as on 31.03.2011	-	-
	Actual return on plan assets	-	-
c)	<b>Reconciliation of fair value of assets and obligations</b>		
	Fair value of plan assets as at 31st March, 2010	-	-
	Present value of obligations as at 31st March, 2011	60,34,934	30,20,930
	Amount recognized in the balance sheet		
d)	<b>Expenses recognized in profit &amp; loss account</b>		
	Current service cost	10,31,997	8,17,762
	Interest cost	2,48,544	2,04,901
	Expected return on plan assets	-	-
	Actuarial (Gain)/Loss	17,65,771	(4,40,976)
	Net cost	30,46,312	5,81,687
e)	<b>Investment details</b>		
	L.I.C. group gratuity policy	-	-
f)	<b>Actuarial assumption</b>	LIC	LIC
	Mortality table	(1994-96)	(1994-96)
	Discount rate (per annum)	8.25%	8.00%
	Expected rate of return on plan assets (per annum)	0%	0%
	Rate of escalation in salary (per annum)	5.00%	5.00%

The estimates of rate of escalation in salary's considered in actuarial valuation and other factors such as inflation seniority, promotion and other relevant factors including supply and demand in the employment market have been taken into account. The above information is certified by the actuary.

- The company's public issue of 21,63,600 equity shares of ₹ 10/- each for cash at a premium of ₹ 85/- per share aggregating to ₹ 2,055.42 lacs and firm allotment of 1,50,000 equity shares of ₹ 10/- each for cash at a premium of ₹ 100/- per share aggregating to ₹ 165.00 lacs to NRIs/OCB's opened for subscription on 20th March, 1995 was oversubscribed. Allotment was made on 23rd May, 1995 and allotment money / final call was made on 27.05.95. Amount receivable on account of calls in arrears have been apportioned between share capital and share premium account in the ratio of one to eight.
- Calls in arrears are subject to reconciliation and confirmation, however no interest has been provided thereon.
- FDR's ₹ 105, 86,826/- (Previous year ₹ 1, 04, 66, 130/-) including accrued interest, are charged against bank guarantees / sureties and same are under the lien of various banks.
- Computation of net profits in accordance with Section 198 of the Companies Act, 1956 in respect of commission/ remuneration payable to Chairman:

(Amount in ₹)

	2009-10
Profit before Tax	4,61,14,766
Add: Depreciation as per Books	98,38,121
Managerial remuneration to Chairman & Directors	52,16,000
Loss on sale of Fixed Assets(net)	8,68,596
Donation	3,11,584
Provision for doubtful debts	50,000
	<u>6,23,99,067</u>

Less: Depreciation as per Section 350 of the Companies Act, 1956	98,38,121
Profit on sale of investment/shares	35,95,700
<b>Net profit for the year</b>	<b>4,89,65,246</b>

11. Remuneration/ Commission paid to Chairman and directors determined by Board of Directors is ₹ 35, 76,000/- (Previous year ₹52, 16,000/-)

	(Amount in ₹)	
	2010-11	2009-10
ii) Remuneration/commission paid to directors	29,20,800	46,40,000
Perquisites(valued as per Income Tax Act)	79,200	—
Provident Fund	5,76,000	5,76,000

Although profit for the year 2010-11 are inadequate however, company paid remuneration as per Schedule XIII of the Companies Act, 1956. The excess payment of ₹ 18,79,200 is lying under trust. The directors undertake to reimburse.

12. Company was awarded Work Order No. WQA074A dtd.20.07.2009 by Mangalore Refinery & Petro chemical Ltd. (MRPL) for making modified bitumen. As per work order company shall transfer plant of gross block ₹ 2,34,36,301/- & (WDV ₹ 1,83,78,651/-) in complex of MRPL at nominal amount of ₹ 1/- on 05.07.2014. The work order prescribed quantity of 3,55,000 mts. to be processed during work order period 05.07.2009 to 05.07.2014, but till 31.03.2011 only 73,363 (20.67%) mts. has been processed. As the quantity specified in the work order is not processed fully, so the company has not amortized the plant as per aforesaid period & has depreciated as per rates provided in Schedule-XIV as the company proposes to hold the plant up to actual modification work completion.



(B) Key management personnel and their relatives :		
•	Mr. Bhupinder Kumar Sekhri	whole time Director
•	Mr. Kapil Sekhri	whole time Director
•	Mrs. Shobha Sekhri	Executive
•	Mrs. Puja Sekhri	Executive
•	Mrs. Aarti Sekhri	Executive
•	Mr. Gaurav Sekhri	Additional Director upto 26.07.2010
		(Amount in ₹)
Nature of Transaction	2010-11	2009-10
Remuneration / Salary	52,00,000	72,32,000
i) Mr. Bhupinder Kumar Sekhri		
		(Amount in ₹)
Particulars	2010-11	2009-10
Imprest given	15,60,000	-
Refund of Imprest received	15,60,000	-
Loan Received	1,45,00,000	3,00,00,000
Loan Repaid	1,45,00,000	3,00,00,000
Interest Expenses(gross)	98,877	-
Purchase of shares of BGK Infrastructure Developers P Ltd	50,000	-
Outstanding balance at the end of year: Receivable	8,50,611	-
ii) Mr. Kapil Sekhri		
		(Amount in ₹)
Particulars	2010-11	2009-10
Imprest given	2,60,000	-
Refund of Imprest received	2,60,000	-
Loan Received	2,00,00,000	-
Loan Repaid	2,00,00,000	-
Interest Expenses(gross)	3,59,548	-
Outstanding balance at the end of year: Receivable	5,84,692	-
iii) Mr. Gaurav Sekhri		
Purchase of shares of BGK Infrastructure Developers P Ltd	50,000	-
iv) Mrs. Puja Sekhri		
Purchase of shares of BGK Infrastructure Developers P Ltd	17,45,000	-
14. a)	Company's main business has been with various units of M/s. Indian Oil Corporation Ltd. and Mangalore Refinery & Petrochemicals Limited. Now the company has started business with other private parties also. The company has not received confirmed statement ever since business started except private parties. However Company is doing reconciliation of accounts by drawing inference from the advise received along with payment from such parties.	
b)	In the opinion of the board, the current assets, loans and advances for which company holds only the personal security, have realizable value in the ordinary course of business at least equal to the amount at which they are stated.	

## c) Sundry debtors include:-

Suit for recovery against ONT LTD. was decreed for and in favour of company by way of judgment dated 10.08.2005 for ₹ 46, 82,457.40 along with interest and costs. The decree is under execution process. The ONT Ltd. has finally agreed to pay CAD 47,500- (as against earlier offer of CAD 32,010) to the company for the settlement of the same through the Superior Court of Justice, Ontario. The company has accepted the same and the ir-recoverable balance of ₹ 24, 66,534- has been written off.

## d) Other current assets:-

i) Claim receivable ₹ 2, 75, 44,112/- from M/s. F.C.I and M/s P.E.C for which the company has filed suits for recovery along with interest @ 12% and is hopeful of recovery. However, as per order of Company Law Board dated 9th June, 2009 with effect from 5th January, 2009, if any amount is received, the amount to the extent of 50% will be paid to petitioner viz. Sh Vijay Kumar Sekhri & others and Sh. Anil Kumar Sekhri & other

## ii) Loan and advances includes:-

(a) ₹ 1, 90,000/- (Previous year ₹ 4, 51,988/- recoverable from KRM International (Shoe) for which the company has succeeded in the High court vide order dated 28.05.2010 against the order of lower court regarding dismissing of appeal on limitation of period. The account has been settled for ₹ 240,000 before the Hon'ble court and the company has written off ₹ 2, 11,988/-

(b) Amount due from Directors ₹ 14,35,303/- (Previous year Nil), maximum balance during the year ₹ 18, 79,200/- (Previous year ₹ 4,66,067/-)

(c) Loan given to Chin-Min Developers Private Ltd of ₹ 25, 00,000/- during the year however outstanding balance at the year end is ₹ 5,548/- (Previous year Nil). Maximum balance outstanding during the year ₹ 25, 00,000 (previous year Nil).

(d) The company had given unsecured loan to Tinna-Vitera Trade Private Limited in the previous year on 18th Jan 2010 of ₹ 50, 00,000/-. The principal was recovered on 2/3/2010 & 4/3/2010 and interest charged upto the date of receipt of payment ₹ 74,438/- was recovered on 07/04/2010. However, interest is termed as composite part of loan.

(e) Balance of debtors / creditors, loans & advances are subject to reconciliation and confirmation.

15) The company has requested its suppliers to intimate whether they are registered under "The Micro, Small and Medium Enterprises Development Act, 2006. Pending receipt of intimation from suppliers, the amount due to the supplier under the said law could be / not determined. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

## 16) Segment Information:

The following table presents segment revenues, results, assets & liabilities in accordance with AS-17 issued by Institute of Chartered Accountant of India.

(Figure in Lacs ₹)

	BITUMEN DIVN.		TULJAPUR DIVN.		TRADING ACTIVITY		UNALLOCABLE		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Turnover	8,967.00	7,410.77	-	-	2,691.52	8,302.73	-	-	11,658.52	15,713.50
Other Income	110.45	44.25	-	-	-	-	33.01	61.90	143.46	106.15
Total Revenue	9,077.45	7,455.02	-	-	2,691.52	8,302.73	33.01	61.90	11,801.98	15,819.65
Segment Result										
Net Profit(loss)	1,115.75	1,258.44	(7.26)	-	7.21	16.68	(1,049.14)	(939.51)	66.56	335.61
Segment Assets	4,160.44	4,243.72	81.67	87.28	-	-	1,839.62	2,164.16	6,081.73	6,495.16



Segment Liabilities	582.08	951.92	3.84	2.77			1,759.54	1,870.69	2,345.46	2,825.38
Depreciation	79.30	60.98	5.97	-	-	-	27.51	37.40	112.78	98.38
Capital Expenditure / Assets/WIP	371.38	439.42	0.24	13.09	-	-	40.32	203.04	411.94	655.55

17) Accounting for leases has been done in accordance with Accounting Standard-19 issued by the Institute of Chartered Accountants of India. The details of lease transactions are as under:-

(a) Finance Lease:

The company does not have any finance lease arrangements.

(b) Operating Lease:

i. Lease rentals recognized as expenses in the profit and loss account for the period ₹ 25, 83,346/- (Previous year ₹ 14, 28,908/-).

ii. The company has entered into operating leases for factory buildings and leasehold lands that are renewable on a periodic basis and cancelable at company's option. The company has not entered into sub-lease agreements in respect of these leases.

iii. The total of future minimum lease payments under non cancelable leases are as follows:

Particulars	31.3.2011	(Amount in ₹) 31.3.2010
Not later than one year*	24,95,354	12,13,056
Later than one year but not later than five years*	50,58,514	17,40,000
Later than five years* (2016 to 2022)	9,06,386	10,46,386

\*The above future minimum lease payments do not include rent paid of ₹ 5,39,826/- (Previous year ₹ 4,04,141/-) for residence of staffs/laborers of the company for which no formal written lease arrangements exist under cancelable at the option of the company.

18) Earning Per Share:

Particulars	2010-11	2009-10
(a) Calculation of weighted average number of Equity Shares of ₹ 10 each		
Equity shares outstanding at the beginning of the year	85,64,750	86,52,400
Equity shares outstanding at the end of the year	85,64,750	85,64,750
Weighted Average no. of equity shares outstanding during the year	85,37,024	85,37,024
(b) Net Profit after tax available for equity shareholders	66,56,262	3,35,60,987
(c) Basic and diluted earning per share	0.78	3.93

19) In accordance with the Accounting Standard 22 issued by the ICAI, the company is having a deferred tax liability of ₹ 244.71 lacs (previous year ₹ 175.24 lacs) on timing difference as on 31st March, 2011.

	(Amount in ₹)	
	As at	As at
Particulars	31.03.2011	31.03.2010
<b>Deferred tax calculation</b>		
<b>Deferred Tax Liability on account of :-</b>		
Difference of depreciation as per Companies Act and Income Tax Act	(2,78,70,929)	(1,90,57,781)
<b>Deferred tax assets on account of :-</b>		
Leave Encashment	2,00,717	1,01,803
Gratuity	19,75,000	9,90,310
Bonus & Ex-gratia	4,00,894	4,40,712
Disallowance u/s 43 B	8,23,173	-
<b>Total Deferred Tax Assets/(Liabilities)</b>	<b>(2,44,71,145)</b>	<b>(175,24,956)</b>
Less Provision made till last year	1,75,24,956	1,47,24,319
<b>Deferred tax asset (liability) accounted In profit and loss account</b>	<b>(69,46,189)</b>	<b>(28,00,637)</b>
20) <b>Auditors Remuneration:*</b>		(Amount in ₹)
	<b>31.03.2011</b>	<b>31.03.2010</b>
Audit Fees	5,50,000	5,00,000
Tax Audit Fees	1,50,000	1,00,000
Other Services	53,500	50,000
<b>Total</b>	<b>7,53,500</b>	<b>6,50,000</b>

\*Exclusive of service tax.

21) Additional information pursuant to paragraphs 3, 4C & 4D of the part II of Schedule VI of the companies act, 1956. (as certified by the management).

D) <b>TURNOVER:</b>	(Amount in ₹)			
		2010-11		2009-10
	Quantity (MT)	Amount (₹)	Quantity (MT)	Amount (₹)
Bitumen Modifier	15,287.500	362,249,160	9,331.570	214,743,365
Soya Doc Yellow	14,448.280	269,151,549	36,477.660	830,272,842
Modification Charges	-	24,229,721	-	38,837,850
Modified Bitumen	15347.325	442,705,837	15,166.160	378713083
Others(include ₹29,99,706 internal divisional income)		67,516,057		108,782,774
		<b>1,165,852,324</b>		<b>1,571,349,914</b>
II) <b>RAW MATERIAL CONSUMED:</b>				
Natural Asphalt(including sale 9 MT ₹ 155,430 previous year nil)	4,819.204	83,643,214	3,949.495	55,710,239
Rubber Crumb	13,666.378	206,318,725	10,324.655	142,144,524
P.T.S.A	99.190	5,012,627	259.112	12,284,257
Bitumen	13,437.850	343,493,224	13,398.457	306,265,011
Others	652.852	27,731,445	233.685	11,616,286
		<b>666,199,235</b>		<b>528,020,317</b>

III) **Purchase of Trading Material**

Fine Crumb Rubber	1,945,854	29,174,083	44,000	596,200
Soya Doc Yellow	14,448,280	268,430,586	36,287,097	828,604,732
		<u>297,604,669</u>		<u>829,200,932</u>

IV) **DETAIL OF OPENING AND CLOSING STOCKS**

a) **OPENING STOCK:**

i) **FINISHED GOODS:**

Bitumen Modifier	50.716	811,917	456,973	8,285,341
Modified Bitumen	105.772	2,967,301		
		<u>3,779,218</u>		<u>8,285,341</u>

ii) **WORK IN PROGRESS:**

Bitumen Modifier (Chemically Treated Crumb Rubber)	3,458	55,389	172,221	3,523,535
-------------------------------------------------------	-------	--------	---------	-----------

b) **CLOSING STOCKS:**

i) **FINISHED GOODS:**

Bitumen Modifier	840,108	15,839,345	50,716	811,917
Modified Bitumen	117,913	3,597,626	105,772	2,967,301
Fine Crumb Rubber (Traded Goods)	200,640	3,168,994		
		<u>22,605,965</u>		<u>3,779,218</u>

ii) **WORK IN PROGRESS:**

Bitumen Modifier (Chemically Treated Crumb Rubber) Processes SBS	66,370 27,312	1,049,307 1,153,479	3,458	55,389
		<u>2,202,786</u>		<u>55,389</u>

V) **LICENCED CAPACITY, INSTALLED CAPACITY AND PRODUCTION:-**

i) **INSTALLED CAPACITY:**

		<u>2010-11</u>	<u>2009-10</u>
Bitumen Modifier		30,000	30,000
Modified Bitumen		30,000	30,000
Site Mixing Units		96,000	24,000

ii) **ACTUAL PRODUCTION:**

Bitumen Modifier		16,094	9,010
Crumb Rubber / Polymer Modified Bitumen		15,359	12,793
Site Mixing		17,996	1,067

VI) **EXPENDITURES IN FOREIGN CURRENCY**

		<u>2010-11</u>	<u>2009-10</u>
Raw Material		81,932,501	37,273,218
Capital Goods		6,104,587	15,184,044
Foreign Travelling		1,695,564	348,831

## VII) VALUE OF IMPORTS AND INDIGENOUS OF RAW MATERIAL AND STORES CONSUMED:

## A) RAW MATERIALS CONSUMED:

Indigenous	582,556,021	472,310,078
(Percentage)	87.45%	89.69%
Imported	83,643,214	55,710,239
(Percentage)	12.55%	10.31%
<b>Total</b>	<b>666,199,235</b>	<b>528,020,317</b>

## B) STORES, SPARES &amp; COMPONENTS CONSUMED:

Indigenous	5,858,363	4,098,652
(Percentage)	100%	100%
Imported	NIL	NIL

- 22) The Company has not made any remittance in foreign currencies on account of dividend.
- 23) a) Figures for the previous year have been regrouped/reclassified /rearranged wherever necessary.  
b) Figures have been rounded off to the nearest rupee.
- 24) Schedule A to O form integral part of the the Balance Sheet as at 31st March 2011.

As per our report of even date attached.

For Rawla & Company  
(Chartered Accountants)  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Y. P. Rawla  
(Partner)  
M. No. 10475

Kulbir Singh  
(Director)

Bhupinder Kumar  
(Whole time Director)

New Delhi  
August 24, 2011

Ch. Runveer Krishnan  
(Company Secretary)

Ravindra Chhabra  
(G. M Accounts)

**Cash Flow Statement for the year ended 31st March, 2011**

	₹ in lacs		₹ in Lacs	
	1.4.2010 to 31.3.2011		01.04.2009-31.03.2010	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit(Loss) After Tax and Extra ordinary items		66.56		335.61
Add / (Less) : Adjustment for :				
Depreciation	112.78		96.97	
Interest Paid	192.99		119.49	
Provision for Income Tax	40.29		97.30	
Provision for FBT	-		0.55	
Provision for Wealth Tax	1.07		0.90	
Provision for Deferred Tax	69.46		28.01	
Bad Debts	42.82		4.41	
Provision for Doubtful Debts	6.65		(4.78)	
Loss on Sale of Assets	6.52		12.22	
Profit on Sale of Assets	(15.98)		(3.19)	
Interest Received	(17.95)		(18.09)	
Rent Received	(14.80)		(13.63)	
Profit on Sale of Investments			(35.96)	
Misc. Income	(20.94)	402.92	(25.82)	258.38
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGE</b>		<b>469.48</b>		<b>593.99</b>
Adjustment for :				
Decrease/(Increase) in Trade and other Receivables	616.60		(982.94)	
Decrease/(Increase) in Inventories	(486.74)		184.62	
Increase/(Decrease) in Trade Payables/Current Liabilities	(487.06)		550.15	
Decrease/(Increase) in Other Current Assets	(12.49)	(369.69)	4.20	(243.96)
<b>CASH GENERATED FROM OPERATIONS</b>		<b>99.79</b>		<b>350.03</b>
Direct Tax Paid	(72.89)		(100.64)	
Rent Received	14.80		13.63	
Misc. Income	20.94	(37.15)	25.81	(61.20)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>62.64</b>		<b>288.83</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets	(411.94)		(654.06)	
Sale of Fixed Assets	70.91		53.40	
Purchase of Investment	(150.67)		(954.37)	
Sale of Investment	630.61		204.00	
Interest Received	17.95		18.21	
Loan/Advances given to others	(114.31)		-	
Loan/Advances refund received	106.83		-	
<b>NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES (B)</b>		<b>149.38</b>		<b>(1,332.82)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds from Long term Borrowings	128.49		903.76	
Proceeds from Unsecured Loan	575.00		370.00	
Interest Paid	(192.99)		(116.91)	
Repayment of Long term Borrowings	(115.30)		(27.10)	
Repayment of Unsecured Loan	(600.00)		(320.00)	
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>		<b>(204.80)</b>		<b>809.75</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>7.22</b>		<b>(234.24)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>126.55</b>		<b>360.79</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<b>133.77</b>		<b>126.55</b>

For Rawla & Company  
(Chartered Accountants)  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Y. P. Rawla  
(Partner)  
M. No. 10475

Kulbir Singh  
(Director)

Bhupinder Kumar  
(Whole time Director)

New Delhi  
August 24, 2011

Ch. Runveer Krishnan  
(Company Secretary)

Ravindra Chhabra  
(G. M Accounts)

**Statement Pursuant to Section 212 of the Companies Act, 1956  
Relating to Subsidiary Companies**

1.	Name of subsidiary	M/S B.G.K. INFRASTRUCTURE DEVELOPERS PVT.LTD.
2.	Financial period of the subsidiary ended on	31-03-2011
3.	Date from which it became Subsidiary	15-01-2011
4.	(a) No. of shares held by Tinna Overseas Limited (Holding company) with its nominee in the Subsidiary	26,17,500 equity shares shares ₹10/-each fully paid
	(b) Extent of interest of Holding Company at the end of the Financial period of Subsidiary	100%
5.	The net aggregate amount of the subsidiary companies profit/(loss) so far it concerns the member of the Holding company.*	
	(a) Not dealt with in Holding company's accounts :	
	(i) For the Financial year ended 31st March, 2011	NIL
	(ii) For the previous financial year of the subsidiary companies since they became the Holding company's subsidiary	NIL
	(b) Dealt with in Holding company's accounts:	
	(i) For the Financial period ended 31st March, 2011	NIL
	(ii) For the previous financial year of the subsidiary companies since they became the Holding company's subsidiary	NIL
6.	Material changes between the end of the financial year of the Subsidiary and the Holding company's financial year	NIL

\* Warehousing project's pre-operative expenses are booked in Capital Work in Progress.

For and on behalf of the Board of Directors

**Kulbir Singh**  
(Director)

**Bhupinder Kumar**  
(Whole time Director)

New Delhi  
August 24, 2011

**Chy. Ranveer Krishanan**  
(Company Secretary)

**Ravindra Chhabra**  
(G. M Accounts)

## Balance Sheet Abstract and Company's General Business Profile

<b>I. Registration Details</b>		
Registration No.	2 7 1 8 6	State Code 5 5
Balance Sheet Date	3 1    0 3    2 0 1 1	
	Date    Month    Year	
<b>II. Capital raised during the year (Amount in ₹ Thousands)</b>		
Public Issue		Right Issue
NIL		NIL
Bonus Issue		Private Placement
NIL		NIL
<b>III. Position of Mobilisation and Deployment of Funds</b>		
(Amount in ₹ Thousands)		
Total Liabilities		Total Assets
6 0 8 1 7 3		6 0 8 1 7 3
Sources of Funds		Reserves & Surplus
Paid-up Capital		2 8 8 2 6 3
8 5 3 7 0		Unsecured Loans
Secured Loans		2 5 0 0
1 3 2 6 2 9		
Deferred Tax		Investments
2 4 4 7 1		8 6 8 0 4
Application of Funds		Misc. Expenditure
Net Fixed Assets		----
2 3 0 4 5 6		
Net Current Assets		
2 1 5 9 7 3		
<b>IV. Performance of Company (Amount in ₹ Thousands)</b>		
Turnover		Total Expenditure
1 1 6 5 8 5 2		1 1 8 1 9 4 8
Profit / (Loss) Before Tax		Profit/(Loss) After Tax
1 7 7 4 1		6 6 5 6
(Please tick Appropriate box + for profit, - for Loss)		Dividend Rate %
Earnings per Share in ₹		NIL
0.78		
<b>V. Generic Names of Three Principal Products/Services of Company</b>		
(as per monetary terms)		
Item Code No (ITC CODE)		4 0 0 4 0 0 0 0
Product Description		BITUMEN MODIFIER
Item Code No (ITC CODE)		0 0 0 0 0 0 0 0
Product Description		MERCHANDISE ITEMS
Item Code No (ITC CODE)		2 7 1 5 0 0 9 0
Product Description		MODIFIED BITUMEN

For and on behalf of the Board of Directors

Ch. Ranveer Krishnan  
(Co. Secretary)

Ravindra Chhabra  
(C. M. Accounts)

Kulbir Singh  
(Director)

Bhupinder Kumar  
(Whole time Director)

**AUDITOR'S REPORT ON  
CONSOLIDATED FINANCIAL  
STATEMENTS OF TINNA OVERSEAS  
LIMITED AND ITS SUBSIDIARY  
(THE GROUP)**

Name of the Co.		% of holding	Residential status
Tinna Overseas Limited	Parent Co.	---	INDIAN
BGK Infrastructure Developers Pvt. Limited	Subsidiary Co.	100%	INDIAN

We have audited the attached Consolidated Balance Sheet of M/S TINNA OVERSEAS LIMITED (Parent Co.) and its subsidiary as at 31st March, 2011 and the Profit and Loss Account and also the cash flow statement of the group for the period ended on that date annexed thereto. These financial statements are the responsibility of the group's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion except the contravention of AS-29 and AS-6 issued by the Institute of Chartered Accountants of India as mentioned below in point no B (i) and B (ii) respectively.

Attention is drawn to the following Notes:

- A. Balances of Debtors / Creditors are subject to confirmation and reconciliation.**
- B. In our opinion, the said consolidated Balance Sheet and consolidated Profit & Loss Account subject to:**
- i. Non Provision of for crystallized liability shown as contingent liability vide Note No. I(v)

of Schedule - "O" in case of litigation between ADM Cocna Pte Ltd ("M/S.National Ability" originally) And Tinna Finex Ltd. Tinna Overseas Ltd is liable for 50% of the following:

- (a) USD 819,983.16 together with interest @ 7% p.a. from 01.10.1995 to 19.11.1998 which works out to be USD 1,80,059.32.

AND

- (b) also cost in the same matter GBP 2,05,805.31 together with interest @ 7% p.a. from 19.11.1998 until the day of final payment to M/s National Ability.

- ii. Non-provision of diminution in value of plant of Rs.95,57,689/- at MRPL unit as per Note No. 10 of Schedule - "O" in absence of any Accounting policy in the regard.

Subject to our observation in paragraph above, the said consolidated financial statements have been prepared by the group in accordance with the requirements of Accounting Standard-21, on consolidated financial statements, issued by Institute of Chartered Accountants of India and on the basis of separate audited financial statements of the company and its subsidiaries included in the consolidated financial statements

On the basis of the information and explanation given to us and on the consideration of the separate audit report subject to Note No.12(d)(ii)(c) & 12(d)(ii)(d) appearing in Schedule "O" where a contravention of Sec. 295 of The Companies Act,1956 is observed, we are of the opinion that the said financial statements read with Significant Accounting Policies and Notes appearing on Schedule 'O', give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.



- a) in the case of the consolidated balance sheet, of the state of affairs of the group as at 31st March, 2011;
- b) in the case of the consolidated profit and loss account, of the profit of the group for the period ended on that date; and
- c) in the case of the consolidated cash flow statement, of the cash flows of the group for the period ended on that date.

For Rawla & Company  
(Chartered Accountants)  
FRN No. 001661N

New Delhi  
August 24, 2011

CA Y. P. Rawla  
(Partner)  
M. No. 10475

### Consolidated Balance Sheet as at 31st March, 2011

DESCRIPTION	SCHEDULES	Amount (₹) As at 31-03-2011
<b>I SOURCES OF FUNDS :</b>		
<b>(1) SHAREHOLDERS' FUNDS</b>		
Share Capital	A	85,370,333
Reserve & Surplus	B	288,263,245
<b>Total</b>		<u>373,633,578</u>
<b>(2) LOAN FUNDS</b>		
Secured Loans	C(i)	132,628,558
UnSecured Loans	C(ii)	8,624,038
<b>Total</b>		<u>141,252,596</u>
<b>(3) DEFERRED TAX LIABILITIES</b>		
<b>Grand Total</b>		<u>539,357,319</u>
<b>II APPLICATION OF FUNDS :</b>		
<b>(1) FIXED ASSETS</b>		
Gross Block	D	304,101,707
Less : Depreciation		58,958,279
Net Block		245,143,428
Capital work in progress		18,566,169
<b>Total</b>		<u>263,709,597</u>
<b>(2) INVESTMENTS</b>		
<b>(3) CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
(a) Inventories	E	85,801,166
(b) Sundry Debtors	F	122,918,340
(c) Cash & Bank Balance		13,387,760
(d) Other Current Assets		38,497,510
(e) Loans and Advances		30,323,578
<b>Total</b>		<u>290,928,354</u>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>		
Current Liabilities	G	64,746,974
Provisions		11,147,518
		<u>75,894,492</u>
<b>NET CURRENT ASSETS</b>		<u>215,033,862</u>
<b>MISCELLANEOUS EXPENDITURE</b>		<u>4,430</u>
<b>Grand Total</b>		<u>539,357,319</u>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**
**O**

The Schedules referred to above form an integral part of the Balance Sheet.

Since BGK Infrastructure Developers P Ltd became subsidiary during the current year, hence previous year figures are Not Applicable.

As per our report of even date attached.

 For Rawla & Company  
 (Chartered Accountants)  
 FRN NO. 001661N

For and on behalf of the Board of Directors

 CA. Y. P. Rawla  
 (Partner)  
 M. No. 10475

 Kulbir Singh  
 (Director)

 Bhupinder Kumar  
 (Whole time Director)

 New Delhi  
 August 24, 2011

 Ch. Runveer Krishnanan  
 (Company Secretary)

 Ravindra Chhabra  
 (G. M. Accounts)

**Consolidated Profit & Loss Account for the year ended 31st March, 2011**

DESCRIPTION	SCHEDULES	Amount (₹) 2010-2011
<b>(I) INCOME</b>		
Sale	H	1,269,739,418
Less: Excise Duty		(103,887,094)
		<u>1,165,852,324</u>
Other Income	I	14,345,623
Variation in Stock	J	19,491,420
		<u>1,199,689,367</u>
<b>(II) EXPENDITURE</b>		
Manufacturing / Trading Expenses	K	1,050,479,776
Office, Administrative & Other Expenses	L	55,359,660
Selling & Distribution Expenses	M	42,896,070
Financial Charges	N	21,935,003
Depreciation		11,278,066
		<u>1,181,948,575</u>
<b>(III) PROFIT / (LOSS) BEFORE TAXATION (I-II)</b>		<u>17,740,792</u>
Less:		
Provision for Income Tax (inclusive of MAT adjustment)		3,817,583
Provision ( Reversal ) for Deferred Tax		6,946,189
Provision for Fringe Benefit Tax		-
Provision for Wealth Tax		107,139
Income Tax related to Earlier year		211,219
Prior Period Expenses (Add / Less)		2,400
		<u>6,656,262</u>
<b>(IV) PROFIT / (LOSS) AFTER TAXATION</b>		<u>6,656,262</u>
ADD: BALANCE BROUGHT FORWARD FROM LAST YEAR		93,044,201
BALANCE CARRIED TO BALANCE SHEET		99,700,463
BASIC/DILUTED EARNING PER SHARE		0.78

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

O

The schedules referred to above form an integral part of the Profit &amp; Loss account.

As per our report of even date attached.

For Rawla & Company  
(Chartered Accountants)  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Y. P. Rawla  
(Partner)  
M. No. 10475Kulbir Singh  
(Director)Bhupinder Kumar  
(Whole time Director)New Delhi  
August 24, 2011Ch. Runveer Krishnan  
(Company Secretary)Ravindra Chhabra  
(C. M Accounts)

### Schedule Forming Part of the Balance Sheet as at 31st March, 2011

DESCRIPTION	Amount (₹) As at 31-03-2011
<b>SCHEDULE 'A' SHARE CAPITAL</b>	
<b>AUTHORISED</b>	
1,00,00,000 Equity Shares of ₹ 10/- EACH (Previous year 1,00,00,000/- Shares of ₹ 10/- Each)	100,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>	
85,64,750 Equity Shares of ₹ 10/- each fully paid up (Previous year 85,64,750 Equity Shares)	85,647,500
Less : Calls in arrears (From Others on 114100 Shares) (Previous Year 114100 Shares)	(277,167)
<b>Total</b>	<b>85,370,333</b>
<b>SCHEDULE 'B' RESERVES &amp; SURPLUS</b>	
i) GENERAL RESERVE	11,704,929
ii) Share Premium Balance	179,075,186
Less : Outstanding on account of calls in arrears	2,217,333
	<b>176,857,853</b>
iii) Profit and Loss A/c As per last Balance Sheet Add : Transfer from P&L	93,044,201
	6,656,262
<b>Total</b>	<b>99,700,463</b>
<b>Grand Total</b>	<b>288,263,245</b>
<b>SCHEDULE 'C' (i) SECURED LOANS</b>	
<b>LOANS FROM BANKS :</b>	
From Syndicate Bank, Mayapuri, New Delhi Cash Credit against Stock & Book Debts	44,589,069
WC DL A/c against Stock & Book Debts	66,488,219
Term Loan against plant & machinery, land & building	14,876,664
<b>LOANS AGAINST HYPOTHECATION OF VEHICLES FROM :</b>	
ICICI Bank LIMITED, New Delhi	29,945
Tata Capital Car Loan	6,153,223
HDFC Bank Limited, New Delhi	491,438
<b>Total</b>	<b>132,628,558</b>
<b>SCHEDULE 'C' (ii) UNSECURED LOANS</b>	
Raj Profin Pvt. Ltd.	1,000,000
Rishu Agencies Pvt. Ltd.	1,500,000
Chin-Min Developers Private Ltd	564,365
Space Age Technical Services Private Ltd	5,088,583
S. S. Horticultures Private Limited	121,090
ADI Farms & Developers Private Ltd	350,000
<b>Total</b>	<b>8,624,038</b>

**NOTES:**

- i) Working capital limits are secured by stock and book debts of the Company.
- ii) Term loan of is secured against Machinery and Vehicles.
- iii) Secured loans include ₹121.05 lacs repayable within one year (Previous Year ₹137.63 Lacs).
- iv) The bank borrowings are collaterally secured by all the Fixed Assets of the company and the personal guarantee of Sh. Bhupinder Kumar, Sh. Gaurav Sekhri and Sh. Kapil Sekhri.

**SCHEDULE-D**  
**Consolidated Schedule of Fixed Assets Annexed to & Forming Part of the Balance Sheet**  
**as at 31.03.2011**

S. No.	DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as at 01.04.2010	Additions	Sale/ Adjustments	Balance as at 31.03.2011	For the year	Adjustment	Balance as at 31.03.2011	As at 31.03.2011	
		1	2	3	4	5	6	7	8	9
1	Land	48,251,650	91,720	-	49,268,920	-	-	-	49,268,920	-
2	Building	66,278,131	3,437,276	-	70,215,407	8,429,277	1,805,707	-	10,234,984	59,980,423
3	Plant & Machinery	79,949,683	35,911,472	(4,481,552)	111,379,623	13,551,286	4,773,205	-	18,324,491	93,055,132
4	Furniture & Fixtures	5,233,006	255,668	-	5,988,674	4,827,460	190,285	-	5,018,265	970,409
5	Electric Fittings	5,224,705	1,056,871	-	6,261,576	2,953,769	232,173	-	3,165,942	3,095,634
6	Office Equipments	3,778,475	966,865	(9,690)	4,735,650	3,216,025	64,645	(666)	3,280,004	1,455,646
7	Vehicles	30,253,255	2,444,331	(5,087,448)	27,610,138	8,357,998	2,580,904	(3,450,875)	7,487,127	20,123,011
8	Computer	8,087,693	604,566	(1,688,395)	7,003,864	6,685,780	357,536	(1,688,392)	5,362,944	1,640,920
9	Generator	5,280,549	-	-	5,280,549	1,752,144	274,576	-	2,026,720	3,253,829
10	Testing Equipment	2,754,890	526,602	-	3,281,492	510,752	154,720	-	665,472	2,616,020
11	Air Conditioner	793,347	103,345	(503,380)	393,312	609,529	16,759	(484,596)	141,692	251,620
12	Weighing Machine	1,364,920	67,544	-	1,432,464	620,619	66,142	-	686,761	745,703
13	100% Depreciable Assets	570,610	144,334	-	714,944	549,957	164,865	-	714,822	122
14	Intangible Assets- Goodwill	937,919	19,700	-	957,619	937,919	-	-	937,919	19,700
15	Agricultural Division Assets:									
	Building	47,703	-	-	47,703	4,247	4,412	-	8,659	39,044
	Agriculture Plantation (Jatropha)	-	6,512,579	-	6,512,579	-	471,077	-	471,077	6,041,502
	Plant & Machinery	2,065,116	-	-	2,065,116	163,483	98,065	-	261,578	1,803,538
	Office Equipments	15,000	-	-	15,000	1,439	713	-	2,152	12,848
	Computer	31,000	-	-	31,000	8,398	5,025	-	13,423	17,577
	Vehicle-Taxi	374,000	-	-	374,000	79,870	42,300	-	122,170	251,830
	100% Depreciable Assets	32,077	-	-	32,077	32,077	-	-	32,077	-
	<b>TOTAL-Current Year</b>	<b>267,925,729</b>	<b>52,948,423</b>	<b>(11,770,445)</b>	<b>309,101,707</b>	<b>53,280,049</b>	<b>11,302,759</b>	<b>(5,624,529)</b>	<b>58,958,279</b>	<b>245,143,428</b>
	CWIP/Pre-Operative Exps.	29,016,427	27,215,097	(37,665,354)	18,566,169	-	-	-	-	18,566,169
	<b>TOTAL-Current Year</b>	<b>297,942,156</b>	<b>80,163,520</b>	<b>(49,435,799)</b>	<b>322,667,876</b>	<b>53,280,049</b>	<b>11,302,759</b>	<b>(5,624,529)</b>	<b>58,958,279</b>	<b>263,709,597</b>

Note: (1) The depreciation amount related to Tuljapur Unit is not considered in Profit & Loss Account and is capitalised

(2) Depreciation of BGK Infrastructure Developers P Ltd. capitalised

(3) The depreciation charges for the year are net of reversal of excess provided in earlier years ₹ 1,01,242/-

(4) Capital work in progress includes advances ₹ 33,79,695/-

(5) Good will addition ₹ 19,700 is difference between Investment cost in stand alone TOL and paid up share capital of BGKIDPL.

24,620

75

11,278,066

**SCHEDULE D - CAPITAL WORK IN PROGRESS**

**Incidental expenses during construction (pending apportionment)**

Opening Balance		1,772,730
	Total (A)	<u>1,772,730</u>
Audit Fees		11,030
Bank Charges		1,805
Depreciation		73
General Expenses		1,000
Interest		58,067
Preliminary Exp. Written off		4,430
Printing & Stationery		376
Professional Charges		38,200
Fees & Taxes		118,450
Salary		67,505
Staff Welfare		270
Travelling Expenses		34,597
Website Expenses		<u>7,673</u>
		343,476
Less: Misc. Income		(-) 824
	Total (B)	<u>342,652</u>
	Grand Total (A + B)	<u><u>2,115,382</u></u>



## Schedule Forming Part of the Balance Sheet as at 31st March, 2011

SCHEDULE-E	DESCRIPTION	Amount (₹) As at 31-03-2011
<b>INVESTMENTS :</b>		
<b>(1) TRADE INVESTMENTS</b>		
<b>(2) NON TRADE INVESTMENTS</b>		
<b>LONG TERM INVESTMENTS (UNQUOTED)</b>		
<b>I INVESTMENT IN PREFERENCE SHARES :</b>		
1)	M/S. INDO ENTERPRISES (P) LTD. (UNQUOTED) 1,20,000 (P.Y 1,20,000) 9% Non-Cumulative Preference Shares of ₹ 10/- each at a premium of of ₹ 90/- each.	12,000,000
<b>Total</b>		<b>12,000,000</b>
<b>II. INVESTMENT IN EQUITY SHARES:</b>		
1)	Shiv Ratna Agro Product Pvt. Ltd. (Unquoted) 2,30,000 (PY 2,30,000) equity share of ₹ 10/- each fully paid up	2,306,500
2)	Keerthi International Agro Pvt. Ltd. (unquoted) 11,000 (PY 11,000) equity shares of ₹ 100/-each fully paid up	1,100,750
3)	Tinna Viterra Trade Pvt. Ltd (unquoted) 11,96,186 (PY 7,88,914) equity shares of ₹ 10/- each fully paid up 4000 (PY 4,000) equity shares of ₹ 10 each at a premium of ₹ 75.08 each fully paid up	11,961,860 340,320
4)	Nova Infratech Ltd. (unquoted) 1,50,000 (PY 6,75,200) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up	7,500,000
5)	Fratelli Wines Pvt. ltd. (unquoted) 930000 (PY 9,30,000) equity shares of ₹ 10/- each fully paid up	9,300,000
6)	B.S. Farms & Properties Pvt. Ltd. (unquoted) 1,00,000 (PY 6,06,700) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up	3,000,000
7)	Puja Infratech Pvt. Ltd. (unquoted) 1,90,000 (PY 2,50,000) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up	5,700,000
8)	Space Age Tech. Pvt. Ltd. (unquoted) 40000 (PY 40,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up	2,000,000
9)	S.S. Horticultures Pvt. Ltd. (unquoted) 98,000 (PY 3,60,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up	4,900,000
10)	Shiv Ratna Udyog Pvt. Ltd. (unquoted) 50,000 Equity shares of ₹ 10/- each fully paid up	500,000
11)	Gautam Overseas Limited (Unquoted) Refer Note No. 1 for 89,983 equity shares of ₹ 100/- each fully paid up	
<b>Total</b>		<b>48,609,430</b>
<b>Total Investment</b>		<b>60,609,430</b>
<b>NOTES:</b>		
1)	Aggregate Amount of :	
	Quoted Investments	-
	Unquoted Investments	60,609,430
<b>Total</b>		<b>60,609,430</b>
2)	Aggregate Market value of :	
	Quoted Investments	-
	Unquoted Investments	441,40,838
	Book Value*#	441,40,838
<b>Total</b>		<b>441,40,838</b>

\* Market Value is not referred in the absence of its availability, since the companies are in progressive stage

# The Book Value of Investments have been computed on the basis of financial statements available for the year ended 31.03.2010 except Shiv Ratna Udyog Pvt. Ltd., where invested amount has been taken to be the book value in absence of any Financial Statements.

### Schedule Forming Part of the Balance Sheet as at 31st March, 2011

DESCRIPTION	Amount (₹) As at 31-03-2011
<b>SCHEDULE 'F' CURRENT ASSETS, LOANS AND ADVANCES :</b>	
a) <b>INVENTORIES (As taken valued &amp; certified by the management)</b>	
Stores, Spares & Others	916,017
Raw Material	60,076,398
Work in Progress	2,202,786
Finished Goods	20,673,462
Add: Excise duty on finished goods	1,932,503
	<u>85,801,166</u>
b) <b>SUNDRY DEBTORS (Unsecured, unconfirmed but considered good)</b>	
More than Six Months	7,467,253
Less :Provision for doubtful debts	(596,313)
Others	116,047,400
Less :Provision for doubtful debts	-
	<u>122,918,340</u>
c) <b>CASH AND BANK BALANCES</b>	
Cash in hand	721,142
Balance with Scheduled Banks :	
In Current Accounts	2,079,792
In Fixed Deposit Account	10,586,826
	<u>13,387,760</u>
d) <b>OTHER CURRENT ASSETS</b>	
Claims Receivable	32,606,930
Security Deposits	2,293,095
Less : Provision for Doubtful debts	(115,525)
Excise Duty P.L.A / Modvat / Service Tax / Vat	2,924,320
Other Assets	788,690
	<u>38,497,510</u>
e) <b>LOANS &amp; ADVANCES</b>	
Advance Recoverable in Cash or kind or for value to be received	22,331,329
Other Advances	6,290,527
Tax deducted at source	1,701,722
	<u>30,323,578</u>
<b>Total</b>	<u>290,928,354</u>
<b>Grand Total</b>	<u>290,928,354</u>
<b>SCHEDULE 'G' CURRENT LIABILITIES &amp; PROVISIONS</b>	
<b>Current Liabilities</b>	
Sundry Creditors for Goods Services & Expenses	42,866,954
Government Dues	8,714,648
Share Application Money	900,000
Other Liabilities	12,265,372
	<u>64,746,974</u>
<b>Total (A)</b>	<u>64,746,974</u>
<b>Provisions</b>	
Income Tax	2,590,285
Wealth Tax	671,126
Bonus	712,663
Ex-gratia	522,585
Gratuity	6,038,049
Leave Encashment	612,810
	<u>11,147,518</u>
<b>Total (B)</b>	<u>11,147,518</u>
<b>Grand Total (A+B)</b>	<u>75,894,492</u>



**Schedule Forming Part of the Profit & Loss Account for the year ended 31st March, 2011**

DESCRIPTION	Amount (₹) 2010-2011
<b>SCHEDULE 'H' SALES</b>	
Sales ( Modifier)	362,249,160
Sales CTCR	3,063,750
Sale- PTSA Crumb Rubber 40# Mesh	18,548,750
Sale CRMB/PMB	442,705,837
Modification Charges	24,229,721
Sale- Fine Crumb Rubber	44,883,087
Sale Soya Doc Yellow	269,151,549
Sale Natural Asphalt	155,430
Equipment Rental Income (Mobile units)	3,864,746
Equipment Rental Expenses(inter unit)	(2,999,706)
<b>Total</b>	<b>1,165,852,324</b>
<b>SCHEDULE 'I' OTHER INCOME</b>	
Interest Received	1,795,444
Rent Received	1,480,312
Profit on Sale of Assets	1,597,841
Freight on sales Recovered	6,918,478
Profit on Sale of Investment/ Shares	-
Foreign Exchange Fluctuation	460,020
Misc Income	2,093,528
<b>Total</b>	<b>14,345,623</b>
<b>SCHEDULE 'J' VARIATION IN STOCK :</b>	
<b>CLOSING STOCK:</b>	
Semi-Finished Goods	2,202,786
Finished Goods including traded goods	22,605,965
Less: Excise Duty	(1,932,503)
<b>Total (A)</b>	<b>22,876,248</b>
<b>OPENING STOCK:</b>	
Semi-Finished Goods	55,389
Finished Goods	3,779,218
Less: Excise Duty	(449,779)
<b>Total (B)</b>	<b>3,384,828</b>
Variation in Stock	<b>(A-B)</b>
	<b>19,491,420</b>
<b>SCHEDULE 'K' MANUFACTURING EXPENSES :</b>	
<b>Raw Material Consumed:-</b>	
Opening Stock	32,827,046
Add : Purchase	693,448,587
Less : Closing Stock	(60,076,398)
Purchase Fine Crumb Rubber	29,174,083
Purchase Soya Doc Yellow	268,430,586
Electricity & Water Charges	11,614,998
Short in Process	-
Consumable Stores Consumed	4,425,744
<b>Packing Material Consumed:-</b>	
Opening Stock	465,734
Add : Purchase	6,081,475
Less : Closing Stocks	(688,846)
Grinding/Handling Charges	386,030
Repair to Machinery	5,508,638
Establishments	47,123,381
Contribution to PF & ESI	5,222,814
Staff Welfare	3,394,709
Rent - Factory	2,043,520
Freight & Carriage Others	1,097,675
<b>Total</b>	<b>1,050,479,776</b>

**Schedule Forming Part of the Profit & Loss Account for the year ended 31st March, 2011**

DESCRIPTION	Amount (₹) 2010-2011
<b>SCH-'L' OFFICE, ADMINISTRATIVE &amp; OTHER EXPENSES</b>	
Rent	539,826
Printing & Stationery	1,241,957
Tour & Travelling Expenses	15,233,518
Conveyance	3,403,023
Festival Expenses	1,303,722
Telephone, Telex & Fax	2,174,899
Postage & Courier	416,107
Vehicle Maintenance	3,840,172
Repairs & Maintenance	3,669,160
General Expenses	271,246
Insurance Charges (Others)	926,121
Legal & Consultancy	4,275,885
Donation	89,183
Director's Remuneration	2,920,800
Short & Excess Recovery, balance written off	191,359
Rates, Taxes & Fees	4,674,060
AGM Expenses	281,151
Loss on Sale of Fixed Assets	652,389
Difference in Foreign Exchange Fluctuation	651,844
Provision for doubtful Debts	665,389
Bad Debts	4,281,915
Interest Others	2,665,054
Penalty	108,847
Agricultural Expenses (Tuljapur)	128,533
Auditor's Remuneration	753,500
<b>Total</b>	<b>55,359,660</b>
<b>SCH-'M' SELLING &amp; DISTRIBUTION EXPENSES</b>	
Advertisement	88,269
Membership & Subscription	212,229
Freight & Clearing Charges	25,670,313
Lab Exp./Research & Development	1,110,119
Commission & Brokerage	7,222,233
Discount/Shortage	691,622
Business Promotion	7,897,306
Sales Tax	3,979
<b>Total</b>	<b>42,896,070</b>
<b>SCH-'N' FINANCIAL CHARGES</b>	
Bank Charges	2,635,591
Interest Paid	19,299,412
<b>Total</b>	<b>21,935,003</b>

**SCHEDULE 'O' FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31.03.2011 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011****SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS FOR THE YEAR ENDING 31.03.2011****ACCOUNTING POLICIES & NOTES ON ACCOUNTS****(A) PRINCIPLES OF CONSOLIDATION:**

1. The consolidated financial statements envisage combining of financial statement of M/s Tinna Overseas Ltd. And its 100% subsidiary M/s BGK Infrastructure Developers P Ltd.
2. **Principles of Consolidation:**
  - i) The financial statements of the Company and its subsidiary company are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions resulting in unrealized profit or losses in accordance with Accounting Standard (AS-21) - "Consolidated financial Statements" issued by the Institute of Chartered Accountants of India.
  - ii) The difference between the cost of investment in the subsidiary, over the net assets, at the time of acquisition of share in the subsidiary, if any, is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
  - iii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements. Variation in the respective accounting policies is given effect in the consolidated financial statements only if the impact is significant.

**(B) SIGNIFICANT ACCOUNTING POLICIES:****1. GENERAL:**

- a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting standards and relevant provisions of the Companies Act, 1956 as adopted consistently by the company.
- b) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis, except that certain transactions are accounted on cash basis, since it is not possible to ascertain with reasonable accuracy the quantum to be provided for, such as (i) bank commission / charges on foreign transactions (ii) insurance claims (iii) export demurrages or claims (iv) interest on calls in arrears / doubtful loans & advances (v) income tax / value added tax / wealth tax / service tax / excise duty / cess.

**2. USE OF ESTIMATES:**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that effect reportable amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

**3. FIXED ASSETS:**

- a) Fixed assets are stated at cost of acquisition net of cenvat credit of excise duty/ countervailing duty or of construction, including preoperative financial and incidental expenses attributable to acquisition or construction of fixed assets less depreciation.

- b) Capital work in progress are carried at cost, comprising direct costs, related incidental expenses, attributable interest & advances to supplier/ contractor on its performance.
  - c) Expenses of revenue nature, which are related to project setup are transferred to capital work in progress pending capitalisation. These expenses are to be allocated to fixed assets in the year of commencement of the related projects.
4. **DEPRECIATION:**
- a) Fixed assets have been depreciated on straight line method in accordance with the rates as prescribed in Schedule XIV and provisions of the Companies Act, 1956 on such assets put to use.
  - b) Assets costing not more than ₹ 5,000/- each individually are depreciated at 100%.
  - c) Buildings on the leasehold/ rental premises are amortised over the lease period.
5. **INVESTMENTS:**
- a) Long term investments are valued at cost after appropriate adjustment, if necessary for permanent diminution in their value.
  - b) Current investments are stated at lower of cost and fair value on the date of Balance sheet.
6. **INVENTORIES:**
- a) The raw materials, stores & spare parts are valued at cost. The raw material, stores & spares & raw material contents of work in progress are valued by using the first in first out (FIFO) method while the finished goods are valued by using weighted average cost method. Cost relating to finished goods mean direct raw material, labour cost & allocable overhead manufacturing expenses.
  - b) Work in progress and material in progress are valued at raw material cost & additionally any specific cost attributable to such WIP.
  - c) Finished goods are valued at cost plus excise duty or realizable value whichever is lower. The policy of valuation of inventories is in accordance with Accounting Standard-2 (Revised) of the Institute of Chartered Accountants of India.
  - d) Damaged goods / scrap stocks are valued at expected realizable value.
7. **TAXES:**
- a) **DIRECT TAXES:**
    - i) **INCOME TAX / WEALTH TAX:**

Provision for income tax, if any, is based on assessable / assessed profits / losses computed in accordance with the provisions of the Income Tax Act, 1961. Wealth tax is ascertained in accordance with the provisions of the Wealth Tax Act 1957.
    - ii) **DEFERRED TAX:**

Deferred income tax, expense or benefit is recognized on timing differences, being the difference between the accounting income and the taxable income that originate in one period & are capable of reversal in one or more subsequent periods. Deferred tax assets or liabilities are measured using the tax rates and laws enacted or substantively enacted as on balance sheet date.

Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**b) INDIRECT TAXES:****i) EXCISE DUTY**

Excise duty (including education cess) has been accounted for in respect of the goods cleared. The company is providing excise duty liability in respect of finished products.

**ii) SERVICE TAX:**

Service Tax has been accounted for in respect of services rendered.

**iii) SALES TAX / VALUE ADDED TAX:**

Final sales tax liability / Value added tax liability is ascertained on the finalisation of assessments in accordance to provisions of sales tax laws / value added tax laws of respective states where the company is having offices/works.

**8. REVENUE RECOGNITION:****a) SALE:**

- i. Export sale is recognized as on the date of shipment and accounted on the rates prevailing on the date of negotiations of documents. The revenue in respect of export benefit is recognized on post exports basis, at the rate at which the entitlement accrues.
- ii. Domestic sales are inclusive of excise duty.
- iii. In case of Job works, the system of accounting in financial books are to consider net effect of material received and dispatched whereas in excise records complete details of input / output quantity and excise duty is accounted for.
- iv. In respect of Mobile blending unit where company has got composite price of material consumed & equipment rental, the rate for equipment rental is calculated on the basis of charge received under similar job work arrangements with government refineries and the remaining portion of income is considered as sale price of material.

**b) INTEREST INCOME:**

Interest income is recognised on accrual basis, except on doubtful or sticky loans and advances.

**c) DIVIDEND FROM INVESTMENT IN SHARES:**

Dividend income is recognized when the right to receive the payment is established.

- d) In case of subsidiary, revenue from lease rentals will accrue from the tenant on completion of the project and to be recognized on a time proportion basis.  
In case of subsidiary, revenue from lease rentals will accrue from the tenant on completion of the project and to be recognized on a time proportion basis.

**9. GRATUITY/RETIREMENTS BENEFITS:**

- a) Company's contribution to provident fund are charged to profit & loss account.
- b) The company is following the Accounting Standard-15 (Revised) issued by The Institute of Chartered Accountants of India for gratuity and leave encashment and the same is valued on the basis of actuarial valuation.

**10. RESEARCH AND DEVELOPMENT:**

Net of revenue expenditure on research and development is charged to profit and loss account in the year in which it is incurred. Capital expenditure on research and development is shown as fixed assets and depreciation is considered.

**11. FOREIGN EXCHANGE TRANSACTIONS:**

- a) Foreign currency transactions are accounted for at equivalent rupee value converted at the exchange rates prevailing at the time of such transaction.
- b) Export on collection / import on payment basis, as on the close of the year are finally adjusted on the basis of exchange rates prevailing as on that date through exchange fluctuation account to the respective accounts as per the guidance issued by The Institute of Chartered Accountants of India.
- c) Short / excess payments received for export on account of difference in foreign exchange are accounted through exchange fluctuation account.
- d) Bank guarantee and letter of credits are recognized at the point of negotiation with banks and converted at the rates prevailing on the date of negotiation, however, outstanding at the period end are recognized at the rate prevailing as on that date and total sum is considered as contingent liability.
- e) Short / excess payment for import/export on account of difference in foreign exchange are charged to the profit & loss account.

**12. BORROWING COST:**

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue in the period in which they are incurred.

**13. IMPAIRMENT OF ASSETS:**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and value in use. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**14. LEASES:**

Leases of assets under which the lessor effectively retains all the risks and benefits of ownership are classified as operating lease. Payments made under operating lease are charged to profit and loss account over the period of lease.

**15. SEGMENT REPORTING:****(a) Primary Segment: Business Segment**

The company's operating business are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products. The identified segments are bitumen division, trading in poultry feed, agricultural activity division and warehousing and infrastructure.

**(b) Secondary segment: Geographical Segment**

The analysis of geographical segment is not applicable since all the works are situated within India including exports executed from India.

**(c) Unallocated items:**

All common income, expenses, assets and liabilities where so ever are not possible to be allocated to different segments are treated as unallocated items.

**16. OPERATING EXPENSES:**

For works performed at the site of refineries and deduction made by them for expenses - electricity and steam charges etc. are accounted for on accrual basis.

**17. PRIOR PERIOD ITEMS:**

Significant items of income & expenditure which relate to prior accounting period, other than those occasioned by events occurring during or after the close of year and which is treated as relating to the current year are accounted in the profit & loss account under respective head of account.

**18. PRELIMINARY EXPENSES:**

Preliminary expenses are written off over 5 years.

19. In Case of subsidiary, provision involving substantial degree of estimation are recognized where there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized in financial books but are disclosed in the notes.

**(C) NOTES ON ACCOUNTS**
**1. Contingent liabilities:-**

(Amount in ₹)

31.03.2011

i) Bond executed in favour of Asst. Commissioner of Central Excise, New Delhi. Shoes division\* Nil

\*The footwear unit situated at A - 151, Mayapuri Industrial Area, Phase - II, New Delhi was closed and disposed off in 2003, hence the company had applied for release of the bond vide letter dated 17.08.2005 & followed by letter dtd. 02.08.2011. Although the bonds of ₹ 1,25,00,000/- are still lying with the department and is not received, however Company has received no due certificate no CE-20/Misc./R-26/MOD-V// 2002 dated 23.08.2011 from the Office of the Superintendent of Central Excise, Janak Puri New Delhi.

ii) (a) Bank Guarantee 894,72,633  
(b) Foreign Letter of Credit (Margin money held ₹ 1,00,00,000) 61,54,390

iii) Surety with Sale Tax / Vat (Margin) money as FDR of ₹ 69,840/- 55,000

iv) Claim against the company / disputed liability not acknowledged as debts (Jai Bharat Tanners) 17,76,558

v) M/s National Ability obtained Arbitration Award from Hon'ble court of London (UK) against Tinna Finex Limited. The claimant had filed a petition in 1998 in the Hon'ble High Court of Delhi to make the Arbitration Award as rule of this court. The other company (TFL) has contested the same and the matter was decided in favour of National Ability. TFL filed Special Leave Petition (SLP) in Hon'ble Supreme Court of India and was decided, whereby under noted liability continued to exist:

(a) USD 819,983.16 together with interest @ 7% p.a. from 01.10.1995 to 19.11.1998 which works out to be USD 1,80,059.32

AND

(b) also cost in the same matter GBP 2,05,805.31 together with interest @ 7% p.a. from 19.11.1998 until the day of final payment to M/s National Ability.

As per order of Hon'ble Company Law Board (CLB) order dated 9th June 2009 effective from 5th January 2009, family settlement between share holder of TFL and Tinna Overseas Ltd (TOL). 50% of the liability was undertaken by TOL and balance with TFL.

In further development National Ability settled the matter with ADM Cocoa Pte Ltd, Singapore (ADM) by entering into an agreement dated 13.10.2010 with ADM for total consideration of USD 11,35,000/- and assigning its rights and interest in favour of ADM.

ADM has settled aforesaid liability of TFL as decided vide agreement dated 15th July 2011 towards its claim with TFL and accordingly filed application dated 16th July 2011 in the Hon'ble High Court of Delhi intimating the settlement and the assignee(ADM) has sought permission to withdraw the case. Hon'ble High court of Delhi has allowed substitution of ADM in place of National Ability and also allowed the application to withdraw the case vide order dated 18th July 2011.

- vi) Income Tax Department has filed an Appeal with the High court of Delhi for the F.Yr. 2000-01 against the order dated 17.07.2009 passed by The Income Tax Appellate Tribunal, Delhi. The appeal is admitted by the Hon'ble High Court of Delhi with respect to disallowance of the expenses of ₹ 1, 90,91,839-(Tax amount ₹ 73,50,358/-excluding interests).
  - vii) The company has filed appeal before the Commissioner of Income Tax (Appeals), New Delhi against the disallowance of expenses of ₹ 42, 53,968/- in the assessment order for the financial year 2007-08 and the proceeding are in progress. No additional tax demand is created as for the year company is liable to pay Minimum alternate Tax which had been deposited.
  - viii) Company manufactures Crumb Rubber/Polymer Modified Bitumen at Panipat (Haryana). The Haryana Government has issued order of clarification vide letter no 1564-1566/ST-1 dated 19/11/2009. As per the clarification Modified Bitumen is different than the Bitumen and accordingly Modified Bitumen falls in unclassified goods and attracts higher rate of local VAT @ 12.50%. Company has contested and submitted that Modified Bitumen should fall under the category of Bitumen only. In this context company has filed appeal before the Haryana Tax Tribunal, Chandigarh arguing that bitumen is a generic term and includes and refers to all kinds and varieties of bitumen. Pending decision on the appeal company has not made provision of additional Value Added Tax liability of ₹ 5,12,060/- (Net of recovery ₹ 4,90,519/-)
  - ix) Company had entered into agreement to sell 89,983 equity shares of ₹100 each of Gautam Overseas Ltd. during 2009-10 for ₹ 90,00,000/- (Rupees ninety lacs). The Company Law Board earlier granted stay order dated 28.06.2010 restraining the company to transfer the shares. The company had filed appeal in the Hon'ble High Court of Delhi against the matter and the same was restored to the Company Law Board for reconsideration. Any further impact in the accounts is contingent upon the final order by the appropriate authority.
  - x) Two Ex- Directors of Company claimed regular monthly remuneration @ ₹ 5,00,000/- per month since August 2009 based on decision of Company Law Board. The total dues upto 31st March 2011 is ₹ 1,00,00,000/- for which the matter is pending with the Company Law Board. Any impact in the accounts is contingent upon the final order by the appropriate authority.
  - xi) Non provision of expenses relating to compounding fees / security provided under Uttar Pradesh Value Added Tax Act ₹ 3,46,575/-, the matter is under contest
2. Capital Commitment: Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 3,23,92,497 net of advances
  3. M/S B.G.K. Infrastructure Developers (P) Ltd. has become 100% subsidiary of Company during the year 2010-2011. 1(one) share is held by Mr. Bhupinder Kumar, Whole time Director as nominee of company.
  4. The company has an agriculture business segment (Jatropha Plantation) located at Tuljapur (Maharashtra). The company's policy was to capitalize all the expenditures including depreciation till the period of completion of first phase of the unit ie 31 May 2010. The total capital cost of the unit is amortised over the remaining period of lease period expiring on 5th December 2021



**5. Disclosure on 'Employee Benefits'**

The disclosure required under Accounting Standard 15, "Employee Benefits" (Revised) notified in the Companies (Accounting Standards) Rules 2006, are given below:-

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, paid during the year is as under:-

Particulars	Amount in ₹
	2010-11
Employer's Contribution to Provident Fund	13,01,280
Employer's Contribution to Family Pension Fund	29,53,586

**Defined Benefit Plan**
**Gratuity**

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(Amount ₹)

Sr. No.	Particulars	Gratuity 2010-11
a)	<b>Change in Present Value of Defined Benefit Obligations</b>	
	Defined Benefit obligation as on 01.04.2010	30,20,930
	Current cost	10,31,997
	Interest cost	2,48,544
	Actuarial (Gain)/ Loss	17,65,771
	Benefits paid	(32,308)
	Defined benefits obligation as on 31.03.2011	60,34,934
b)	<b>Change in fair value of plan assets</b>	
	Fair value of plan assets as on 01.04.2010	-
	Expected return on plan assets actuarial (Gain/Loss)	-
	Employer Contribution	-
	Benefits paid	-
	Fair value of plan assets as on 31.03.2011	-
	Actual return on plan assets	-
c)	<b>Reconciliation of fair value of assets and obligations</b>	
	Fair value of plan assets as at 31st March, 2010	-
	Present value of obligations as at 31st March, 2011	60,34,934
	Amount recognized in the balance sheet	
d)	<b>Expenses recognized in profit &amp; loss account</b>	
	Current service cost	10,31,997
	Interest cost	2,48,544
	Expected return on plan assets	-
	Actuarial (Gain)/Loss	17,65,771
	Net cost	30,46,312
e)	<b>Investment details</b>	
	L.I.C. group gratuity policy	-
f)	<b>Actuarial assumption</b>	
	Mortality table	LIC
	Discount rate (per annum)	(1994-96)
	Expected rate of return on plan assets (per annum)	8.25%
	Rate of escalation in salary (per annum)	0%
		5.00%

The estimates of rate is escalation in salary's considered in actuarial valuation and other factors such as inflation seniority, promotion and other relevant factors including supply and demand in the employment market have been taken into account. The above information is certified by the actuary.

6. The company's public issue of 21,63,600 equity shares of ₹ 10/- each for cash at a premium of ₹ 85/- per share aggregating to ₹ 2,055.42 lacs and firm allotment of 1,50,000 equity shares of ₹ 10/- each for cash at a premium of ₹ 100/- per share aggregating to ₹ 165.00 lacs to NRI's/OCB's opened for subscription on 20th March, 1995 was oversubscribed. Allotment was made on 23rd May, 1995 and allotment money / final call was made on 27.05.95. Amount receivable on account of calls in arrears have been apportioned between share capital and share premium account in the ratio of one to eight.
7. Calls in arrears are subject to reconciliation and confirmation, however no interest has been provided thereon.
8. FDR's ₹ 105,86,826/- including accrued interest, are charged against bank guarantees / sureties and same are under the lien of various banks.
9. d) Remuneration / Commission paid to Chairman and directors determined by Board of Directors is ₹ 35,76,000/-.

Particulars	(Amount in ₹) 2010-11
ii) Remuneration/commission paid to directors	29,20,800
Perquisites (valued as per Income Tax Act)	79,200
Provident Fund	5,76,000

Although profit for the year 2010-11 are inadequate however, company paid remuneration as per Schedule XIII of the Companies Act, 1956. The excess payment of ₹ 18,79,200 is lying under trust. The directors undertake to reimburse.

10. Company was awarded Work Order No. WQA074A dtd. 20.07.2009 by Mangalore Refinery & Petrochemical Ltd. (MRPL) for making modified bitumen. As per work order company shall transfer plant of gross block ₹ 2,34,36,301/- & (WDV ₹ 1,83,78,651/-) in complex of MRPL at nominal amount of ₹ 1/- on 05.07.2014. The work order prescribed quantity of 3,55,000 mts. to be processed during work order period 05.07.2009 to 05.07.2014, but till 31.03.2011 only 73,363 (20.67%) mts. has been processed. As the quantity specified in the work order is not processed fully, so the company has not amortized the plant as per aforesaid period & has depreciated as per rates provided in Schedule-XIV as the company proposes to hold the plant up to actual modification work completion.

II. Related Party Disclosure:													
As per AS-18 issued by The ICAI, the Company's related parties and transaction with them are disclosed as under:													
(A) Parties that control or are under common control													
Under the same management, i.e. 72% of the Companies are:													
(B) Enterprises that are associates of the Company or in respect of which company is an associate:													
1. Tinna Vicon Trade Private Limited (TYTPM)													
(2) Earth Works Private Limited (EWPL)													
(3) Pratham Kval Technology Ltd (PKTL)													
(4) Eco-Pac Farms & Properties Private Limited (EPPPL)													
(5) Saurajya Agency Private Limited (SAPPL)													
(6) Shrawan Agro Products Private Limited (SAPPL)													
(7) Bona Infotech Ltd (BIL)													
(8) Sri Farm & Land Development Private Limited Ltd (SFLD)													
(9) Space Age Technical Services Private Limited (SATSL)													
(10) S S Horticulture Private Ltd (SSHPL)													
(C) Enterprises on which company has significant influence:													
(1) Cochin Development Private Limited (CNDPL)													
(2) Gaur Infotech Private Limited (GIFL)													
Transaction													
	TYTPM	EWPL	PKTL	RPPLZL	GWPL	SAPL	CHOPPL	SOAPPL	NIL	ATPL	SATSL	SSIFPL	Total
Loan Received	5,000,000	2,500,000					1,000,000			300,000			8,800,000
Loan Granted	5,000,000	2,400,000					1,000,000						8,800,000
Interest Expenses (Gross)	32,126	13,828					914						46,958
Loan given					3,105,600		2,500,000						5,605,600
Loan repayment received					3,105,600		2,500,000						5,605,600
Interest Earned (Gross)					77,425		6,164	83,137					166,726
Receipts of franchise/royalty/development maintenance charges	1,827,626												1,827,626
Other Receipts	41,172												41,172
Business Revenues - Expenses	292,403												292,403
Other Expenses													
Purchase of Vehicle			35,000										35,000
Share of Profit/(Loss) of Subsidiary/Developer P Ltd. Purchased							30,15,000		30,15,000				60,30,000
Advance Given for Shares	1,00,000												1,00,000
Share Allotment Received	4,07,720												4,07,720
Refund of Advance for Share	6,20,000												6,20,000
Sale of Share of Nova Infotech - Jd							26,290,000						26,290,000
Sale of Share of B S Farms Proprietor P Ltd							15,201,000						15,201,000
Sale of Share of P.A. Horti-tech P Ltd							1,800,000						1,800,000
Sale of Share of SS Horticulture P Ltd							13,100,000						13,100,000
Advance Received Against Sale of Investment													
Refund of Advance Received Against Sale of Investment													
Outstanding balance at the end of year:			25,000	12,437	69,682		559,651	6,200,572		350,000	3,098,283	131,000	10,671,543
Receivable	211,324												211,324
Payable													

(B) Key management personnel and their relatives :

- Mr. Bhupinder Kumar Sekhri whole time Director
- Mr. Kapil Sekhri whole time Director
- Mrs. Shobha Sekhri Executive
- Mrs. Puja Sekhri Executive
- Mrs. Aarti Sekhri Executive
- Mr. Gaurav Sekhri Additional Director upto 26.07.2010

(Amount in ₹)  
2010-11

Nature of Transaction

Remuneration/Salary

52,00,000

i) Mr. Bhupinder Kumar Sekhri

(Amount in ₹)  
2010-11

Particulars

Imprest given	15,60,000
Refund of Imprest received	15,60,000
Loan Received	1,45,00,000
Loan Repaid	1,45,00,000
Interest Expenses(gross)	98,877
Purchase of shares of BGK Infrastructure Developers P Ltd	50,000
Outstanding balance at the end of year: Receivable	8,50,611
Payable : Share Application Money in the subsidiary	9,00,000

ii) Mr. Kapil Sekhri

(Amount in ₹)  
2010-11

Particulars

Imprest given	2,60,000
Refund of Imprest received	2,60,000
Loan Received	2,00,00,000
Loan Repaid	2,00,00,000
Interest Expenses(gross)	3,59,548
Outstanding balance at the end of year: Receivable	5,84,692

iii) Mr. Gaurav Sekhri

Purchase of shares of BGK Infrastructure Developers P Ltd	50,000
Repayment of loan	5,000

iv) Mrs. Puja Sekhri

Purchase of shares of BGK Infrastructure Developers P Ltd	17,45,000
-----------------------------------------------------------	-----------

12. a) Company's main business has been with various units of M/s. Indian Oil Corporation Ltd. and Mangalore Refinery & Petrochemicals Limited. Now the company has started business with other private parties also. The company has not received confirmed statement ever since business started except private parties. However Company is doing reconciliation of accounts by drawing inference from the advise received along with payment from such parties.

b) In the opinion of the board, the current assets, loans and advances for which company holds only the personal security, have realizable value in the ordinary course of business at least equal to the amount at which they are stated.

c) Sundry debtors include:-

Suit for recovery against GNT LTD. was decreed for and in favour of company by way of judgment dated 10.08.2005 for ₹ 46, 82,457.40 along with interest and costs. The decree is under execution process. The GNT Ltd. has finally agreed to pay CAD 47,500- (as against earlier offer of CAD 32,010) to the company for the

settlement of the same through the Superior Court of Justice, Ontario. The company has accepted the same and the ir-recoverable balance of ₹ 24, 66,534- has been written off.

d) Other current assets:-

i) Claim receivable ₹ 2, 75, 44,112/- from M/s. F.C.I and M/s P.E.C for which the company has filed suits for recovery along with interest @ 12% and is hopeful of recovery. However, as per order of Company Law Board dated 9th June, 2009 with effect from 5th January, 2009, if any amount is received, the amount to the extent of 50% will be paid to petitioner viz. Sh Vijay Kumar Sekhri & others and Sh. Anil Kumar Sekhri & others.

ii) Loan and advances includes:-

(a) ₹ 1, 90,000/- recoverable from KRM International (Shoe) for which the company has succeeded in the High court vide order dated 28.05.2010 against the order of lower court regarding dismissing of appeal on limitation of period. The account has been settled for ₹ 240,000 before the Hon'ble court and the company has written off ₹ 2, 11,988/-.

b) Amount due from Directors ₹ 5,84,692/-, maximum balance during the year ₹ 9,79,200/-.

c) Loan given to Chin-Min Developers Private Ltd of ₹ 25, 00,000/- during the year however outstanding balance at the year end is ₹ 5,548/-. Maximum balance outstanding during the year ₹ 25, 00,000/-.

d) The company had given unsecured loan to Tinna-Viterra Trade Private Limited in the previous year on 18th Jan 2010 of ₹ 50, 00,000/-. The principal was recovered on 2/3/2010 & 4/3/2010 and interest charged upto the date of receipt of payment ₹ 74,438/- was recovered on 07/04/2010. However, interest is termed as composite part of loan.

e) Balance of debtors / creditors, loans & advances are subject to reconciliation and confirmation.

13) The company has requested its suppliers to intimate whether they are registered under "The Micro, Small and Medium Enterprises Development Act, 2006. Pending receipt of intimation from suppliers, the amount due to the supplier under the said law could be / not determined. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

14) Segment Information:

The following table presents segment revenues, results, assets & liabilities in accordance with AS-17 issued by Institute of Chartered Accountant of India.

(₹ in Lacs)

	Bitumen Division	Tuljapur (Agriculture) Division	Trading Activities	Warehousing & Infrastructure	Unallocable	Total
	2010-11	2010-11	2010-11	2010-11	2010-11	2010-11
Turnover	8,967.00	-	2,691.52			11,658.52
Other Income	110.45	-	-		33.01	143.46
Total Revenue	9,077.45	-	2,691.52		33.01	11,801.98
Segment Result Net Profit/(Loss)	1,115.75	(7.26)	7.21		(1,049.14)	66.56
Segment Assets	4,160.44	81.67	-	332.48	1,577.89	6,152.48
Segment Liabilities	582.02	3.84	-	70.78	1,759.54	2,416.18
Depreciation	79.30	5.97	-		27.51	112.78
Capital Expenditure/(Assets/WIP)	371.38	0.24	-	12.60	40.32	424.54

15) Accounting for leases has been done in accordance with Accounting Standard-19 issued by the Institute of Chartered Accountants of India. The details of lease transactions are as under:-

(a) Finance Lease:

The company does not have any finance lease arrangements.

(b) Operating Lease:

- i. Lease rentals recognized as expenses in the profit and loss account for the period ₹ 25, 83,346/-
- ii. The company has entered into operating leases for factory buildings and leasehold lands that are renewable on a periodic basis and cancelable at company's option. The company has not entered into sub-lease agreements in respect of these leases.
- iii. The total of future minimum lease payments under non cancelable leases are as follows:

Particulars	(Amount in ₹) 31.03.2011
Not later than one year*	24,95,354
Later than one year but not later than five years*	50,58,514
Later than five years* (2016 to 2022)	9,06,386

\*The above future minimum lease payments do not include rent paid of ₹ 5,39,826/- for residence of staffs/labourers of the company for which no formal written lease arrangements exist under cancelable at the option of the company.

16) Earning Per Share:

Particulars	2010-11
(a) Calculation of weighted average number of Equity Shares of ₹ 10 each	
Equity shares outstanding at the beginning of the year	85,64,750
Equity shares outstanding at the end of the year	85,64,750
Weighted Average no. of equity shares outstanding during the year	85,37,024
(b) Net Profit after tax available for equity shareholders	66,56,262
(c) Basic and diluted earning per share	0.78

17) In accordance with the Accounting Standard 22 issued by the ICAI, the company is having a deferred tax liability of ₹ 244.71 lacs on timing difference as on 31st March, 2011.

Deferred tax calculation	(Amount in ₹) As at
<b>Particulars</b>	<b>31.03.2011</b>
<u>Deferred tax liabilities on account of :-</u>	
Difference of depreciation as per Companies Act and Income Tax Act	(2,78,70,929)
<u>Deferred tax assets on account of :-</u>	
Leave Encashment	2,00,717
Gratuity	19,75,000
Bonus & Ex-gratia	4,00,894
Disallowance u/s 43 B	8,23,173
<b>Total Deferred Tax Assets/(Liabilities)</b>	<b>(2,44,71,145)</b>

Less Provision made till last year	1,75,24,956
Deferred tax asset (liability) accounted in profit and loss account	(69,46,189)
18) Auditors Remuneration:*	(Amount in ₹)
<b>Particulars</b>	<b>2010-11</b>
Audit Fees	5,60,000
Tax Audit Fees	1,50,000
Other Services	53,500
<b>Total</b>	<b>7,63,500</b>

\*Exclusive of service tax.

19) Additional information pursuant to paragraphs 3, 4C & 4D of the part II of Schedule VI of the companies act, 1956.  
(as certified by the management).

	Quantity (MT)	2010-11 Amount (₹)
<b>I) TURNOVER:</b>		
Bitumen Modifier	15,287.500	362,249,160
Soya Doc Yellow	14,448.280	269,151,549
Modification Charges	-	24,229,721
Modified Bitumen	15347.325	442,705,837
Others(include ₹ 29,99,706 internal divisional income)		67,516,057
		<b>1,165,852,324</b>
<b>II) RAW MATERIAL CONSUMED:</b>		
Natural Asphalt (including sale 9 MT ₹ 155,430 previous year nil)	4,819.204	83,643,214
Rubber Crumb	13,666.378	206,318,725
P.T.S.A	99.190	5,012,627
Bitumen	13,437.850	343,493,224
Others	652.852	27,731,445
		<b>666,199,235</b>
<b>III) Purchase of Trading Material</b>		
Fine Crumb Rubber	1,945.854	29,174,083
Soya Doc Yellow	14,448.280	268,430,586
		<b>297,604,669</b>
<b>IV) DETAIL OF OPENING AND CLOSING STOCKS</b>		
<b>a) OPENING STOCK:</b>		
<b>i) FINISHED GOODS:</b>		
Bitumen Modifier	50.716	811,917
Modified Bitumen	105.772	2,967,301
		<b>3,779,218</b>
<b>ii) WORK IN PROGRESS:</b>		
Bitumen Modifier (Chemically Treated Crumb Rubber)	3.458	55,389

b) CLOSING STOCKS:		
i) FINISHED GOODS:		
Bitumen Modifier	840.108	15,839,345
Modified Bitumen	117.913	3,597,626
Fine Crumb Rubber(Traded Goods)	200.640	3,168,994
		<b>22,605,965</b>
ii) WORK IN PROGRESS:		
Bitumen Modifier (Chemically Treated Crumb Rubber)	66.370	1,049,307
Processes SBS	27.312	1,153,479
		<b>2,202,786</b>
v) LICENCED CAPACITY, INSTALLED CAPACITY AND PRODUCTION:-		
i) INSTALLED CAPACITY:		<b>2010-11</b>
		Quantity (MT)
Bitumen Modifier		30,000
Modified Bitumen		30,000
Site Mixing Units		96,000
ii) ACTUAL PRODUCTION:		
Bitumen Modifier		16,094
Crumb Rubber /Polymer Modified Bitumen		15,359
Site Mixing		17,996
VI) EXPENDITURES IN FOREIGN CURRENCY		<b>2010-11</b>
		(Amount in ₹)
Raw Material		81,932,501
Capital Goods		6,104,587
Foreign Travelling		1,695,564
VII) VALUE OF IMPORTS AND INDIGENOUS OF RAW MATERIAL AND STORES CONSUMED:		
A) RAW MATERIALS CONSUMED:		(Amount in ₹)
Indigeneous		582,556,021
(Percentage)		87.45%
Imported		83,643,214
(Percentage)		12.55%
	<b>Total</b>	<b>666,199,235</b>
B) STORES, SPARES & COMPONENTS CONSUMED:		(Amount in ₹)
Indigenous		5,858,363
(Percentage)		100%
Imported		NIL



- 20) The Company has not made any remittance in foreign currencies on account of dividend.
- 21) a) Since BGK Infrastructure Developers P Ltd became subsidiary during the current year, previous year figures are not applicable.
- b) Figures have been rounded off to the nearest rupee.
- 22) Schedule A to O form integral part of the consolidated Balance Sheet as at 31st March 2011.

As per our report of even date attached.

For Rawla & Company  
(Chartered Accountants)  
FRN NO. 001661N

For and on behalf of the Board of Directors

**CA. Y. P. Rawla**  
(Partner)  
M. No. 10475

**Kulbir Singh**  
(Director)

**Bhupinder Kumar**  
(Whole time Director)

New Delhi  
August 24, 2011

**Ch. Runveer Krishanan**  
(Company Secretary)

**Raviendra Chhabra**  
(G. M Accounts)

### Consolidated Cash Flow Statement for the year ended 31st March, 2011

	₹ In Lacs	
	1.4.2010	to 31.3.2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit(Loss) After Tax and Extra ordinary items		66.56
Add / (Less) : Adjustment for :		
Depreciation	112.78	
Interest Paid	192.99	
Provision for Income Tax	40.29	
Provision for FBT	-	
Provision for Wealth Tax	1.07	
Provision for Deferred Tax	69.46	
Bad Debts	42.82	
Provision for Doubtful Debts	6.65	
Loss on Sale of Assets	6.52	
Profit on Sale of Assets	(15.98)	
Interest Received	(17.95)	
Rent Received	(14.80)	
Profit on Sale of Investments	-	
Misc. Income	(20.94)	402.92
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGE</b>		<b>469.48</b>
Adjustment for :		
Decrease/(Increase) in Trade and other Receivables	616.60	
Decrease/(Increase) in Inventories	(486.74)	
Increase/(Decrease) in Trade Payables/Current Liabilities	(489.55)	
Decrease/(Increase) in Other Current Assets	(12.49)	(372.18)
<b>CASH GENERATED FROM OPERATIONS</b>		<b>97.30</b>
Direct Tax Paid	(72.89)	
Rent Received	14.80	
Misc. Income	20.94	(37.15)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>60.15</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(503.45)	
Sale of Fixed Assets	70.91	
Purchase of Investment	(60.72)	
Sale of Investment	630.61	
Interest Received	17.95	
Loan/Advances given to others	(114.31)	
Loan/Advances refund received	106.83	
<b>NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES (B)</b>		<b>147.82</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Long term Borrowings	128.49	
Proceeds from Unsecured Loan	578.50	
Interest Paid	(192.99)	
Repayment of Long term Borrowings	(115.30)	
Repayment of Unsecured Loan	(600.05)	
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>		<b>(201.35)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>6.62</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>127.26</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<b>133.88</b>

For Rawla & Company  
(Chartered Accountants)  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Y. P. Rawla  
(Partner)  
M. No. 10475

Kulbir Singh  
(Director)

Bhupinder Kumar  
(Whole time Director)

New Delhi  
August 24, 2011

Ch. Runveer Krishnan  
(Company Secretary)

Ravindra Chhabra  
(G. M. Accounts)



**ANNEXURE TO THE AUDITOR'S REPORT FOR THE FINANCIAL YEAR  
ENDING ON 31ST MARCH, 2011**

Referred to in Paragraph 3 of our report of even date

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.  
b) As explained to us, all the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.  
c) During the year, the company has not disposed off major part of the assets.
2. The company is engaged in maintaining warehouses and does not own any stock. Therefore, the provisions of clause (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company
3. a) According to information and explanations given to us, the company has not granted loan to any person, covered in the register maintained under section 301 of the Companies Act, 1956, during the year. Thus clause 4 (iii) (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company  
b) The company has taken loan from 5 persons during the year covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 61.29 lacs and the year-end balance of loans taken from such party was ₹ 61.24 lacs.  
c) The company has not paid any interest on loans taken and there are no other terms and conditions which is prima facie prejudicial to the interest of company.  
d) There is no stipulation for payment of loans.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed asset. As the Company is under construction stage therefore this clause relating to inventory and sale of goods is not applicable. During the course of our audit, we have not observed any major weaknesses in internal control.
5. In the opinion of the Management and according to the information and explanations given to us, we are of the opinion that, there are no transactions exceeding ₹ 5 lacs that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956. Accordingly the provisions of clause 4 (v) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public under section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and rules made there under. Accordingly, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable.
7. In view of the size and nature of its business, the company has no internal audit system
8. Cost records under section 209(1) of the Companies Act, 1956 are not required to be maintained by the company.
9. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, undisputed statutory dues have generally been regularly deposited during the year with the appropriate authorities.  
b) According to the information and explanations given to us, none of the provisions of Provident Fund, Employees' State Insurance, Sales-tax, Service Tax, Custom Duty, Excise Duty, cess is applicable to the company.

**B.G.K. INFRASTRUCTURE DEVELOPERS PVT. LTD.**

According to the information and explanation given to us, no undisputed amount is payable in respect of Income-tax, wealth tax and any other statutory dues were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable

- c) According to the information and explanation given to us, there are no disputed dues of Income tax and Wealth tax which have not been deposited with the appropriate authorities on account of any dispute.
10. The Company is under construction stage. Accordingly the provisions of clause 4 (x) of the Companies (Auditor's Report) Order, 2003 are not applicable.
  11. The company has not taken any loans from any financial institution or bank. Accordingly the provisions of clause 4 (xi) of the Companies (Auditor's Report) Order, 2003 are not applicable.
  12. According to the information and explanations given to us and based on the information available, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
  14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
  15. In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
  16. According to the information and explanations given to us, the company has not obtained any term loans during the year. Accordingly the provisions of clause 4 (xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
  17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that funds raised on short-term basis have prima facie not been utilized during the year for long-term investments.
  18. The Company has made preferential allotment of shares to parties and companies covered in Register maintained under Section 301 of the Companies Act, 1956 which is not prejudicial to the interest of the company.
  19. According to the information and explanations given to us, the company has not issued any debenture during the period covered by the audit report. Accordingly the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
  20. During the period covered by our audit report the company has not raised any money by public issue.
  21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Rawla & Company  
(Chartered Accountants)  
FRN No. 001661N

CA Hardeep Singhal  
(Partner)  
M. No. 505618

New Delhi  
August 01, 2011

**Balance Sheet as at 31st March, 2011**

DESCRIPTION	SCHEDULES	Amount (₹)	
		As at 31-03-2011	As at 31-03-2010
<b>SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	A	26,175,000.00	7,875,000.00
(b) Share Application Money		900,000.00	18,100,000.00
<b>LOAN FUNDS</b>			
Unsecured Loans	B	6,124,038.00	5,779,038.00
<b>Total</b>		<b>33,199,038.00</b>	<b>31,754,038.00</b>
<b>APPLICATION OF FUNDS:</b>			
<b>FIXED ASSETS</b>			
(a) Gross Block	C	31,118,230.00	30,200,960.00
(b) Less: Accumulated Depreciation		143.00	70.00
(c) Net Block		31,118,087.00	30,200,890.00
(d) Capital Work in Progress	D	2,115,382.34	1,772,729.74
		<b>33,233,469.34</b>	<b>31,973,619.74</b>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
(a) Cash & Bank Balances	E	10,956.66	70,823.26
(b) Prepaid Expenses		3,962.00	3,645.00
		14,918.66	74,468.26
Less : Current Liabilities & Provisions	F		
Current Liabilities		53,780.00	302,910.00
Provisions		-	-
Net Current Assets		(38,861.34)	(228,441.74)
<b>MISCELLANEOUS EXPENDITURE</b>	G	4,430.00	8,860.00
<b>Total</b>		<b>33,199,038.00</b>	<b>31,754,038.00</b>

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

K

As per our report of even date attached.

For Rawla & Company  
Chartered Accountants  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Hardeep Singhal  
(Partner)  
M. No. 505618Bhupinder Kumar Sekhri  
(Director)Gaurav Sekhri  
(Director)New Delhi  
August 7, 2011

**Schedule Forming Part of the Balance Sheet as at 31st March, 2011**

DESCRIPTION	Amount (₹)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL:</b>		
26,50,000 (Previous Year 10,00,000)	26,500,000.00	10,000,000.00
Equity Shares of ₹ 10/- each	<u>26,500,000.00</u>	<u>10,000,000.00</u>
<b>ISSUED, SUBSCRIBED AND PAID-UP:</b>		
26,17,500 (Previous Year 7,87,500)		
Equity Shares of ₹ 10/- each fully paid up	26,175,000.00	7,875,000.00
<b>Total</b>	<u>26,175,000.00</u>	<u>7,875,000.00</u>
<b>SCHEDULE B - UNSECURED LOANS</b>		
From Directors	-	5,000.00
From Companies	6,124,038.00	5,774,038.00
<b>Total</b>	<u>6,124,038.00</u>	<u>5,779,038.00</u>

**SCHEDULE C - FIXED ASSETS**

S. No.	Name of Assets	Rate of Dep.	Gross Block			Depreciation			Net Block		
			As at 01.04.2010	Additions During the Year	Sale/Transfers During the Year	As at 31.03.2011	Upto 31.03.2010	For the Year	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
1.	Land	0.00%	30,199,810.00	917,270.00	-	31,117,080.00	-	-	31,117,080.00	30,199,810.00	
2.	Furniture & Fixtures	6.33%	1,150.00	-	-	1,150.00	70.00	73.00	143.00	1,097.00	1,080.00
	<b>TOTAL (in ₹) (A)</b>		<u>30,200,960.00</u>	<u>917,270.00</u>	<u>-</u>	<u>31,118,230.00</u>	<u>70.00</u>	<u>73.00</u>	<u>143.00</u>	<u>31,118,087.00</u>	<u>30,200,890.00</u>

**SCHEDULE D - CAPITAL WORK IN PROGRESS**

**Incidental expenses during construction (pending apportionment)**

Opening Balance	1,772,729.74	1,617,548.74
Audit Fees	11,030.00	6,618.00
Bank Charges	1,805.60	903.00
Conveyance	-	200.00
Depreciation	73.00	70.00
General Expenses	1,000.00	5,485.00
Interest	58,067.00	-
Preliminary Exp. Written off	4,430.00	4,430.00
Printing & Stationery	376.00	3,860.00
Professional Charges	38,200.00	19,600.00
Fees & Taxes	118,450.00	7,520.00
Salary	67,505.00	84,375.00
Staff Welfare	270.00	-
Telephone Expenses	-	715.00
Travelling Expenses	34,597.00	46,405.00
Website Expenses	7,673.00	-
Sub- Total	<u>2,116,206.34</u>	<u>1,797,729.74</u>
Less: Misc. Income	824.00	25,000.00
<b>Total</b>	<u>2,115,382.34</u>	<u>1,772,729.74</u>

**Schedule Forming Part of the Balance Sheet as at 31st March, 2011**

DESCRIPTION	Amount (₹)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE E - CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>CURRENT ASSETS:</b>		
<b>Cash &amp; Bank Balances</b>		
(a) Cash balance on hand	5,753.00	816.00
(b) Balance with Scheduled Bank in current account Syndicate Bank	5,203.66	70,007.26
<b>Total</b>	<b>10,956.66</b>	<b>70,823.26</b>
<b>Prepaid Expenses:</b>		
Domain & Web-site Hosting	3,962.00	3,645.00
<b>Total</b>	<b>3,962.00</b>	<b>3,645.00</b>
<b>SCHEDULE F - CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors	11,030.00	39,787.00
Statutory dues	42,750.00	-
TDS Payable	-	263,123.00
<b>Provisions</b>		
<b>Total</b>	<b>53,780.00</b>	<b>302,910.00</b>
<b>SCHEDULE G - MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)		
Preliminary Expenses	4,430.00	8,860.00
<b>Total</b>	<b>4,430.00</b>	<b>8,860.00</b>

**Detail of Schedule Forming Part of Balance Sheet as on 31st March, 2011**

**SHARE APPLICATION MONEY**

Sh. Bhupinder Kumar Sekhri	900,000.00	900,000.00
Tinna Overseas Limited	-	17,200,000.00
<b>Total</b>	<b>900,000.00</b>	<b>18,100,000.00</b>

**UNSECURED LOANS**

<b>Directors</b>		
Gaurav Sekhri	-	5,000.00
<b>Total</b>		<b>5,000.00</b>
<b>Companies</b>		
Chin Min Developers (P) Ltd.	564,365.00	564,365.00
Space Age Technical Services Pvt Ltd	5,088,583.00	5,088,583.00
S. S. Horticulture Pvt. Ltd.	121,090.00	121,090.00
ADI Farms & Developers (P) Ltd	350,000.00	-
<b>Total</b>	<b>6,124,038.00</b>	<b>5,774,038.00</b>



**SCHEDULE - H : SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS FOR THE YEAR ENDED ON 31.3.2011**

**A). NATURE OF BUSINESS**

The company is primarily engaged in the business of construction, development, acquisition, establishment and maintenance of warehouse, godown etc.

**B). SIGNIFICANT ACCOUNTING POLICIES:**

**1. General:**

- a) Financial statement has been prepared under the historical cost convention in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956 as adopted consistently by the company.
- b) The company follows mercantile system of accounting and recognizes significant items of Income & Expenditure on accrual basis except income tax which is accounted for on actual determination of final demand/refund.

**2. Revenue Recognition**

Presently the company is engaged in development and maintenance of warehouses. Revenue from lease rentals will accrue from the tenant on completion of the project and to be recognized on a time proportion basis.

**3. Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that effect reportable amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

**4. Fixed Assets:**

Fixed assets are stated at cost of acquisition, including financial and incidental expenses attributable to acquisition or construction of fixed assets less accumulated depreciation.

**5. Depreciation**

Fixed assets have been depreciated on straight line value method in accordance with the rates as prescribed in Schedule XIV and provisions of the Companies Act, 1956 on such assets put to use.

**6. Expenses during Construction Period**

Direct expenses relating to the project has been capitalized and Indirect expenses relating to project have been shown under the head Capital work in progress- "Incidental Expenditure during construction (pending apportionment)" which will be apportioned to fixed assets upon completion of the project.

**7. Borrowing Cost**

Borrowing costs that are attributable to acquisition, construction or production of qualifying assets are treated as direct costs and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

**7. Taxation**

a) **Current Tax:**

Provision for income tax, if any, is based on assessable / assessed profits / losses computed in accordance with the provisions of the Income Tax Act, 1961.

b) **Deferred Tax:**

Deferred tax expense or benefit is recognized, subject to the consideration of prudence, as the tax effect of timing differences between the accounting income and the taxable income that originate in one period & are capable of reversal in subsequent period. Deferred tax assets or liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses, which are recognized to the extent there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**8. Prior Period Items:**

Significant items of income & expenditure which relate to prior accounting period, other than those occasioned by events occurring during or after the close of year and which is treated as relatable by the current year are accounted in the profit & loss account under the head prior period.

**9. Provisions and Contingent Liabilities**

Provisions involving substantial degree of estimation are recognized where there is a present obligations as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized in financial books but are disclosed in the notes.

**10. Impairment of Assets**

At each balance sheet date the carrying amounts of fixed assets are reviewed by the management to determine whether there is any indication that these assets had suffered any impairment loss. If any, such indication exists, recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of assets and from its disposal are discounted to their present value using a pre discounted rate that reflect the current market assessments of the time value of money and risk specific to the asset. Reversal of impairment loss is recognized immediately as income in the profit & loss account.

**11. Preliminary Expenses**

Preliminary expenses are written off over 5 years.

**C.) NOTES ON ACCOUNTS:**

- 1) In the opinion of the Board of Directors, the current assets, loans and advances for which company holds only the personal security, have realizable value in the ordinary course of business at least equal to the amount at which they are stated.
- 2) Balance of receivable and payable are subject to confirmation and reconciliation.
- 3) Remuneration to Directors Nil
- 4) Related Party Disclosure

**B.G.K. INFRASTRUCTURE DEVELOPERS PVT. LTD.**

As per AS-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions with them are disclosed as under: -

(A) Enterprises that are under common control :-

Under same management u/s 372 A of the Companies Act, 1956.

1) Tinnu Overseas Limited (Holding Company)

<u>Transaction</u>	<u>2010-11</u>	<u>2009-10</u>
Outstanding balance payable at the beginning of the year	1,72,00,000/-	Nil
Advance received for shares	17,00,000/-	1,72,00,000/-
Share allotment made	1,83,00,000/-	Nil
Refund of Advance for shares	6,00,000/-	Nil
Outstanding balance payable at the end of the year	Nil	1,72,00,000/-
Maximum balance outstanding at any time during the year	1,83,00,000/-	1,72,00,000/-

(B) Enterprises that are associates of the Company or in respect of which company is an associate:-

• Chin Min Developers Pvt. Ltd.

Outstanding balance payable at the beginning of the year	5,64,365/-	4,94,365/-
Loan received	Nil	2,00,000/-
Loan repaid	Nil	1,30,000/-
Outstanding balance payable at the end of the year	5,64,365/-	5,64,365/-

• Adi Farms & Land Developers Pvt. Ltd.

Loan received	3,50,000/-	Nil
Outstanding balance payable at the end of the year	3,50,000/-	Nil

• Space Age Technical Services Pvt. Ltd.

Outstanding balance payable at the beginning of the year	50,88,583/-	51,08,583/-
Loan repaid	Nil	20,000/-
Outstanding balance payable at the end of the year	50,88,583/-	50,88,583/-

• S. S. Horticultures Pvt. Ltd.

Outstanding balance payable at the beginning of the year	1,21,090/-	21,090/-
Loan received	Nil	1,00,000/-
Outstanding balance payable at the end of the year	1,21,090/-	1,21,090/-

(C) Key Management personnel and their relatives:-

• Gaurav Sekhri - Director

<u>Transaction</u>		
Outstanding balance payable at the beginning of the year	5,000/-	Nil
Loan received	Nil	25,000/-
Loan repaid	5,000/-	20,000/-
Outstanding balance payable at the end of the year	Nil	5,000/-

**B.G.K. INFRASTRUCTURE DEVELOPERS PVT. LTD.**

- Bhupinder Sekhri - Director

Transaction

Share Application Money outstanding payable at the end of the year 9,00,000/- 9,00,000/-

5) As the company is dealing only in business of construction, development, acquisition, establishment and maintenance of warehouse etc., the operations of the company are considered as a single business segment, hence the provisions of AS-17 "Segment Reporting" are not applicable

6) In the opinion of the Board of Directors, the Current Assets and Loans & Advances have been stated at the values realisable in the ordinary course of business.

7) Auditors Remuneration:-

	2010-11	(Amount in ₹) 2009-10
Audit Fees	10,000.00	6,000.00
Service tax	1,030.00	618.00
Total	11,030.00	6,618.00

8) Additional Information: Pursuant to the provisions of Clause 3, 4C, 4D of Part II of Schedule VI to the Companies Act, 1956 as far as applicable to the company.

a. Capacity & Production Installed Capacity Not applicable

b. There is no earning and payment of dividend in foreign currency during the year.

c. There is no expenditure/ remittances in foreign currency during the previous year

9) Previous year's figures have been rearranged, reworked and regrouped wherever necessary.

As per our report of even date attached.

For Rawla & Company  
Chartered Accountants  
FRN NO. 001661N

For and on behalf of the Board of Directors

CA. Hardeep Singhal  
(Partner)  
M. No. 505618

Bhupinder Kumar Sekhri  
(Director)

Gaurav Sekhri  
(Director)

New Delhi  
August 01, 2011

## Balance Sheet Abstract and Company's General Business Profile

Annexure-Referred to in Note annexed to and forming part of the Balance Sheet as at 31st March, 2011 and the Profit and loss account for the year ended on that date.

Additional Information pursuant to Part IV of Schedule VI to the Company Act, 1956.

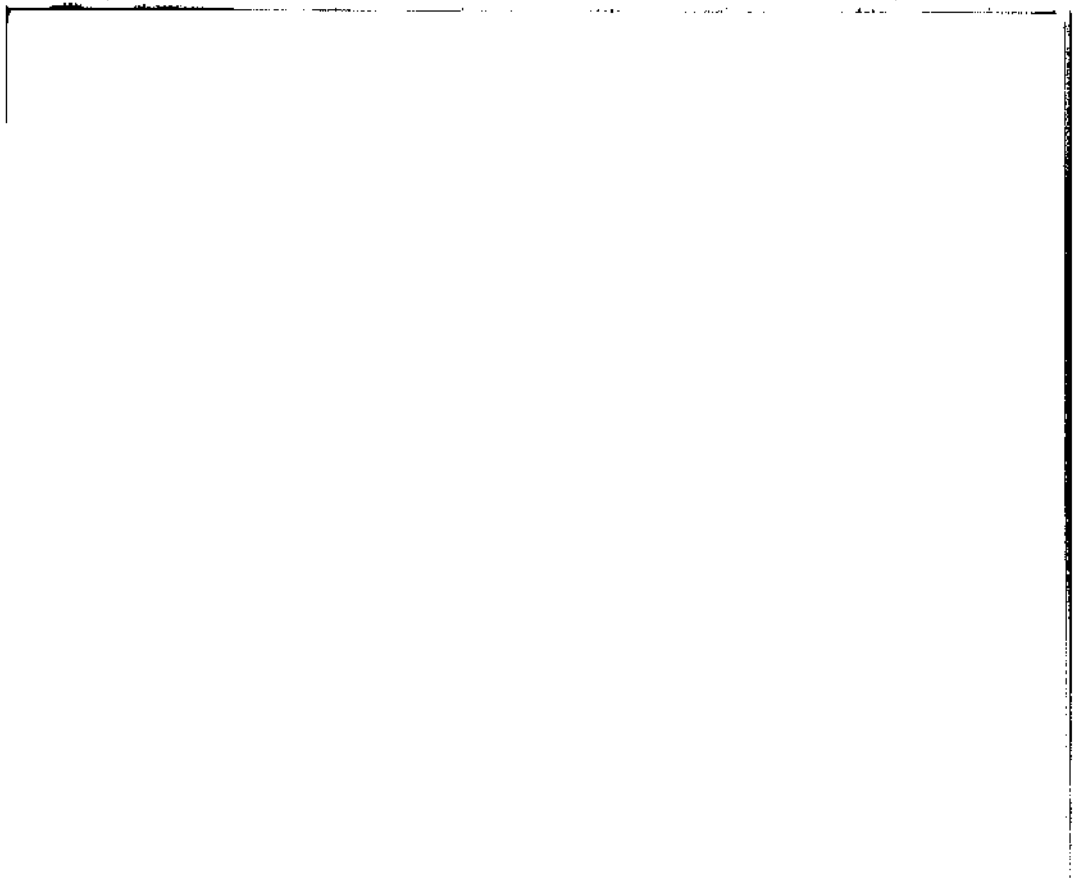
<b>I. Registration Details</b>		
Registration No. 171915		State Code 55
Balance Sheet Date	31 03 2011	
	Date Month Year	
<b>II. Capital raised during the year (Amount in ₹ Thousands)</b>		
Public Issue		Right Issue
NIL		NIL
Bonus Issue		Private Placement
NIL		18300
<b>III. Position of Mobilisation and Deployment of Funds</b> (Amount in ₹ Thousands)		
Total Liabilities		Total Assets
33252.82		33252.82
Sources of Funds		Reserves & Surplus
Paid-up Capital		NIL
26175		Unsecured Loans
Secured Loans		6124.04
NIL		
Application of Funds		Investments
Net Fixed Assets		NIL
33233.47		Misc. Expenditure
Net Current Assets		4.43
(38.86)		
Accumulated Losses		NIL
NIL		
<b>IV. Performance of Company (Amount in ₹ Thousands)</b>		
Turnover		Total Expenditure
NIL		NIL
Profit / (Loss) Before Tax		Profit/(Loss) After Tax
NIL		NIL
(Please tick Appropriate box + for profit, - for Loss)		Dividend Rate %
Earnings per Share in ₹		NIL
NIL		
<b>V. Generic Name of Three Principal Products of Company (As per Mont. Term)</b>		
Item Code No.		Warehousing Services
Product Description		
Item Code No.		
Product Description		
Item Code No.		
Product Description		

For and on behalf of the Board of Directors

New Delhi  
August 01, 2011

**Bhupinder Kumar Sekhri**  
(Director)

**Gaurav Sekhri**  
(Director)



**TINNA OVERSEAS LIMITED**

**REGD. OFFICE**  
NO. 6, SULTANPUR (MANDI ROAD) MEHRAULI,  
NEW DELHI-110030.

**ATTENDANCE SLIP**

24<sup>TH</sup> ANNUAL GENERAL MEETING - SEPTEMBER 30, 2011, 9.00 A.M.

Regd. Folio No./Client Id No. \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 24th Annual general Meeting of the Company at 18, South Drive ay, DLF Farms, Chhattarpur, New Delhi-110074.

Member's/Proxy's name in BLOCK Letters \_\_\_\_\_ No. of Shares held \_\_\_\_\_ Member's/proxy's Signature \_\_\_\_\_  
*Note : Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL.*

----- (TEAR HERE) -----

**TINNA OVERSEAS LIMITED**

**REGD. OFFICE**  
NO. 6, SULTANPUR (MANDI ROAD) MEHRAULI,  
NEW DELHI-110030.

**FROM OF PROXY**

I/We \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

being a member/members of the above-named Company hereby appoint \_\_\_\_\_

or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company to be held on 30th September, 2011 and at any adjournment thereof.

Signed this \_\_\_\_\_ day \_\_\_\_\_ 2011

Signature \_\_\_\_\_

Affix a  
₹ 1  
Revenue  
Stamp

Regd. Folio No./Client Id No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

*Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company at NO. 6, SULTANPUR (MANDI ROAD) MEHRAULI, NEW DELHI-110030, not less than 48 hours before the meeting.*

\_\_\_\_\_