Tinna®

Caring for Environment

CARING FOR ENVIRONMENT

TBM-Super™

FOR STRONG ROADS

26TH ANNUAL REPORT (2012-13)

TINNA RUBBER AND INFRASTRUCTURE LIMITED

Tinna Rubber And Infrastructure Limited
(At a glance)

INCEPTION

Founded in 1987, Tinna Rubber And Infrastructure Limited (formerly known as Tinna Overseas Limited) is professionally managed, rapidly expanding manufacturing and marketing organisation headed under the dynamic leadership of Mr. Bhupinder Kumar Sekhri, who lays strong emphasis on utilisation of modern technology for qualitative services and business efficiency geared towards complete customer satisfaction and achieving milestones.

PRESENCE

The Company is having its registered office situated at New Delhi and its equity shares are listed on the Bombay Stock Exchange, The Calcutta Stock Exchange Association Ltd., The Delhi Stock Exchange Association Limited and The Ahmedabad Stock Exchange. The Company has plants across India at Panipat, Haldia, Wada, Chennai, Silvasa, Kalamb (Himachal Pradesh), Bangalore, Mathura, Purba Medinipore (West Bengal).

MARKET REACH

The Company's reach extends across the length and breadth of the country with wide network of mobile units, dealers, sub-dealers, etc. The Company caters brand enhancing various leading infrastructure companies, other corporate clients and government agencies such as NHAI, IOCL among others.

MARKET POSITION

The Company is playing an important role in disposal of used tyres in an environmental friendly manner. The backward integration has started showing positive result in first year itself and we are confident that the present activities due to start of new crumb Rubber plant will give better returns in the years to come.

CERTIFICATIONS

- **The manufacturing and supply of paving grade and Modified bitumen are ISO 9001:2008 Certified to quality.**
- **The certificate of merit has been awarded to "Tinna Rubber And Infrastructure Limited (formerly known as Tinna Overseas Limited)" for Best performance (Contractors) competition held during 36th National Safety Day from *Mangalore Refinery Petrochemicals Limited*.**

CHAIRMAN'S MESSAGE

I am delighted to connect with you through this 26th Annual Report of the Company.

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

It gives me great pleasure in welcoming you all to the 26th Annual General Meeting of your Company. 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. As a market leader in the field of manufacturing & marketing of bituminous products and after crossing one million tons mark so far in the field of Modified Bitumen production, the company has now started manufacturing crumb rubber powder having capacity to poduce 2500 Tonne per month of crumb rubber of specified quality in an environmental friendly manner. As a rubber compounder your company is playing a big role in caring for environment around the Globe by using scraps tyres and avoid serious environmental hazard and save cost also. Due to our recent initiative to backward integration, our business and ability to produce high quality crumb rubber from recycling used tyres, your company is playing an important role in disposal of used tyres in an environmental friendly manner. The backward integration has started showing positive result in first year itself and we are confident that the present activities due to start of new crumb Rubber plant will give better returns in the years to come.

Your company has made significant progress in bringing the business expansions of the company by opening and positioning Rubber Crumbing Plants to be made from Scrap tyres at 4 strategic locations in North, West, South and East viz., Panipat (Haryana), Wada, District Thane(Maharashtra), Gummidipundi, District Thiruvallur (Tamilnadu) and Haldia (West Bengal).

Your company was instrumental in bringing the Crumb Rubber Modified Bitumen(CRMB) Technology to India after a lot of research which included laying a number of trial streches with Crumb Rubber Modifier across the country. These tracks were monitored by industry regulatory agencies and its products and technology was accepted by the Government of India. It is being supplied to Public Sector Undertakings, Refineries like IOCL Panipat, Mathura, Haldia & MRPL, Mangalore.

The business of the company mainly consists of manufacturing of crumb rubber, crumb rubber modifier and processing & mixing of bituminous products and therefore to reflect the present activities of the company, the name of the company has been changed from 'Tinna Overseas Limited' to 'Tinna Rubber & Infrastructure Limited'.

I urge you to go through the chapter of Management Discussion and Analysis wherein the details of the developments and performance of the various business activities of the company have been narrated. We are confident of contributing the growth story backed by good performance across businesses.

I would like to express our delight at presenting you the financial results of your company. We commit to deliver value to all stakeholders and renew our promise to constantly focus on exceeding customers' expectations by providing world class product and services.

While your company is committed to accelerate growth, your company will continue to achieve the best standards of Corporate Governance with emphasis on authority and freedom of the management coupled with transparency, accountability and professionalism in their working.

We stay committed to deliver value to our stakeholders and renew our promise to constantly focus on exceeding customers' 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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Bhupinder Kumar Sekhri
Chairman

Shri Kapil Sekhri
Director

Shri Vivek Kohli
Director

CA Bishnu Agarwalla*
Director

Shri Maneesh Mansingka
Director

Shri Kulbir Singh
Director

Shri Anand Kumar Singh#
Director

Raghuvansh Mani
Company Secretary & Compliance Officer

 # appointed on 29th May, 2013

BOARD COMMITTEES

AUDIT COMMITTEE

CA Bishnu Agarwalla*
Chairman

Shri Maneesh Mansingka
Member

Shri Vivek Kohli
Member

REMUNERATION COMMITTEE

Shri Maneesh Mansingka
Chairman

CA Bishnu Agarwalla*
Member

Shri Kulbir Singh
Member

SHAREHOLDERS'/INVESTORS' / GRIEVANCES COMMITTEE

Shri Kulbir Singh
Chairman

Shri Maneesh Mansingka
Member

CA Bishnu Agarwalla*
Member

** resigned on 29th May, 2013*

REGISTERED OFFICE

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

STATUTORY AUDITORS

V. R. Bansal & Associates
Chartered Accountants

BANKERS

Syndicate Bank

CONTENTS

NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Shareholders of Tinna Rubber And Infrastructure Limited (formerly known as Tinna Overseas Limited) will be held **on Monday, the 30th September,2013 at 9.00 A.M. at 18 South Drive Way, DLF Farms, Chhattarpur,New Delhi-110074** to transact the following business:

ORDINARY BUSINESS

01. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013, 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 Sekhri who retires by rotation and being eligible offers himself for re-appointment.

03. To appoint a Director in place of Shri Maneesh Mansingka who retires by rotation and being eligible offers himself for re-appointment.

04. To re-appoint M/s V. R. Bansal & Associates, 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

05. 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."

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

    "RESOLVED THAT Shri Anand Kumar Singh be and is hereby appointed as a Director of the company liable to retire by rotation."

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

    "RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310, 311, 315 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, if any, Shri Anand Kumar Singh be and is hereby appointed as Whole-Time Director of the company with effect from 01st June, 2013 for a period of three years on the following terms & conditions:

    (i) **Period of appointment:** Three years w.e.f. 01st June, 2013.

    (ii) **Salary:** ₹ 53,000/- per month.

    (iii) **Telephone:** Provision of mobile phone/ telephone at residence will not be considered as perquisite, subject to the provisions of the Income Tax Rules,but personal long distance calls shall be billed by the Company.

    (iv) **Conveyance:** Provision of conveyance for official purposes and the same shall not be considered as perquisite subject to the provisions of the Income Tax Rules.

    "RESOLVED FURTHER THAT Shri Anand Kumar Singh shall be enitled to other benefits/ perquisites like annual increment, provident fund, expenditure on gas, electricity, water, re-imbursement of medical benefits for self, personal accident insurance and other benefits in terms of the rules of the Company and these benefits/ perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. However, the overall remuneration shall not exceed ₹ 1,00,000/- p.m.

    "RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby given liberty to alter and vary the terms & conditions of the appointment / remuneration so as not to exceed the limits specified herein above or in terms of Schedule XIII of the Companies Act, 1956 or any amendments hereto or as may be agreed to between the Board of Directors and Shri Anand Kumar Singh."

    "RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to these resolutions."

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

    "RESOLVED THAT pursuant to the provisions of section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members of the company be and is hereby accorded to carry on the business activities as covered under Other Objects Clause vide following clause no. 26 (a to f) of the Memorandum of Association of the company:

(a) To manufacture, purchase or otherwise acquire lands, houses, buildings, sheds and other fixtures on lands and buildings and to let them out on lease, rent, contract or any other agreement as may be deemed fit by the Company.

(b) To construct, erect and maintain, buy and sell lands, houses, apartments to any person and on such terms and conditions as may be deemed fit by the Company.

(c) To hold, maintain, sell, allot houses, flats or parts thereof to the share holders or any other person on such terms and conditions as may deemed fit by the Company.

(d) To purchase, sell and otherwise to carry on the business of buildings, surveyors, bricks and tile makers, line burnisher, house and estate agents.

(e) To lend or advance money to builders and other persons or securities of all descriptions whether real or personal and to grant loans upon mortgage of any lands, building and hereditements, or whatever tenure, for the improvements thereof of otherwise.

(f) To acquire, improve, manage, develop all rights in respect of leasehold and freehold rights of properties and to seel and dispose of, turn to account and otherwise deal with the property of all kinds including any real or personal estate, including lands, agricultural or others farm houses, mines, business, building, factories, mill, houses, cottages, shops, depots, warehouses, machinery, plant, stock in trade, mineral rights, patents copy rights, concessions, privileges licences, easement or interest in or with respect to any property whatsoever.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to take all such effective steps to implement the decision of the members of the company as they may consider appropriate in the interest of the company and to do all such acts, deeds and things from time to time for and on behalf of the company."

By Order of the Board of Directors
For Tinna Rubber And Infrastructure Limited

New Delhi
August 12, 2013

Raghuvansh Mani
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. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
4. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
5. Members are requested to bring their copies of the Annual Report to the meeting.
6. The Register of members and Share Transfer Books of the company will be closed from 26th September,2013 to 30th September 2013(both days inclusive).
7. Members who are holding Company's shares in dematerialization form are requested to bring details of their depository A/c Number for identifications.
8. Members holding equity shares in physical form are hereby requested to notify change of their address, if any, quoting folio number.
9. Keeping in view the "Green Initiative in Corporate Governance" of Ministry of Corporate Affairs, the company proposes 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 including annual reports, etc. to the members in electronic form. Members who have still not registered their e-mail addresses are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the company Registrar and Share Transfer Agents.
10. 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.
11. The Company's website **"www.tinna.in"** has a dedicated section on investors.
12. 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 dematerialization of their shareholding, if not already done, to avoid inconvenience in future.
13. The Annual Report for FY 2012-2013 of the company circulated to the members of the company, will be made available on the company's website at **www.tinna.in.**

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

Item No. 5.

The Board of Directors of your company at its meeting held on 14th November, 2012 appointed Shri Kulbir Singh as an Additional Director w.e.f. 14th November, 2012. 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 about 44 years having wide and varied experience of accounting, finance & related matters. He is a post graduate. He is not holding any equity share in the company. He is also member of following committees of the Board of Tinna Rubber And Infrastructure Limited:

Sl. No.	Name of Committee	Designation
1.	Investor Greivance Committee	Chairman
2.	Remuneration Committee	Member

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. 6.

The Board of Directors of your company at its meeting held on 29th May, 2013 appointed Shri Anand Kumar Singh as an Additional Director w.e.f. 29th May, 2013. 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 Anand Kumar Singh aged about 47 years is a graduate and is having wide and varied experience of marketting & related matters. He is holding 1000 equity shares in the company and also not member/ chairman of any Committee of the Board of any company..

Except, Mr. Anand Kumar 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. 7.

The Board of Directors of your company at its meeting held on 29th May, 2013 appointed Shri Anand Kumar Singh as Whole- Time Director w.e.f. 01st June, 2013.

Your Directors consider that his appointment as Whole Time Director shall be of immense help to the Company and accordingly proposed for his appointment as provided in the resolution.

The principal terms of appointment /salary of Shri Anand Kumar Singh are as under:

(i) Period of appointment: Three years w.e.f. 01st June, 2013

(ii) Salary: ₹ 53,000/- per month.

(iii) Telephone: Provision of mobile phone/ telephone at residence will not be considered as perquisite, subject to the provisions of the Income Tax Rules,but personal long distance calls shall be billed by the Company.

(iv) Conveyance: Provision of conveyance for official purposes and the same shall not be considered as perquisite subject to the provisions of the Income Tax Rules.

(v) Shri Anand Kumar Singh shall be enitled to other benefits/ perquisites like annual increment, provident fund, expenditure on gas, electricity, water, re-imbursement of medical benefits for self, personal accident insurance and other benefits in terms of the rules of the Company and these benefits/ perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. However, the overall remuneration shall not exceed ₹ 1,00,000/- p.m.

(vi) Shri Anand Kumar Singh shall be liable to retire by rotation.

(vii) Shri Anand Kumar Singh shall not be paid sitting fees for attending the meetings of the Board of Directors and/ or committees thereof.

Except, Mr. Anand Kumar 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. 8.

The Board of Directors in its meeting held on 12th August, 2013 have decided and approved to commence the activities relating to purchase, sale & development of land & other related activities which are covered under clause-26(a to f) of the Other Objects of the Company in the Memorandum of Association of the Company.

The Companies Act, 1956, vide its section 149(2A) has provided that a public company, having a share capital, shall not at any time commence any such business, if such company is a company formed after the commencement of the Companies Act, 1956, in relation to any of the objects stated under Other Objects in the Memorandum of Association of the Company unless the Company has approved the commencement of any such business by special resolution passed in that behalf by it in general meeting.

Hence, the Board of your Company has recommended the proposed resolution to be passed by the members of the Company.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

DIRECTORS' REPORT

The Members

Your Directors are pleased to present the 26th Annual Report and the Audited Statement of Accounts of the Company for the financial year ended on 31st March, 2013 (01-04-2012 to 31-03-2013).

FINANCIAL HIGHLIGHTS

	(₹ in lacs) 2012-2013	2011-2012
Total Income	9,036.70	10,618.37
Profit/(loss) before interest, Depreciation & Taxation	644.81	602.27
Interest & Other borrowing costs	276.79	212.87
Depreciation	222.37	120.35
Profit Before Exceptional Items	145.65	269.05
Exceptional Gain (net)	---	473.77
PBT	145.65	742.82
Tax	(13.24)	121.17
Profit/ (loss) after interest, Depreciation & Taxation	158.89	621.65
Reserves & Surplus	3526.13	3366.56

REVIEW OF OPERATIONS

During the year under review, the Company earned total income to the tune of ₹ 9036.70 lacs as against ₹ 10,618.37 lacs in the previous year. This year the Company earned a Profit (PAT) of ₹ 158.89 lacs as against ₹ 621.65 lacs (including Exceptional gain of ₹ 473.77 lacs) in the previous year.

During the year under review, the Company did a business of ₹ 8,359.96 lacs as against a business of ₹ 10,195.21 lacs in the previous year from its bitumen division. The company also started trading of construction chemicals in the year 2011-12 and during the year under review, achieved a turnover of ₹ 125.73 lacs as compared to ₹ 23.23 lacs in previous year. With all these activities, the Company, during the year under review, although earned a lesser profit of ₹ 145.65 lacs as against a profit of ₹ 269.05 lacs in the previous year, but has achieved better PBIDT (Profit before Interest, Depreciation & Tax) to the tune of ₹ 644.81 lacs as compared to ₹ 602.27 lacs in previous year. Depreciation & Interest are higher due to start of new Crumb Rubber Plant. As backward integration the Company has set up plants to make Crumb Rubber from old used tyres at 4 strategic locations in North, West, South and East viz., Panipat (Haryana), Wada, District Thane (Maharashtra), Gummidipundi, District Thiruvallur (Tamilnadu) and Haldia (West Bengal). Production at Panipat and Wada started in April, 2012 & February, 2013 respectively. The backward integration has started showing positive result in first year itself by way of reduction in cost of raw material. Production at Haldia plant has also started in May, 2013 and production at Gummidipundi plant is likely to start within the current financial year.

Since the business of the company mainly consists of manufacturing of crumb rubber, crumb rubber modifier and processing & mixing of bituminous products and therefore to reflect the present activities, the name of your company has been changed from 'Tinna Overseas Limited' to 'Tinna Rubber And Infrastructure Limited.'

The product wise quantitative statement showing turnover of the company for the last two years is depicted as under which shows that from its new activities, your company is achieving positive response and will achieve better results in next year itself:

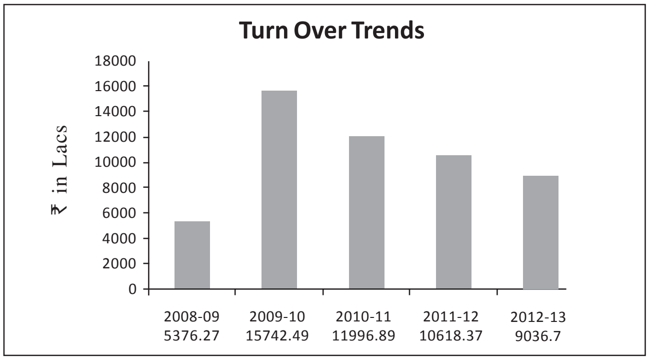
Sl. No.	Name of product	2012-13 (QTY. In MT)	2011-12 (QTY. In MT)
1.	Crumb Rubber Modifier to Oil Refiniries	9240	13919
2.	Job work (Oil Refiniries)	90952	135584
3.	Fine Crumb Rubber for Site Mixing	5289	4656
4.	Job work (Site Mixing)	43581	36323
5.	Crumb Rubber / Polimer Modifier Bitumen	7312	14112
6.	Bitumen Emulsion	3985	1358
7.	Steel	1537	Nil
8.	Crumb Rubber	388	Nil
9.	Others	101	20

The Company lays strong emphasis on utilization of modern technology for qualitative services and business efficiency geared towards complete customer satisfaction and achieving milestones. This is reflective in company's plans to add state of the art crumbing units at its various locations.

The Company is operating in single segment mainly Crumb Rubber, Crumb Rubber Modifier and Modifier Bitumen &

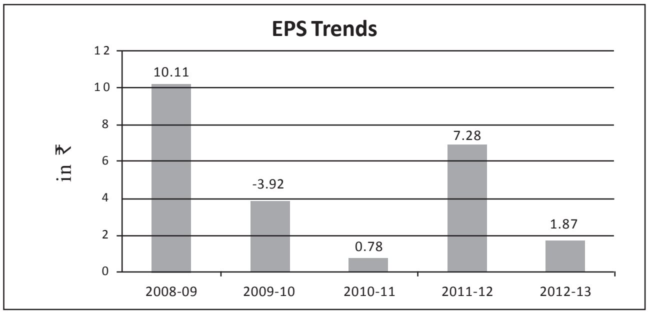
Emulsion Bitumen.The turnover trends of the company for the last five years remained as under:

TURNOVER TRENDS



TRENDS OF EARNING PER SHARES OF LAST FIVE YEARS:

The earning per share depicts the proportion of profits of the Company in a financial year with each shares held by the shareholders. The EPS Trends for the last five years remained as under:



CLB MATTER/ORDER

In view of family dispute, the Hon'ble Company Law Board, New Delhi, vide its Order dated 09th June, 2009 directed for division in group business/activities in the overall interest of the group and public at large. The settlement is fully in place and has been acted upon and as such all the major issues have been resolved. Some minor issues are pending for which petition (s) / application (s) was filed by/against the company before the Hon'ble Supreme Court of Delhi. These matters are pending before the court and being taken care of properly in the interest of the company and public at large.

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 V.R. Bansal & Associates, 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. Regarding the comment about short provisions of depreciation for the assets at Mangalore Refinery Petro Chemical Limited, Mangalore, the Company would re-negotiate due to less than assured business as explained in the note 12(a) of Fixed Assets.

There was slight delay in payment mainly owing to non-adherence of delivery schedule by the suppliers However the company has paid the principal amount during the year.

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, 2013, 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, 2013, 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 Sekhri and Shri Maneesh Mansingka retire by rotation and being eligible offer themselves for re-appointment. Shri Kulbir Singh and Shri Anand Kumar Singh who were appointed as Additional Directors of the company on 14th November, 2013 and 29th May, 2013 respectively will be confirmed in the coming shareholders meeting. Shri Anand Kumar Singh will also be appointed as Whole-Time Director in the coming shareholders meeting.

Shri Bishnu Agarwalla resigned from the directorship of the company w.e.f. 29th May, 2013. The Board places on record its appreciation for the valuable contribution made by Shri Bishnu Agarwalla during his tenure as Director of the Company.

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 Private Limited and the auditor's report for the year ended 31st March, 2013 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 12, 2013

Bhupinder Kumar Sekhri Managing Director

Kulbir Singh Director

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(I)(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 31st March, 2013.

A. CONSERVATION OF ENERGY

The company has taken following steps to conserve energy:

(a) Energy conservation measures taken: The imported and indigenous machinery is of latest technology and non-serving energy to the maximum.

(b) Additional investments & proposals, if any, being implemented for reduction of consumption of energy: The company has installed plants for manufacturing crumb rubber powder and reclaim rubber having capacity to produce 2500 Tonne per month of crumb rubber of specified quality in an environmentalfriendly manner.As a rubber compounder the company has played a big role incaring for environment by using recycled tyres and avoid serious environmental hazard and save cost also.

(c) Impact of the measures at (a) and (b) above for reductionof energy consumption and consequent impact onthe cost of production of goods: The machines used by the company are of latest technology and technology and conserving energy to the maximum. The company further continues to improve productivity by employing trained manpower for efficient utilization of machinery.

B. B. FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF TECHNOLOGY ABSORPTION:

1. 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 by adding crumb rubber for enhancing the properties. The company has brought the Crumb Rubber Modified Bitumen (CRMB) Technology to India after a lot of research which included laying a number of trial stretches with Crumb Rubber Modifier across the country.

(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 ₹ 5.82 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 esults are encouraging.

(c) Use of latest developed techniques has enabled the company to improve quality of its products and productivity of factory staff.

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: Presently the company is not very keen in export business.

2. Total Foreign Exchange Used and Earned:

	(₹ in lacs)
(a) Total Foreign Exchange Used	1105.90
(b) Total Foreign Exchange Earned	NIL

For & on behalf of the Board

New Delhi
August 12, 2013

Bhupinder Kumar Sekhri Managing Director

Kulbir Singh Director

REPORT ON CORORATE GOVERNANCE

A) Company's Philosophy:

Good Corporate Governance Practices are strength of any successful enterprise. The company's visionary founder had laid the foundation for good governance and made it an integral part of the company's philosophy which has characteristics of fairness, accountability, disclosure and transparency.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 environmentwhich includes caring for the society around us.
- Enhancement of stakeholders' 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.

The Company is in full compliance with clause-49 of the Listing Agreement.

B) Board of Directors

The Board of Directors consisted of six directors as on 31st March, 2013 out of which four were Non-Executive Directors and two wereExecutive (paid) Directors. Out of the six Directors, four directors were independent directors and two from promoters group.The composition of the Board is in conformity with clause 49 of the Listing Agreement.

Ten Board Meetings were held during the financial year 2012-13 (01.04.2012 to 31.03.2013)-30.04.2012, 31.07.2012, 27.08.2012, 17.09.2012, 10.10.2012, 14.11.2012, 17.11.2012, 04.01.2013, 31.01.2013 and 25.03,2013. The composition of the Board of Directors and the related information as on 31st March, 2013 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 Sekhri	No	9	WTD/PG	2	-	-
Sh. Kapil Sekhri	Yes	8	WTD/PG	2	1	-
Sh.Kulbir Singh	Yes	8	NED/ID	-	1	-
Sh.Maneesh Mansingka	NA	5	NED/ID	1	1	-
Sh. Vivek Kohli	NA	3	NED/ID	-	1	-
Sh. Bishnu Agarwalla*	NA	5	NED/ID	-	1	1

* resigned on 29th May, 2013.

PG-Promoter Group   WTD-Whole Time Director   NED-Non Executive Director

ID- Independent Director   NA- Not Applicable.

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 five 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
Sh. Bishnu Agarwalla*	Chairman	5	
Sh. Maneesh Mansingka	Member	5	
Sh. Vivek Kohli	Member	4	

* *resigned on 29th May, 2013.

2. Remuneration Committee

I. Terms of reference

The remuneration committee has been constituted to recommend/ review the remuneration package of Managing / Whole Time Directors and for whole remuneration structure of auditors and employees of the company.

II. Composition

The Committee comprises 3 Non-Executive Directors. The Committee met 3 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 Bishnu Agarwalla*	Chairman	3	
Shri Kulbir Singh	Member	3	
Shri Maneesh Mansingka	Member	3	

* resigned on 29th May,2013.

III. Details of remuneration paid to Directors

A. Executive Directors

Name of Director	Salary (₹ in lacs)	Other perquisites (₹)
Sh. Bhupinder Kumar	35.60	0.40
Sh. Kapil Sekhri	35.60	0.40
TOTAL	**71.20**	**0.80**

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 (per month);

Name	Salary (₹)	P.F. (₹)	Perquisites (₹) (As per income tax Act, 1961)
Shri Bhupinder Kr. Sekhri	2,96,700	17,000	3,300
Shri Kapil Sekhri	2,96,700	15,400	3,300

In addition to above Gratuity is applicable as per the Payment of Gratuity Act.

(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 Sekhri & Kapil Sekhri is for fixed term, i.e. till 31st March, 2014.

(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. - **Not applicable.**

B. Non- Executive Directors

The Company does not pay any remuneration to its Non- Executive Directors except Shri Bishnu Agarwalla, Chairman of Audit Committee towards sitting fee of ₹ 8,000 per board meeting.

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, 2013

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

3. Investors Grievance Committee

I. 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 one time 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 Kulbir Singh	Chairman	1	
Shri Maneesh Mansingka	Member	1	
Shri Bishnu Agarwalla	Member	1	

The Company had 5322 shareholders. During the year under review very few requests/ complaints were received and they were attended/ resolved. Further, no securities were pending for transfer for more than 15 days as on 31.03.2013 except few cases on technical grounds.

C. General Body Meetings

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

Financial Year	Date	Time	Location	Remarks
2011-2012	29th September,2012	9.00a.m.	18 South Drive Way, DLF Farms Chhattarpur,NewDelhi-110074.	
2010-2011	30th September, 2011	9:00 a.m	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	
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	

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) There are 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.

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 website of the Company **www.tinna.in.**

F. General Shareholders' Information

i. 26th Annual General Meeting

Venue	:	18 South Drive Way, DLF Farms, Chhattarpur, New Delhi-110074
Time	:	9:00 AM
Date	:	30th September, 2013

ii. Tentative Financial Calendar

1st Quarter Results	-	12th August, 2013
2nd Quarter Results	-	Oct-Nov, 2013
3rd Quarter Results	-	Jan-Feb, 2014
4th Quarter Results	-	May 2014

iii. Book Closure

The register of members and share transfer books of the Company remained close from Thursday, the 26th September, 2013 to Monday, the 30th September, 2013. (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

Monthly high, low quotations and trading volumes of the company's equity shares during the financial year 2011-12 at Bombay Stock Exchange is noted below:

MONTH	OPEN	HIGH	LOW	CLOSE	TOTAL TURNOVER (in ₹)
April-12	23.75	23.75	18.60	19.50	36,080
May-12	18.80	20.50	14.20	14.90	45,283
June-12	15.64	21.98	15.64	21.98	20,016
July-12	23.10	29.70	21.05	23.00	1,92,111
Aug-12	23.00	23.10	20.00	20.50	59,916
Sep-12	19.50	22.65	15.85	22.55	87,285
Oct-12	23.65	26.00	18.70	18.70	50,863
Nov-12	17.85	22.70	16.45	22.70	1,29,127
Dec-12	23.40	36.20	23.40	36.20	4,089
Jan-13	38.00	39.90	36.05	37.80	2,267
Feb-13	37.00	37.00	37.00	37.00	37
Mar-13	35.20	36.00	31.80	36.00	15,624

H. Registrar & Transfer Agent and Share Transfer System

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, 2013

Nominal value of shares held	No. of Shareholders	% to total Shareholders	Total no. of shares held	Nominal amount of shares held	% of total shares
1 to 5000	5283	99.267	949581	94,95,810	11.19
5001 to 10000	20	0.376	143310	14,33,100	1.689
10001 to 20000	4	0.075	58309	5,83,090	0.687
20001 to 30000	2	0.038	53200	5,32,000	0.627
30001 to 40000	1	0.019	35000	3,50,000	0.412
40001 to 50000	0	0	0	0	0
50001 to 100000	1	0.019	51800	5,18,000	0.61
100000 to above	11	0.206	7194750	7,19,47,500	84.785
Total	**5322**	**100**	**8485950**	**8,48,59,500**	**100**

Shareholding pattern as on 31st March, 2013

Category of shareholders	No. of shares	% of total shares
Promoters(including person acting in concert)	6109760	72.00
Foreign Institutional Investors	0	0
Non-resident Indians/ Overseas Corporate Bodies/ Foreign Nationals	34700	0.41
Mutual Fund, Financial Institutions and Banks	46000	0.54
Private Corporate Bodies	456280	5.38
Resident Indians	1839210	21.67
Total	**8485950**	**100.00**

J. Dematerialisation of Shares

The equity shares of the Company are compulsory traded in dematerialized form and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The international Securities Identification Number (ISIN) of the company under Depository System is INE015C01016. Number of shares held in dematerialized and physical mode as on March 31, 2013 are noted below:

Particulars	No. of shares	% of total shares
Shares held in Dematerialized form with NSDL	6614845	77.95
Shares held in Dematerialized form with CDSL	58777	0.69
Shares held in physical form	1812328	21.36
Total	**8485950**	**100**

K. Locations of the Plants

Sl No.	Locations		Activity
1	Refinery Road, Village Rajapur, Panipat(Haryana)132 1003	(i)	Modifier Plant
		(ii)	Rubber Crumbing Plant
		(iii)	Modified Bitumen Plant
		(iv)	Bitumen Emulsion Plant
2	Phase I, IOCL Panipat Refinery, Panipat-132 140, Haryana	(i)	Operation & Management of CRMB Plant
3	Gut no113/2 & 114/2 , Village Pali, Taluka Wada, Distt Thane, Maharashtra- 421 303	(i)	Modifier Plant
		(ii)	Rubber Crumbing Plant
4	IOCL, Mathura Oil Refinery, Mathura (Uttar Pradesh) - 281 006	(i)	Operation & Management of CRMB Plant
5	Plot no 2693,2694,2696 & 2697, Mauza-Dighasipur, PO Chakdwipa, Distt. Purba Medinipore, West Bengal-721 666	(i)	Modifier Plant
		(ii)	Rubber Crumbing Plant
6	Plot no 42-43, Manali Oil Refinery Road Ernavoor, Chennai-600057	(i)	Modifier Plant
7	MRPL, Mangalore Refinery, Kuthethoor Bala Post via Katipalla, Mangalore, (Karnataka) -575 026	(i)	Operation & Management of CRMB Plant
8	Village no 17, Chithur Natham Village, Gummidipundi Taluk,Thiruvallur District, Tamilnadu	(i) (ii)	Modifier Plant Rubber Crumbing Plant
9	Haldia Refinery, IOCL Campus, Purba Medinipore, Haldia (West Bengal) -721 606	(i)	Operation & Management of CRMB Plant
10	Village-Mavza, Rampur Jattan, Near IIT College of Engineering, Kalamb, Sirmour(Himachal Pradesh)- 173 033	(i)	Modifier Plant

L. Address for Correspondence

For all stakeholders:
Tinna Rubber And Infrastructure Limited
(Formerly Tinna Overseas Limited)
No. 6, Sultanpur (Mandi Road), Mehrauli, New Delhi-110030

For Physical Transfer of shares/Dematerialisation request:
M/s Alankit Assignment Limited
2E/21 Jhandewalan Extension New Delhi -110 055
Phone : +91-11-23541234
Fax : +91-11- 42541201
Web : www.alankit.com
Email : info@alankit.com

M. Non- Mandatory Requirements

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

N. Re-appointment of the Directors

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

1. Shri Bhupinder Kumar Sekhri is the principal promoter of your Company. He is 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 63 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 31.03.2013. He is also on the board of the other company (ies) details of which are 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	-	-	-

1. Shri Maneesh Mansingka is a non-executive(Independent) Director of your Company. He is also Director in other companies. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 47 years old having vast and varied experience of the industry over 25 years. He is also on the board of the other group company (ies) details of which as given below:

Sr. No.	Name of Companies in which Director	Audit Committee	Shareholders' Committee	Remuneration Committee
A	BGK Infrastructure Developers Private 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

CEO/CFO CERTIFICATION

To
The Board of Directors
Tinna Rubber And Infrastructure Limited

(a) We have reviewed financial statements and the cash flow statement for the year 2012-13 and that to the best of our knowledge and belief:

 (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

 (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

 (i) significant changes in internal control over financial reporting during the year;

 (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

 (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Tinna Rubber And Infrastructure Limited**

New Delh	**Bhupinder Kumar Sekhri**	**Ravindra Chhabra**
August 12, 2013	Managing Director	CFO & GM Accounts

DECLARATION TO THE MEMBERS PURSUANT TO CLAUSE 49(I)(D)(II) OF THE LISTING AGREEMENT

To
The members of
Tinna Rubber And Infrastructure Limited

I, Bhupinder Kumar Sekhri, Managing Director of the company alongwith Mr. Ravindra Chhabra (CFO & GM Accounts), hereby declare that all Board members and senior management personnel have affirmed compliance with the code of Business Conduct and Ethics formulated by the Company for the financial year ended March 31, 2013.

New Delhi
August 12, 2013

Bhupinder Kumar Sekhri	**Ravindra Chhabra**
Managing Director	CFO & GM Accounts

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management of Tinna Rubber And Infrastructure 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. After crossing one million tons mark so far in the field of Modified Bitumen production, the company has recently started manufacturing crumb rubber powder having capacity to poduce 2500 Tonne per month of crumb rubber of specified quality in an environmental friendly manner. As a rubber compounder your company is playing a big role in caring for environment around the Globe by using scraps tyres and avoid serious environmental hazard and save cost also.

During the year under review in the bitumen division the Company did a business of ₹ 8,359.96 lacs as against a business of ₹ 10,195.21 lacs in the previous year. The company also started trading of construction chemicals in the year 2011-12 and during the year under review, achieved a turnover of ₹ 125.73 lacs as compared to ₹ 23.23 lacs in previous year. With all these activities, the Company, during the year under review, although earned a lesser profit of ₹145.65 lacs as against a profit of ₹ 269.05 lacs in the previous year, but has achieved better PBIDT (Profit before Interest, Depreciation & Tax) to the tune of ₹ 644.81 lacs as compared to Rs. 602.27 lacs in previous year. Depreciation & Interest are higher due to start of new Crumb Rubber Plant.

As backward integration your Company has set up plants to make Crumb Rubber from old used tyres at 4 strategic locations in North, West, South and East viz., Panipat (Haryana), Wada, District Thane (Maharashtra), Gummidipundi, District Thiruvallur (Tamilnadu) and Haldia (West Bengal). Production at Panipat and Wada started in April, 2012 & February, 2013 respectively. The backward integration has started showing positive result in first year itself by way reduction in cost of raw material. Production at Haldia plant has also started in May, 2013 and production at Gummidipundi plant is likely to start within the current financial year.

The Company lays strong emphasis on utilization of modern technology for qualitative services and business efficiency geared towards complete customer satisfaction and achieving milestones. This is reflective in company's plans to add state of the art crumbing units at its various locations.

The company's operating business is 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 construction chemicals, agricultural activity division and warehousing and infrastructure.The Company is operating in single segment mainly Crumb Rubber, Crumb Rubber Modifier and Modifier Bitumen & Emulsion Bitumen.

The Management is looking forward to capitalize this Opportunity.

Industry Structure and Development

Crumb Rubber Powder & related products

The Company recently developed and located plants at various locations across India for manufacturing crumb rubber powder having capacity to produce 2500 Tonne per month of crumb rubber of specified quality in an environmental friendly manner.As a rubber compounder the company is playing a big role in caring for environment around the Globe by using recycled tyres and avoid serious environmental hazard and save cost also. The company makes tyre crumb as per the required specifications from 30 meshes to 80 meshes which can be used in a tyre side wall compound.

Opportunities - Bitumen Modifier & related products

- The outlook for demand of bitumen modifier & modified bitumen is encouraging.
- One of the main Companies 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.
- Slowdown in Infrastructure activity due to financial constraints.

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.

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 Rubber And Infrastructure Limited

We have examined the compliance of conditions of Corporate Governance by Tinna Rubber And Infrastructure Limited, for the year ended on 31st March, 2013, 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 has been limited to a review of the 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 statement of the company.

In our opinion and to the best of our information and according to the explanations sought and replies given to us by the Company, its Directors and Officers, we certify that the Company has complied with, in all material respects, the mandatory conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the shareholder/investor's Grievance Committee except few cases on technical grounds.

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 12, 2013

CS Ajay Baroota
C.P No. 3945

INDEPENDENT AUDITORS' REPORT

To
The Members of,
M/s. TINNA RUBBER AND INFRASTRUCTURE LIMITED
No. 6, Sultanpur (Mandi Road)
Mehrauli, Delhi-110030

Report on the Financial Statements

We have audited the accompanying financial statements of TINNA RUBBER AND INFRASTRUCTURE LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

The Company has provided depreciation on the rates prescribed under Schedule XIV of the Act in respect of its unit in the complex of Mangalore Refinery and Petrochemicals Limited (MRPL). However, as per the work order awarded by MRPL, the Company shall transfer plant and machineryof the said unit at a nominal value of ₹ 1/- on 05/07/2014. Therefore the depreciation on plant and machinery is to be charged on the basis of useful life of the asset i.eupto 05/07/2014. In view of this, the provision for depreciation is less by ₹19,74,422/- for the year ending 31st March 2013, and the profit is overstated to that extent. Consequently, the value of Plant and Machinery and Reserve and Surplus are overstated due to diminution in the value of assets by ₹1,26,10,962/- as at 31st March 2013.

The Company has not provided interest amounting to ₹ 46,688/- as required under the provisions of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 in respect of delayed payments to suppliers covered under the said Act. Consequently, the profit for the year is overstated to that extent.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) In the case of the Profit and Loss statement, of the profit for the year ended on that date.

c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by section 227(3) of the Act, we report that:

   a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the Balance Sheet, Statement of Profit and Loss and The Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph;

   e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

   f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For V. R. Bansal & Associates
(Chartered Accountants)
Firm Registration No. : 016534N

Rajan Bansal
(Partner)
Membership No. : 93591

Place : New Delhi
Dated : 29/5/2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory requirements' section of our report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its 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) `The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of fixed assets of the Company and such disposal has, in our opinion, not affected the going status of the Company.

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) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

   (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.

3. (a) The Company has granted loan of ₹39,50,000/- to BGK Infrastructure Developers Private Limited, a subsidiary Company, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year is ₹39,50,000/- and the year-end balance outstanding was ₹ 39,50,000/-.

   (b) The Company has not charged any interest on loan given to subsidiary Company. In our opinion and according to the information and explanations given to us, the terms and conditions on which such loans have been given are not prima facie prejudicial to the interests of the Company, since as explained to us, the loan given to subsidiary company is on account of commercial expediency.

   (c) There is no stipulation with regard to repayment of principal amount and payment of interest in respect of loan given by the Company. No interest has been charged on such account.

   (d) There is no overdue amount of more than rupees one lakh in respect of loan granted to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

   (e) The Company has taken loans of ₹8,32,00,000/- from eight parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹6,55,63,730/- and the year-end balance of loans from such parties was ₹ 1,91,63,161/-.

   (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which such loans have been taken are not prima facie prejudicial to the interests of the Company.

   (g) In respect of loans taken by the Company, repayment of the principal amounts and payment of interest is as per stipulations.

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 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 control system.

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.

   (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or agreements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year exceeding ₹5,00,000/- have been made at price which are reasonable having regard to the prevailing market price at the relevant time.

6. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year, within the meaning of Section 58A and 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 nature of its business.

8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the manufacture of Rubber and Rubber Product-waste, Parings and Scrap of Rubber and are of the opinion that prima facie, the prescribed accounts and records 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. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess at the end of the period ending 31st March 2013 for a period more than six months from the date they become payable except Entry tax of Rs 2,62,716/- and interest and penalty on Cess payment under BPMC (Cess on entry of goods) Rules, 1996 of ₹ 25,61,063/-.

   (b) According to the records of Company, the dues outstanding of income-tax and other taxes on account of any dispute are as follows.

S. No.	Name of Statute	Nature of Dues	Amount (₹)	Fin. Year	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax	73,50,358/-	2000-2001	Delhi High Court
2.	Income Tax Act, 1961	Income Tax	4,91,962/-	2005-2006	Commissioner of Income Tax (Appeals)
3.	Income Tax Act, 1961	Income Tax	4,98,512/-	2006-2007	Commissioner of Income Tax (Appeals)
4.	Income Tax Act, 1961	Income Tax	18,12,243/-	2007-2008	Commissioner of Income Tax (Appeals)
5.	Income Tax Act, 1961	Income Tax	41,04,979/-	2008-2009	Commissioner of Income Tax (Appeals)

10. The Company has no accumulated losses at the end of financial year and it has not incurred cash losses in the current and during the immediate preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank during the year.

12. According to the information and explanation given to us and based on documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

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 (as amended) 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 (Auditors Report) Order, 2003 (as amended) 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 guarantee for loans taken by others from bank or financial institutions, which are prejudicial to the interests of the Company.

16. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

17. According to the information and explanations given to us and an overall examination of the balance sheet of the Company, short term borrowings of ₹5,51,63,161/- has been utilized for the purchase of tangible assets. As explained to us, such short term borrowings were obtained on a temporary basis pending sanction of term loan from Syndicate Bank.

18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year.

19. The Company did not have any outstanding debentures during the year

20. The Company has not raised money by way of public issue of shares/debentures in current year.

21. According to 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 V. R. Bansal & Associates
(Chartered Accountants)
Firm Registration No. : 016534N

Rajan Bansal
(Partner)
Membership No. : 93591

Place : New Delhi
Dated : 29/5/2013

Balance Sheet

		Note No.	As at 31-03-2013	Amount (₹) As at 31-03-2012
I.	**EQUITY & LIABILTIES :**			
(1)	**SHAREHOLDERS' FUNDS**			
	Share Capital	**3**	85,383,833	85,370,333
	Reserve & surplus	**4**	352,612,983	336,655,833
			437,996,816	**422,026,166**
(2)	**NON-CURRENT LIABILITIES**			
	Long term borrowings	**5**	121,398,006	3,640,657
	Deferred tax liabilities (Net)	**6**	26,732,599	19,951,650
	Long term provisions	**7**	8,654,695	6,159,046
			156,785,300	**29,751,353**
(3)	**CURRENT LIABILITIES**			
	Short term borrowings	**8**	177,054,393	152,963,105
	Trade payables	**9**	73,584,373	30,006,396
	Other current liabilities	**10**	68,734,609	39,126,171
	Short term provisions	**11**	2,521,356	9,565,414
			321,894,731	**231,661,086**
			916,676,847	**683,438,605**
II.	**ASSETS :**			
(1)	**NON-CURRENT ASSETS**			
	Fixed assets	**12**		
	Tangible assets		372,138,212	199,805,188
	Intangible assets		753,551	24,449
	Capital work-in-progress		102,536,945	82,329,766
	Non-current investments	**13**	59,595,770	59,595,770
	Long-term loans and advances	**14**	29,532,979	24,967,046
	Other non-current assets	**15**	18,212,423	24,212,423
			582,769,880	**390,934,642**
(2)	**CURRENT ASSETS**			
	Inventories	**16**	108,705,723	64,000,584
	Trade receivables	**17**	132,214,775	157,258,314
	Cash and bank balances	**18**	37,900,498	14,886,530
	Short-term loans and advances	**19**	47,946,021	52,917,872
	Other current assets	**20**	7,139,950	3,440,663
			333,906,967	**292,503,963**
	TOTAL		**916,676,847**	**683,438,605**

SIGNIFICANT ACCOUNTING POLICIES	**2**
OTHER NOTES ON ACCOUNTS	**31-32**

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

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Place : New Delhi
Dated : 29/5/2013

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Statement of Profit & Loss

Amount (₹)

		Note No.	Year ended 31.3.2013	Year ended 31.02.2013
I.	**INCOME**			
	Revenue From Operations (Gross)		941,355,672	1,169,644,647
	Less: Excise Duty and service tax		52,805,793	113,654,042
	Revenue from operations (Net)	**21**	**888,549,879**	**1,055,990,605**
	Other Income	**22**	15,119,739	6,534,510
	TOTAL REVENUE		**903,669,618**	**1,062,525,115**
II.	**EXPENSES**			
	Cost of materials consumed	**23**	670,335,673	794,978,270
	Purchases of traded goods	**24**	-	24,711,966
	Changes in inventories of finished goods and work-in-Progress	**25**	(44,203,583)	11,144,487
	Employee benefits expenses	**26**	88,066,038	67,335,216
	Finance costs	**27**	30,976,114	23,867,171
	Depreciation and amortisation expenses	**28**	22,236,507	12,060,243
	Other expenses	**29**	121,693,589	101,522,721
	TOTAL EXPENSES		**889,104,338**	**1,035,620,074**
III.	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX**		14,565,280	26,905,041
	Add : Exceptional Items	**30**	-	47,376,932
IV.	**PROFIT BEFORE TAX**		**14,565,280**	**74,281,973**
V.	**TAX EXPENSES:**			
	Current tax		2,893,876	16,636,824
	Income tax for earlier year		(122,895)	-
	MAT Credit Entitlement (Current Year)	32(12)	(2,893,876)	-
	MAT Credit Entitlement (Earlier years)	32(12)	(7,981,924)	-
	Deferred tax		6,780,949	(4,519,495)
VI.	**PROFIT FOR THE YEAR**		**15,889,150**	**62,164,644**
VII.	**EARNINGS PER EQUITY SHARE:**			
	Basic		1.87	7.26
	Diluted		1.87	7.26
	(Face value of ₹ 10/- per share)			

SIGNIFICANT ACCOUNTING POLICIES	**2**	
OTHER NOTES ON ACCOUNTS	**31-32**	

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

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

Rajan Bansal
(Partner)
M. No. 93591

Place : New Delhi
Dated : 29/5/2013

For and on behalf of the Board of Directors

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Cash Flow Statements

	Year ended March 31, 2013	Year ended March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	14,565,278	74,281,973
Adjustments to reconcile profit before tax to net cash flows		
Exceptional items	-	(47,376,932)
Depreciation and amortization expenses	22,236,507	12,060,243
Depreciation credited to Profit and loss	(156,375)	(24,768)
Loss on sale of fixed assets	8,997,064	1,850,995
Loss on sale of investments	-	6,500
Profit on sale of fixed assets	(9,937,785)	(64,642)
Provision for doubtful trade receivable	347,500	20,018
Interest income	(2,010,939)	(4,450,032)
Interest expenses	26,064,571	19,077,692
Operating profit before working capital changes	60,105,821	55,381,047
Movement in working capital		
Decrease/(Increase) in trade receivables	24,696,039	(41,069,425)
Decrease/(Increase) in loans and advances	(24,925,946)	-
Decrease/(Increase) in current assets	8,644,038	(14,602,849)
Decrease/(Increase) in inventory	(44,705,139)	22,589,272
(Decrease)/Increase in trade payables	43,577,977	(4,045,743)
(Decrease)/Increase in other liabilities and provisions	23,547,377	(740,731)
Cash generated from/(used) in operations	90,940,167	17,511,571
Income taxes paid (net of refunds)	8,769,696	12,598,535
Net cash flow from/(used) in Operating activities (A)	**82,170,471**	**4,913,036**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress	(238,074,864)	(113,855,246)
Investment in bank deposits (having original maturity of more than three months)	(2,770,602)	(825,494)
Proceeds from sale of fixed assets	23,632,694	92,940,388
Purchase of investment	-	(21,298,140)
Sale of investment	-	48,400,000
Interest income	2,010,939	4,450,032
Loan/ advances given to others	(800,000)	(53,747,795)
Loan/ advances refund received	30,697,795	26,365,757
Net cash flow from/(used) in Investing activities (B)	**(185,304,038)**	**(17,570,498)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	(198,258,081)	(43,600,000)
Proceeds from short term borrowings	210,835,042	83,694,567
Repayment of long term borrowings	(11,737,957)	(12,681,225)
Proceeds from long term borrowings	148,521,000	5,483,000
Interest expenses	(26,064,571)	(19,077,692)
Proceeds from issue of shares	81,500	-
Net cash flow from/(used) in Financing activities (C)	**123,376,933**	**13,818,650**
Net increase / decrease in cash and cash equivalents (A+B+C)	20,243,366	1,161,188
Cash and cash equivalents at the beginning of the year	3,474,210	2,313,022
Cash and cash equivalents at the end of the year	**23,717,576**	**3,474,210**
NOTES:		
1) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3, "Cash Flow Statements".		
2) Components of cash and cash equivalents.		
Cash on hand	471,357	468,915
Balances with banks:		
Current accounts	23,246,219	3,005,295
	23,717,576	3,474,210
Add : Deposits held as margin money against bank guarantees	14,182,922	11,412,320
Total cash and cash equivalents at the end of the year (Note- 18)	37,900,498	14,886,530

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Place : New Delhi
Dated : 29/5/2013

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

1. CORPORATE INFORMATION

Tinna Rubber And Infrastructure Limited (the company) was incorporated on 4th March 1987. The Company is primarily engaged in the business of manufacturing of Crumb Rubber, Crumb Rubber Modifier (CRM), Crumb Rubber Modfied Bitumen (CRMB), Polymer Modifed Bitumen (PMB), and Bitumen Emulsion. The products are primarily used for making / repair of road.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.01 BASIS OF PREPARATION

The financial statements of the Company have been prepared on historical cost convention as a going concern on accrual basis, in accordance with the requirements of the Companies Act, 1956 and in accordance with generally accepted accounting principles in India (Indian GAAP) and comply with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) to the extent applicable. Accounting policies have been consistently applied and where a newly issued accounting standard is initially adopted or where an existing accounting policy requires a change due to more appropriate presentation of financial statements, such changes are suitably incorporated. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

2.02 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

The presentation and disclosure of the financial statements have been made in accordance with the revised Schedule VI notified by the Central Government vide notification no. S.O 447(E), dated 28th February 2011 (as amended by notification no. F No. 2/6/2008-CL-V, dated 30th March 2011) which has become effective for accounting periods commencing on or after 1st April 2011.

2.03 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to accounts.

2.04 TANGIBLE FIXED ASSETS

a) Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets are further adjusted by the amount of CENVAT credit and VAT credit availed wherever applicable and subsidy directly attributable to the cost of fixed asset. Interest and other borrowing costs during construction period to finance qualifying fixed assets is capitalised if capitalisation criteria are met.

b) Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

c) Capital work-in- progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date and are carried at cost comprising direct cost , related incidental expenses and interest on borrowings their against.

d) Preoperative expenditure and trial run expenditure accumulated as capital work in progress is allocated on the basis of prime cost of fixed assets in the year of commencement of commercial production.

e) Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

2.05 INTANGIBLE ASSETS

a) Acquired intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

b) Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the assets can be measured reliably.

c) Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed off.

2.06 DEPRECIATION AND AMORTIZATION

a) Depreciation on tangible fixed assets is provided on straight line basis using the rates and in the manner as prescribed in Schedule XIV of the Companies Act, 1956, which approximates the useful lives of the assets estimated by the management. Depreciation on Crumb Rubber Plant has been provided at 11.875% per annum considering the useful life of the Plant as 8 years on straight line method. Depreciation on other Plant and Machinery has been provided on Straight line Method on rates as per Schedule XIV of the Companies Act, 1956

b) Computer Software are amortized over a period of 5 years.

c) Assets costing not more than 5,000/- each individually are depreciated at 100%.

2.07 INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.08 INVENTORIES

i) Raw Materials, Stores And Spare parts are valued at cost. Materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Raw Material, Stores & Spares & Raw Material contents of work in progress are valued by using the first in first out (FIFO) method.

ii) Finished goods are valued at cost plus excise duty or net realizable value whichever is lower. The finished goods are valued by using weighted average cost method. Cost of finished goods includes direct Raw Material, labour cost, allocable overhead manufacturing expenses and excise duty.

iii) Work-in-progress are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

iv) The stocks of scrap materials have been taken at net realisable value.

v) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.09 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions and balances

i) **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iii) **Exchange differences**

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to fixed assets acquisition are recognised as income or expense in the year in which they arise.

iv) **Bank Guarantee And Letter of Credit**

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.

2.10 RETIREMENT BENEFITS

i) **Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to provident fund are made in accordance with the relevant scheme and are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

ii) The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit etitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plan, is based on the market yields on government securities as at the balance sheet date. Actuarial gains and lossses are recognised immidiately in the Statement of Profit and Loss.

iii) **Leave Encashment**

Accrual for leave encashment benefit is based on acturial valuation as on the balance sheet date in pursuance of the company's leave rules.

2.11 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) **Sale Of Goods:**

Revenue from sale of Goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, and are recorded net of returns and trade discount. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economics benefits flowing to the company and therefore are excluded from revenue. Excise Duty is deducted from revenue(Gross) to arrive at revenue from operations (net). sales do not include inter-divisional transfers.

ii) **Job Work**

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.

iii) **Composite Services**

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

iv) **Interest:**

Interest income is recognized on a time proportion basis, except on doubtful or sticky loans and advances which is accounted on receipt basis.

v) **Dividend from investment in Shares :**

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

2.12 FUTURE CONTRACTS

Profit/ Loss on contracts for future settled during the year are recognised in the Statement of Profit and Loss. Future contracts outstanding at year-end are marked to market at fair value. Any losses arising on that account are recognised in the Statement of Profit and Loss for the year.

2.13 PRIOR PERIOD ITEMS/ EXTRAORDINARY ITEMS

Prior Period expenses/incomes, are shown as prior period items in the profit and loss account as per the provision of Accounting Standard-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" notified under the Companies (Accounting Standards) Rules ,2006 (as amended). Items of income or expenses that arise from events or transactions that are distinct from ordinary activities of the enterprise and are not expected to recurr frequently or regularly are treated as extraordinary items.

2.14 SEGMENT REPORTING

Identification of segments

The Company’s operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Compnay is operating in a single segment namely Crumb Rubber, Crumb Rubber Modifier, Modified Bitumen and Emulsion Bitumen.

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.

2.15 TAXES ON INCOME

Tax expense for the year comprises of direct taxes and indirect taxes.

DIRECT TAXES

i) Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier yea₹ Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

iii) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax. The Company recognizes MAT Credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Acts, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

iv) Wealth tax is ascertained in accordance with the provisions of the Wealth Tax Act 1957.

INDIRECT TAXES

i) 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 has been accounted for in respect of services rendered.

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

2.16 IMPAIRMENT OF ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.17 LEASES

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.18 BORROWING COSTS

Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.19 EARNING PER SHARE

Basic earning per share is computed by dividing the profit/(loss) aster tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutuve potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

2.20 PROVISIONS AND CONTINGENT LIABILITIES

Provisions

A provision is recognized when the companyhas a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.21 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes on Financial Statements for the year ended 31st March, 2013

		Number	As at 31-03-2013	Number	Amount (₹) As at 31-03-2012
3.	**SHARE CAPITAL**				
(a)	**Authorised**				
	Equity Sharesof ₹ 10/- each)	10,000,000	100,000,000	10,000,000	10,00,00,000
	Issued				
	Equity Shares of ₹ 10/- each	8,564,750	85,647,500	8,564,750	85,647,500
	Subscribed and fully Paid up				
	Equity Shares of ₹ 10/- each	8,485,950	84,859,500	8,564,750	85,647,500
	Less : Calls in arrears (Other than Directors & Officers)	-	-	89,500	(277,167)
	Add:Forfeited Shares (amount originally paid up) {Refer note no (f)}	78,800	524,333	-	-
			85,383,833		**85,370,333**

b) **Reconciliation of shares outstanding at the beginning and at the end of reporting period the number of shares**

Equity shares as on outstanding at beginning of the year	8,564,750	8,564,750
Less: Equity share forfeited during the year	78,800	-
Outstanding at the end of year	**8,485,950**	**8,564,750**

c) **Terms/rights attached to equity shares**

(i) The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of Equity share is entitled to one vote per share.

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

d) **Details of Shareholders holding more than 5% shares in the Company**

		No. of shares	% of holding	No. of shares	% of holding
i)	Mrs. Puja Sekhri	1,749,160	20.61%	1,749,160	20.42%
ii)	Mrs. Shobha Sekhri	1,636,343	19.28%	1,636,343	19.11%
iii)	Mrs. Aarti Sekhri	1,511,347	17.81%	1,510,947	17.64%

e) **Aggregate number of shares issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares or the numbers of shares bought back during the period of five years immediately preceding the date as at which the Balance Sheet is prepared:**

		2012-13		2011-12	
	Equity shares :				
i)	Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
ii)	Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil
iii)	Shares bought back	Nil	Nil	Nil	Nil

f) **Forfeited Shares**

Equity shares	78,800	788,000	Nil	Nil

The Company has forfeited 78,800 equity shares of ₹10/- each in respect of which calls ramained in arrears The same has been approved by the Board of Directors in their meeting held on 25.03 2013. Accordingly a sum of ₹5,24,333/- being the amount originally paid up on shares forfeited and ₹45,48,667/- being the amount of share premium on such shares have been shown in share capital account and Capital reserve respectively.

Notes on Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
4.	**RESERVE & SURPLUS**		
(a)	**Capital reserve**		
	Transfer from Securities premium account (Refer Note No 3(f))	4,548,667	-
		4,548,667	**-**
(b)	**Securities Premium Account**		
	As per the last balance sheet	176,857,853	176,857,853
	Add: Received during the year	68,000	-
	Less: Transfer to capital reserve in respect of shares forfeited	4,548,667	-
		172,377,186	**176,857,853**
(c)	**General Reserve**		
	As per last Balance Sheet	11,704,929	11,704,929
		11,704,929	**11,704,929**
(d)	**Surplus as per the statement of profit and loss**		
	As per the last balance sheet	148,093,051	99,700,463
	Less: Adjustment as per CLB Order (Refer Note No 15)	-	(13,772,056)
	Add : Profit as per statement of profit and loss	15,889,150	62,164,644
		163,982,201	**148,093,051**
		352,612,983	**336,655,833**

Amount (₹)

5. LONG TERM BORROWINGS	**Refer Para**	**Non-Current**		**Current Maturities**	
		As at 31-03-2013	**As at 31-03-2012**	**As at 31-03-2013**	**As at 31-03-2012**
SECURED					
a) Term loans from bank					
Syndicate Bank	(a)	115,000,000	-	25,000,000	6,489,116
b) Long Term maturities of finance lease obligations	(b)				
From banks					
Axis Bank Limited		1,233,927	2,350,894	1,116,967	930,624
HDFC Bank Limited		301,810	-	133,540	118,317
c) From other parties					
Tata Capital Financial Services Limited		941,031	1,289,763	1,176,742	3,039,703
BMW India Financial Services Pvt. Ltd.		3,921,238	-	2,176,205	-
		121,398,006	**3,640,657**	**29,603,454**	**10,577,760**

a) Term Loan from Bank (Secured)

I. The Company has been sanctioned a term loan of ₹ 14,00,00,000/- by Syndicate Bank for the purpose of setting of new machineries, buildings etc. for production of crumb rubber mainly for their own consumption. The said loan has been utilised for the purpose it was sanctioned as at the end of the year.

II. **Primary security**

The term loan is secured by way of hypothecation of plant and machinery at Panipat, Wada, Haldia and Chennai (Gummidipundi) plants of the Company and Unregistered equitable morgage (UREM) of land and building at Wada and Chennai (Gummidipundi) plants of the Company.

Collateral securities

A. The term loan is further secured by way of equitable mortgage of land and building at:
   i) Land & Building located at Refinery Road, Village Rajapur, Tehsil & Distt. Panipat-132103
   ii) Land & Building located at Tirlokpur Road, Village Rampur Jattan, Nahan Distt. Sirmour (H.P)
   iii) Land & Building located at Plot No.166/3 & 4, Kanadi Fatak, Village Naroli, Silvassa (UT of DNH)
   iv) Farm House at No.6, Sultanpur, Mandi Road, Mehraulli, New Delhi- 110030

B. Other Properties
   i) Building at CRMB Plant at Mangalore Refinery and Petrochemicals Ltd. Kuthethur Post, Via Katipalla, Mangalore-575030
   ii) Building located at Mouza- Paramananda Chak, J.L No 181, Mouza- Sitaram Chak, J.L No. 182 P.S- Haldia, Distt Purba Midnapur.
   iii) Hypothecation of plant and machinery located at units of Mangalore, Panipat, Chennai, Kalamb, Silvassa and of existing mobile units.

III. Terms of Repayment:

The term loan is repayable in 56 equal monthly installments of ₹25,00,000/- each starting six months from the date of release of first installment of Term Loan. Interest is to be charged monthly including during moratorium period.

		Non Current	Current	Non-Current	Current
IV.	Aggregate amount of Term Loans secured by way of personal guarantees of Shri Bhupinder Kumar and Kapil Sekhri, Directors of the Company and Gaurav Sekhri (Relative of Director).	11,50,00,000/-	2,50,00,000/-	-	64,89,116/-

V. The existing term loan of ₹ 64,89,116/- outstanding as on 01/04/2012 has been repaid during the year.

b) Long Term Maturity of Finance Lease Obligations:

Long Term Loans from Axis Bank Limited, HDFC Bank Limited, Tata Capital Financial Services Limited and BMW India Financial Services Private Limited are secured against hypothecation of respective vehicles under finance lease.

Name of Lendor	Nature of Lease	Terms of repayments (Including Interest)
Axix Bank Limited	finance lease	Repayable in 36 monthly installments of ₹1,08,482/- including interest, commencing from 1st may 2012.
HDFC Bank Limited	finance lease	Repayable in 36 monthly installments of ₹14,650/- including interest, commencing from 5th march 2013.
Tata Capital Financial Services Limited	finance lease	Repayable in 36 monthly installments ranging from ₹8,932/- to ₹1,09,725/- including interest.
BMW India Financial Services Pvt. Ltd.	finance lease	Repayable in 36 monthly installments of ₹2,24,000/- including interest, commencing from 29th November 2012.

Notes on Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
6.	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred tax liability		
	On account of difference in rates and method of depreciation	35,831,457	24,155,979
		35,831,457	**24,155,979**
	Deferred tax assets		
	On account of expenditure charged to the statement of profit and loss and allowed for tax purposes on payment basis	5,469,734	4,204,329
	On account of carried forward loss as per I.T. Act	3,629,124	-
		9,098,858	**4,204,329**
	Net Deferred Tax Liabilities (Net)		
	At the end of year	26,732,599	19,951,650
	For the year	6,780,949	4,519,495

Deferred tax resulting from timing differences between book profit and taxable income is accounted for using the current tax rate.

		As at 31-03-2013	As at 31-03-2012
7.	**LONG TERM PROVISIONS**		
	Provision for employee benefits		
a)	Gratuity {refer note 32 (2)}	7,334,025	5,520,799
b)	Leave encashment {refer note 32(2)}	1,320,670	638,247
		8,654,695	**6,159,046**
8.	**SHORT TERM BORROWINGS**		
a)	**Secured (Repayable on Demand)**		
	Working capital limits from Bank	121,891,232	110,376,905
		121,891,232	110,376,905
b)	**Unsecured**		
	From Related parties	19,163,161	42,586,200
	Inter corporate loans	36,000,000	-
		55,163,161	42,586,200
		177,054,393	**152,963,105**

a) The Company has availed working capital limits of ₹1200 lacs (previous year ₹1100 lacs) from Syndicate Bank which is secured by hypothecation of stocks and book debts of the Company. The working capital limit is further secured by collateral securities as mentioned under term loan from Syndicate Bank. (Refer point 5(a) above).

		As at 31-03-2013	As at 31-03-2012
b)	Aggregate amount of Working capital limits secured by way of personal guarantees of Shri Bhupinder Kumar and Kapil Sekhri, Directors of the Company and Gaurav Sekhri (Relative of Director).	121,891,232	110,376,905

c) Unsecured loans from relatives and companies are repayable on demand. Repayment of interest has been made as per stipulations.

Notes on Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
9. TRADE PAYABLES		
Trade Payables	73,584,373	30,006,396
	73,584,373	30,006,396

a) Information as required to be furnished as per section 22 of the Micro,Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31st March 2003 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

S. No.	Particulars	Year ended 31st March 2013	Year ended 31st March 2012
i)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act	1,32,75,492/-	1,88,66,019/-
ii)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years,until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

b) The Information in respect of the party determined under the MSMED Act , has been identified on the basis of information available with the Company.

c) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period were at ₹49,64,736/- (previous year ₹ Nil) as on the balance sheet date.

d) No provision for interest payable in terms of Section 16 of the MSMED Act has been made.

Notes on Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
10. OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer note 5)	25,000,000	6,489,116
Current maturities of finance Lease obligations (refer note 5)	4,603,454	4,088,644
Interest accrued but not due on borrowings	4,708,425	2,261,337
Security deposit	300,000	300,000
Creditors for capital goods	5,753,224	5,858,856
Other Liabilities:		
Employees benefits expenses	8,075,049	5,051,604
Statutory dues		
Excise duty payable	758,197	890,853
Service Tax	445,129	23,454
Vat/CST	1,993,180	2,008,784
Others	5,381,015	4,194,250
Other Liabilities	11,716,936	7,959,273
	68,734,609	**39,126,171**

a) Interest accrued but not due on borrowings includes interest payable to director ₹ 30,41,022/- (previous year ₹ Nil)

b) Security deposit is on account of premises given on rent to an associate Company.

c) The Company has made a provision of excise duty payable amounting to ₹7,58,197/- (Previous Year ₹8,90,853/-) on stocks of finished goods except goods exempt from payment of excise duty. Excise duty is considered as an element of cost at the time of manufacturing of goods.

d) Employees benefit expenses include payable to directors ₹4,01,800/- (Previous year ₹4,37,600/-)

e) Other Statutory dues are in respect of TDS, PF, ESI and Cess payable under BPMC (Cess on entry of goods) Rules 1996.

f) Other Liabilities are in respect of expenses payable and other miscellaneous liabilities.

	As at 31-03-2013	As at 31-03-2012
11. SHORT TERM PROVISIONS		
Provision For employee benefits		
Gratuity {refer note 32 (2)}	1,595,881	2,203,855
Leave Encashment {refer note 32 (2)}	398,891	381,100
	1,994,772	**2,584,955**
Others		
Income Tax (Net of advance tax & TDS of ₹25,28,296/- (Previous Year ₹1,13,29,852/-))	365,580	6,005,202
Income Tax earlier years	-	272,702
Wealth Tax	161,004	702,555
	526,584	**6,980,459**
	2,521,356	**9,565,414**

Provisions are recognized for Leave encashment, Gratuity, Income Tax and Wealth Tax . The Provisons are recognized on the basis of past events and probable settlements of the present obligations as a result of the past events, in accordance with Accounting Standard- 29 issued by the Institute of Chartered Accountants of India.

Notes on Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
The movement of provisions are as under:-		
At the beginning of the year		
Leave encashment	10,19,347/-	6,12,810/-
Gratuity	77,24,654/-	60,38,049/-
Income Tax	62,77,904/-	25,90,285/-
Wealth Tax	7,02,555/-	6,71,126/-
Arising during the year		
Leave encashment	8,85,308/-	7,22,491/-
Gratuity	19,07,199/-	25,42,754/-
Income Tax	29,80,267/-	1,75,72,629/-
Wealth Tax	1,61,004/-	1,38,568/-
Utilised during the year		
Leave encashment	1,53,822/-	2,62,544/-
Gratuity	4,76,011/-	7,40,304/-
Income Tax	87,69,696/-	1,38,85,010/-
Wealth Tax	1,38,568/-	1,07,139/-
Unused amount reversed		
Leave encashment	31,272/-	53,410/-
Gratuity	2,25,936/-	1,15,845/-
Income Tax	1,22,895/-	-
Wealth Tax	5,63,987/-	-
At the end of the year		
Leave encashment	17,19,561/-	10,19,347/-
Gratuity	89,29,906/-	77,24,654/-
Income Tax	3,65,580/-	62,77,904/-
Wealth Tax	1,61,004/-	7,02,555/-

Notes on Financial Statements for the year ended 31st March, 2013

12. FIXED ASSETS

S. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2012	Additions during the year	Sale/ Ajustment	As at 31.03.2013	Upto last year	For the year	Sale/ Ajustment	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
A	**Tangible Assets**										
1	Freehold Land	12,904,230	6,379,800	17,594	19,266,436	-	-		-	19,266,436	12,904,230
2	Building	51,468,447	52,691,032	12,444,813	91,714,666	12,099,796	2,730,468	2,790,142	12,040,122	79,674,544	39,368,651
3	Plant and Equipment	134,521,873	140,841,137	27,739,458	247,623,552	25,188,972	13,647,931	6,357,378	32,479,525	215,144,027	109,332,901
4	Electric Fittings and Installations	6,187,402	14,793,242	1,869,903	19,110,741	3,301,377	876,691	1,083,543	3,094,525	16,016,216	2,886,025
5	Generator	5,650,393	328,000	1,084,031	4,894,362	2,199,633	253,394	407,450	2,045,577	2,848,785	3,450,760
6	Furniture and Fixtures	5,471,380	470,906	98,056	5,844,230	4,603,988	103,119	63,204	4,643,903	1,200,327	867,392
7	Vehicles	36,754,457	11,411,196	3,588,895	44,576,758	9,326,626	3,777,418	2,886,153	10,217,891	34,358,867	27,427,831
8	Office Equipments	5,182,093	696,735	323,133	5,555,695	2,998,194	387,942	179,273	3,206,863	2,348,832	2,183,899
9	Computer	3,188,271	333,546	118,941	3,402,876	1,804,772	437,830	119,904	2,122,698	1,280,178	1,383,499
	Total - Current Year	**261,328,546**	**227,945,594**	**47,284,824**	**441,989,316**	**61,523,358**	**22,214,793**	**13,887,047**	**69,851,104**	**372,138,212**	**199,805,188**
	- Previous year	**268,025,857**	**43,918,649**	**50,615,960**	**261,328,546**	**54,020,217**	**19,888,501**	**12,385,360**	**61,523,358**	**199,805,188**	**214,005,640**
B	**Intangible Assets:**	-		-				-			
1	Goodwill	937,920	-	-	937,920	937,919	-	-	937,919	1	1
2	Software	4,027,198	750,816	-	4,778,014	4,002,750	21,714	-	4,024,464	753,550	24,448
	Total - Current Year	**4,965,118**	**750,816**	**-**	**5,715,934**	**4,940,669**	**21,714**	**-**	**4,962,383**	**753,551**	**24,449**
	- Previous year	**4,937,920**	**27,198**	**-**	**4,965,118**	**4,937,919**	**2,750**	**-**	**4,940,669**	**24,449**	**1**
C	Capital Work-in- Progress	82,329,766	194,860,594	174,653,415	102,536,945	-	-	-	-	102,536,945	82,329,766
	Previous year	12,432,382	98,933,665	29,036,281	82,329,766			-		82,329,766	12,432,382
	Total - Current Year	**348,623,430**	**423,557,004**	**221,938,239**	**550,242,195**	**66,464,027**	**22,236,507**	**13,887,047**	**74,813,487**	**475,428,708**	**282,159,403**
	- Previous year	**285,396,159**	**142,879,512**	**79,652,241**	**348,623,430**	**58,958,136**	**19,891,251**	**12,385,360**	**66,464,027**	**282,159,403**	**226,438,023**

Notes:

(a) The Company was awarded Work Order No. WQA074A dtd.20.07.2009 by Mangalore Refinery & Petro Chemical Ltd. (MRPL) for making modified bitumen. As per the work order, the Company shall transfer plant of gross block ₹2,35,34,811/- (WDV ₹1,64,46,697-) in complex of MRPL at nominal amount of ₹1/- on 05.07.2014. As per the work order, the prescribed quantity to be processed during the period from 05/07/2009 to 05/072014 is 3,55,000 M.T., while as on the date of Balance Sheet 1,33,835 M.T. of quantity (37.70%) has been processed. In view of this, the Company has not amortized the plant during the aforesaid period of work order and the depreciation has been provided on rates as per Schedule XIV of the Companies Act 1956. The Company proposes to hold the plant till the final quantity as per the work order is processed.

(b) Depreciation on Crumb Rubber Plant has been provided @ 11.875% per annum considering the useful life of the Plant as 8 years on Straight Line Method. Depreciation on other Plant and Machinery has been provided on Straight Line Method on rates as per Schedule XIV of the Companies Act , 1956.

(c) Depreciation on assets for a value not exceeding ₹ 5,000 has been provided @ 100%.

(d) The Company's plant at Panipat has been notified to be covered under the industrial area of HSIDC, Panipat and the procedural implementation of aquisition/ subsequent release is in progress.

(e) Interest during construction paid during the year amounting to ₹ 94,82,612/- (previous year ₹ 612,329) has been capitalised.

(f) Plant and machinary of gross value of ₹ 1,21,07,095/- has been transferred from Panipat to Haldia and is shown under Capital work in progress.

(g) Adjustment in Capital work in progress of ₹ 17,47,73,504/- is in respect of Panipat and Wada units completed during the year which has been transferred under the following heads:

Building	48,685,464
Plant and Machinary	112,180,569
Electrical Fittings and Installations	12,325,472
Funiture and fixture	261,910
Transfer to Stores and Spares (Panipat)	1,200,000
	174,653,415

(h) Vehicles taken on Finance lease are as under:-

Gross Block	1,93,87,238
Net Block	1,76,41,122

Notes on Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
13. NON CURRENT INVESTMENT		
Other Investments, Long Term (valued at cost unless otherwise stated)		
a) Investment in Equity instruments:		
Unquoted equity instruments in Subsidiary Companies		
B.G..K. Infrastructure and Developers Private Limited 26,17,500 (100%) (Previous Year 26,17,500 (100%)) equity shares of ₹ 10/- each fully paid up {refer note 32(9a)}	26,194,700	26,194,700
Unquoted equity instruments in joint ventures		
Tinna Viterra Trade Private Limited 20,00,000 (40%) (Previous Year 20,00,000 equity shares of ₹ 10/- each fully paid up {refer note 32(7) and 32(9b)}	20,300,320	20,300,320
Unquoted equity instruments in Other Companies		
Keerthi International Agro Private Limited 11,000 (29%) (Previous Year 11,000 (29%)) equity shares	1,100,750	1,100,750
of ₹100/- each fully paid up {refer note 32(10)}	**47,595,770**	**47,595,770**
b) Investment in Preference Shares:		
Indo Enterprises Private Limited (Unquoted)		
40,000 (Previous Year 40,000) 6% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	4,000,000	4,000,000
80,000 (Previous Year 80,000) 8% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	8,000,000	8,000,000
TOTAL	**12,000,000**	**12,000,000**
	59,595,770	**59,595,770**
NOTES:		
1. Aggregate value of unquoted Investments	59,595,770	59,595,770
2. Book value of unquoted Investments	99,333,616	63,381,277

The Companies are closely held unquoted companies. Therefore book value has been considered on the base of latest available audited financial statements.

	As at 31-03-2013	As at 31-03-2012
14. LONG TERM LOANS AND ADVANCES		
(Unsecured considered good)		
Capital Advances	12,430,484	21,174,999
Security Deposits	6,097,734	3,339,850
MAT Credit Entitlement {refer note 32(12)}	10,875,800	-
Other loans and advances	128,961	452,197
	29,532,979	**24,967,046**

Notes on Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
15.	**OTHER NON CURRENT ASSETS**		
	(Unsecured considered good)		
	Trade Receivables	31,984,479	37,984,479
	Less: Claims payable	(13,772,056)	(13,772,056)
		18,212,423	**24,212,423**

Long term trade receivable include claim receivable of ₹ 2,75,44,112/- from Food Corporation of India Limited (F.C.I) and Project and Equipment Corporation of India Limited (P.E.C) for which the Company has filed suits for recovery. However, as per order of Company Law Board dated 9th June, 2009, if any amount is received, the amount to the extent of 50% will be paid to seperated group. A provision of ₹137,72,056/- has been made as per CLB order. The Company has filed an appeal pending before the Hon'ble High Court of India on 06/02/2013 and is hopeful of recovering the amount due from Food Corporation of India (F.C.I) and Project and Equipment Corporation Of India Limited (P.E.C), Hence no provision has been considered necessary in respect of the aforesaid receivables.

		As at 31-03-2013	As at 31-03-2012
16.	**INVENTORIES**		
	Raw materials {including Stock in Transit ₹ 9,77,475/- (Previous Year Nil)}	44,514,443	47,153,137
	Work in progress	42,338,354	5,361,527
	Finished goods (including Stock in Transit ₹ 7,18,892/- Previous Year Nil)	7,413,356	8,302,737
	Stores and spares	3,711,981	1,351,580
	Packing materials	2,315,388	1,740,068
	Consumable stores	296,064	91,535
	Scrap Material (old tyre steel wire)	8,116,137	-
		108,705,723	**64,000,584**

a) Inventories have been valued at lower of cost and net realisable value.
b) Scrap material has been valued at estimated net realisable value.

		As at 31-03-2013	As at 31-03-2012
17.	**TRADE RECEIVABLES**		
	Outstanding due for a period exceeding six monthsfrom the due date of payment		
	Unsecured, considered good	14,429,068	5,774,474
	Unsecured, considered doubtful	400,000	-
		14,829,068	**5,774,474**
	Less : Provision for doubtful receivables	(400,000)	-
		14,429,068	**5,774,474**
	Other receivables		
	Unsecured, considered good	117,785,707	151,483,840
		132,214,775	**157,258,314**
18.	**CASH AND BANK BALANCES**		
	Cash and cash equivalents		
	Balance with banks in current accounts	23,246,219	3,005,295
	Cash on hand	471,357	468,915
	Other bank balances		
	Margin money for bank guarantees / commitments with original maturity of more than three months*	14,182,922	11,412,320
		37,900,498	**14,886,530**

* Include Bank Deposits of ₹ 350,000/- (Previous year ₹1,08,39,000/-) with more than 12 months maturity.

Notes on Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
19.	**SHORT TERM LOANS AND ADVANCES**		
	(Unsecured, considered good)		
	Advances against materials and services	7,247,255	4,992,614
	Security deposits	1,154,960	1,234,363
	Loans and advances to related parties	3,950,000	3,150,000
	Loans to advances to other parties	-	30,697,795
	Balance with Statutory/ Government authorities:		
	Excise Duty	15,419,341	5,066,612
	Service Tax	523,673	691,308
	VAT	6,299,459	5,287,203
	Loans to Employees	1,426,408	323,400
	Other advances	11,924,925	1,474,577
		47,946,021	**52,917,872**
	a) Name of Related party		
	B.G..K. Infrastructure and Developers Private Limited, Subsidiary Company	3,950,000	3,150,000
	b) Other advance include ₹ 52,17,886/- paid towards advancegodown rent and job work charges for Haldia plant.		
20.	**OTHER CURRENT ASSETS**		
	(Unsecured considered good)		
	Recoverable against sale of tangible assets	4,200,000	-
	Prepaid Expenses	1,763,477	2,519,585
	Other receivables	847,067	853,924
	Interest accrued but not due	329,406	67,154
		7,139,950	**3,440,663**
	Other receivables include due from Companies in which a Director is a Director as under:		
	Fratelli Wines Private Limited	152,679	-
	Tinna Viterra Trade Private Limited	39,018	154,694
21.	**REVENUE FROM OPERATIONS (NET)***		
	Sale of Products	848,568,903	1,021,844,444
	Sale of Services	33,995,294	26,718,625
	Other operating revenues	5,985,682	7,427,536
		888,549,879	**1,055,990,605**
	*** REVENUE FROM OPERATIONS**		
	a) Sale of Products:		
	Crumb Rubber Modifier	260,049,557	350,123,095
	Crumb Rubber Modified Bitumen (CRMB/ PMB)	302,262,059	518,298,450
	Emulsion	115,924,154	40,265,807
	Fine Crumb Rubber	124,946,388	110,829,347
	Crumb Rubber Mesh	7,719,905	-
	Old Tyre Steel Wire (Scrap)	25,094,120	-
	Natural Asphalt/Bitumen VG-10	-	4,800
	Aqaloc-HW-4 (Admixture)	12,572,720	2,322,945
		848,568,903	**1,021,844,444**

Notes on Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
b)	**Sale of Services:**		
	Modification Charges	17,245,788	19,988,902
	Equipment Rental Income (Mobile Unit)	16,749,506	6,729,723
		33,995,294	**26,718,625**
c)	**Other operating revenues:**		
	Freight on Sales Recovered	5,985,682	7,427,536
		5,985,682	**7,427,536**
22.	**OTHER INCOME**		
	Interest Income		
	From Bank	1,093,403	1,053,769
	From Others	917,536	3,396,263
	Rental Income	1,340,000	1,280,000
	Foreign Currency Exchange Fluctuations (Net)	-	14,345
	Profit on Sale of tangible Assets	9,937,785	64,642
	Excess Provisions written back	758,484	-
	Doubtful debts and advances written back	83,043	599,864
	Doubtful debts and advances recovered	52,500	63,025
	Miscellaneous Income	936,988	62,602
		15,119,739	**6,534,510**
23.	**COST OF MATERIALS CONSUMED**		
	Natural Asphalt	30,049,687	69,224,913
	Rubber Crumb	172,362,931	223,530,555
	Bitumen	334,769,437	452,350,677
	Used Old Tyre	87,199,476	-
	Aqualoc	11,134,391	-
	Packing Materials	12,894,921	9,576,750
	Others	21,924,830	40,295,375
		670,335,673	**794,978,270**
24.	**PURCHASE OF STOCK IN TRADE (TADED GOODS)**		
	Purchase Fine Crumb Rubber	-	22,704,077
	Purchase of Aqualoc HW-4	-	2,007,889
		-	**24,711,966**

		As at 31-03-2013	As at 31-03-2012	Increase/ (Decrease)
25.	**CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP**			
	Inventories at the end of the Year			
	Semi-finished goods	42,338,354	5,361,527	36,976,827
	Finished goods	7,413,356	8,302,737	(889,381)
	Scrap (Old tyre steel wire)	8,116,137	-	8,116,137
		57,867,847	**13,664,264**	**44,203,583**
	Inventories at the begining of the Year			
	Semi-finished goods	5,361,527	2,202,786	3,158,741
	Finished goods	8,302,737	22,605,965	(14,303,228)
		13,664,264	**24,808,751**	**(11,144,487)**

Notes on Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
Details of inventories at the end of the Year		
Semi Finished Goods		
Crumb Rubber	36,363,104	-
Modified Bitumen	4,492,720	4,883,803
Emulsion	1,276,272	477,724
Eva	206,258	-
	42,338,354	**5,361,527**
Finished Goods		
Crumb Rubber Modifier	4,174,161	5,720,868
Modified Bitumen	300,542	343,261
Emulsion	2,301,059	1,660,106
Aqualoc HW-4	82,078	-
Fine Crumb Rubber	555,516	578,502
	7,413,356	**8,302,737**
Scrap		
Old tyre steel wire	8,116,137	-
	57,867,847	**13,664,264**
Details of inventories at the begining of the Year		
Semi Finished Goods		
Modified Bitumen	4,883,803	-
Emulsion	477,724	-
CTCR	-	3,123
SBS	-	1,153,479
PTSA Crumb Rubber 40 Mesh	-	1,046,184
	5,361,527	**2,202,786**
Finished Goods		
Crumb Rubber Modifier	5,720,868	15,839,345
Modified Bitumen	343,261	3,597,625
Emulsion	1,660,106	-
Fine Crumb Rubber	578,502	3,168,995
	8,302,737	**22,605,965**
26. EMPLOYEE BENEFITS EXPENSES		
Salary, Wages, Bonus and other benefits	75,303,081	52,906,138
Contribution towards PF and ESI	6,118,702	4,917,621
Gratuity and Leave encashment {(refer note no. 32(2)}	2,572,809	5,883,026
Staff welfare expenses	4,071,446	3,628,431
	88,066,038	**67,335,216**
Employee benefits expense include managerial remuneration as detailed below :		
Salary	7,120,800	7,120,800
Contribution towards PF	518,400	388,800
27. FINANCE COSTS		
Interest Expense	26,064,571	19,077,692
Interest on Income Tax	49,944	1,126,631
Other Borrowing Costs	1,564,500	1,082,600
Bank charges	3,297,099	2,580,248
	30,976,114	**23,867,171**

Notes on Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
28. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on tangible assets	22,214,793	12,057,493
Amortisation of intangible assets	21,714	2,750
	22,236,507	**12,060,243**
29. OTHER EXPNSES		
Consumption of Stores and spare parts	2,627,181	3,369,677
Power and fuel	26,461,668	14,327,801
Rent	4,626,130	3,000,708
Repairs to buildings	392,726	358,320
Repairs to machinery	8,813,423	3,916,277
Repairs others	2,198,125	2,079,457
Insurance	1,729,495	1,145,040
Rates and taxes	1,639,238	1,487,366
Professional and consultancy charges	5,101,792	4,347,318
Travel, Conveyance and vehicle maintenance	19,704,914	17,938,756
Telephone, Internet, Postage & Courier	2,606,448	2,689,980
Foreign Currency Exchange Fluctuations (Net)	563,437	-
Provision for doubtful debts	400,000	83,043
Bad debts	83,043	599,864
Loss on sale of tangible assets	8,997,064	1,850,995
Loss on sale of investments	-	6,500
Audit Fees*	800,000	750,000
Commission	4,282,635	4,829,303
Transportation expenses	18,792,114	25,055,347
Business promotion and marketing expenses	3,152,477	4,962,124
Lab Expenses/Research & development	582,461	776,356
Shortage in transit	329,165	929,437
Excise Duty on Opening and Closing stocks of finished goods	(132,656)	(1,041,650)
Miscellaneous expenses	7,942,709	8,060,702
	121,693,589	**101,522,721**
*** Payment to Auditors**		
Audit fee	650,000	550,000
Tax audit fee	150,000	150,000
Other service	-	50,000
	800,000	**750,000**
30. EXCEPTIONAL ITEMS		
Gain on sale of property #	-	56,459,358
Jatropha Plantation and other assets written off	-	(7,831,008)
Freight on Machinery & Stock Transferred from Mumbai plant**	-	(1,251,418)
	-	**47,376,932**

Sale of Property at Mumbai plant

** Freight incurred on shifting of machinery and stock to other unit as Mumbai unit was closed.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in ₹)

		2012-13	2011-12
31.	**CONTINGENT LIABILITIES AND COMMITMENTS**		
A.	**Contingent liabilities(to the extent not provided for)**		
a)	Claims/Suits filed against the Company not acknowledged as debts (Advance paid ₹50,000/-) (Refer point (i))	1,43,02,921/-	1,51,10,216/-
b)	Bank guarantees opened with banks: (Margin money ₹1,35,39,000/- (Previous Year ₹1,08,52,924/-)	11,35,17,161/-	8,34,72,241/-
c)	Foreign letter of credits opened with Bank (USD $147760)	80,36,563/-	Nil/-
d)	Disputed tax liabilities in respect of pending cases before Appellate Authorities(Refer Point (ii))	1,42,58,054/-	80,19,918/-
e)	Surety given to sales tax department (Haryana) in favour of associate company (Refer point(iii))	1,00,000/-	Nil/-

NOTES:

i) a) Shri Vijay Kumar Sekhri (Ex-Director) and Anil Kumar Sekhri (Ex-Director) have filed suits before Hon'ble High Court Delhi for recovery ₹11250000/- towards remuneration from 01.09.2009 to 15.07.2011 together with interest 18% p.a which has been dismissed by Hon'ble High Court Delhi vide order dated 12.02.2013. The said Shri. Vijay Kumar Sekhri(Ex-Director) and Shri Anil Kumar Sekhri(Ex-Director) have filed Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.

b) A claim has been filed against the Company by a supplier for recovery of ₹17,76,558/- together with interest @18% per annum which is pending before the VII Addl. City Civil Court, Chennai.

ii) The various disputed tax liabilities are as under:

	Description	Court Authority	Period to which relates	Disputed amount	
a)	**Income Tax**				
	The Tribunal deleted addition of ₹1,90,91,831/- on account of disallowance of job work charges. The Income Tax department has an appeal before the Hon'ble filed High court of Delhi.	High Court of Delhi	2000-01	73,50,358/-	73,50,358/-
	The disputed tax liabilities in respect of various disallowance/ additions made by the A.O.	CIT(Appeals)	2006-07 to 2009-10	69,07,696/-	-
				1,42,58,054	**73,50,358/-**
b)	**Sales Tax/VAT**				
	Liabilities on account of difference in interpretation of Modified Bitumen and Bitumen for the purpose of charging VAT under Haryana Sales Tax.			Nil/-	512060/-
	Disputed liabilities under UP Sales Tax			Nil/-	1,57,500/-
				Nil/-	6,69,560/-
				1,42,58,054/-	**8,019,918/-**

Based on the opinion of the legal advisor, the Company does not expect any liabilities hence no provision has been made.

The A.O. has also provisionally attached the various immovable properties of the Company vide order dated 18-02-2013. However the demand has been finalised by A. O. vide his order dated 28.03.2013 which is under appeal before CIT(Appeals). The said attachment order is valid upto 13.08.2013.

Besides the above various show cause notices have been received from Excise/Service tax department which have not been treated as contingent liabilities, since the Company has adequately represented to the concerned authorities.

iii) The Company has given Surety Bond for Rs1,00,000/- under Haryana VAT Act, 2003 and CST Act, 1956 in favour of Fratelli Wines Private Limited, an associate Company.

B. Commitments:

Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	1,92,18,308/-	4,72,89,396/-

32. OTHERS NOTES ON ACCOUNTS

1. a) In the opinion of the Board, any of the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

   b) Balance of Trade Payable, other current liabilities, long and short term advances, other non-current and current assets and trade receivable are subject to reconciliation and confirmations.

2. Disclosures pursuant to Accounting Standard 15, 'Employee Benefits' (Revised) notified under the Companies (Accounting Standards) Rules 2006(as amended), are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised during the year are as under:-

	2012-13	**2011-12**
Employer's Contribution towards Provident Fund (PF)	3,307,318	2,549,393
Employer's Contribution towards Family Pension Scheme (FPS)	2,385,289	1,673,537
Employer's Contribution towards Employee State Insurance (ESI)	657,925	753,771
	63,50,532	4,976,701
Less: Capitalised under tangible assets	(231,830)	(59,080)
Expenses charged to statement of profit and loss	**6,118,702**	**4,917,621**

Defined Benefit Plan

(A) 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.

a. Reconciliation of opening and closing balances of Defined Benefit obligation

Defined Benefit obligation at beginning of the year	7,724,654	6,034,934
Current Service cost	1,547,802	1,047,984
Interest cost	635,538	528,057
Actuarial (gain)/ loss	(502,077)	853,983
Benefits paid	(476,011)	(740,304)
Defined benefits obligation at year end	**8,929,906**	**7,724,654**

b.	**Reconciliation of opening and closing balance of fair value of plan assets**		
	Fair value of plan assets at beginning of the year	-	-
	Expected return on plan assets actuarial (Gain/Loss)	-	-
	Employer Contribution	-	-
	Benefits paid	-	-
	Fair value of plan assets at year end	-	-
	Actual return on plan assts	-	-
c.	**Reconciliation of fair value of assets and obligations**		
	Fair value of plan assets	-	-
	Present value of obligations	8,929,906	7,724,654
	Amount recognized in the balance sheet- asset/(liability)	**(8,929,906)**	**(7,725,654)**
	Current portion	1,595,881	2,204,855
	Noncurrent portion	7,334,025	5,520,799
d.	**Expenses recognized in profit & loss account**		
	Current service cost	1,547,802	1,047,984
	Interest cost	635,538	528,057
	Expected return on plan assets	-	-
	Actuarial (Gain)/Loss	(502,077)	853,983
	Net cost	**1,681,263**	**2,430,024**
e.	**Investment details**		
	LIC group gratuity policy	-	-
f.	**Actuarial Assumption**		
	Mortality Table (LIC)	1994-96	1994-96
	Discount Rate (per annum)	8.25%	8.75%
	Expected rate of return on plan assets(per annum)	0%	0%
	Rate of escalation in salary (per annum)	7%	5%

g.	Amounts for current and previous period	2012-13	2011-12	2010-11	2009-10	2008-09
	Present value of obligation	8,929,906	7,724,654	6,034,934	3,020,930	2,568,301
	Fair value of plan assets	-	-	-	-	-
	Surplus/(Deficit)	-	-	-	-	-

NOTES:

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.

(B) Leave Encashment

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.

		2012-13	2011-12
a.	**Reconciliation of opening and closing balances of Defined Benefit obligation**		
	Defined Benefit obligation at beginning of the year	1,011,990	567,838
	Current Service cost	388,796	220,378
	Interest cost	83,260	49,686
	Actuarial (Gain)/ Loss	388,644	436,632
	Benefits paid	(153,129)	(262,544)
	Defined benefits obligation at year end	**1,719,561**	**1,011,990**

b.	**Reconciliation of opening and closing balance of fair value of plan assets**		
	Fair value of plan assets at beginning of the year	-	-
	Expected return on plan assets actuarial (Gain/Loss)	-	-
	Employer Contribution	-	-
	Benefits paid	-	-
	Fair value of plan assets as on 31.03.2013	-	-
	Actual return on plan assts	-	-
c.	**Reconciliation of fair value of assets and obligations**		
	Fair value of plan assets at beginning of the year	-	-
	Present value of obligations at year end	1,719,561	1,011,990
	Amount recognized in the balance sheet- asset/(liability)	**1,719,561**	**1,011,990**
	Current Portion	398,891	381,100
	Noncurrent Portion	1,320,670	638,247
d.	**Expenses recognized in profit & loss account**		
	Current service cost	388,796	220,378
	Interest cost	83,260	49,686
	Expected return on plan assets	-	-
	Actuarial (Gain)/Loss	388,644	436,632
	Net cost	**860,700**	**706,696**
e.	**Investment details**		
	LIC group gratuity policy	-	-
f.	**Actuarial Assumption**		
	Mortality Table (LIC)	1994-96	1994-96
	Discount Rate (per annum)	8.25%	8.75%
	Expected rate of return on plan assets(per annum)	0%	0%
	Rate of escalation in salary (per annum)	7%	5%

g.	Amounts for current and previous period	2012-13	2011-12	2010-11	2009-10	2008-09
	Present value of obligation	1,719,561	1,011,990	567,838	262,014	313,253
	Fair value of plan assets	-	-	-	-	-
	Surplus/(Deficit)	-	-	-	-	-

NOTES:

a) 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.

b) Since the liability is not funded ,thereby information with regard to the plan assets has not been furnished.The estimates of rate of escalation in salary considered in actuarial valuation after taking in to account inflation seniority,promotion and other relevant factors including supply and demand in the employment market. The expected rate of plan assets is determined considering several applicable factors,mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for the plan assets management.

3. Segment Information:

The Company is mainly engaged in the business of Crumb Rubber,Crumb Rubber Modifier , Modified Bitumen, Emulsion Bitumen and there is no separate reportable segment as per the Accounting Standard(AS-17)" Segment Reporting" as notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

4. Related Party Disclosure

The related parties as per the terms of Accounting Standard (AS-18)," Related Party Disclosures", notified under the Companies (Accounting Standards) Rules,2006 (as amended) are disclosed below:-

(A) Names of related parties and description of relationship :

(i) Related parties where control exists :-
Subsidiary Companies
BGK Infrastructure Developers Private Limited

(ii) Enterprises in which directors exercise significant influence.
Fratelli Wines Private Limited
Pratham Road Technologies & Construction Limited
Bee Pee Farms and Properties Private Limited
Spaceage Technical services Private Limited
Shankar Ratna Agro Farm Privarte Limited
Shivratna Agro Products Private Limited
Gee Ess Pee Land Developers Private Limited
S.S.Horticulture Private Limited
BGNS Infratech Private Limited
Shiv Ratna Multilayers Private Limited
Nova Infratech Limited
Chinmin Developers Private Limited
Guru Infratech Private Limited
BGK Commodities Private Limited
Arnav Estate Private Limited
Panjawani Properties Private Limited
Puja Infratech Private Limited
T P Builtech Private limited

(iii) Key Management personnel and their relatives:
Shri Bhupinder Kumar Sekhri- Director
Shri Kapil Sekhri- Director
Smt. Shobha Sekhri-Executive
Smt. Aarti Sekhri-Executive

(iv) Joint Venture-40% ownership interest held by Company
Tinna Viterra Trade Private Limited

(B) Transaction during the year

	2012-13	2011-12
(i) Loan taken from :		
Enterprises in which director exercise significant influence		
Arnav Estate Private Limited	12,900,000	-
Chin Min Developer Private Limited	38,000,000	21,500,000
Gee Ess Pee land Developers Private Limited	-	500,000
Guru Infratech Private Limited	-	1,500,000
Panjawani Properties Private Limited	8,000,000	-
Pratham Road Technologies and Construction Limited	-	625,000
Puja Infratech Private Limited	3,500,000	-
S.S.Horticulture Private Limited	1,200,000	-

	Key Management Personnel & there relatives		
	Mr. Bhupinder Kumar Sekhri	19,600,000	38,660,000
	Mr. Kapil Sekhri	-	20,775,000
		83,200,000	**83,560,000**
(ii)	**Loan Repaid:**		
	Enterprises in which director exercise significant influence		
	Arnav Estate Private Limited	12,900,000	-
	Chin Min Developer Private Limited	47,988,662	12,000,000
	Gee Ess Pee Land Developers Private Limited	501,770	-
	Guru Infratech Private Limited	1,506,639	-
	Panjawani Properties Private Limited	8,000,000	-
	Pratham Road Technologies & Construction Limited	653,844	-
	Puja Infratech Private Limited	3,500,000	-
	S.S.Horticulture Private Limited	1,200,000	-
	Key Management Personnel & there relatives		
	Mr Bhupinder Kumar Sekhri	23,700,000	16,560,000
	Mr Kapil Sekhri	8,807,165	12,540,072
		108,758,080	**41,100,072**
(iii)	**Interest Paid**		
	Enterprises in which director exercise significant influence		
	Arnav Estate Private Limited	641,671	-
	Chin Min Developer Private Limited	1,049,018	543,887
	Gee Ess Pee Land Developers Private Limited	4,110	1,967
	Guru Infratech Private Limited	12,329	7,377
	Panjawani Properties Private Limited	459,041	-
	Pratham Road Technologies & Construction Limited	90,016	32,049
	Puja Infratech Private Limited	179,895	-
	S.S.Horticulture Private Limited	25,151	-
	Key Management Personnel & there relatives		
	Mr. Bhupinder Kumar Sekhri	3,378,913	1,292,402
	Mr. Kapil Sekhri	598,240	635,820
		6,438,384	**2,513,502**
(iv)	**Commisson Paid**		
	Enterprises in which director exercise significant influence		
	TP Builtech Private Limited	460,350	-
(v)	**Rent Received**		
	Enterprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	1,340,000	1,280,000
(vi)	**Reimbursement of Expenses**		
	Enterprises in which director exercise significant influence		
	TP Builtech Private Limited	25,100	
	Tinna Viterra Trade Private Limited	352,381	410,135
	Fratelli Wines Private Limited	171,742	-
	Subsidiary		
	BGK Infrastructure & Developers Private Limited	38,992	-
		588,215	**410,135**

(vii)	**Loan given to Subsidiary**		
	BGK Infrastructure & Developers Private Limited	800,000	3,150,000
	Enterprises in which director exercise significant influence		
	BGNS Infratech Private Limited	-	3,000,000
		800,000	**6,150,000**
(viii)	**Loan repayment Received**		
	Enterprises in which director exercise significant influence		
	Shivratna Agro Products Private Limited	-	6,290,527
	BGNS Infratech Private Limited	-	3,000,000
		-	**9,290,527**
(ix)	**Interest Received**		
	Enterprises in which director exercise significant influence		
	Shivratna Agro Products Private Limited	-	815,190
	BGNS Infratech Private Limited	-	20,582
			835,772
(x)	**Purchase of Fixed Assets**		
	Enterprises in which director exercise significant influence		
	Gee Ess Pee land Developers Private Limited	-	5,000,000
(xi)	**Sale of fixed assets**		
	Enterprises in which director exercise significant influence		
	Shivratna Agro Products Private Limited	-	227,155
	Shankar Ratna Agro Products Private Limited	-	108,176
			335,331
(xii)	**Advance given for Share**		
	EnterÆprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	-	8,000,000
	Fratelli Wine Private Limited	-	13,200,000
		-	**21,200,000**
(xiii)	**Share allotment received**		
	Enterprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	-	7,998,140
	Fratelli Wine Private Limited	-	13,200,000
		-	**21,198,140**
(xiv)	**Refund of advance for Share**		
	Enterprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	-	1,860
(xv)	**Sale of Investment**		
	Enterprises in which director exercise significant influence		
	BGK Commidities Private Limited	-	10,400,000
	Bee Pee Farm & Properties Private Limited	-	6,200,000
	S.S.Horticulture Private Limited	-	9,120,000
	BGK Commidities Private Limited	-	3,700,000
	Nova Infotech Private Limited	-	8,500,000
	Chin Min Developer Private Limited	-	6,300,000
	Shivratna Maltilayer Private Ltd	-	500,000
		-	**44,720,000**

(xvi)	**Purchase**		
	Enterprises in which director exercise significant influence		
	Fratelli Wines Private Limited	419,113	-
(xvii)	**Managerial remuneration**		
	Key Management Personnel & there relatives		
	Mr. Bhupinder Kumar Shekhri-Director	3,560,400	3,560,400
	Mr Kapil Sekhri- Director	3,560,400	3,560,400
	M₹ Shobha Sekhri-Executive	720,000	600,000
	Mrs Aarti Sekhri-Executive	720,000	600,000
		8,560,800	**8,320,800**
(C)	**Balance at the year end**		
(i)	**Amount Receivable**		
	Subsidiary		
	BGK Infrastructure & Developers Private Limited	3,950,000	3,150,000
	Enterprises in which director exercise significant influence		
	Fratelli Wines Private Limited	152,679	-
	Tinna Viterra Private Limited	39,018	154,694
	BGNS Infratech Private Limited	-	20,582
	Shankar Ratna Agro Farm Private Limited	-	108,176
	Shivratna Agro Products Private Limited	-	227,155
		4,141,697	**3,660,607**
(ii)	**Amount Payable**		
	Enterprises in which director exercise significant influence		
	Chin Min Developer Private Limited	-	9,988,662
	Gee Ess Pee land Developers Private Limited	-	501,770
	Guru Infratech Private Limited	-	1,506,639
	Pratham Road Technology Limited	-	653,844
	TP Builtech Private Limited	373,285	-
	Key Management Personnel & there relatives		
	Mr Bhupinder Kumar Sekhri, KMP	22,407,583	23,263,161
	Mr Kapil Sekhri, KMP	198,400	8,807,166
	Ms. Shobha Sekhri, Relative of KMP	41,000	44,000
	Ms. Aarti Sekhri, Relative of KMP	41,400	44,000
	TOTAL	**23,061,668**	**44,809,242**

5. Accounting for leases has been done in accordance with Accounting Standard-19 notified by the Companies (Accounting Standard) Rules, 2006 (as amended)

The details of lease transactions are as under:-

Operating Lease:

i) The company has entered into operating leases for factory buildings and 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.

ii) The total of future minimum lease payments under non cancellable leases are as follows:

	2012-13	2011-12
Not later than one year	40,20,000/-	18,71,820/-
Later than one year but not later than five year	2,32,57,710/-	-
Later than five years	1,97,97,294/-	-
Lease rent payments recognised in the statement of profit and loss as rent expenses for the year	46,26,130/-	30,00,708/-

6. Earning per Share:

		2012-13	2011-12
a)	**Calculation of weighted average number of Equity Shares of ₹10 each**		
	Equity shares outstanding at the beginning of the year	8,564,750	8,564,750
	Equity shares outstanding at the end of the year	8,485,950	8,564,750
	Weighted average no. of equity shares outstanding during the year.	8,485,950	8,537,024
b)	Net profit after tax available for equity shareholders	1,58,89,150/-	6,21,64,644/-
c)	Basic and diluted earning per share	1.87	7.26

7. Pursuant to Accounting Standard- 27, "Financial Reporting of Interest in Joint Ventures" notified under the Companies (Accounting Standard) Rules, 2006 (as amended) disclosure in respect of the said Joint Venture are given below.

a)	Name of Joint Venture	Description of Interest	Country of Incorporation	Proportion of Ownership interest as at 31.03.2013
	Tinna Viterra Trade Private Limited	Jointly Contolled Entity	India	40%

b) The Compan's share of each of the assets, liabilities, incomes and expenses (each without elimination of the effect of transaction between the Company and the Joint Venture) related to its interest in Joint Venture, based on the Audited Financial Statements as at 31st March 2013 are as under:

		2012-13	2011-12
(i)	**Liabilities**		
	Non Current Liabilities:		
	Long-term borrowings	-	244,351
	Long-term provisions	1,532,809	986,984
		1,532,809	**1,231,336**
	Current Liabilities:		
	Trade payables	239,315,479	399,310,494
	Other current liabilities	18,068,268	27,397,600
	Short-term provisions	8,435,371	1,576,500
		265,819,118	**428,284,595**
(ii)	**Assets**		
	Non Current Assets:		
	Fixed assets		
	Tangible assets	1,332,225	12,419,401
	Deferred tax assets (net)	3,054,422	1,317,519
	Long-term loans and advances	1,684,732	1,867,444
	Other non-current assets	786,400	636,800
		6,857,780	**16,241,164**

	Current Assets:		
	Inventories	107,899,976	330,421,102
	Trade receivables	139,079,017	72,688,468
	Cash and cash equivalents	45,434,480	17,436,960
	Short-term loans and advances	18,450,168	21,293,481
	Other current assets	10,611,063	224,051
		321,474,704	**442,064,062**
(iii)	**Income:**		
	Revenue from operations (net)	2,017,778,352	1,058,189,650
	Other Income	3,447,173	2,772,460
		2,021,225,525	**1,060,962,110**
(iv)	**Expenditure:**		
	Cost of material consumed	8,675,446	8,693,684
	Purchase of traded goods	1,560,759,303	998,708,893
	Change in inventories of srock in trade	222,904,152	-78,138,511
	Employee benefits expenses	11,338,025	10,170,045
	Finance Costs	15,153,088	8,867,338
	Depreciation and amortisation expenses	503,166	519,782
	Other expenses	153,791,187	101,270,926
		1,973,124,366	**1,050,092,157**
(v)	**Contingent Liabilities and Commitments:**	Nil	Nil

c) The interest of the Company in the Joint Venture namely Tinna Viterra Trade Private Limited has not been consolidated using proportionate consolidation since the interest is held exclusively with a view to its subsequent disposal in the near future. (Please also refer Point 32 (9b))

8. Interest and other borrowing costs amounting to ₹ 94,82,612/- (previous year ₹ 6,12,329/-) have been capitalized to the carrying cost of fixed assets being financing costs directly attribuatable to the aqusition, construction or installation of the concered qualifying assets till the date of its commercial use, in accordance with accounting standard 16 "Borrowing Costs" notified by the Comapnies (Accounting Standards) Rules, 2006 (as amended).

9. Subsequent to the date of Balance Sheet:

a) B.G.K Infrastructure and Developers Private Limited had become 100% subsidiary of Company during the financial year 2010-11 and one share is held by Shri. Bhupinder Kumar Sekhri, whole time Director, as nominee of Company. The Company has entered into 'Shares Subscription Agreement' with 'Insurexcellence Advisors Private Limited' and 'Slam Stock Holdings Limited' (collectively referred to as the 'Investors') and BGK Infrastructure Developers Private Limited' (referred to as the 'Existing Shareholder') on 11th Day of April, 2013. As per the agreements, the investors have invested in the equity capital of the Company to the extent of 50% (fifty) of the paid up equity share capital post such investment and nominated 2 (two) non-rotational Directors on the Board of the Company.

b) Tinna Viterra Trade Private Limited having 40% share holding as on the date of the Balance Sheet has ceased to be a Joint Venture Company in terms of Share Transfer and Release Agreement entered into on 9th of May 2013 with Viterra Asia Private Limited. As per the agreement the Company has aquired the remaining 60% of Tinna Viterra Trade Private Limited and hence the said Company has become 100% subsidiary of the Company with effect from 09/05/2013.

c) The Company has given 1,131 square meter of land on lease at ₹1/- per month to T.P Buildtech Private Limited an associate Company with effect from 01/04/2013 vide agreement dated 29.12.2012 and addendum to the agreement.

10. The Company has invested a sum of ₹11,00,750 in Keerthi International Agro Private Limited towards 11,000 equity shares of ₹100 each i.e 29% holding in the investee company. .The Company by itself or through its Directors does not have any significant influence over the the controls and affairs of the investee Company. Therefore the said investee company has not been treated as associates in terms of AS-23 Accounting for Investment in Associates in Consolidated Financial Statements as notified by the Companies (Accounting Standard) Rules, 2006 (as amemded).

11. The Company has entered into an agreement on 25.02.2010 with Riveria Builder Private Limited and Viki Housing Development Private Limited for sale of 89,993 equity shares of ₹ 100/- each of Gautam Overseas Limited for ₹90,00,000. The Company has received the sales consideration of ₹ 90,00,000/- in the F.Y 2009-10 which has been duly accounted for. The Company Law Board has vide order dated 28.06.2010 restrained the Company for transfer of said shares, which has been upheld by the Hon'ble High Court of Delhi. The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.

12. During the year the Company has recognised MAT credit as an asset on the basis of the consideration of prudence. The same has been shown under the head "Long term Loans and Advances" since there being a convincing, evidence of realisation of the asset in the specified period. Accordingly the Company has recognised MAT credit entitlement during the year amounting to ₹ 1,08,75,800/- (Including credit for earlier years ₹ 79,81,924/-)

13. In accordance with Accounting Standard- 28, "Impairment of Assets", notified under the Companies (Accounting Standard) Rules, 2006 (as amended), the Company has assessed the potential generation of economic benefits from its business units as on the balance sheet date is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.

14.	**CIF Value of imports**			
	Raw Material		4,42,93,859/-	4,17,71,754/-
	Capital Goods		6,43,85,767/-	4,87,92,162/-
	Stores and spares for capital goods		7,00,960/-	10,57,929/-
15.	**Expenditure in foreign currency**			
	Foreign Travelling		12,09,366/-	9,69,838/-
16.	**Raw Materials Consumed**			
	Indigenous	Amt. (₹)	61,62,66,518/-	71,19,66,984
		%	93.74%	90.65%
	Imported	Amt. (₹)	4,11,74,234/-	7,34,34,536
		%	6.26%	9.35%
	Total		**65,74,40,752/-**	**78,54,01,520/-**
17.	**Stores and spares**			
	Indigenous	Amt. (₹)	26,27,181/-	33,69,677/-
		%	100%	100%
18.	**Packing Material Consumed**			
	Indigenous	Amt. (₹)	1,28,94,921/-	95,76,750/-
		%	100%	100%

19. Unhedged foreign currency exposure and derivative instruments

a) Unhedged foreign Currency exposures as at 31st March 2013 are as under:

Import Trade Payable

Foreign currency (USD):	2,29,760/41	29,278/1
Local Currency: (₹)	1,25,62,473/-	15,04,309/-

b) Derivative instruments outstanding as at 31st March 2013 are as under:

Particulars/purpose

Forward Contracts-Sell (To hedge Release Consideration receivable from Viterra Asia PTE Limited, Singapore)

Foreign Currency (USD):	7,50,000/-	-
Local Currency: (₹)	4,07,91,975/-	-

The mark to market liability in respect of the outstanding derivative contracts as at the end of the year amounting to Rs 1,41,925/- has been recognised in the financial statements under current liabilities.

20. The name of the Company has been changed from "Tinna Overseas Limited" to "Tinna Rubber and Infrastructure Limited" w.e.f 19.12.2012 vide fresh certificate of incorporation consequent upon change of name issued by the Registrar of the Companies, National Capital Territory of Delhi and Haryana during the year.

21. The Company has not declared any dividend during the previous/current year and hence no remittance in foreign currency has been made.

22. Figures of the previous year have been regrouped /reclassified /rearranged wherever necessary, to make them comparable with current year figures.

Notes 1 to 32 forms integral part of the Financial Statements.

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Place : New Delhi
Dated : 29/5/2013

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors of
M/s. TINNA RUBBER AND INFRASTRUCTURE LIMITED
No. 6, Sultanpur (Mandi Road)
Mehrauli, Delhi-110030

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of TINNA RUBBER AND INFRASTRUCTURE LIMITED ("Parent Company") and its wholly owned subsidiary Company M/s BGK Infrastructure Developers Private Limited which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

The Company has provided depreciation on the rates prescribed under Schedule XIV of the Act in respect of its unit in the complex of Mangalore Refinery and Petrochemicals Limited (MRPL). However, as per the work order awarded by MRPL, the Company shall transfer plant and machinery of the said unit at a nominal value of ₹ 1/- on 05/07/2014. Therefore the depreciation on plant and machinery is to be charged on the basis of useful life of the asset i.e upto 05/07/2014. In view of this, the provision for depreciation is less by ₹19,74,422/- for the year ending 31st March 2013, and the profit is overstated to that extent. Consequently, the value of Plant and Machinery and Reserve and Surplus are overstated due to diminution in the value of assets by ₹1,26,10,962/- as at 31st March 2013.

The Company has not provided interest amounting to ₹ 46,688/- as required under the provisions of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 in respect of delayed payments to suppliers covered under the said Act. Consequently, the profit for the year is overstated to that extent.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) in the case of the consolidated Profit and Loss statement, of the profit for the year ended on that date;

c) in the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For V. R. Bansal and Associates
(Chartered Accountants)
Firm Registration No. : 016534N

Rajan Bansal
(Partner)
Membership No. : 93591

Place : New Delhi
Dated : 29/5/2013

Consolidated Balance Sheet

	Note No.	As at 31-03-2013	Amount (₹) As at 31-03-2012
I. EQUITY & LIABILTIES :			
1. SHAREHOLDERS' FUNDS			
Share Capital	3	85,383,833	85,370,333
Reserve & surplus	4	352,587,631	336,122,729
		437,971,464	**421,493,062**
2. NON-CURRENT LIABILITIES			
Long term borrowings	5	121,398,006	3,640,657
Deferred tax liabilities (Net)	6	26,732,599	19,951,650
Long term provisions	7	8,654,695	6,159,046
		156,785,300	**29,751,353**
3. CURRENT LIABILITIES			
Short term borrowings	8	183,479,066	156,987,778
Trade payables	9	73,584,373	30,006,396
Other current liabilities	10	68,860,822	39,148,231
Short term provisions	11	2,669,077	9,565,414
		328,593,338	**235,707,819**
TOTAL		**923,350,102**	**686,952,234**
II. ASSETS :			
1. NON-CURRENT ASSETS			
Fixed assets	12		
Tangible assets		401,215,172	230,923,202
Intangible assets		773,251	44,149
Capital work-in-progress		104,309,747	83,998,429
Non-current investments	13	33,401,070	33,401,070
Long-term loans and advances	14	30,037,979	24,967,046
Other non-current assets	15	18,212,423	24,212,423
		587,949,642	**397,546,319**
2. CURRENT ASSETS			
Inventories	16	108,705,723	64,000,584
Trade receivables	17	132,301,950	157,258,314
Cash and bank balances	18	41,240,646	14,938,482
Short-term loans and advances	19	43,996,021	49,767,871
Other current assets	20	9,156,121	3,440,663
		335,400,461	**289,405,914**
TOTAL		**923,350,102**	**686,952,234**

SIGNIFICANT ACCOUNTING POLICIES 2

OTHER NOTES ON ACCOUNTS 31-32

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

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Place : New Delhi
Dated : 29/5/2013

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Consolidated Statement of Profit & Loss

Amount (₹)

		Note No.	Year ended 31.3.2013	Year ended 31.02.2012
I.	**INCOME**			
	Revenue From Operations (Gross)		944,069,603	1,168,788,919
	Less: Excise Duty and service tax		53,104,335	112,798,314
	Revenue from operations (Net)	**21**	**890,965,268**	**1,055,990,605**
	Other Income	**22**	15,119,739	6,534,510
	TOTAL REVENUE		**906,085,007**	**1,062,525,115**
II.	**EXPENSES**			
	Cost of materials consumed	**23**	670,335,673	794,978,270
	Purchases of traded goods	**24**	-	24,711,966
	Changes in inventories of finished goods and work-in-Progress	**25**	(44,203,583)	11,144,487
	Employee benefits expenses	**26**	88,066,038	67,335,216
	Finance costs	**27**	30,988,516	23,868,324
	Depreciation and amortisation expenses	**28**	22,237,441	12,060,316
	Other expenses	**29**	123,385,890	101,607,880
	TOTAL EXPENSES		**890,809,975**	**1,035,706,459**
III.	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX**		15,275,032	26,818,656
	Add : Exceptional Items	**30**	-	47,376,932
IV.	**PROFIT BEFORE TAX**		**15,275,032**	**74,195,588**
V.	**TAX EXPENSES:**			
	Current tax		3,095,876	16,636,824
	Income tax for earlier year		(122,895)	-
	MAT Credit Entitlement (Current Year)	32(12)	(2,893,876)	-
	MAT Credit Entitlement (Earlier years)	32(12)	(7,981,924)	-
	Deferred tax		6,780,949	(4,519,495)
VI.	**PROFIT FOR THE YEAR**		**16,396,902**	**62,078,259**
VII.	**EARNINGS PER EQUITY SHARE:**			
	Basic		1.93	7.25
	Diluted		1.93	7.25
	(Face value of ₹ 10/- per share)			

SIGNIFICANT ACCOUNTING POLICIES	**2**	
OTHER NOTES ON ACCOUNTS	**31-32**	

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

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Place : New Delhi
Dated : 29/5/2013

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Consolidated Cash Flow Statements

	Year ended March 31, 2013	Year ended March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	15,275,030	74,195,588
Adjustments to reconcile profit before tax to net cash flows		
Exceptional items	-	(47,376,932)
Depreciation and amortization expenses	22,237,441	12,060,316
Depreciation credited to Profit and loss	(156,375)	(24,768)
Loss on sale of fixed assets	8,997,064	1,850,995
Loss on sale of investments	-	6,500
Profit on sale of fixed assets	(9,937,785)	(64,642)
Provision for doubtful trade receivable	347,500	20,018
Interest income	(2,010,939)	(4,450,032)
Interest expenses	26,064,571	19,077,692
Miscellaneous expenses written off	35,720	4,430
Operating profit before working capital changes	60,852,227	55,299,165
Movement in working capital		
Decrease/(Increase) in trade receivables	24,608,864	(41,069,425)
Decrease/(Increase) in loans and advances	(24,925,946)	-
Decrease/(Increase) in current assets	8,632,268	(14,598,887)
Decrease/(Increase) in inventory	(44,705,139)	22,589,272
(Decrease)/Increase in trade payables	43,577,977	(4,045,743)
(Decrease)/Increase in other liabilities and provisions	23,651,530	(772,451)
Cash generated from/(used) in operations	**91,691,781**	**17,401,931**
Income taxes paid (net of refunds)	8,823,975	12,598,535
Net cash flow from/(used) in Operating activities (A)	**82,867,806**	**4,803,396**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress	(238,179,003)	(113,855,246)
Investment in bank deposits (having original maturity of more than three months)	(2,770,602)	(825,494)
Proceeds from sale of fixed assets	23,632,694	92,940,388
Purchase of investment	-	(21,298,140)
Sale of investment	-	48,400,000
Interest income	2,010,939	4,450,032
Loan/ advances given to others	(505,000)	(50,597,795)
Loan/ advances refund received	30,697,795	26,365,757
Net cash flow from/(used) in Investing activities (B)	**(185,113,177)**	**(14,420,498)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	(198,258,081)	(43,600,000)
Proceeds from short term borrowings	213,235,042	81,595,202
Repayment of long term borrowings	(11,737,957)	(12,681,225)
Proceeds from long term borrowings	148,521,000	5,483,000
Interest expenses	(26,064,571)	(19,077,692)
Share application money received/ (Refund)	-	(900,000)
Proceeds from issue of shares	81,500	-
Net cash flow from/(used) in Financing activities (C)	**125,776,933**	**10,819,285**
Net increase / decrease in cash and cash equivalents (A+B+C)	**23,531,562**	**1,202,183**
Cash and cash equivalents at the beginning of the year	3,526,162	2,323,979
Cash and cash equivalents at the end of the year	**27,057,724**	**3,526,162**
NOTES:		
1) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3, "Cash Flow Statements".		
2) Components of cash and cash equivalents.		
Cash on hand	510,248	480,316
Balances with banks:		
Current accounts	26,547,476	3,045,846
	27,057,724	3,526,162
Add : Deposits held as margin money against bank guarantees	14,182,922	11,412,320
Total cash and cash equivalents at the end of the year (Note- 18)	41,240,646	14,938,482

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Place : New Delhi
Dated : 29/5/2013

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

1. CORPORATE INFORMATION

Tinna Rubber And Infrastructure Limited (the company) was incorporated on 4th March 1987. The Company is primarily engaged in the business of manufacturing of Crumb Rubber, Crumb Rubber Modifier (CRM), Crumb Rubber Modfied Bitumen (CRMB), Polymer Modifed Bitumen (PMB), and Bitumen Emulsion. The products are primarily used for making / repair of road.

Wholly owned subsidiary of Company namely BGK Infrastructure Developers Private Limited (the subsidiary) was incorporated on 27 December, 2007. The subsidiary is primarily engaged in the business of construction, development, acquisition, establishment and maintainance of warehouse, godown etc.

2. SIGNIFICANT ACCOUNTING POLICIES

2.01 BASIS OF PREPARATION

The financial statements of the Company have been prepared on historical cost convention as a going concern on accrual basis, in accordance with the requirements of the Companies Act, 1956 and in accordance with generally accepted accounting principles in India (Indian GAAP) and comply with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) to the extent applicable. Accounting policies have been consistently applied and where a newly issued accounting standard is initially adopted or where an existing accounting policy requires a change due to more appropriate presentation of financial statements, such changes are suitably incorporated. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

2.02 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

The presentation and disclosure of the financial statements have been made in accordance with the revised Schedule VI notified by the Central Government vide notification no. S.O 447(E), dated 28th February 2011 (as amended by notification no. F No. 2/6/2008-CL-V, dated 30th March 2011) which has become effective for accounting periods commencing on or after 1st April 2011.

2.03 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to accounts.

2.04 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Tinna Rubber And Infrastructure Limited ('the Company'), and its subsidiary Company BGK Infrastructure and Developers Private Limited ('the Group Company') collectively referred to as 'the Group'. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the parent and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits in full. Unrealised profit / losses resulting from intra-group transactions has also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the group.

b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

c) The difference between the cost of investment in the subsidary, over the net assets, at the time of acquisition of share in the subsidary, if any, is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

d) The financial statements of Joint Venture Company namely Tinna Viterra Trade Private Limited has not been consolidated using proportionate consolidation since the interest is held exclusively with a view to its subsequent disposal in the near future.

2.05 TANGIBLE FIXED ASSETS

a) Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets are further adjusted by the amount of CENVAT credit and VAT credit availed wherever applicable and subsidy directly attributable to the cost of fixed asset. Interest and other borrowing costs during construction period to finance qualifying fixed assets is capitalised if capitalisation criteria are met.

b) Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

c) Capital work-in- progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date and are carried at cost comprising direct cost , related incidental expenses and interest on borrowings their against.

d) Preoperative expenditure and trial run expenditure accumulated as capital work in progress is allocated on the basis of prime cost of fixed assets in the year of commencement of commercial production.

e) Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

f) Leasehold land are in nature of perpetual lease and hence are amortised over their lease period.

2.06 INTANGIBLE ASSETS

a) Goodwill

The excess of cost to the parent of its investment in subsidiaries over its portion of equity in the subsidiaries at the respective dates on which investment in subsidiaries were made is recognised in the financial statements as goodwill. The parent's portion of equity in the subsidiaries is determined on the basis of the value of assets and liabilities as per the financial statements of the subsidiaries as on the date of investment. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the acquisition. Cash generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in the subsequent period unless it is caused by a specific external event of an exceptional nature.

b) Acquired intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

c) Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the assets can be measured reliably.

d) Gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed off.

2.07 DEPRECIATION AND AMORTIZATION

a) Depreciation on tangible fixed assets is provided on straight line basis using the rates and in the manner as prescribed in Schedule XIV of the Companies Act, 1956, which approximates the useful lives of the assets estimated by the management. Depreciation on Crumb Rubber Plant has been provided at 11.875% per annum considering the useful life of the Plant as 8 years on straight line method. Depreciation on other Plant and Machinery has been provided on Straight line Method on rates as per Schedule XIV of the Companies Act, 1956

b) Computer Software are amortized over a period of 5 years.

c) Assets costing not more than 5,000/- each individually are depreciated at 100%.

2.08 INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.09 INVENTORIES

i) Raw Materials, Stores And Spare parts are valued at cost. Materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Raw Material, Stores & Spares & Raw Material contents of work in progress are valued by using the first in first out (FIFO) method.

ii) Finished goods are valued at cost plus excise duty or net realizable value whichever is lower. The finished goods are valued by using weighted average cost method. Cost of finished goods includes direct Raw Material, labour cost, allocable overhead manufacturing expenses and excise duty.

iii) Work-in-progress are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

iv) The stocks of scrap materials have been taken at net realisable value.

v) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.10 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions and balances

i) **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iii) **Exchange differences**

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to fixed assets acquisition are recognised as income or expense in the year in which they arise.

iv) **Bank Guarantee And Letter of Credit**

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.

2.11 RETIREMENT BENEFITS

i) **Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to provident fund are made in accordance with the relevant scheme and are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

ii) The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit etitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plan, is based on the market yields on government securities as at the balance sheet date. Actuarial gains and lossses are recognised immidiately in the Statement of Profit and Loss.

iii) **Leave Encashment**

Accrual for leave encashment benefit is based on acturial valuation as on the balance sheet date in pursuance of the company's leave rules.

2.12 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) **Sale Of Goods:**

Revenue from sale of Goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, and are recorded net of returns and trade discount. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economics benefits flowing to the company and therefore are excluded from revenue. Excise Duty is deducted from revenue(Gross) to arrive at revenue from operations (net). sales do not include inter-divisional transfers.

ii) **Job Work**

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.

iii) **Composite Services**

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.

iv) **Clearing and forwarding services**

Revenue from clearing and forwarding services are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

v) **Interest:**

Interest income is recognized on a time proportion basis, except on doubtful or sticky loans and advances which is accounted on receipt basis.

v) **Dividend from investment in Shares :**

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

2.13 FUTURE CONTRACTS

Profit/ Loss on contracts for future settled during the year are recognised in the Statement of Profit and Loss. Future contracts outstanding at year-end are marked to market at fair value. Any losses arising on that account are recognised in the Statement of Profit and Loss for the year.

2.14 PRIOR PERIOD ITEMS/ EXTRAORDINARY ITEMS

Prior Period expenses/incomes, are shown as prior period items in the profit and loss account as per the provision of Accounting Standard-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" notified under the Companies (Accounting Standards) Rules ,2006 (as amended). Items of income or expenses that arise from events or transactions that are distinct from ordinary activities of the enterprise and are not expected to recurr frequently or regularly are treated as extraordinary items.

2.15 SEGMENT REPORTING

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company is operating in a single segment namely Crumb Rubber, Crumb Rubber Modifier, Modified Bitumen and Emulsion Bitumen.

Secondary segment:

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

2.16 TAXES ON INCOME

Tax expense for the year comprises of direct taxes and indirect taxes.

DIRECT TAXES

i) Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier yea₹ Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

iii) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax. The Company recognizes MAT Credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Acts, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

iv) Wealth tax is ascertained in accordance with the provisions of the Wealth Tax Act 1957.

INDIRECT TAXES

i) 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 has been accounted for in respect of services rendered.

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

2.17 IMPAIRMENT OF ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.18 LEASES

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.19 BORROWING COSTS

Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.““Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.20 EARNING PER SHARE

Basic earning per share is computed by dividing the profit/(loss) aster tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutuve potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

2.21 PROVISIONS AND CONTINGENT LIABILITIES

Provisions

A provision is recognized when the companyhas a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.22 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

	Number	As at 31-03-2013	Number	Amount (₹) As at 31-03-2012
3. SHARE CAPITAL				
(a) Authorised				
Equity Sharesof ₹ 10/- each)	10,000,000	100,000,000	10,000,000	10,00,00,000
Issued				
Equity Shares of ₹ 10/- each	8,564,750	85,647,500	8,564,750	85,647,500
Subscribed and fully Paid up				
Equity Shares of ₹ 10/- each	8,485,950	84,859,500	8,564,750	85,647,500
Less : Calls in arrears (Other than Directors & Officers)	-	-	89,500	(277,167)
Add:Forfeited Shares (amount originally paid up) {Refer note no (f)}	78,800	524,333	-	-
		85,383,833		**85,370,333**

b) Reconciliation of shares outstanding at the beginning and at the end of reporting period the number of shares

	31-03-2013	31-03-2012
Equity shares as on outstanding at beginning of the year	8,564,750	8,564,750
Less: Equity share forfeited during the year	78,800	-
Outstanding at the end of year	**8,485,950**	**8,564,750**

c) Terms/rights attached to equity shares

(i) The Company has only one class of equity shares having a par value of ₹10/-per share. Each holder of Equity share is entitled to one vote per share.

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

d) Details of Shareholders holding more than 5% shares in the Company	**No. of shares**	**% of holding**	**No. of shares**	**% of holding**
i) Mrs. Puja Sekhri	1,749,160	20.61%	1,749,160	20.42%
ii) Mrs. Shobha Sekhri	1,636,343	19.28%	1,636,343	19.11%
iii) Mrs. Aarti Sekhri	1,511,347	17.81%	1,510,947	17.64%

e) Aggregate number of shares issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares or the numbers of shares bought back during the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

	2012-13		**2011-12**	
Equity shares :				
i) Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
ii) Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil
iii) Shares bought back	Nil	Nil	Nil	Nil

f) Forfeited Shares

Equity shares	78,800	788,000	Nil	Nil

The Company has forfeited 78,800 equity shares of ₹10 each in respect of which calls ramained in arrears. The same has been approved by the Board of Directors in their meeting held on 25.03 2013. Accordingly a sum of ₹5,24,333/- being the amount originally paid up on shares forfeited and ₹45,48,667/- being the amount of share premium on such shares have been shown in share capital account and Capital reserve respectively.

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
4.	**RESERVE & SURPLUS**		
(a)	**Capital reserve**		
	Transfer from Securities premium account (Refer Note No 3(f))	4,548,667	-
		4,548,667	**-**
(b)	**Securities Premium Account**		
	As per the last balance sheet	176,857,853	176,857,853
	Add: Received during the year	68,000	-
	Less: Transfer to capital reserve in respect of shares forfeited	4,548,667	-
		172,377,186	**176,857,853**
(c)	**General Reserve**		
	As per last Balance Sheet	11,704,929	11,704,929
		11,704,929	**11,704,929**
(d)	**Surplus as per the statement of profit and loss**		
	As per the last balance sheet	147,559,947	99,253,744
	Less: Adjustment as per CLB Order (Refer Note No 15)	-	(13,772,056)
	Add : Profit as per statement of profit and loss	16,396,902	62,078,259
		163,956,849	**147,559,947**
		352,587,631	**336,122,729**

Amount (₹)

5. LONG TERM BORROWINGS	**Refer Para**	**Non-Current**		**Current Maturities**	
		As at 31-03-2013	**As at 31-03-2012**	**As at 31-03-2013**	**As at 31-03-2012**
SECURED					
a) Term loans from bank					
Syndicate Bank	(a)	115,000,000	-	25,000,000	6,489,116
b) Long Term maturities of finance lease obligations	(b)				
From banks					
Axis Bank Limited		1,233,927	2,350,894	1,116,967	930,624
HDFC Bank Limited		301,810	-	133,540	118,317
c) From other parties					
Tata Capital Financial Services Limited		941,031	1,289,763	1,176,742	3,039,703
BMW India Financial Services Pvt. Ltd.		3,921,238	-	2,176,205	-
		121,398,006	**3,640,657**	**29,603,454**	**10,577,760**

a) Term Loan from Bank (Secured)

I. The Company has been sanctioned a term loan of ₹ 14,00,00,000/- by Syndicate Bank for the purpose of setting of new machineries, buildings etc. for production of crumb rubber mainly for their own consumption. The said loan has been utilised for the purpose it was sanctioned as at the end of the year.

II. **Primary security**

The term loan is secured by way of hypothecation of plant and machinery at Panipat, Wada, Haldia and Chennai (Gummidipundi) plants of the Company and Unregistered equitable morgage (UREM) of land and building at Wada and Chennai (Gummidipundi) plants of the Company.

Collateral securities

A. The term loan is further secured by way of equitable mortgage of land and building as:
   i) Land & Building located at Refinery Road, Village Rajapur, Tehsil & Distt. Panipat- 132103
   ii) Land & Building located at Tirlokpur Road, Village Rampur Jattan, Nahan Distt. Sirmour (H.P)
   iii) Land & Building located at Plot No.166/3 & 4, Kanadi Fatak, Village Naroli, Silvassa (UT of DNH)
   iv) Farm House at No.6, Sultanpur, Mandi Road, Mehraulli, New Deli- 110030.

B. Other Properties
   i) Building at CRMB Plant at Mangalore Refinery and Petrochemicals Ltd. Kuthethur Post, Via Katipalla, Mangalore- 575030
   ii) Building located at Mouza- Paramananda Chak, J.L No 181, Mouza- Sitaram Chak, J.L No. 182 P.S- Haldia, Distt Purba Midnapur.
   iii) Hypothecation of plant and machinery located at unit of Mangalore, Panipat, Chennai, Kalamb, Silvassa and of existing mobile units.

III. Terms of Repayment:

The term loan is repayable in 56 equal monthly installments of ₹25,00,000/- each starting six months from the date of release of first installment of Term Loan. Interest is to be charged monthly including during moratorium period.

		Non Current	Current	Non-Current	Current
IV.	Aggregate amount of Term Loans secured by way of personal guarantees of Shri Bhupinder Kumar and Kapil Sekhri, Directors of the Company and Gaurav Sekhri (Relative of Director).	11,50,00,000/-	-	2,50,00,000/-	64,89,116/-

V. The existing term loan of ₹ 64,89,116/- outstanding as on 01/04/2012 has been repaid during the year.

b) Long Term Maturity of Finance Lease Obligations:

Long Term Loans from Axis Bank Limited, HDFC Bank Limited,Tata Capital Financial Services Limited and BMW India Financial Services Private Limited are secured against hypothecation of respective vehicles under finance lease.

Name of Lendor	Nature of Lease	Terms of repayments (Including Interest)
Axix Bank Limited	finance lease	Repayable in 36 monthly installments of ₹1,08,482/- including interest, commencing from 1st may 2012.
HDFC Bank Limited	finance lease	Repayable in 36 monthly installments of ₹14,650/- including interest, commencing from 5th march 2013.
Tata Capital Financial Services Limited	finance lease	Repayable in 36 monthly installments ranging from ₹ 8,932/- to 1,09,725/- including interest.
BMW India Financial Services Pvt. Ltd.	finance lease	Repayable in 36 monthly installments of ₹2,24,000/- including interest, commencing from 29th November 2012.

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
6.	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred tax liability		
	On account of difference in rates and method of depreciation	35,831,457	24,155,979
		35,831,457	**24,155,979**
	Deferred tax assets		
	On account of expenditure charged to the statement of profit and loss and allowed for tax purposes on payment basis	5,469,734	4,204,329
	On account of carried forward loss as per I.T. Act	3,629,124	-
		9,098,858	**4,204,329**
	Net Deferred Tax Liabilities (Net)		
	At the end of year	26,732,599	19,951,650
	For the year	6,780,949	4,519,495

Deferred tax resulting from timing differences between book profit and taxable income is accounted for using the current tax rate.

7.	**LONG TERM PROVISIONS**		
	Provision for employee benefits		
a)	Gratuity {refer note 32 (2)}	7,334,025	5,520,799
b)	Leave encashment {refer note 32(2)}	1,320,670	638,247
		8,654,695	**6,159,046**
8.	**SHORT TERM BORROWINGS**		
a)	**Secured (Repayable on Demand)**		
	Working capital limits from Bank	121,891,232	110,376,905
		121,891,232	110,376,905
b)	**Unsecured**		
	From Related parties	19,163,161	46,610,873
	Inter corporate loans	42,424,673	-
		61,587,834	46,610,873
		183,479,066	**156,987,778**

a) The Company has availed working capital limits of ₹1200 lacs (previous year ₹1100 lacs) from Syndicate Bank which is secured by hypothecation of stocks and book debts of the Company. The working capital limit is further secured by collateral securities as mentioned under term loan from Syndicate Bank. (Refer point 5(a) above).

b)	Aggregate amount of Working capital limits secured by way of personal guarantees of Shri Bhupinder Kumar and Kapil Sekhri, Directors of the Company and Gaurav Sekhri (Relative of Director).	121,891,232	110,376,905

c) Unsecured loans from relatives and companies are repayable on demand. Repayment of interest has been made as per stipulations.

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
9. TRADE PAYABLES		
Trade Payables	73,584,373	30,006,396
	73,584,373	**30,006,396**

a) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31st March 2003 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

S. No.	Particulars	Year ended 31st March 2013	Year ended 31st March 2012
i)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act	1,32,75,492/-	1,88,66,019/-
ii)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years,until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

b) The Information in respect of the party determined under the MSMED Act , has been identified on the basis of information available with the Company.

c) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period were at ₹50,08,365/- (previous year ₹ Nil) as on the balance sheet date.

d) No provision for interest payable in terms of Section 16 of the MSMED Act has been made.

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
10.	**OTHER CURRENT LIABILITIES**		
	Current maturities of long term debt (refer note 5)	25,000,000	6,489,116
	Current maturities of finance Lease obligations (refer note 5)	4,603,454	4,088,644
	Interest accrued but not due on borrowings	4,708,425	2,261,337
	Security deposit	300,000	300,000
	Creditors for capital goods	5,753,224	5,858,856
	Other Liabilities:		
	Employees benefits expenses	8,075,049	5,051,604
	Statutory dues		
	Excise duty payable	758,197	890,853
	Service Tax	445,129	23,454
	Vat/CST	1,993,180	2,008,784
	Others	5,381,015	4,194,250
	Other Liabilities	11,843,149	7,981,333
		68,860,822	**39,148,231**

a) Interest accrued but not due on borrowings includes interest payable to director ₹ 30,41,022/- (Previous year ₹ Nil)

b) Security deposit is on account of premisis given on rent to an associate Company.

c) The Company has made a provision of excise duty payable amounting to ₹7,58,197/- (Previous Year ₹8,90,853/-) on stocks of finished goods except goods exempt from payment of excise duty. Excise duty is considered as an element of cost at the time of manufacturing of goods.

d) Employees benefit expensess include payable to directors ₹4,01,800/- (Previous year ₹4,37,600/-)

e) Other Statutory dues are in respect of TDS, PF, ESI and Cess payable under BPMC (Cess on entry of goods) Rules 1996.

f) Other Liabilities are in respect of audit fee, expenses payable and other miscellaneous liabilities.

		As at 31-03-2013	As at 31-03-2012
11.	**SHORT TERM PROVISIONS**		
	Provision For employee benefits		
	Gratuity {refer note 32 (2)}	1,595,881	2,203,855
	Leave Encashment {refer note 32 (2)}	398,891	381,100
		1,994,772	**2,584,955**
	Others		
	Income Tax (Net of advance tax & TDS of ₹25,28,296/- (Previous Year ₹1,13,29,852/-))	513,301	6,005,202
	Income Tax earlier years	-	272,702
	Wealth Tax	161,004	702,555
		674,305	**6,980,459**
		2,669,077	**9,565,414**

Provisions are recognized for Leave encashment ,Gratuity, Income Tax and Wealth Tax . The Provisons are recognized on the basis of past events and probable settlements of the present obligations as a result of the past events, in accordance with Accounting Standard- 29 issued by the Institute of Chartered Accountants of India.

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
The movement of provisions are as under:-		
At the beginning of the year		
Leave encashment	10,19,347/-	6,12,810/-
Gratuity	77,24,654/-	60,38,049/-
Income Tax	62,77,904/-	25,90,285/-
Wealth Tax	7,02,555/-	6,71,126/-
Arising during the year		
Leave encashment	8,85,308/-	7,22,491/-
Gratuity	19,07,199/-	25,42,754/-
Income Tax	31,27,988/-	1,75,72,629/-
Wealth Tax	1,61,004/-	1,38,568/-
Utilised during the year		
Leave encashment	1,53,822/-	2,62,544/-
Gratuity	4,76,011/-	7,40,304/-
Income Tax	87,69,696/-	1,38,85,010/-
Wealth Tax	1,38,568/-	1,07,139/-
Unused amount reversed		
Leave encashment	31,272/-	53,410/-
Gratuity	2,25,936/-	1,15,845/-
Income Tax	1,22,895/-	-
Wealth Tax	5,63,987/-	-
At the end of the year		
Leave encashment	17,19,561/-	10,19,347/-
Gratuity	89,29,906/-	77,24,654/-
Income Tax	5,13,301/-	62,77,904/-
Wealth Tax	1,61,004/-	7,02,555/-

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

12. FIXED ASSETS

S. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2012	Additions during the year	Sale/ Ajustment	As at 31.03.2013	Upto last year	For the year	Sale/ Ajustment	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
A	**Tangible Assets**										
1	Freehold Land	12,904,230	6,379,800	17,594	19,266,436	-	-		-	19,266,436	12,904,230
2	Leasehold Land	31,117,080	-	2,040,120	29,076,960	-	-	-	-	29,076,960	31,117,080
3	Building	51,468,447	52,691,032	12,444,813	91,714,666	12,099,796	2,730,468	2,790,142	12,040,122	79,674,544	39,368,651
4	Plant and Equipment	134,521,873	140,841,137	27,739,458	247,623,552	25,188,972	13,647,931	6,357,378	32,479,525	215,144,027	109,378,379
5	Electric Fittings and Installations	6,187,402	14,793,242	1,869,903	19,110,741	3,301,377	876,691	1,083,543	3,094,525	16,016,216	2,886,025
6	Generator	5,650,393	328,000	1,084,031	4,894,362	2,199,633	253,394	407,450	2,045,577	2,848,785	3,450,760
7	Furniture and Fixtures	5,472,530	470,906	98,056	5,845,380	4,604,204	104,053	63,204	4,645,053	1,200,327	861,763
8	Vehicles	36,754,457	11,411,196	3,588,895	44,576,758	9,326,626	3,777,418	2,886,153	10,217,891	34,358,867	27,427,831
9	Office Equipments	5,182,093	696,735	323,133	5,555,695	2,998,194	387,942	179,273	3,206,863	2,348,832	2,148,480
10	Computer	3,188,271	333,546	118,941	3,402,876	1,804,772	437,830	119,904	2,122,698	1,280,178	1,379,998
	Total - Current Year	**292,446,776**	**227,945,594**	**49,324,944**	**471,067,426**	**61,523,574**	**22,215,727**	**13,887,047**	**69,852,254**	**401,215,172**	**230,923,197**
	- Previous year	**299,144,087**	**43,918,649**	**50,615,960**	**292,446,776**	**54,020,433**	**19,888,501**	**12,385,360**	**61,523,574**	**230,923,202**	**245,123,654**
B	**Intangible Assets:**	-		-				-			
1	Goodwill	957,620	-	-	957,620	937,919	-	-	937,919	19,701	19,701
2	Software	4,027,198	750,816	-	4,778,014	4,002,750	21,714	-	4,024,464	753,550	24,448
	Total - Current Year	**4,984,818**	**750,816**	**-**	**5,735,634**	**4,940,669**	**21,714**	**-**	**4,962,383**	**773,251**	**44,149**
	- Previous year	**4,957,620**	**27,198**	**-**	**4,984,818**	**4,937,919**	**2,750**	**-**	**4,940,669**	**44,149**	**19,701**
C	Capital Work-in- Progress	83,998,429	194,964,733	174,653,415	104,309,747	-	-	-	-	104,309,747	83,998,429
	Previous year	14,101,045	98,933,665	29,036,281	83,998,429			-		83,998,429	14,101,045
	Total - Current Year	**381,430,023**	**423,661,143**	**223,978,359**	**581,112,807**	**66,464,243**	**22,237,441**	**13,887,047**	**74,814,637**	**506,298,170**	**314,965,775**
	- Previous year	**318,202,752**	**142,879,512**	**79,652,241**	**381,430,023**	**58,958,352**	**19,891,251**	**12,385,360**	**66,464,243**	**314,965,780**	**259,244,400**

Notes:

(a) The Company was awarded Work Order No. WQA074A dtd.20.07.2009 by Mangalore Refinery & Petro Chemical Ltd. (MRPL) for making modified bitumen. As per the work order, the Company shall transfer plant of gross block ₹2,35,34,811/- (WDV ₹1,64,46,697-) in complex of MRPL at nominal amount of ₹1/- on 05.07.2014. As per the work order, the prescribed quantity to be processed during the period from 05/07/2009 to 05/072014 is 3,55,000 M.T., while as on the date of Balance Sheet 1,33,835 M.T. of quantity (37.70%) has been processed. In view of this, the Company has not amortized the plant during the aforesaid period of work order and the depreciation has been provided on rates as per Schedule XIV of the Companies Act 1956. The Company proposes to hold the plant till the final quantity as per the work order is processed.

(b) Depreciation on Crumb Rubber Plant has been provided @ 11.875% per annum considering the useful life of the Plant as 8 years on Straight Line Method. Depreciation on other Plant and Machinery has been provided on Straight Line Method on rates as per Schedule XIV of the Companies Act , 1956.

(c) Depreciation on assets for a value not exceeding ₹ 5,000 has been provided @ 100%.

(d) The Company's plant at Panipat has been notified to be covered under the industrial area of HSIDC, Panipat and the procedural implementation of aquisition/ subsequent release is in progress.

(e) Interest during construction paid during the year amounting to ₹ 94,82,612/- (previous year ₹ 612,329) has been capitalised.

(f) Plant and machinary of gross value of ₹ 1,21,07,095/- has been transferred from Panipat to Haldia and is shown under Capital work in progress.

(g) Adjustment in Capital work in progress of ₹ 17,47,73,504/- is in respect of Panipat and Wada units completed during the year which has been transferred under the following heads:

Building	48,685,464
Plant and Machinary	112,180,569
Electrical Fittings and Installations	12,325,472
Funiture and fixture	261,910
Transfer to Stores and Spares (Panipat)	1,200,000
	174,653,415

(h) Vehicles taken on Finance lease are as under:-

Gross Block	1,93,87,238
Net Block	1,76,41,122

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
13. NON CURRENT INVESTMENT		
Other Investments, Long Term (valued at cost unless otherwise stated)		
a) Investment in Equity instruments:		
Unquoted equity instruments in joint ventures		
Tinna Viterra Trade Private Limited 20,00,000 (100%) (Previous Year 20,00,000 (60%)) equity shares of ₹ 10/- each fully paid up {refer note 32(7) and 32(9b)}	20,300,320	20,300,320
Unquoted equity instruments in Other Companies		
Keerthi International Agro Private Limited 11,000 (29%) (Previous Year 11,000 (29%)) equity shares of ₹100/- each fully paid up {refer note 32(10)	1,100,750	1,100,750
	21,401,070	**21,401,070**
b) Investment in Preference Shares:		
Indo Enterprises Private Limited (Unquoted)		
40,000 (Previous Year 40,000) 6% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	4,000,000	4,000,000
80,000 (Previous Year 80,000) 8% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	8,000,000	8,000,000
TOTAL	**12,000,000**	**12,000,000**
	33,401,070	**33,401,070**

NOTES:

1. Aggregate value of unquoted Investments	33,401,070	33,401,070
2. Book value of unquoted Investments	73,183,968	37,210,707

The Companies are closely held unquoted companies. Therefore book value has been considered on the base of latest available audited financial statements.

	As at 31-03-2013	As at 31-03-2012
14. LONG TERM LOANS AND ADVANCES		
(Unsecured considered good)		
Capital Advances	12,430,484	21,174,999
Security Deposits	6,602,734	3,339,850
MAT Credit Entitlement {refer note 32(12)}	10,875,800	-
Other loans and advances	128,961	452,197
	30,037,979	**24,967,046**

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
15. OTHER NON CURRENT ASSETS		
(Unsecured considered good)		
Trade Receivables	31,984,479	37,984,479
Less: Claims payable	(13,772,056)	(13,772,056)
	18,212,423	**24,212,423**

Long term trade receivable include claim receivable of ₹ 2,75,44,112/- from Food Corporation of India Limited (F.C.I) and Project and Equipment Corporation of India Limited (P.E.C) for which the Company has filed suits for recovery. However, as per order of Company Law Board dated 9th June, 2009, if any amount is received, the amount to the extent of 50% will be paid to seperated group. A provision of ₹1,37,72,056/- has been made as per CLB order. The Company has filed an appeal pending before the Hon'ble High Court of India on 06/02/2013 and is hopeful of recovering the amount due from Food Corporation of India (F.C.I) and Project and Equipment Corporation Of India Limited (P.E.C), Hence no provision has been considered necessary in respect of the aforesaid receivables.

	As at 31-03-2013	As at 31-03-2012
16. INVENTORIES		
Raw materials {including Stock in Transit ₹ 9,77,475/- (Previous Year Nil)}	44,514,443	47,153,137
Work in progress	42,338,354	5,361,527
Finished goods (including Stock in Transit ₹ 7,18,892/- Previous Year Nil)	7,413,356	8,302,737
Stores and spares	3,711,981	1,351,580
Packing materials	2,315,388	1,740,068
Consumable stores	296,064	91,535
Scrap Material (old tyre steel wire)	8,116,137	-
	108,705,723	**64,000,584**

a) Inventories have been valued at lower of cost and net realisable value.
b) Scrap material has been valued at estimated net realisable value.

	As at 31-03-2013	As at 31-03-2012
17. TRADE RECEIVABLES		
Outstanding due for a period exceeding six monthsfrom the due date of payment		
Unsecured, considered good	14,429,068	5,774,474
Unsecured, considered doubtful	400,000	-
	14,829,068	**5,774,474**
Less : Provision for doubtful receivables	(400,000)	-
	14,429,068	**5,774,474**
Other receivables		
Unsecured, considered good	117,872,882	151,483,840
	132,301,950	**157,258,314**
18. CASH AND BANK BALANCES		
Cash and cash equivalents		
Balance with banks in current accounts	26,547,476	3,045,846
Cash on hand	510,248	480,316
Other bank balances		
Margin money for bank guarantees / commitments with original maturity of more than three months*	14,182,922	11,412,320
	41,240,646	**14,938,482**

* Include Bank Deposits of ₹ 350,000/- (Previous year ₹1,08,39,000/-) with more than 12 months maturity.

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
19.	**SHORT TERM LOANS AND ADVANCES**		
	(Unsecured, considered good)		
	Advances against materials and services	7,247,255	4,992,614
	Security deposits	1,154,960	1,234,363
	Loans to advances to other parties	-	30,697,795
	Balance with Statutory/ Government authorities:		
	Excise Duty	15,419,341	5,066,612
	Service Tax	523,673	691,308
	VAT	6,299,459	5,287,203
	Loans to Employees	1,426,408	323,400
	Other advances	11,924,925	1,474,576
		43,996,021	**49,767,871**

Other advance include ₹ 52,17,886/- paid towards advance godown rent & job work charges for Haldia plant.

		As at 31-03-2013	As at 31-03-2012
20.	**OTHER CURRENT ASSETS**		
	(Unsecured considered good)		
	Recoverable against sale of tangible assets	4,200,000	-
	Prepaid Expenses	1,763,477	2,519,585
	Other debts	2,863,238	853,924
	Interest accrued but not due	329,406	67,154
		9,156,121	**3,440,663**

Other receivables include due from companies in which a Director is a Director as under:

	As at 31-03-2013	As at 31-03-2012
Fratelli Wines Private Limited	152,679	-
Tinna Viterra Trade Private Limited	39,018	154,694

		As at 31-03-2013	As at 31-03-2012
21.	**REVENUE FROM OPERATIONS (NET)***		
	Sale of Products	848,568,903	1,021,844,444
	Sale of Services	33,995,294	26,718,625
	Clearing and Forwarding Services Income	2,415,389	-
	Other operating revenues	5,985,682	7,427,536
		890,965,268	**1,055,990,605**
	*** REVENUE FROM OPERATIONS**		
a)	**Sale of Products:**		
	Crumb Rubber Modifier	260,049,557	350,123,095
	Crumb Rubber Modified Bitumen (CRMB/ PMB)	302,262,059	518,298,450
	Emulsion	115,924,154	40,265,807
	Fine Crumb Rubber	124,946,388	110,829,347
	Crumb Rubber Mesh	7,719,905	-
	Old Tyre Steel Wire (Scrap)	25,094,120	-
	Natural Asphalt/Bitumen VG-10	-	4,800
	Aqaloc-HW-4 (Admixture)	12,572,720	2,322,945
		848,568,903	**1,021,844,444**

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
b)	**Sale of Services:**		
	Modification Charges	17,245,788	19,988,902
	Equipment Rental Income (Mobile Unit)	16,749,506	6,729,723
		33,995,294	**26,718,625**
c)	Clearing and Forwarding Services Income	2,415,389	-
		2,415,389	-
d)	**Other operating revenues:**		
	Freight on Sales Recovered	5,985,682	7,427,536
		5,985,682	**7,427,536**
22.	**OTHER INCOME**		
	Interest Income		
	From Bank	1,093,403	1,053,769
	From Others	917,536	3,396,263
	Rental Income	1,340,000	1,280,000
	Foreign Currency Exchange Fluctuations (Net)	-	14,345
	Profit on Sale of tangible Assets	9,937,785	64,642
	Excess Provision written back	758,484	-
	Doubtful debts and advances written back	83,043	599,864
	Doubtful debts and advances recovered	52,500	63,025
	Miscellaneous Income	936,988	62,602
		15,119,739	**6,534,510**
23.	**COST OF MATERIALS CONSUMED**		
	Natural Asphalt	30,049,687	69,224,913
	Rubber Crumb	172,362,931	223,530,555
	Bitumen	334,769,437	452,350,677
	Used Old Tyre	87,199,476	-
	Aqualoc	11,134,391	-
	Packing Materials	12,894,921	9,576,750
	Others	21,924,830	40,295,375
		670,335,673	**794,978,270**
24.	**PURCHASE OF STOCK IN TRADE (TADED GOODS)**		
	Purchase Fine Crumb Rubber	-	22,704,077
	Purchase of Aqualoc HW-4	-	2,007,889
		-	**24,711,966**

		As at 31-03-2013	As at 31-03-2012	Increase/ (Decrease)
25.	**CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP**			
	Inventories at the end of the Year			
	Semi-finished goods	42,338,354	5,361,527	36,976,827
	Finished goods	7,413,356	8,302,737	(889,381)
	Scrap (Old tyre steel wire)	8,116,137	-	8,116,137
		57,867,847	**13,664,264**	**44,203,583**
	Inventories at the begining of the Year			
	Semi-finished goods	5,361,527	2,202,786	3,158,741
	Finished goods	8,302,737	22,605,965	(14,303,228)
		13,664,264	**24,808,751**	**(11,144,487)**

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
	Details of inventories at the end of the Year		
	Semi Finished Goods		
	Crumb Rubber	36,363,104	-
	Modified Bitumen	4,492,720	4,883,803
	Emulsion	1,276,272	477,724
	Eva	206,258	-
		42,338,354	**5,361,527**
	Finished Goods		
	Crumb Rubber Modifier	4,174,161	5,720,868
	Modified Bitumen	300,542	343,261
	Emulsion	2,301,059	1,660,106
	Aqualoc HW-4	82,078	-
	Fine Crumb Rubber	555,516	578,502
		7,413,356	**8,302,737**
	Scrap		
	Old tyre steel wire	8,116,137	-
		57,867,847	**13,664,264**
	Details of inventories at the begining of the Year		
	Semi Finished Goods		
	Modified Bitumen	4,883,803	-
	Emulsion	477,724	-
	CTCR	-	3,123
	SBS	-	1,153,479
	PTSA Crumb Rubber 40 Mesh	-	1,046,184
		5,361,527	**2,202,786**
	Finished Goods		
	Crumb Rubber Modifier	5,720,868	15,839,345
	Modified Bitumen	343,261	3,597,625
	Emulsion	1,660,106	-
	Fine Crumb Rubber	578,502	3,168,995
		8,302,737	**22,605,965**
26.	**EMPLOYEE BENEFITS EXPENSES**		
	Salary, Wages, Bonus and other benefits	75,303,081	52,906,138
	Contribution towards PF and ESI	6,118,702	4,917,621
	Gratuity and Leave encashment {(refer note no. 32(2)}	2,572,809	5,883,026
	Staff welfare expenses	4,071,446	3,628,431
		88,066,038	**67,335,216**
	Employee benefits expense include managerial remuneration as detailed below:		
	Salary	7,120,800	7,120,800
	Contribution towards PF	518,400	388,800
27.	**FINANCE COSTS**		
	Interest Expense	26,064,571	19,077,692
	Interest on Income Tax	49,944	1,126,631
	Other Borrowing Costs	1,564,500	1,082,600
	Bank charges	3,309,501	2,581,401
		30,988,516	**23,868,324**

Notes on Consolidated Financial Statements for the year ended 31st March, 2013

	As at 31-03-2013	Amount (₹) As at 31-03-2012
28. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on tangible assets	22,215,727	12,057,566
Amortisation of intangible assets	21,714	2,750
	22,237,441	**12,060,316**
29. OTHER EXPNSES		
Consumption of Stores and spare parts	2,627,181	3,369,677
Power and fuel	26,461,668	14,327,801
Rent	4,626,130	3,000,708
Repairs to buildings	392,726	358,320
Repairs to machinery	8,813,423	3,916,277
Repairs others	2,198,125	2,079,457
Equipment hire charges	321,660	-
Port Services and Stevedoring Charges	1,125,600	-
Insurance	1,729,495	1,145,040
Rates and taxes	1,702,378	1,536,930
Professional and consultancy charges	5,116,207	4,360,318
Travel, Conveyance and vehicle maintenance	19,704,914	17,938,756
Telephone, Internet, Postage & Courier	2,606,448	2,689,980
Foreign Currency Exchange Fluctuations (Net)	563,437	-
Provision for doubtful debts	400,000	83,043
Bad debts	83,043	599,864
Loss on sale of tangible assets	8,997,064	1,850,995
Loss on sale of investments	-	6,500
Audit Fees*	828,090	761,030
Commission	4,282,635	4,829,303
Transportation expenses	18,880,065	25,055,347
Business promotion and marketing expenses	3,152,477	4,962,124
Lab Expenses/Research & development	582,461	776,356
Shortage in transit	329,165	929,437
Excise Duty on Opening and Closing stocks of finished goods	(132,656)	(1,041,650)
Miscellaneous expenses	7,994,154	8,072,267
	123,385,890	**101,607,880**
*** Payment to Auditors**		
Audit fees	678,090	561,030
Tax audit fees	150,000	150,000
Other services	-	50,000
	828,090	**761,030**
30. EXCEPTIONAL ITEMS		
Gain on sale of property #	-	56,459,358
Jatropha Plantation and other assets written off	-	(7,831,008)
Freight on Machinery & Stock Transferred from Mumbai plant**	-	(1,251,418)
	-	**47,376,932**

Sale of Property at Mumbai plant

** Freight incurred on shifting of machinery and stock to other unit as Mumbai unit was closed.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in ₹)

		2012-13	2011-12
31.	**CONTINGENT LIABILITIES AND COMMITMENTS**		
A.	**Contingent liabilities(to the extent not provided for)**		
a)	Claims/Suits filed against the Company not acknowledged as debts (Advance paid ₹50,000/-) (Refer point (i))	1,43,02,921/-	1,51,10,216/-
b)	Bank guarantees opened with banks: (Margin money ₹1,35,39,000/- (Previous Year ₹1,08,52,924/-)	11,35,17,161/-	8,34,72,241/-
c)	Foreign letter of credits opened with Bank (USD $147760)	80,36,563/-	Nil/-
d)	Disputed tax liabilities in respect of pending cases before Appellate Authorities(Refer Point (ii))	1,42,58,054/-	80,19,918/-
e)	Surety given to sales tax department (Haryana) in favour of associate company (Refer point(iii))	1,00,000/-	Nil/-

NOTES:

i) a) Shri Vijay Kumar Sekhri (Ex-Director) and Anil Kumar Sekhri (Ex-Director) have filed suits before Hon'ble High Court Delhi for recovery ₹11250000/- towards remuneration from 01.09.2009 to 15.07.2011 together with interest 18% p.a which has been dismissed by Hon'ble High Court Delhi vide order dated 12.02.2013. The said Shri. Vijay Kumar Sekhri(Ex-Director) and Shri Anil Kumar Sekhri(Ex-Director) have filed Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.

b) A claim has been filed against the Company by a supplier for recovery of ₹17,76,558/- together with interest @ 18% per annum which is pending before the VII Addl. City Civil Court, Chennai.

ii) The various disputed tax liabilities are as under:

	Description	Court Authority	Period to which relates	Disputed amount	
a)	**Income Tax**				
	The Tribunal deleted addition of ₹1,90,91,831/- on account of disallowance of job work charges. The Income Tax department has an appeal before the Hon'ble filed High court of Delhi.	High Court of Delhi	2000-01	73,50,358/-	73,50,358/-
	The disputed tax liabilities in respect of various disallowance/ additions made by the A.O.	CIT(Appeals)	2006-07 to 2009-10	69,07,696/-	-
				1,42,58,054	**73,50,358/-**
b)	**Sales Tax/VAT**				
	Liabilities on account of difference in interpretation of Modified Bitumen and Bitumen for the purpose of charging VAT under Haryana Sales Tax.			Nil/-	512060/-
	Disputed liabilities under UP Sales Tax			Nil/-	1,57,500/-
				Nil/-	6,69,560/-
				1,42,58,054/-	**8,019,918/-**

Based on the opinion of the legal advisor, the Company does not expect any liabilities hence no provision has been made.

The A.O. has also provisionally attached the various immovable properties of the Company vide order dated 18-02-2013. However the demand has been finalised by A. O. vide his order dated 28.03.2013 which is under appeal before CIT(Appeals). The said attachment order is valid upto 13.08.2013.

Besides the above various show cause notices have been received from Excise/Service tax department which have not been treated as contingent liabilities, since the Company has adequately represented to the concerned authorities.

iii) The Company has given Surety Bond for Rs1,00,000/- under Haryana VAT Act, 2003 and CST Act, 1956 in favour of Fratelli Wines Private Limited, an associate Company.

B. Commitments:

Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	1,92,18,308/-	4,72,89,396/-

32. OTHERS NOTES ON ACCOUNTS

1. a) In the opinion of the Board, any of the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

   b) Balance of Trade Payable, other current liabilities, long and short term advances, other non-current and current assets and trade receivable are subject to reconciliation and confirmations.

2. Disclosures pursuant to Accounting Standard 15, 'Employee Benefits' (Revised) notified under the Companies (Accounting Standards) Rules 2006(as amended), are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised during the year are as under:-

	2012-13	**2011-12**
Employer's Contribution towards Provident Fund (PF)	3,307,318	2,549,393
Employer's Contribution towards Family Pension Scheme (FPS)	2,385,289	1,673,537
Employer's Contribution towards Employee State Insurance (ESI)	657,925	753,771
	63,50,532	4,976,701
Less: Capitalised under tangible assets	(231,830)	(59,080)
Expenses charged to statement of profit and loss	**6,118,702**	**4,917,621**

Defined Benefit Plan

(A) 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.

a. Reconciliation of opening and closing balances of Defined Benefit obligation

Defined Benefit obligation at beginning of the year	7,724,654	6,034,934
Current Service cost	1,547,802	1,047,984
Interest cost	635,538	528,057
Actuarial (gain)/ loss	(502,077)	853,983
Benefits paid	(476,011)	(740,304)
Defined benefits obligation at year end	**8,929,906**	**7,724,654**

b. Reconciliation of opening and closing balance of fair value of plan assets

Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets actuarial (Gain/Loss)	-	-
Employer Contribution	-	-
Benefits paid	-	-
Fair value of plan assets at year end	-	-
Actual return on plan assts	-	-

c. Reconciliation of fair value of assets and obligations

Fair value of plan assets	-	-
Present value of obligations	8,929,906	7,724,654
Amount recognized in the balance sheet- asset/(liability)	**(8,929,906)**	**(7,725,654)**
Current portion	1,595,881	2,204,855
Noncurrent portion	7,334,025	5,520,799

d. Expenses recognized in profit & loss account

Current service cost	1,547,802	1,047,984
Interest cost	635,538	528,057
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(502,077)	853,983
Net cost	**1,681,263**	**2,430,024**

e. Investment details

LIC group gratuity policy	-	-

f. Actuarial Assumption

Mortality Table (LIC)	1994-96	1994-96
Discount Rate (per annum)	8.25%	8.75%
Expected rate of return on plan assets(per annum)	0%	0%
Rate of escalation in salary (per annum)	7%	5%

g.

Amounts for current and previous period	2012-13	2011-12	2010-11	2009-10	2008-09
Present value of obligation	8,929,906	7,724,654	6,034,934	3,020,930	2,568,301
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-

NOTES:

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.

(B) Leave Encashment

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.

a. Reconciliation of opening and closing balances of Defined Benefit obligation

	2012-13	2011-12
Defined Benefit obligation at beginning of the year	1,011,990	567,838
Current Service cost	388,796	220,378
Interest cost	83,260	49,686
Actuarial (Gain)/ Loss	388,644	436,632
Benefits paid	(153,129)	(262,544)
Defined benefits obligation at year end	**1,719,561**	**1,011,990**

b. Reconciliation of opening and closing balance of fair value of plan assets

Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets actuarial (Gain/Loss)	-	-
Employer Contribution	-	-
Benefits paid	-	-
Fair value of plan assets as on 31.03.2013	-	-
Actual return on plan assts	-	-

c. Reconciliation of fair value of assets and obligations

Fair value of plan assets at beginning of the year	-	-
Present value of obligations at year end	1,719,561	1,011,990
Amount recognized in the balance sheet- asset/(liability)	**1,719,561**	**1,011,990**
Current Portion	398,891	381,100
Noncurrent Portion	1,320,670	638,247

d. Expenses recognized in profit & loss account

Current service cost	388,796	220,378
Interest cost	83,260	49,686
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	388,644	436,632
Net cost	**860,700**	**706,696**

e. Investment details

LIC group gratuity policy	-	-

f. Actuarial Assumption

Mortality Table (LIC)	1994-96	1994-96
Discount Rate (per annum)	8.25%	8.75%
Expected rate of return on plan assets(per annum)	0%	0%
Rate of escalation in salary (per annum)	7%	5%

g.

Amounts for current and previous period	**2012-13**	**2011-12**	**2010-11**	**2009-10**	**2008-09**
Present value of obligation	1,719,561	1,011,990	567,838	262,014	313,253
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-

NOTES:

a) 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.

b) Since the liability is not funded ,thereby information with regard to the plan assets has not been furnished.The estimates of rate of escalation in salary considered in actuarial valuation after taking in to account inflation seniority,promotion and other relevant factors including supply and demand in the employment market. The expected rate of plan assets is determined considering several applicable factors,mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for the plan assets management.

3. Segment Information:

The Company is mainly engaged in the business of Crumb Rubber,Crumb Rubber Modifier , Modified Bitumen, Emulsion Bitumen and there is no separate reportable segment as per the Accounting Standard(AS-17)" Segment Reporting" as notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

4. Related Party Disclosure

The related parties as per the terms of Accounting Standard (AS-18), " Related Party Disclosures" , notified under the Companies (Accounting Standards) Rules,2006 (as amended) are disclosed below:-

(A) Names of related parties and description of relationship :

(i) Enterprises in which directors exercise significant influence.

Fratelli Wines Private Limited
Pratham Road Technologies & Construction Limited
Bee Pee Farms and Properties Private Limited
Spaceage Technical services Private Limited
Shankar Ratna Agro Farm Privarte Limited
Shivratna Agro Products Private Limited
Gee Ess Pee Land Developers Private Limited
S.S.Horticulture Private Limited
BGNS Infratech Private Limited
Shiv Ratna Multilayers Private Limited
Nova Infratech Limited
Chinmin Developers Private Limited
Guru Infratech Private Limited
BGK Commodities Private Limited
Arnav Estate Private Limited
Panjawani Properties Private Limited
Puja Infratech Private Limited
T P Builtech Private limited
Adi Farms and Land Developers Private Limited

(ii) Key Management personnel and their relatives: -

Shri Bhupinder Kumar Sekhri- Director
Shri Kapil Sekhri- Director
Smt. Shobha Sekhri-Executive
Smt. Aarti Sekhri-Executive
Shri. Gaurav Sekhri

(iii) Joint Venture-40% ownership interest held by Company

Tinna Viterra Trade Private Limited

(B) Transaction during the year

	2012-13	2011-12
(i) Loan taken from :		
Enterprises in which director exercise significant influence		
Arnav Estate Private Limited	12,900,000	-
Chin Min Developer Private Limited	38,000,000	21,500,000
Gee Ess Pee land Developers Private Limited	-	500,000
Guru Infratech Private Limited	-	1,500,000
Panjawani Properties Private Limited	8,000,000	-
Pratham Road Technologies and Construction Limited	-	625,000
Puja Infratech Private Limited	3,500,000	-
S.S.Horticulture Private Limited	1,200,000	-
Key Management Personnel & there relatives		
Mr Bhupinder Kumar Sekhri	19,600,000	38,660,000
Mr Kapil Sekhri	-	20,775,000
Mr Gaurav Sekhri	-	5,000
	83,200,000	**83,565,000**

(ii)	**Loan Repaid:**		
	Enterprises in which director exercise significant influence		
	Arnav Estate Private Limited	12,900,000	-
	Chin Min Developer Private Limited	47,988,662	12,564,365
	Gee Ess Pee Land Developers Private Limited	501,770	-
	Guru Infratech Private Limited	1,506,639	-
	Panjawani Properties Private Limited	8,000,000	-
	Pratham Road Technologies & Construction Limited	653,844	-
	Puja Infratech Private Limited	3,500,000	-
	S.S.Horticulture Private Limited	1,200,000	-
	Adi Farms and Land Developers Private Limited	-	120,000
	Space Age Technical Services Private Limited	-	1,415,000
	Key Management Personnel & there relatives		
	Mr Bhupinder Kumar Sekhri	23,700,000	16,560,000
	Mr Kapil Sekhri	8,807,165	12,540,072
	Gaurav Sekhri	-	5,000
		108,758,080	**43,204,437**
(iii)	**Interest Paid**		
	Enterprises in which director exercise significant influence		
	Arnav Estate Private Limited	641,671	-
	Chin Min Developer Private Limited	1,049,018	543,887
	Gee Ess Pee Land Developers Private Limited	4,110	1,967
	Guru Infratech Private Limited	12,329	7,377
	Panjawani Properties Private Limited	459,041	-
	Pratham Road Technologies & Construction Limited	90,016	32,049
	Puja Infratech Private Limited	179,895	-
	S.S.Horticulture Private Limited	25,151	-
	Key Management Personnel & there relatives		
	Mr. Bhupinder Kumar Sekhri	3,378,913	1,292,402
	Mr. Kapil Sekhri	598,240	635,820
		6,438,384	**2,513,502**
(iv)	**Commisson Paid**		
	Enterprises in which director exercise significant influence		
	TP Builtech Private Limited	460,350	-
(v)	**Rent Received**		
	Enterprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	1,340,000	1,280,000
(vi)	**Reimbursement of Expenses**		
	Enterprises in which director exercise significant influence		
	TP Builtech Private Limited	25,100	
	Tinna Viterra Trade Private Limited	352,381	410,135
	Fratelli Wines Private Limited	171,742	-
		549,223	**410,135**
(vii)	**Loan given to**		
	Enterprises in which director exercise significant influence		
	BGNS Infratech Private Limited	-	3,000,000
			3,000,000

(viii)	**Loan repayment Received**		
	Enterprises in which director exercise significant influence		
	Shivratna Agro Products Private Limited	-	6,290,527
	BGNS Infratech Private Limited	-	3,000,000
		-	**9,290,527**
(ix)	**Interest Received**		
	Enterprises in which director exercise significant influence		
	Shivratna Agro Products Private Limited	-	815,190
	BGNS Infratech Private Limited	-	20,582
(x)	**Purchase of Fixed Assets**		
	Enterprises in which director exercise significant influence		
	Gee Ess Pee land Developers Private Limited	-	5,000,000
(xi)	**Sale of fixed assets**		
	Enterprises in which director exercise significant influence		
	Shivratna Agro Products Private Limited	-	227,155
	Shankar Ratna Agro Products Private Limited	-	108,176
			335,331
(xii)	**Advance given for Share**		
	Enterprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	-	8,000,000
	Fratelli Wine Private Limited	-	13,200,000
		-	**21,200,000**
(xiii)	**Share allotment received**		
	Enterprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	-	7,998,140
	Fratelli Wine Private Limited	-	13,200,000
		-	**21,198,140**
(xiv)	**Refund of advance for Share (Share Application money refund)**		
	Enterprises in which director exercise significant influence		
	Tinna Viterra Trade Private Limited	-	1,860
	Key Management Personnel		
	Shri Bhupinder Kumar Sekhri	-	900,000
(xv)	**Sale of Investment**		
	Enterprises in which director exercise significant influence		
	BGK Commidities Private Limited	-	10,400,000
	Bee Pee Farm & Properties Private Limited	-	6,200,000
	S.S.Horticulture Private Limited	-	9,120,000
	BGK Commidities Private Limited	-	3,700,000
	Nova Infotech Private Limited	-	8,500,000
	Chin Min Developer Private Limited	-	6,300,000
	Shivratna Maltilayer Private Ltd	-	500,000
		-	**44,720,000**
(xvi)	**Purchase**		
	Enterprises in which director exercise significant influence		
	Fratelli Wines Private Limited	419,113	-

(xvii) Managerial remuneration		
Key Management Personnel & there relatives		
Mr. Bhupinder Kumar Shekhri-Director	3,560,400	3,560,400
Mr Kapil Sekhri- Director	3,560,400	3,560,400
M₹ Shobha Sekhri-Executive	720,000	600,000
Mrs Aarti Sekhri-Executive	720,000	600,000
	8,560,800	**8,320,800**
(C) Balance at the year end		
(i) Amount Receivable		
Enterprises in which director exercise significant influence		
Fratelli Wines Private Limited	152,679	-
Tinna Viterra Private Limited	39,018	154,694
BGNS Infratech Private Limited	-	20,582
Shankar Ratna Agro Farm Private Limited	-	108,176
Shivratna Agro Products Private Limited	-	227,155
	191,697	**510,607**
(ii) Amount Payable		
Enterprises in which director exercise significant influence		
Chin Min Developer Private Limited	-	9,988,662
Gee Ess Pee land Developers Private Limited	-	501,770
Guru Infratech Private Limited	-	1,506,639
Pratham Road Technology Limited	-	653,844
TP Builtech Private Limited	373,285	-
Adi Farms and Land Developers Private Limited	230,000	230,000
Space Age Technical Services Private Limited	3,673,583	3,673,583
SS Horticultures Private Limited	121,090	121,090
Key Management Personnel & there relatives		
Mr Bhupinder Kumar Sekhri, KMP	22,407,583	23,263,161
Mr Kapil Sekhri, KMP	198,400	8,807,166
Ms. Shobha Sekhri, Relative of KMP	41,000	44,000
Ms. Aarti Sekhri, Relative of KMP	41,400	44,000
TOTAL	**27,086,341**	**48,833,915**

5. Accounting for leases has been done in accordance with Accounting Standard-19 notified by the Companies (Accounting Standard) Rules, 2006 (as amended)

The details of lease transactions are as under:-

Operating Lease:

i) The company has entered into operating leases for factory buildings and 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.

ii) The total of future minimum lease payments under non cancellable leases are as follows:

	2012-13	2011-12
Not later than one year	40,20,000/-	18,71,820/-
Later than one year but not later than five year	2,32,57,710/-	-
Later than five years	1,97,97,294/-	-
Lease rent payments recognised in the statement of profit and loss as rent expenses for the year	46,26,130/-	30,00,708/-

6. Earning per Share:

		2012-13	2011-12
a)	**Calculation of weighted average number of Equity Shares of ₹10 each**		
	Equity shares outstanding at the beginning of the year	8,564,750	8,564,750
	Equity shares outstanding at the end of the year	8,485,950	8,564,750
	Weighted average no. of equity shares outstanding during the year.	8,485,950	8,537,024
b)	Net profit after tax available for equity shareholders	1,63,96,902/-	6,20,78,259/-
c)	Basic and diluted earning per share	1.93	7.25

7. Pursuant to Accounting Standard- 27, "Financial Reporting of Interest in Joint Ventures" notified under the Companies (Accounting Standard) Rules, 2006 (as amended) disclosure in respect of the said Joint Venture are given below.

a)	**Name of Joint Venture**	**Description of Interest**	**Country of Incorporation**	**Proportion of Ownership interest as at 31.03.2013**
	Tinna Viterra Trade Private Limited	Jointly Contolled Entity	India	40%

b) The Company's share of each of the assets, liabilities, incomes and expenses (each without elimination of the effect of transaction between the Company and the Joint Venture) related to its interest in Joint Venture, based on the Audited Financial Statements as at 31st March 2013 are as under:

		2012-13	2011-12
(i)	**Liabilities**		
	Non Current Liabilities:		
	Long-term borrowings	-	244,351
	Long-term provisions	1,532,809	986,984
		1,532,809	**1,231,336**
	Current Liabilities:		
	Trade payables	239,315,479	399,310,494
	Other current liabilities	18,068,268	27,397,600
	Short-term provisions	8,435,371	1,576,500
		265,819,118	**428,284,595**
(ii)	**Assets**		
	Non Current Assets:		
	Fixed assets		
	Tangible assets	1,332,225	12,419,401
	Deferred tax assets (net)	3,054,422	1,317,519
	Long-term loans and advances	1,684,732	1,867,444
	Other non-current assets	786,400	636,800
		6,857,780	**16,241,164**
	Current Assets:		
	Inventories	107,899,976	330,421,102
	Trade receivables	139,079,017	72,688,468
	Cash and cash equivalents	45,434,480	17,436,960
	Short-term loans and advances	18,450,168	21,293,481
	Other current assets	10,611,063	224,051
		321,474,704	**442,064,062**

(iii)	**Income:**		
	Revenue from operations (net)	2,017,778,352	1,058,189,650
	Other Income	3,447,173	2,772,460
		2,021,225,525	**1,060,962,110**
(iv)	**Expenditure:**		
	Cost of material consumed	8,675,446	8,693,684
	Purchase of traded goods	1,560,759,303	998,708,893
	Change in inventories of srock in trade	222,904,152	-78,138,511
	Employee benefits expenses	11,338,025	10,170,045
	Finance Costs	15,153,088	8,867,338
	Depreciation and amortisation expenses	503,166	519,782
	Other expenses	153,791,187	101,270,926
		1,973,124,366	**1,050,092,157**
(v)	**Contingent Liabilities and Commitments:**	Nil	Nil

c) The interest of the Company in the Joint Venture namely Tinna Viterra Trade Private Limited has not been consolidated using proportionate consolidation since the interest is held exclusively with a view to its subsequent disposal in the near future. (Please also refer Point 32 (9b))

8. Interest and other borrowing costs amounting to ₹ 94,82,612/- (previous year ₹ 6,12,329/-) have been capitalized to the carrying cost of fixed assets being financing costs directly attribuatable to the aqusition, construction or installation of the concered qualifying assets till the date of its commercial use, in accordance with accounting standard 16 "Borrowing Costs" notified by the Comapnies (Accounting Standards) Rules, 2006 (as amended).

9. Subsequent to the date of Balance Sheet:

a) B.G..K. Infrastructure and Developers Private Limited had become 100% subsidiary of Company during the financial year 2010-11 and one share is held by Shri. Bhupinder Kumar Sekhri, whole time Director, as nominee of Company. The Company has entered into 'Shares Subscription Agreement' with 'Insurexcellence Advisors Private Limited' and 'Slam Stock Holdings Limited' (collectively referred to as the 'Investors') and BGK Infrastructure Developers Private Limited' (referred to as the 'Existing Shareholder') on 11th Day of April, 2013. As per the agreements, the investors have invested in the equity capital of the Company to the extent of 50% (fifty) of the paid up equity share capital post such investment and nominated 2 (two) non-rotational Directors on the Board of the Company.

b) Tinna Viterra Trade Private Limited having 40% share holding as on the date of the Balance Sheet has ceased to be a Joint Venture Company in terms of Share Transfer and Release Agreement entered into on 9th of May 2013 with Viterra Asia Private Limited. As per the agreement the Company has aquired the remaining 60% of Tinna Viterra Trade Private Limited and hence the said Company has become 100% subsidiary of the Company with effect from 09/05/2013.

c) The Company has given 1,131 square meter of land on lease at ₹1/- per month to T.P Buildtech Private Limited an associate Company with effect from 01/04/2013 vide agreement dated 29.12.2012 and addendum to the agreement.

10. The Company has invested a sum of ₹11,00,750 in Keerthi International Agro Private Limited towards 11,000 equity shares of ₹100 each i.e 29% holding in the investee company. .The Company by itself or through its Directors does not have any significant influence over the the controls and affairs of the investee Company. Therefore the said investee company has not been treated as associates in terms of AS-23 Accounting for Investment in Associates in Consolidated Financial Statements as notified by the Companies (Accounting Standard) Rules, 2006 (as amemded).

11. The Company has entered into an agreement on 25.02.2010 with Riveria Builder Private Limited and Viki Housing Development Private Limited for sale of 89,993 equity shares of ₹ 100/- each of Gautam Overseas Limited for ₹90,00,000. The Company has received the sales consideration of ₹ 90,00,000/- in the F.Y 2009-10 which has been duly accounted for. The Company Law Board has vide order dated 28.06.2010 restrained the Company for transfer of said shares, which has been upheld by the Hon'ble High Court of Delhi. The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.

12. During the year the Company has recognised MAT credit as an asset on the basis of the consideration of prudence. The same has been shown under the head "Long term Loans and Advances" since there being a convincing, evidence of realisation of the asset in the specified period. Accordingly the Company has recognised MAT credit entitlement during the year amounting to ₹ 1,08,75,800/- (Including credit for earlier years ₹ 79,81,924/-)

13. In accordance with Accounting Standard- 28, "Impairment of Assets", notified under the Companies (Accounting Standard) Rules, 2006 (as amended), the Company has assessed the potential generation of economic benefits from its business units as on the balance sheet date is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.

14. CIF Value of imports			
Raw Material		4,42,93,859/-	4,17,71,754/-
Capital Goods		6,43,85,767/-	4,87,92,162/-
Stores and spares for capital goods		7,00,960/-	10,57,929/-
15. Expenditure in foreign currency			
Foreign Travelling		12,09,366/-	9,69,838/-
16. Raw Materials Consumed			
Indigenous	Amt. (₹)	61,62,66,518/-	71,19,66,984
	%	93.74%	90.65%
Imported	Amt. (₹)	4,11,74,234/-	7,34,34,536
	%	6.26%	9.35%
Total		**65,74,40,752/-**	**78,54,01,520/-**
17. Stores and spares			
Indigenous	Amt. (₹)	26,27,181/-	33,69,677/-
	%	100%	100%
18. Packing Material Consumed			
Indigenous	Amt. (₹)	1,28,94,921/-	95,76,750/-
	%	100%	100%

19. Unhedged foreign currency exposure and derivative instruments

a) Unhedged foreign Currency exposures as at 31st March 2013 are as under:

Import Trade Payable

Foreign currency (USD):	2,29,760/41	29,278/1
Local Currency:	1,25,62,473/-	15,04,309/-

b) Derivative instruments outstanding as at 31st March 2013 are as under:

Particulars/purpose

Forward Contracts-Sell (To hedge Release Consideration receivable from Viterra Asia PTE Limited, Singapore)

Foreign Currency (USD):	7,50,000/-	-
Local Currency:	4,07,91,975/-	-

The mark to market liability in respect of the outstanding derivative contracts as at the end of the year amounting to Rs 1,41,925/- has been recognised in the financial statements under current liabilities.

20. The name of the Company has been changed from "Tinna Overseas Limited" to "Tinna Rubber and Infrastructure Limited" w.e.f 19.12.2012 vide fresh certificate of incorporation consequent upon change of name issued by the Registrar of the Companies, National Capital Territory of Delhi and Haryana during the year.

21. The Company has not declared any dividend during the previous/current year and hence no remittance in foreign currency has been made.

22. Figures of the previous year have been regrouped /reclassified /rearranged wherever necessary, to make them comparable with current year figures.

Notes 1 to 32 forms integral part of the Financial Statements.

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Place : New Delhi
Dated : 29/5/2013

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors of
M/s. B G K INFRASTRUCTURE DEVELOPERS PVT. LTD.
A-35, Brij Greens, Chhatarpur Road,
Satbari, New Delhi - 110074

We have audited the accompanying financial statements of BGK INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED, which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by section 227(3) of the Act, we report that:

    a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f) since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Ruiles under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For V. R. Bansal & Associates
(Chartered Accountants)
Firm Registration No. : 016534N

Rajan Bansal
(Partner)
Membership No. : 93591

Place : New Delhi
Dated : 09/5/2013

ANNEXURE TO THE AUDITORS' REPORT

STATEMENT ON THE MATTERS SPECIFIED IN PARAGRAPHS 4 AND 5 OF THE COMPANY (AUDITOR'S REPORT) ORDER, 2003 AS REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its 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 substantial part of its fixed assets.

2. As per explanations given to us, the Company is engaged in business activity of clearing and forwarding services and does not own any stock. Therefore, the provisions of clause (ii) a, b and c of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

3. a) According to the information and explanation 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 clauses 4 (iii) (a), (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

   b) As per the information and explanations given to us, the Company has taken loan of ₹ 8 Lacs from one party covered in the register maintained under section 301 of the Companies Act, 1956 during the year. The total number of parties outstanding as at the end of the year are four and the outstanding balance as on 31 March 2013 is ₹ 79.74 Lacs.

   c) The Company has not paid any interest on loans taken and there are no other terms and conditions which are prima facie prejudicial to the interests of the company.

   d) As per the information and explanations given to us, there are no stipulations regarding 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 fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal controls.

5. a) According to the information and explanation provided by the management, we are of the opinion that the particulars of the contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.

   b) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lacs have been entered into during the financial year at prices which are reasonable having regards to the prevailing market prices at the relevant time.

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, in view of the size and nature of its business, the Company has no internal audit system.

8. In our opinion, Cost records under section 209(1) of the Companies Act, 1956 are not required to be maintained by the Company.

9. a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Provident Fund, Investor education and protection fund, employee's state insurance, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable to it.

b) According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, wealth tax, service tax, sales tax, custom duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

10. The Company has accumulated losses of ₹ 25,352/- as at the end of the year. The Company has not incurred any cash losses during the year, However it had incurred cash loss of ₹ 86,312/- in the immediately preceding financial year.

11. In our opinion and according to the information and explanation given to us, 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. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion the Company is not a chit fund, 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 explanations given to us, the Company has not given any guarantee for loans taken by others from bank 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. In our opinion and 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 an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short term basis have been utilized for long term investment. As explained to us, short term funds raised are of temporary nature and will be repaid during the current financial year.

18. According to the information and explanations given to us the Company has not made any preferential allotment of shares during the year. Accordingly the provisions of clause 4(xviii) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.

19. According to the information and explanations given to us the Company has not issued any debentures during the year. Accordingly the provisions of clause 4(xix) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.

20. According to the information and explanations 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 (Auditor Report) Order, 2003 are not applicable to the Company.

21. Based upon our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For V. R. Bansal & Associates
(Chartered Accountants)
Firm Registration No. : 016534N

Rajan Bansal
(Partner)
Membership No. : 93591

Place : New Delhi
Dated : 09/5/2013

Balance Sheet as at 31st March, 2013

	Note No.	As at 31-03-2013	Amount (₹) As at 31-03-2012
I. EQUITY & LIABILTIES :			
1. SHAREHOLDERS' FUNDS			
Share Capital	3	26,175,000	26,175,000
Reserve & surplus	4	(25,352)	(533,104)
		26,149,648	**25,641,896**
2. CURRENT LIABILITIES			
Short term borrowings	5	10,374,673	7,174,673
Other current liabilities	6	126,213	22,060
Short term provisions	7	147,721	-
		10,648,607	**7,196,733**
TOTAL		**36,798,255**	**32,838,629**
II. ASSETS :			
1. NON-CURRENT ASSETS			
Fixed assets	8		
Tangible assets		29,076,960	31,118,014
Capital work-in-progress		1,772,802	1,668,663
Long-term loans and advances	9	505,000	-
		31,354,762	**32,786,677**
2. CURRENT ASSETS			
Trade receivables	10	87,175	-
Cash and cash equivalents	11	3,340,148	51,952
Other current assets	12	2,016,170	-
		5,443,493	**51,952**
TOTAL		**36,798,255**	**32,838,629**

SIGNIFICANT ACCOUNTING POLICIES **2**

OTHER NOTES ON THE FINANCIAL STATEMENTS **18**

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

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Bhupinder Kumar Sekhri
(Director)

Gaurav Sekhri
(Director)

Place : New Delhi
Dated : 09/5/2013

Statement of Profit And Loss for the year ended 31.03.13

Amount (₹)

		Note No.	Year ended 31.3.2013	Year ended 31.02.2012
I.	**INCOME**			
	Revenue From Operations (Gross)	**13**	2,713,931	-
	Less: Service Tax		298,542	-
	Revenue from operations (Net)		**2,415,389**	**-**
II.	**EXPENSES**			
	Finance cost	**14**	12,402	1,153
	Depreciation And Amortisation Expense	**15**	934	73
	Other Expenses	**16**	1,692,301	85,159
			1,705,637	**86,385**
III.	**PROFIT / (LOSS) BEFORE TAX**		709,752	(86,385)
IV.	**TAX EXPENSES:**			
	Current tax		202,000	-
V.	**PROFIT / (LOSS) FOR THE YEAR**		**507,752**	**(86,385)**
VI.	**EARNINGS PER EQUITY SHARE (IN ₹)**			
	Basic		0.19	(0.03)
	Diluted		0.19	(0.03)

SIGNIFICANT ACCOUNTING POLICIES	**2**
OTHER NOTES ON THE FINANCIAL STATEMENTS	**18**

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Bhupinder Kumar Sekhri
(Director)

Gaurav Sekhri
(Director)

Place : New Delhi
Dated : 09/5/2013

Cash Flow Statement for the year ending 31st March, 2013

	Year Ended 31st March, 2013 (₹)		Year Ended 31st March, 2012 (₹)	
A. CASH FLOW FROM OPERATING ACTIVITTIES				
Profit before tax		**709,752**		**(86,385)**
Adjustment for:				
Depreciation and amortization expenses	934		73	
Preliminary expenses written off	-		4,430	
Miscellaneous Advances written off on the land	35,720	36,654	-	4,503
Operating profit before working capital changes		746,406		(81,882)
Adjustment for				
(Increase)/Decrease in Inventories	-		-	
(Increase)/Decrease in Trade Receivables	(87,175)		-	
(Increase)/Decrease in Other current assets	(11,770)		3,962	
Increase/(Decrease) in Other Payables	104,153		-	
Increase/(Decrease) in Other Current Liabilities & Provisions	-	5,208	(31,720)	(27,758)
Cash generated from operations		**751,614**		**(109,640)**
Less: Income Tax Paid(net of Refunds)		54,279		-
Net Cash Flow from Operating Activities		**697,335**	**-**	**(109,640)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	-		-	
Increase in Capital Work-in-progress	(104,139)		-	
Advance against sale of property	-		-	
Security deposit	(505,000)			
Net Cash used in investing activities		**(609,139)**		**-**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of Share Capital	-		-	
Share Application money received	-		(900,000)	
Proceeds from Long term & Other borrowings (Net)	-		-	
Proceeds from Short term borrowings	3,200,000		1,050,635	
Interest Paid			-	
Net Cash used in Financing Activities		**3,200,000**		**150,635**
Net increase or (decrease) in cash or cash equivalents		**3,288,196**		**40,995**
Cash and Cash equivalents as at the beginning of the year		51,952		10,957
Cash and Cash equivalents at the end of the year		**3,340,148**		**51,952**

Notes :

1. The cash flow statement has been prepared under the indirect method set out in "Accounting Standard (AS) 3 Cash Flow Statements" as specified in the Companies (Accounting Standards) Rule, 2006.
2. Cash and cash equivalents represent cash, bank balance and Fixed Deposit with original maturity period less than 3 months.

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Bhupinder Kumar Sekhri
(Director)

Gaurav Sekhri
(Director)

Place : New Delhi
Dated : 09/5/2013

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

1. CORPORATE INFORMATION

BGK Infrastructure Developers Private Limited (the Company) was incorporated on 27th December, 2007. The Company is primarily engaged in the business of construction, development, acquisition, establishment and maintenance of warehouse, godown and clearing and forwarding services. The Company is a wholly owned subsidiary of M/s Tinna Rubber and Infrastructure Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

2.01 BASIS OF PREPARATION

The financial statements of the Company have been prepared on historical cost convention as a going concern on accrual basis, in accordance with the requirements of the Companies Act, 1956 and in accordance with generally accepted accounting principles in India (Indian GAAP) and comply with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) to the extent applicable. The Company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except income tax which is accounted for on actual determination of final demand/refund.

2.02 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to accounts.

2.03 FIXED ASSETS

a) Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets are further adjusted by the amount of CENVAT credit and VAT credit availed wherever applicable and subsidy directly attributable to the cost of fixed asset. Interest and other borrowing costs during construction period to finance qualifying fixed assets is capitalised if capitalisation criteria are met.

b) Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

c) Capital work-in- progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date and are carried at cost comprising direct cost , related incidental expenses and interest on borrowings their against.

d) Preoperative expenditure and trial run expenditure accumulated as capital work in progress is allocated on the basis of prime cost of fixed assets in the year of commencement of commercial production.

e) Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

2.04 DEPRECIATION AND AMORTIZATION

Depreciation on tangible fixed assets is provided on straight line basis using the rates and in the manner as prescribed in Schedule XIV of the Companies Act, 1956, which approximates the useful lives of the assets estimated by the management.

2.05 REVENUE RECOGNITION

Revenue from clearing and forwarding services are recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

2.06 PRIOR PERIOD ITEMS/ EXTRAORDINARY ITEMS

Prior Period expenses/incomes, are shown as prior period items in the profit and loss account as per the provision of Accounting Standard-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" notified under the Companies (Accounting Standards) Rules ,2006 (as amended). Items of income or expenses that arise from events or transactions that are distinct from ordinary activities of the enterprise and are not expected to recurr frequently or regularly are treated as extraordinary items.

2.07 TAXES ON INCOME

Tax expense for the year comprises of direct taxes and indirect taxes.

DIRECT TAXES

i) Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

INDIRECT TAXES

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

2.08 IMPAIRMENT OF ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.09 BORROWING COSTS

"Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.10 PROVISIONS AND CONTINGENT LIABILITIES

Provisions

A provision is recognized when the companyhas a present obligation as a result of past event, it is probable that an outflow of esources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes on Financial Statements for the year ended on 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
3.	**SHARE CAPITAL**		
(a)	**Authorised**		
	26,50,000 (Previous year 26,50,000)		
	Equity Shares of Rs 10/- each	26,500,000	26,500,000
	Issued Capital		
	26,17,500 (Previous year 26,17,500)		
	Equity Shares of ₹ 10/- each	26,175,000	26,175,000
	Subscribed and Paid up Capital		
	26,17,500 (Previous year 26,17,500)		
	Equity Shares of ₹ 10/- each fully paid up 26,175,000	26,175,000	26,175,000
		26,175,000	**26,175,000**
b)	**Reconciliation of the number of shares :**		
	Equity shares as at beginning of the year	2,617,500	2,617,500
	Equity shares as at close of the year	2,617,500	2,617,500

c) Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having face value of ₹ 10 per equity share. Each holder of equity share is entitled to one vote per share.

In the event of Liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the company after distribution of all Preferential Amounts. The Distribution will be in proportion to the number of Equity Shares held by the Shareholders.

d) Details of shares held by or by the holding company, the ultimate holding Company , their subsidiaries and associates :

Tinna Rubber And Infrastructure Limited, The Holding Company	26,17,500 (100%)	26,17,500 (100%)

e) List of Shareholders who holds more than 5% holding shares of the company:

Tinna Rubber And Infrastructure Limited	26,17,500 (100%)	26,17,500 (100%)

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

f) No. of shares for the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Equity shares :

i)	Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
ii)	Fully paid up by way of bonus shares	Nil	Nil
iii)	Shares bought back	Nil	Nil

Notes on Financial Statements for the year ended on 31st March, 2013

		As at 31-03-2013	Amount (₹) As at 31-03-2012
4.	**RESERVE & SURPLUS**		
	Surplus / (Deficit) as per the Statement of Profit and Loss		
	As Per Last Balance Sheet	(533,104)	(446,719)
	Profit / (Loss) for the Year	507,752	(86,385)
		(25,352)	**(533,104)**
5.	**SHORT TERM BORROWINGS**		
	a) Un-secured Loans:		
	Loans And Advances From Related Parties:		
	Inter Corporate Loans*	7,974,673	7,174,673
	b) Other Loans and Advances	2,400,000	-
		10,374,673	**7,174,673**
	* Includes due to holding company ₹ 39,50,000/-		
	Note : Unsecured Loans are repayable on Demand		
6.	**OTHER CURRENT LIABILITIES**		
	Other Payables	126,213	22,060
		126,213	**22,060**

a) Other Payable are in respect of Audit Fee and Other expenses Payable

b The Company has not made any provision for cess payable u/s 441A of the Companies Act, 1956. The said provision shall be made as and when the requisite notification is issued by the central government in this regard.

c) There are no outstanding dues of Small, Medium and Micro Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

		As at 31-03-2013	As at 31-03-2012
7.	**SHORT TERM PROVISIONS**		
	Provison for income tax (net of TDS of ₹54,279/-)	147,721	-
		147,721	**-**
9.	**LONG TERM LOANS AND ADVANCES (Unsecured, Considered Good)**		
	Security Deposit	505,000	-
		505,000	**-**
10.	**TRADE RECEIVABLES**		
	Outstanding due for a period exceeding six months from the due date of payment (Unsecured, and considered good)	-	-
	Other receivables (Unsecured, and considered good)	87,175	-
		87,175	**-**
11.	**CASH AND CASH EQUIVALENTS**		
	Cash on Hand	38,891	11,401
	Balance with Banks :-		
	Current Accounts	3,301,257	40,551
		3,340,148	**51,952**
12.	**OTHER CURRENT ASSETS (Unsecured, Considered Good)**		
	Claims and other debts	2,004,400	-
	Other Loans and Advances	11,770	-
		2,016,170	**-**

Notes on Financial Statements for the year ended on 31st March, 2013

			Amount (₹)
		for the year ending 31.03.2013	**for the year ending 31.03.2012**
13.	**REVENUE FROM OPERATIONS**		
	Clearing and Forwarding Services Income	2,713,931	-
		2,713,931	**-**
14.	**FINANCE COST**		
	Bank Charges	12,402	1,153
		12,402	**1,153**
15.	**DEPRICIATION AND AMMORTIZATION**		
	Depreciation	934	73
		934	**73**
16.	**OTHER EXPENSES**		
	Equipment Hire Charges	321,660	-
	Port Services and Stevedoring Charges	1,125,600	-
	Rates And Taxes	63,140	49,564
	Legal And Professional Charges	14,415	13,000
	Transportation Charges	87,951	-
	Payment to Auditor*	28,090	11,030
	Miscellaneous Expenses	51,445	11,565
		1,692,301	**85,159**
	* Payment to Auditor		
	Statutory Audit Fees	28,090	11,030
		28,090	**11,030**
17.	**CONTINGENT LIABILITIES AND COMMITMENTS**	**Nil**	**Nil**

Notes on Financial Statements for the year ended on 31st March, 2013

8. FIXED ASSETS

S. No.	DESCRIPTION	Rate of Dep.	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			Balance As at 01.04.2012	Additions	Sale/ Ajustments	Balance As at 31.03.2013	Upto 31.03.2012	For the Period	Ajustment	Balance As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
1	Leasehold Land		31,117,080	-	2,040,120	29,076,960	-	-	-	-	29,076,960	31,117,080
2	Furniture & Fixtures	6.33%	1,150	-	-	1,150	216	934	-	1,150	-	934
			31,118,230	**-**	**2,040,120**	**29,078,110**	**216**	**934**	**-**	**1,150**	**29,076,960**	**31,118,014**
3	Capital Work in Progress/		1,668,663	104,139	-	1,772,802	-	-	-	-	1,772,802	1,668,663
	Pre-operative Expenses											
	Total		**32,786,893**	**104,139**	**2,040,120**	**30,850,912**	**216**	**934**	**-**	**1,150**	**30,849,762**	**32,786,677**

Notes:

1) Furniture and Fixtures has been scrapped during the year.

2) Sale \ Adjustment include a sum of ₹20,04,400/- due from Maharashtra Industrial Development Corporation (MIDC) on account of Refund Due

3) Leasehold land are in the nature of perpetual lease.

18. OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31st March, 2013

(1) Segment Reporting

As the company is dealing only in business of Clearing and forwarding service , the operations of the company are considered as a single business segment; hence the provisions of AS-17 "Segment Reporting" are not applicable.

(2) Related Party Disclosure

The related parties as per the terms of Accounting Standard (AS-18), " Related Party Disclosures" , notified under the Companies (Accounting Standards) Rules,2006 (as amended) are disclosed below:-

(A) Names of related parties and description of relationship :

I. Enterprises were control exists :- Relationship
Tinna Rubber and Infrastructure Limited Holding company

II. Enterprises that are associate of the company or in respect of which company is an associate:-

Chin Min Developers Pvt.Ltd.
Adi Farms & Land Developers Pvt. Ltd.
Space Age Technical Services Pvt. Ltd.
S. S. Horticultures Pvt. Ltd.

III. Key Management personnel and their relatives:-

Mr. Gaurav Sekhri - Director
Mr. Bhupinder Kumar - Director

(B) Transaction during the year

	Enterprises that are under common control		Associates of the company		Key Management Personnel	
	2013	2012	2013	2012	2013	2012
Loan taken from :						
Tinna Rubber and Infrastructure Limited	800,000	3,150,000	-	-	-	-
Mr. Gaurav Sekhri - Director	-	-	-	-	-	5,000
Total	**800,000**	**3,150,000**	**-**	**-**	**-**	**5,000**
Loan Repaid:						
Chin Min Developers Pvt.Ltd.	-	-	-	564,365	-	-
Adi Farms & Land Developers Pvt. Ltd.	-	-	-	120,000	-	-
Space Age Technical Services Pvt. Ltd.	-	-	-	1,415,000	-	
Mr. Gaurav Sekhri - Director	-	-	-	-	-	5,000
Total	**-**	**-**	**-**	**2,099,365**	**-**	**5,000**
Refund of Share Application						
Mr. Bhupinder Kumar	-	-	-	-	-	900,000
Total	**-**	**-**	**-**	**-**	**-**	**900,000**

(C) Balance at the year end

	Enterprises that are under common control		Associates of the company		Key Management Personnel	
	2013	2012	2013	2012	2013	2012
Loan taken from :						
Outstanding Balance						
Tinna Rubber and Infrastructure Limited	3,950,000	3,150,000	-	-	-	-
Adi Farms & Land Developers Pvt. Ltd.	-	-	230,000	230,000	-	-
Space Age Technical Services Pvt. Ltd.	-	-	3,673,583	3,673,583	-	-
S. S. Horticultures Pvt. Ltd.	-	-	121,090	121,090	-	-
Total	**3,950,000**	**3,150,000**	**4,024,673**	**4,024,673**	**-**	**-**

(3) Earnings per share

	2013	2012
Basic and Diluted Earnings per share		
Numerator for earning per share		
Profit / (Loss) before taxation	709,752	(86,385)
Provision for deferred tax and Income tax	202,000	-
Profit \ (Loss) after taxation	507,752	(86,385)
Denominator for earnings per share		
Weighted number of equity shares outstanding during the period	2617500	2617500
Earning per share-Basic and Diluted excluding extraordinary items (one equity share of ₹10 each)	0.19	(0.03)

(4) Subsequent to the date of Balance Sheet, the company has entered into ' Shares Subscription Agreement' with 'Insurexcellence Advisors Private Limited' and 'Slam Stock Holdings Limited' (collectively referred to as the 'Investors') and 'Tnna Rubber And Infrastructure Limited' (refrred to as the 'Existing Shareholder') on 11th Day of April, 2013. As per the Agreements, the investors have invested in the equity capital of the company to the extent of 50% (fifty) of the paid up equity share capital post such investment and nominated 2 (two) non-rotational Directors on the Board of the Company.

(5) Based on the tax computation for the year, there are no timing differences capable of reversal in future periods. Therefore , deferred tax liability /assets has not been recognised during the year.

(6) In the opinion of the Board of Directors,assets, other than tangible assets and non – current investments , have realizable value in the ordinary course of business at least equal to the amount at which they are stated.

		2012-2013	2011-12
(7)	Remuneration to Directors	Nil	Nil

(8) (a) There is no earning and payment of dividend in foreign currency during the year.

(b) There is no expenditure/remittances in foreign currency during the previous year.

(9) Previous year's figures have been rearranged and regrouped wherever necessary to make them comparable with these of current year.

Note no 1 to 18 forms integral part of the Financial Statement

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Bhupinder Kumar Sekhri
(Director)

Gaurav Sekhri
(Director)

Place : New Delhi
Dated : 09/5/2013

TINNA RUBBER AND INFRASTRUCTURE LIMITED

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

ATTENDANCE SLIP

26TH ANNUAL GENERAL MEETING - SEPTEMBER 30, 2013, 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 26th Annual General Meeting of the Company at 18, South Drive way, 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)

(TEAR HERE)

TINNA RUBBER AND INFRASTRUCTURE LIMITED

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

FORM 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 disttrict of ______________

as my/our proxy to vote for me/us on my/our behalf at the 26th Annual General Meeting of the Company to be held on 30th September, 2013 and at any adjournment thereof.

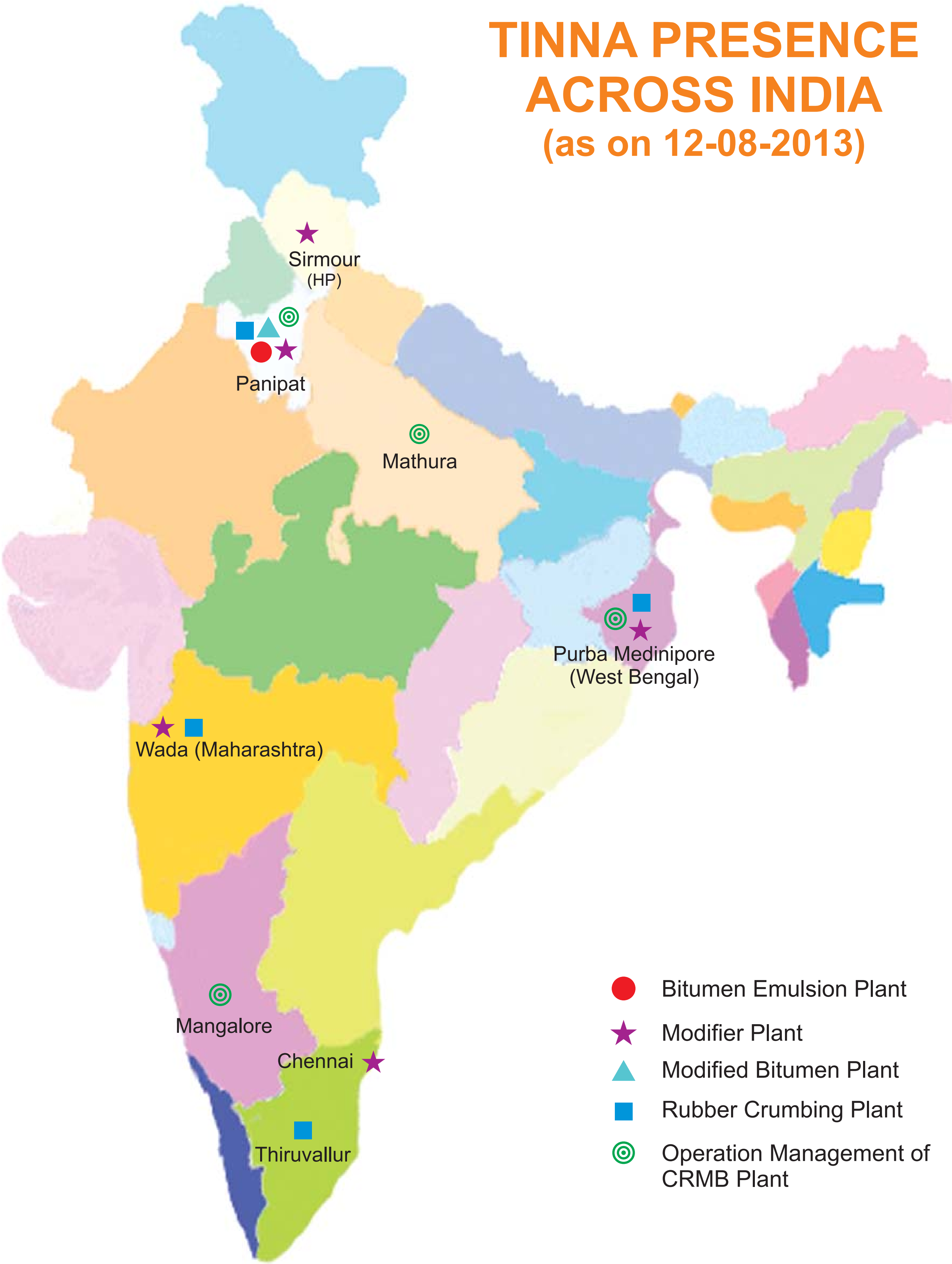
Signed this ______________________ day ______________________ 2013

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.

TINNA PRESENCE ACROSS INDIA
(as on 12-08-2013)



BOOK POST

Bitumenous Products Plant

Emulsion Plant

Rubber Crumbing Plant

Mobile Blending Units

If undelivered, please return to :

Tinna Rubber And Infrastructure Limited

Regd. Office :

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

E-mail : tinna.delhi@tinna.in Website : www.tinna.in