



# V.R. BANSAL & ASSOCIATES

*Chartered Accountants*

D-94, 9th Floor, Himalaya House, 23, K. G. Marg,  
New Delhi-110001 • Tel.: 23316181, 23316191

Mob.: 9810052850, 9810186101 • Website : www.cavrb.com

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
M/s. TINNA TRADE LIMITED  
Tinna House  
No. 6, Sultanpur (Mandi Road)  
Mehrauli, Delhi-110030

### **Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of TINNA TRADE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the





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risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 Company's Directors, 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 on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2017;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A', a statement on matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B' ;





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(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28(A)(b) to the financial statements;
2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
3. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
4. The Company has provided requisite disclosure in Note No. 29(15) to these standalone financial statements as to the Holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosure are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

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

  
(Rajan Bansal)  
Partner  
Membership No.093591

Place: Delhi  
Dated: 16-05-2017

## Annexure-A to the Auditors' Report

The Annexure referred to in our report to the members of the Timna Trade Limited on the financial statements for the year ended 31 March 2017, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of 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 Company has no Immovable Property as per the book records, therefore clause 1(C) is not applicable to the Company.
2. 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. 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 accounts.
3. The Company had granted unsecured loans to one party aggregating to Rs. 26,70,00,000/- during the period covered in the register maintained under section 189 of the Companies Act, 2013. The said party have an outstanding balance of Rs.1,47,86,546/- as at the end of the year.
  - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - (c) There is no overdue amount for more than ninety days as at the end of the year.
4. In our opinion and as per information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities granted.
5. According to information and explanations given to us, the company has not accepted any deposits as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. In our opinion, Cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013 are not required to be maintained by the Company.
7. (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise,



Value Added Tax, Cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at 31st March, 2017, concerned for a period of more than six months from the date they become payable:

- (b) According to the information and explanation given to us, there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax except the following :

Nature of Statute	Nature of Dues	Amount (in Rs.)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowances and additions to taxable income	Rs.1,91,09,830/-	AY 2010-11	Income Tax Appellate Tribunal, New Delhi.
Income Tax Act, 1961	Disallowances and additions to taxable income	Rs.11,39,470/-	AY 2013-14	Commissioner of Income Tax (Appeals), New Delhi
Income Tax Act, 1961	Disallowances and additions to taxable income	Rs.89,15,320/-	AY 2014-15	Commissioner of Income Tax (Appeals), New Delhi
Income Tax Act, 1961	Penalty u/s 271(1)(b)	Rs.20,000/-	AY 2013-14 and AY 2014-15	Commissioner of Income Tax (Appeals), New Delhi

8. Based on the information and explanations given to us by the management, the Company has not defaulted in the repayment of loans or borrowing to a Financial Institution, Bank, Government or dues to debenture holders wherever applicable.
9. According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer and has not taken any term loan; therefore clause (9) is not applicable to the Company.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud/ material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.



11. In our opinion and according to the information and explanation given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of this clause 3(12) of the order are not applicable to the Company and hence not commented upon.
13. As per the information given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(14) are not applicable to the company and, not commented upon.
15. In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Delhi  
Dated: 16-05-2017

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

  
(Rajan Bansal)  
Partner  
Membership No. 093591



## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of TINNA TRADE LIMITED ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:



1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Delhi  
Dated: 16-05-2017

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

  
(Rajan Bansal)  
Partner  
Membership No.093591





**TINNA TRADE LIMITED**  
(Formerly known as TINNA TRADE PRIVATE LIMITED)  
**BALANCE SHEET AS AT MARCH 31, 2017**

(Amount in Rs.)

	Notes	As at March-31- 2017	As at March-31- 2016
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
Share capital	3	5,00,00,000	5,00,00,000
Reserves and surplus	4	19,04,55,342	14,00,42,221
		<u>24,04,55,342</u>	<u>19,00,42,221</u>
<b>2 Non-current liabilities</b>			
Long-term provisions	5	87,14,982	47,57,376
		<u>87,14,982</u>	<u>47,57,376</u>
<b>3 Current liabilities</b>			
Short-term borrowings	6	54,00,32,233	42,52,46,633
Trade payables:	7		
Total outstanding dues of Micro & Small Enterprises			
Total outstanding dues of creditors other than Micro & Small Enterprises		2,99,59,426	31,86,86,911
Other current liabilities	8	6,03,25,991	5,38,40,363
Short-term provisions	9	3,17,67,373	1,31,74,469
		<u>66,20,85,023</u>	<u>81,09,48,376</u>
<b>TOTAL</b>		<u><u>91,12,55,347</u></u>	<u><u>1,00,57,47,974</u></u>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
Fixed assets	10		
Tangible assets		1,46,24,766	20,88,601
Intangible assets		19,48,873	1,88,393
Non Current Investments	11	13,26,89,528	9,63,94,432
Deferred tax assets	12	58,22,991	42,55,902
Long-term loans and advances	13	27,99,157	27,09,103
Other non-current assets	14	30,38,538	24,85,539
		<u>16,09,23,853</u>	<u>10,81,21,969</u>
<b>2 Current assets</b>			
Inventories	15	48,99,12,900	48,24,85,880
Trade receivables	16	9,40,03,483	33,67,30,404
Cash and bank balances	17	13,32,61,871	5,32,72,251
Short-term loans and advances	18	3,15,35,805	1,13,74,435
Other current assets	19	16,17,435	1,37,63,036
		<u>75,03,31,494</u>	<u>89,76,26,005</u>
<b>TOTAL</b>		<u><u>91,12,55,347</u></u>	<u><u>1,00,57,47,974</u></u>
Summary of significant accounting policies	1		
Contingent liabilities and commitments	28		
Other notes on accounts	29		

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

As per our report of even date

For and on behalf of the Board of Directors

**For V.R BANSAL & ASSOCIATES**

Chartered Accountants  
ICAI Registration No. 016534N

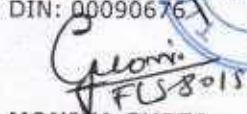
  
**RAJAN BANSAL**  
(Partner)  
M.No-93591



Place: Delhi  
Date : 16 May 2017

  
**GAURAV SEKHRI**  
(Managing Director)  
DIN: 00090676

  
**KAPIL SEKHRI**  
(Director)  
DIN:00090771

  
**MONIKA GUPTA**  
(Company Secretary)  
Membership No. FCS-8015



**TINNA TRADE LIMITED**  
(Formerly known as TINNA TRADE PRIVATE LIMITED)  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

(Amount in Rs.)

	Notes	Year ended March-31-2017	Year ended March-31-2016
<b>I INCOME</b>			
Revenue from operations (net)	20	4,11,52,42,227	4,25,96,05,055
Other income	21	2,27,40,283	3,03,69,425
		<u><b>4,13,79,82,510</b></u>	<u><b>4,28,99,74,481</b></u>
<b>II EXPENSES</b>			
Purchase of Traded Goods	22	3,72,43,91,707	3,44,29,39,872
Changes in inventories of stock in trade	23	(77,32,904)	48,06,64,980
Employee benefits expenses	24	4,21,51,773	3,15,66,268
Finance costs	25	3,94,98,472	3,43,84,225
Depreciation and amortisation expenses	26	31,89,021	11,57,603
Other expenses	27	25,07,68,017	25,73,82,580
		<u><b>4,05,22,66,085</b></u>	<u><b>4,24,80,95,530</b></u>
<b>III Profit before tax (I-II)</b>		<u><b>8,57,16,425</b></u>	<u><b>4,18,78,951</b></u>
<b>IV Tax expenses</b>			
Current tax		3,10,00,000	1,34,00,000
Adjustment of tax relating to earlier years		(1,47,607)	13,00,710
Deferred tax		(15,67,089)	9,64,411
<b>Total tax expenses</b>		<u><b>2,92,85,304</b></u>	<u><b>1,56,65,122</b></u>
<b>V Profit for the year</b>		<u><b>5,64,31,121</b></u>	<u><b>2,62,13,829</b></u>
<b>VI Earnings per equity shares</b> (nominal value of share Rs. 10/- each)			
<b>Basic</b>		11.29	5.24
<b>Diluted</b>		11.29	5.24
Summary of significant accounting policies	1		
Contingent liabilities and commitments	28		
Other notes on accounts	29		

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

As per our report of even date

**For and on behalf of the Board of Directors**

**For V.R BANSAL & ASSOCIATES**

Chartered Accountants  
ICAI Registration No. 016534N

**RAJAN BANSAL**

(Partner)

M.No- 93591

Place: Delhi

Date : 16 May 2017

**GAURAV SEKHRI**

(Managing Director)

DIN: 00090676

**MONIKA GUPTA**

(Company Secretary)

Membership No. FCS-8015

**KAPIL SEKHRI**

(Director)

DIN:00090771

**TINNA TRADE LIMITED**  
(Formerly known as TINNA VITERRA TRADE PRIVATE LIMITED)

**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2017**

Description	Year ended March 31, 2017 (Rs.)	Year ended March 31, 2016 (Rs.)
<b>A. Cash flow from operating activities</b>		
Net profit before tax	8,57,16,425	4,18,78,950
Adjustments for:		
Depreciation	31,89,021	11,57,603
Assets written off	12,383	11,941
Interest received	(1,30,59,011)	(56,10,132)
Interest on Income Tax and TDS	27,57,644	6,29,473
Interest and Financial charges	3,67,40,828	2,01,78,767
Operating profit before working capital changes	<u>11,53,57,290</u>	<u>5,82,46,603</u>
Adjustments for:		
Increase / (Decrease) in Trade Payables	(28,87,27,485)	(14,45,42,895)
Increase / (Decrease) in Other Current Liabilities and Provisions	1,03,43,892	98,33,197
(Increase) / Decrease in Long Term Loan and Advances	(90,054)	(10,85,000)
(Increase) / Decrease in Short Term Loan and Advances	(55,98,201)	86,73,586
(Increase) / Decrease in Inventories	(74,27,020)	48,02,74,121
(Increase) / Decrease in Trade Receivables	24,27,26,921	(26,91,84,945)
(Increase) / Decrease in Other Current Assets	95,86,230	(22,68,678)
Cash generated from operations	<u>7,61,71,573</u>	<u>13,99,45,991</u>
Less : Direct Taxes (net of refund)	1,28,62,825	9,29,769
Net cash from/(used) operating activities	<u>6,33,08,748</u>	<u>13,90,16,222</u>
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed Assets	(1,74,98,049)	(5,73,400)
Proceeds from sale of Fixed Assets		
Purchase of Investments	(3,62,95,097)	(86,31,441)
Fixed deposits made during the year (having maturity of more than three months)	(11,69,00,000)	(1,60,00,000)
Fixed deposits made during the year (having maturity of more than twelve months)	(5,52,999)	(7,16,794)
Increase / (Decrease) in Loans and Advances given to others	(1,45,63,169)	2,53,91,106
Interest received	1,34,44,019	54,24,717
Net cash from/(used) in investing activities	<u>(17,23,65,295)</u>	<u>48,94,189</u>
<b>C. Cash flow from financing activities</b>		
Proceeds/(Repayments) from short term borrowings(net)	11,47,85,600	(18,66,75,537)
Interest charges	(3,66,21,433)	(2,33,76,381)
Dividend & CDT	(60,18,000)	-
Net cash from/(used) in financing activities	<u>7,21,46,167</u>	<u>(21,00,51,918)</u>
<b>D. Net increase in cash and cash equivalents (A+B+C)</b>	<u>(3,69,10,380)</u>	<u>(6,61,41,507)</u>
Cash and Cash equivalents (Opening Balance)	3,72,72,251	10,34,13,763
Cash and Cash equivalents (Closing Balance)	3,61,871	3,72,72,251

Notes:-

- The cash flow statement has been prepared under the indirect method set out in "Accounting Standard (AS) 3 Cash Flow Statements" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014).
- Additions to Fixed Assets include movements of capital work-in-progress during the year.
- Figures for the previous year have been regrouped/reclassified wherever necessary.
- Components of cash and bank balances:

**Cash and Cash Equivalents**

Balances with Banks in current accounts	3,33,733	43,68,861
Cash on hand	28,138	3,77,021
Fixed deposits held as margin money against the borrowings, having a maturity period of less than three months	-	3,25,26,369
	<u>3,61,871</u>	<u>3,72,72,251</u>

**Other Bank Balances**

Fixed deposits held as margin money against the borrowings, having a maturity period of more than three months	13,29,00,000	1,60,00,000
	<u>13,32,61,871</u>	<u>5,32,72,251</u>

As per our Report of even date  
For V.R. Bansal & Associates  
Chartered Accountants & Associates  
Firm Registration No. 0165334

RAJAN BANSAL  
(Partner)  
M.No-93591

Place: Delhi  
Date: 16 May 2017

For and on behalf of Board of Directors

GAURAV SEKHRI (Managing Director)      KAPIL SEKHRI (Director)  
DIN: 00090676      DIN: 00090771

MONIKA GUPTA (Company Secretary)  
Membership No. PCS-8015

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2017**

**1 CORPORATE INFORMATION:**

Tinna Trade Limited ("the Company") was incorporated on 5th January, 2009 as Maple Newgen Trade Private Limited. In July 2009, M/s. Viterra Inc of Canada acquired a 60% stake and the Company was renamed as Tinna Viterra Trade Private Limited. Subsequently in 2013 Viterra Inc was acquired by M/s. Glencore PLC., this led to Viterra Inc exiting the Joint Venture and their 60% shareholding was acquired by Tinna Rubber & Infrastructure Limited in May 2013. The name of the Company was changed from Tinna Viterra Private Limited to Tinna Trade Private Limited. A fresh certificate of incorporation consequent to change in name of the Company from Tinna Viterra Trade Private Limited to Tinna Trade Private Limited was issued by the Registrar of the Companies, N.C.T. of Delhi and Haryana on 6th June, 2013. On 08/12/2015 the Company has converted into a Public Limited Company. The Company is primarily engaged in the trading of Agro commodities i.e. wheat, yellow peas, chana, kaspas peas, lentils, oil seeds and oilmeals etc. and tiles. During the current year the Company has started trading in all kinds of tiles. The Company is a wholly owned subsidiary of Tinna Rubber and Infrastructure Limited, India with effect from 09/05/2014.

**2 SIGNIFICANT ACCOUNTING POLICIES:**

**2.01 BASIS OF PREPARATION**

The financial statements of the Company have been prepared and presented in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply with all material respects with the accounting standards specified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

**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 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) The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Similarly, when significant parts of plant and equipment are required to be replaced at intervals or when a major inspection/overhauling is required to be performed, such cost of replacement or inspection is capitalised (if the recognition criteria is satisfied) in the carrying amount of plant and equipment as a replacement cost or cost of major inspection/overhauling, as the case may be and depreciated separately based on their specific useful life.
- c) 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.
- d) Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.
- 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 recognised in the statement of profit and loss when the asset is disposed off.

**2.04 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 directly attributable cost of bringing the asset to its working condition for its intended use and net of any trade discounts and rebates.
- b) Subsequent expenditure on an intangible asset after its purchase/completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.
- 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.

**2.05 DEPRECIATION AND AMORTIZATION**



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**a) Depreciation of Tangible Assets :**

Depreciation on fixed assets is provided on prorata basis written down value method using the useful lives of assets and in the manner prescribed in Schedule II of the Companies Act, 2013.

**b) Amortization of Intangible Assets :**

Intangible assets are amortized on a straight line basis over their estimated useful life of five years.

**2.06 INVENTORIES**

a) Inventories are valued at lower of cost [on specific identification method basis in respect of purchase of imported stock in trade and FIFO basis in respect of purchase of domestic stock in trade] or net realisable value.

b) Packing material are valued at cost.

**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 non current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non Current 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 debited or credited to the statement of profit and loss.

**2.08 FOREIGN CURRENCY TRANSACTIONS**

**a) 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.

**b) 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.

**c) Exchange differences**

Exchange differences arising on conversion/settlement of short-term 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.

**d) 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.

**e) Forward Contracts**

Premium/Discount arising at the inception of forward exchange contracts which are not intended for trading or speculation purposes are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

**2.09 RETIREMENT BENEFITS**

**a) 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.

**b) Gratuity**

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 entitlement 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 losses are recognised immediately in the Statement of Profit and Loss.

**c) Leave Encashment**

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

**2.10 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.

**a) 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 no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods.

Sales are recorded net of returns and trade discount.

**b) Commission income**

Revenue in respect of commission received on direct sales to the customers is recognised in terms of underlying agreements on confirmation by the parties on fulfilment of the terms of the agreements with their customers.

**c) Cargo handling operations**



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Income from cargo handling operations is recognised on completion of the contracted activity.

**d) Export incentives**

Export incentives under various schemes notified by the government have been recognised on the basis of their entitlement rates in accordance with the Foreign Trade Policy 2015-20 (FTP 2015-20). Benefits in respect of Advance Licenses are recognised when there is reasonable assurance that the Company will comply with the condition attached to them and incentive will be received.

**e) Claims**

Claims are recognised when there exists reasonable certainty with regard to the amounts to be realised and the ultimate collection thereof.

**f) Commodities future contracts**

Profit/Loss on contracts for commodity futures settled during the year are recognised in the statement of Profit and Loss. Commodity 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.

**g) Interest**

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

**2.11 Government Grants and Subsidies**

Grants and subsidies from the government are recognised when there is reasonable assurance that

- (a) the Company will comply with all the necessary conditions attached to them; and
- (b) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to a specific Fixed Asset, the same is shown as a deduction from the gross value of the asset concerned in arriving at its book value and accordingly the depreciation is provided on the reduced book value.

**2.12 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 recur frequently or regularly are treated as extraordinary items.

**2.13 SEGMENT REPORTING**

**Business segments**

Based on similarity of activities, risks and reward structure, organisation structure and internal reporting systems, the Company has structured its operation into Agro commodities trading.

**Secondary segment: Geographical Segment**

Secondary segmental reporting is performed on the geographical locations of customers i.e. within India and Overseas.

**2.14 TAXES ON INCOME**

**Direct taxes**

- a) Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 and Income Computation and Disclosure Standards 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.

- b) 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.

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.

- c) 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.

**d) Indirect taxes**

Service Tax has been accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing/utilizing the credits.

**2.15 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



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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.

## 2.16 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.

## 2.17 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.

## 2.18 EARNING PER SHARE

Basic earning per share is computed by dividing the profit/(loss) after 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 dilutive 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.

## 2.19 PROVISIONS AND CONTINGENT LIABILITIES

### Provisions

A provision is recognized when the company has 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 (excluding employee benefits) 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.

## 2.20 OPERATING CYCLE

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

## 2.21 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## 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 and are subject to insignificant risk of changes in value.



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**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**3 SHARE CAPITAL**

	As at March-31-2017		As at March-31-2016	
	Number of shares	(Amount in Rs.)	Number of shares	(Amount in Rs.)
<b>a) Authorised</b>				
Equity shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
<b>Issued, subscribed and fully paid-up</b>				
Equity shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
<b>b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :</b>				
Outstanding at the beginning of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Additions during the year	-	-	-	-
Outstanding at the end of the year	<u>50,00,000</u>	<u>5,00,00,000</u>	<u>50,00,000</u>	<u>5,00,00,000</u>

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

(i) The Company has one class of equity shares having face value of Rs.10/- each. Each shareholder is entitled to one vote per share.

(ii) Dividend, if proposed by the Directors to Shareholders is subject approval by the members in Annual General Meeting (AGM).

(iii) 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) Shares held by the Holding Company**

	MAR-31-2017	March-31-2016
Tinna Rubber and Infrastructure Limited	50,00,000	50,00,000

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

	March-31-2017		March-31-2016	
	No. of Shares	% holding	No. of Shares	% holding
Tinna Rubber and Infrastructure Limited *	50,00,000	100	50,00,000	100
* (One share each is held by Mr. Bhupender Sekhri, Mr. Gaurav Sekhri, Mr. Sanjeev kr Garg, Mr. Anil Kr Grover, Mr. Rajeev Nalwa & Mr. Ravinder Chhabra as nominee of Tinna Rubber and Infrastructure Limited)				

**f) 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 :**

Equity Shares	March-31-2017		March-31-2016	
	No. of Shares	(Rs.)	No. of Shares	(Rs.)
i) Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL
ii) Fully paid by way of bonus shares	NIL	NIL	NIL	NIL
iii) Shares bought back	NIL	NIL	NIL	NIL

**4 RESERVES AND SURPLUS**

**Surplus as per Statement of Profit and Loss**

As per last balance sheet	14,00,42,221	11,38,28,392
Add: Net profit as per statement of profit and loss	5,64,31,121	2,62,13,829
<b>Less : Appropriations</b>		
Interim dividend of Rs.1/- per equity share of Rs.10/- each	(50,00,000)	-
Corporate dividend tax on interim dividend	(10,18,000)	-
	<u>19,04,55,342</u>	<u>14,00,42,221</u>





**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at March-31- 2017	As at March-31- 2016
(Amount in Rs.)		
<b>5 LONG-TERM PROVISIONS</b>		
Provision for employee benefits{refer note no 29(4)}		
Gratuity	26,47,298	16,98,508
Leave encashment	28,48,695	20,85,192
Performance Bonus *	32,18,989	9,73,676
	<b>87,14,982</b>	<b>47,57,376</b>

\* Includes bonus payable to Mr. Gaurav Sekhri (Managing Director) amounting to Rs.8,00,000/- (Previous year Nil/-)

**6 SHORT-TERM BORROWINGS**

**Secured (Repayable on demand)**

Working capital limits from banks

Cash credit (Refer point a below)

Buyer's credit (Refer point b below)

	25,35,05,078	14,83,61,662
	28,65,27,155	27,68,84,971
	<b>54,00,32,233</b>	<b>42,52,46,633</b>

a) Working capital limits are from ICICI Bank Limited, Syndicate Bank Limited and State Bank of India and are secured as under:-

i) Working capital limits from ICICI Bank Limited, Syndicate Bank Limited and State Bank of India are secured by means of first charge ranking pari passu by way of hypothecation of the Company's entire stock of raw materials and finished goods, consumable stores and spares and such other moveables including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.

ii) The Working Capital limits are further secured by equitable mortgage of land and building situated at 11-B Gausala Road, Satbari, New Delhi in the name of Bee Gee Ess Farms & Properties Private Limited and on personal guarantees of Directors Shri Gaurav Sekhri and Kapil Sekhri and corporate guarantees of Tinna Rubber and Infrastructure Limited and Bee Gee Ess Farms & Properties Private Limited.

iii) The creation of security as on the balance sheet date is under progress. Till the charge is created, the company has pledged a FDR of Rs. 10,25,00,000/- to State Bank of India which shall be released after the Joint documentation and subsequent creation of security (Refer Note No:17)

iv) Aggregate amount of working capital limits secured by way of personal guarantees of Directors.

54,00,32,233

42,52,46,633

v) Fixed Deposit pledged against non fund based limit are Rs. 3,04,00,000/- (Refer Note No-17)

b) The Company has also availed warehouse finance facility from banks which remained undrawn on the date of balance sheet (Refer note no: 29(3))






**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

- a) Provisions are recognized for Leave encashment, Gratuity and Income Tax . The Provisions 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.

	<u>As at March-31- 2017</u>	<u>(Amount in Rs.) As at March-31- 2016</u>
<b>The movement of provision are as under:</b>		
<b>At the beginning of the year</b>		
Leave encashment(Long term Rs.2085192/-)	21,21,505	23,11,201
Gratuity(Long term Rs.1698508/-)	17,36,960	24,54,475
Income Tax	1,30,99,704	33,50,000
<b>Arising during the year</b>		
Leave encashment	7,80,832	2,93,683
Gratuity	9,57,540	-
Income Tax (including interest of Rs.27,36,432/-)(net of TDS)	3,37,57,644	1,40,29,473
<b>Utilised during the year</b>		
Leave encashment	6,027	4,83,379
Gratuity	-	78,047
Income Tax	1,50,37,185	37,86,578
<b>Unused amount reversed</b>		
Leave encashment	-	-
Gratuity	-	6,39,468
Income Tax	1,47,607	4,93,191
<b>At the end of the year</b>		
Leave encashment(Long term Rs.2848695/-)	28,96,310	21,21,505
Gratuity(Long term Rs.2647298/-)	26,94,500	17,36,960
Income Tax (including interest of Rs.20,36,480/-)	3,16,72,556	1,30,99,704




**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**10 FIXED ASSETS**

Particulars	Gross block				Accumulated depreciation			Net block	
	As at 01.04.2016	Additions during the year	Sales/ adjustments	As at 31.03.2017	As at 01.04.2016	For the year	Sales/ Adjustment	As at 31.03.2017	As at 31.03.2016
<b>Tangible assets</b>									
Computers	12,46,061	4,00,771	-	16,46,832	10,25,531	1,26,563	-	11,52,094	2,20,530
Furniture and Fixtures	5,01,803	12,749	-	5,14,552	2,21,871	75,275	-	2,97,146	2,79,932
Vehicles	45,73,418	1,47,66,797	-	1,93,40,215	34,34,078	24,38,361	-	58,72,439	11,39,340
Office equipments	12,91,399	3,05,232	21,715	15,74,916	8,42,600	2,96,802	9,332	11,30,071	4,48,799
<b>TOTAL</b>	<b>76,12,681</b>	<b>1,54,85,549</b>	<b>21,715</b>	<b>2,30,76,515</b>	<b>55,24,080</b>	<b>29,37,001</b>	<b>9,332</b>	<b>84,51,749</b>	<b>20,88,601</b>
<b>Intangible assets</b>									
Computer softwares and Commercial Rights	3,44,540	20,12,500	-	23,57,040	1,56,147	2,52,020	-	4,08,167	1,88,393
<b>TOTAL</b>	<b>79,57,221</b>	<b>1,74,98,049</b>	<b>21,715</b>	<b>2,54,33,555</b>	<b>56,80,227</b>	<b>31,89,021</b>	<b>9,332</b>	<b>88,59,916</b>	<b>22,76,994</b>
<b>Previous Year</b>	<b>73,99,963</b>	<b>5,73,400</b>	<b>16,142</b>	<b>79,57,221</b>	<b>45,26,825</b>	<b>11,57,603</b>	<b>4,201</b>	<b>56,80,227</b>	<b>22,76,994</b>

**Notes:**

- Depreciation has been provided on Written Down Value Method (WDV) on rates and manner as per schedule II of the Companies Act, 2013.
- Vehicles purchased during the year are yet to be registered in the name of the Company.
- Intangible assets have been amortized on Straight Line basis over estimated useful life of five years.

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**TINNA TRADE LIMITED**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

<b>11 Non-current investments</b>	<u>As at March-31- 2017</u>	<u>(Amount in Rs.) As at March- 31-2016</u>
<b>Non trade, Long Term (valued at cost unless otherwise stated)</b>		
<b><u>a) Investment in Equity instruments:</u></b>		
<b>Unquoted equity instruments in Subsidiary Companies</b>		
B.G.K. Infrastructure Developers Private Limited 7200000/-(51.53%)* (Previous Year 7019590/- (50.90%)) equity shares of Rs. 10/- each fully paid up	9,88,57,028	9,63,94,432
<b>Unquoted equity instruments in Other Companies</b>		
Fratelli Wines Private Limited 225000/-(0.9375%)* (Previous Year Nil) equity shares of Rs. 10/- each fully paid up (including share stamp duty of Rs. 82,500)	3,38,32,500	-
	<u><b>13,26,89,528</b></u>	<u><b>9,63,94,432</b></u>

**NOTES:**

- Aggregate value of unquoted Investments 13,26,89,528 9,63,94,432
- Management is of the opinion that the fair value of the unquoted equity share of Fratelli Wines Private Limited and B.G.K. Infrastructure Developers Private Limited exceed the amount of investment made on the basis of discounted cash flow method and hence there is no impairment in the value of investment in these companies.
- 49,11,435/- Equity Shares (20,76,585/- shares held in the form of NDU and 28,34,850/- in the form of Pledge) held in B.G.K Infrastructure Private Limited have been agreed to be pledged and encumbered under Non Disposal Undertaking and Power of Attorney(NDU/POA) with ICICI Bank Limited for credit facilities availed by the Company.
- The Company has acquired 2,25,000/- equity shares of face value Rs. 10/- each of M/s. Fratelli Wines Private Limited from the holding company M/s. Tinna Rubber and Infrastructure Limited for an aggregate consideration of Rs. 3,37,50,000/- . The Shares transferred deed (Form SH-4) has been executed on 16th March 2017 and the consideration has been duly discharged.

**12 DEFERRED TAX ASSETS**

**Deferred tax asset**

On account of difference in rates and method of depreciation of fixed assets	8,42,399	4,96,962
Provision for employee benefits	26,72,339	12,98,436
On account of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis	<u>23,08,253</u>	<u>24,60,504</u>
<b>Deferred tax asset</b>	<u><b>58,22,991</b></u>	<u><b>42,55,902</b></u>
<b>Deferred tax Asset</b>		
At the end of year	58,22,991	42,55,902
For the year	15,67,089	(9,64,411)

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

**13 LONG-TERM LOANS AND ADVANCES**

**Unsecured, considered good**

Security deposits*	<u>27,99,157</u>	<u>27,09,103</u>
	<u><b>27,99,157</b></u>	<u><b>27,09,103</b></u>

\*Security deposits includes deposits with Vishakhapatnam port Trust, deposits with banks against bank guarantees and other miscellaneous deposits.

**14 OTHER NON-CURRENT ASSETS**

Fixed deposits with banks under lien with Government authorities	30,38,538	24,85,539
* With original maturity period of more than 12 months	<u><b>30,38,538</b></u>	<u><b>24,85,539</b></u>



**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at March-31- 2017	(Amount in Rs.) As at March-31- 2016
<b>15 INVENTORIES</b>		
Stock-in-trade (Including GIT Rs.9,94,15,478) (P.Y. Rs.30,64,65,923/-)	48,55,73,219	47,78,40,316
Packing materials	43,39,681	46,45,564
	<b>48,99,12,900</b>	<b>48,24,85,880</b>
a) Inventories are valued at lower of cost [on specific identification method in respect of purchase of imported stock in trade and on FIFO basis in respect of purchase of domestic stock in trade] or net realizable value.		
b) Packing materials valued at cost.		
<b>16 TRADE RECEIVABLES</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	15,56,752	26,62,463
Unsecured considered doubtful	51,81,495	51,81,495
	67,38,247	78,43,958
Less: Provision for doubtful receivables	51,81,495	51,81,495
	<b>15,56,752</b>	<b>26,62,463</b>
<b>Other trade receivables</b>		
Unsecured, considered good	9,24,46,731	33,40,67,941
	<b>9,40,03,483</b>	<b>33,67,30,404</b>
<b>17 CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
Current accounts	3,33,733	40,13,880
EEFC accounts.(USD\$ Nil, Previous year (USD\$ 5351.51)	-	3,54,981
Cash on hand	28,138	3,77,021
Fixed deposits held as margin money against the borrowings, having a maturity period of less than three months	-	3,25,26,369
	<b>3,61,871</b>	<b>3,72,72,251</b>
<b>Other Bank Balances</b>		
Fixed deposits pledged with bank against borrowings*	10,25,00,000	-
Fixed deposits held as margin money against the borrowings**	3,04,00,000	1,60,00,000
	<b>13,29,00,000</b>	<b>1,60,00,000</b>
	<b>13,32,61,871</b>	<b>5,32,72,251</b>
* Having original maturity period of twelve months.		
** Having original maturity period of three months or more than three months but less than twelve months.		
<b>18 SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
Loans and advances to related parties (Refer point a below)	1,47,86,546	2,23,377
Advances against material and services	31,68,726	21,42,986
Prepaid expenses	27,27,658	23,84,617
Deposit towards forward contracts and future trading option	4,40,758	36,403
Security deposits (Refer point b below)	36,52,232	22,66,371
Balances with Statutory/ Government authorities		
Service tax	18,69,881	5,80,712
VAT	12,82,595	16,69,277
Balances with port authorities	1,52,861	3,68,919
Others (Refer point c below)	34,54,548	17,01,773
	<b>3,15,35,805</b>	<b>1,13,74,435</b>

a) Loans and advances due from related parties include as under :

Fratelli Wines Private Limited	-	2,23,377
Kriti Estates Private Limited	1,47,86,546	-

b) Security deposits include deposit with material suppliers and statutory departments.

c) Other advances includes recoverable from insurance company, income tax payments under dispute and other miscellaneous advances.



**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	As at March-31- 2017	(Amount in Rs.) As at March-31- 2016
<b>19 OTHER CURRENT ASSETS</b>		
<b>Unsecured, considered good</b>		
Refund Due from Government departments	4,80,175	26,54,538
Interest accrued on deposits	10,04,474	13,89,482
Licenses in hand	1,32,786	10,10,761
Insurance Claim Receivable	-	87,08,254
	<b>16,17,435</b>	<b>1,37,63,035</b>





**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Year ended March- 31-2017	(Amount in Rs.) Year ended March-31-2016
<b>20 REVENUE FROM OPERATIONS</b>		
Sale of traded goods	4,06,23,39,056	4,22,55,97,101
Sale of Services	2,61,64,265	3,34,19,873
Other operating revenues	2,67,38,907	5,88,081
	<b>4,11,52,42,227</b>	<b>4,25,96,05,055</b>
<b>Notes:</b>		
<b>(i) Sale of traded goods comprises</b>		
Yellow Peas	1,14,66,89,848	2,33,90,69,343
Wheat	1,02,22,14,329	18,37,14,931
Sunflower Meal	84,64,23,119	15,29,77,570
Crude Dequummed Soyabean Oil	52,24,88,410	56,11,89,350
Maize	20,01,08,496	32,35,09,601
Chana	11,90,37,183	36,03,88,134
Kaspa-Dun Peas	5,66,80,132	4,39,39,176
Green peas	3,52,49,517	5,42,19,537
Soya DOC	2,85,91,691	-
Lentils	1,04,12,035	12,63,16,661
Toor	96,74,734	3,60,86,930
De Oiled Rice Bran	13,69,600	-
Bajra	-	4,24,20,129
Red Kidney Beans	-	17,65,739
Tiles	6,33,99,961	-
	<b>4,06,23,39,056</b>	<b>4,22,55,97,102</b>
<b>(ii) Sale of services</b>		
Commission Income	2,61,64,265	3,27,30,026
Cargo Handling and agency income	-	6,89,847
	<b>2,61,64,265</b>	<b>3,34,19,873</b>
<b>(iii) Other operating revenues</b>		
Contract settlement income (net)	2,67,38,907	5,88,081
	<b>2,67,38,907</b>	<b>5,88,081</b>
<b>21 OTHER INCOME</b>		
Interest income		
From banks	20,85,320	38,48,046
From others	1,09,73,692	46,94,958
Insurance Claim	-	87,08,254
Profit on commodity future trading	29,87,969	-
Miscellaneous income	66,93,303	1,31,18,167
	<b>2,27,40,283</b>	<b>3,03,69,425</b>
<b>22 PURCHASE OF TRADED GOODS</b>		
<b>Traded goods</b>		
Wheat	1,27,57,51,956	16,96,27,170
Yellow Peas	67,63,10,037	1,39,55,90,721
Sunflower Meal	63,80,35,130	12,96,53,956
Crude Dequummed Soyabean Oil	55,56,39,847	54,59,87,615
Maize	18,35,82,798	30,32,94,586
Chana	10,76,72,727	34,58,19,755
Kaspa-Dun Peas	5,21,82,474	2,54,07,924
Green peas	3,56,97,258	5,29,68,240
Soya DOC	2,80,31,892	-
Toor	1,49,08,840	1,29,42,160
Lentils	94,18,052	11,64,77,931
De Oiled Rice Bran	8,66,700	-
Bajra	-	3,69,42,049
Red Kidney Beans	-	17,61,841
Tiles	4,68,78,517	-
Trade goods in transit		
Yellow Peas	8,43,41,736	21,16,82,811
Sunflower Meal	1,50,73,742	9,19,42,976
Kaspa-Dun Peas	-	28,40,136
	<b>3,72,43,91,707</b>	<b>3,44,29,39,872</b>

2/3

*[Handwritten Signature]*





**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

(Amount in Rs.)

	<b>Year ended March- 31-2017</b>	<b>Year ended March- 31-2016</b>
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**23 CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

Opening stock	47,78,40,316	95,85,05,296
Less: Closing stock	48,55,73,219	47,78,40,316
(Increase)/decrease in stock-in-trade	<b>(77,32,904)</b>	<b>48,06,64,980</b>

**Stock in traded (traded goods)**

**Details of inventory at the end of the year**

Wheat	31,81,15,725	-
Crude Dequummed Soyabean Oil	5,21,95,073	-
Yellow Peas	69,73,285	14,69,79,195
Toor	51,24,900	-
Chana	37,48,758	68,622
Sunflower Meal	-	2,43,26,576
Trade goods in transit:		
Yellow Peas	8,43,41,736	21,16,82,811
Sunflower Meal	1,50,73,742	9,19,42,976
Kaspa-Dun Peas	-	28,40,136
	<b>48,55,73,219</b>	<b>47,78,40,316</b>

**Details of inventory at the beginning of the year**

Yellow Peas	14,69,79,195	51,69,94,724
Sunflower Meal	2,43,26,576	1,12,99,462
Kaspa-Dun Peas	-	1,48,93,059
Lentils	-	16,102
Chana	68,622	13,82,898
Green peas	-	1,01,61,392
Toor	-	1,95,28,884
Bajra	-	20,37,675
Trade goods in transit:		
Yellow Peas	21,16,82,811	37,33,91,926
Sunflower Meal	9,19,42,976	87,99,174
Kaspa-Dun Peas	28,40,136	-
	<b>47,78,40,316</b>	<b>95,85,05,296</b>

**CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

Wheat	(31,81,15,725)	-
Crude Dequummed Soyabean Oil	(5,21,95,073)	-
Yellow Peas	14,00,05,909	37,00,15,529
Toor	(51,24,900)	1,95,28,884
Kaspa-Dun Peas	-	1,48,93,059
Lentils	-	16,102
Green peas	-	1,01,61,392
Chana	(36,80,136)	13,14,276
Bajra	-	20,37,675
Sunflower Meal	2,43,26,576	(1,30,27,114)
Trade goods in transit:		
Yellow Peas	12,73,41,075	16,17,09,115
Sunflower Meal	7,68,69,234	(8,31,43,802)
Kaspa-Dun Peas	28,40,136	(28,40,136)
(Increase)/decrease in stock-in-trade	<b>(77,32,904)</b>	<b>48,06,64,980</b>

**24 EMPLOYEE BENEFITS EXPENSES**

Salaries and wages	3,06,74,813	2,74,92,207
Contribution to Provident fund and ESI	10,11,709	7,94,909
Gratuity and leave encashment Expenses(Refer Note: 29(4))	17,38,372	2,93,683
Performance Bonus	72,78,530	17,66,170
Staff Recruitment Expenses	-	1,18,021
Staff welfare expenses	14,48,349	11,01,279
	<b>4,21,51,773</b>	<b>3,15,66,269</b>

Employee Benefits Expenses includes managerial remuneration as detailed below :

Salary	91,47,050	78,75,740
Leave Encashment and Gratuity	23,15,011	17,23,210
Performance Bonus	16,00,000	-
Contribution towards PF	5,62,033	4,64,260
Diwali Bonus	50,000	50,000
Insurance Premium	22,095	23,331

**25 FINANCE COSTS**

Interest expense	2,22,94,477	2,01,86,071
Interest on Income Tax	27,57,644	6,29,473
Bank charges	91,31,795	1,00,63,861
Processing Fees	53,14,555	35,04,820
	<b>3,94,98,472</b>	<b>3,43,84,225</b>



G



**TINNA TRADE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Year ended March-31-2017	(Amount in Rs.) Year ended March-31-2016
<b>26 DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on tangible assets	29,37,001	11,10,505
Amortisation of intangible assets	2,52,020	47,098
	<b>31,89,021</b>	<b>11,57,603</b>
<b>27 OTHER EXPENSES</b>		
Electricity and water	3,38,495	4,38,977
Rent and warehousing charges	2,01,40,232	2,14,59,539
Repairs and maintenance- others	10,71,795	9,05,708
Insurance	45,28,027	49,78,395
Communication expenses	22,75,572	17,96,086
Travelling and conveyance	98,45,067	65,08,448
Freight and forwarding	2,99,15,248	4,15,42,903
Brokerage and commission	1,38,13,318	1,60,07,266
Business promotion expenses	80,38,146	31,58,443
Legal and professional charges	47,96,875	41,56,758
Payment to auditors *	4,63,771	4,75,931
Loss on forward contracts/foreign exchange (net)	8,86,047	2,56,46,973
Clearing and forwarding expenses	17,77,101	70,08,289
Stock handling and supervision charges	10,14,72,191	7,98,48,860
Demurrage charges	55,50,283	1,42,70,336
Loss from commodity future trading	-	12,25,852
Corporate Social Responsibility (refer note no 29(8))	3,57,144	8,74,166
Statutory charges	6,68,993	4,33,456
Packing material consumed	2,82,34,585	2,00,08,541
Bad debts and short recoveries	2,59,313	-
Rebate and shortage on sales	1,37,70,588	47,00,491
Miscellaneous expenses	25,65,227	19,37,163
	<b>25,07,68,017</b>	<b>25,73,82,580</b>
* Payments to auditors		
Statutory audit fee (inclusive of Service Tax Rs. 60000)	4,60,000	4,58,000
Reimbursement of out of pocket expenses	3,771	17,931
	<b>4,63,771</b>	<b>4,75,931</b>

G  
9/2





**TINNA TRADE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

	<b>As at March-31- 2017 Amt(Rs.)</b>	<b>As at March-31- 2016 Amt(Rs.)</b>
<b>28 CONTINGENT LIABILITIES AND COMMITMENTS</b>		
<b>A Contingent liabilities (to the extent not provided for):</b>		
a) Bank guarantees with Bank (Net of margin money)	5,40,000	5,40,000
b) Disputed tax liability on account of income tax (refer point (i) to (v) below))	2,96,46,780	1,10,71,004

**Notes:**

- i) The Commissioner of Income Tax vide order dated 27th March 2015 has passed an order u/s 263 of the Income Tax Act 1961 for the assessment year 2010-11 (Previous year 2009-10) directing the Assessing Officer(AO) to frame fresh order considering the order of Transfer Pricing Officer(TPO) under section 92 CA(3) of the Income tax Act 1961 dated 29th Jan 2014. As per the Order of the TPO, an adjustment of Rs. 5,81,16,938/- was proposed. The AO has passed a Draft Order on 23rd November 2015, making addition of Rs.5,81,16,939/- and assessing income at Rs.3,25,71,357/- against declared loss of Rs.2,55,45,582/- by the assessee. The Company has filed objections to the draft order before the Dispute Resolution Panel on 15th January 2016. The Hon'ble DRP has issued directions to the Deputy Commissioner of Income Tax vide Order dated 12.08.2016 to revise the earlier adjustment of Rs.5,81,16,938/- to Rs.5,85,88,317/-. Thus there is disputed income tax liability of Rs.1,94,59,830/-. The Company has filed an appeal before the ITAT on 16/02/2017 against the addition of Rs.5,81,16,938/- made by the Principal Commissioner of Income Tax u/s 263 of the Income Tax Act, 1961.
- ii) The Assessing Officer vide order dated 30.12.2016 has passed the order u/s 143(3) of the Income Tax Act, 1961 for the assessment year 2013-14, making an addition of Rs.23,83,553/- and there is a disputed income tax liability of Rs.11,39,470/-. The Company has filed an appeal before the Commissioner of Income Tax (Appeals) on 20/01/2017 which is pending for hearing.
- iii) The Assessing Officer vide order dated 26.12.2016 has passed the order u/s 143(3) of the Income Tax Act, 1961 for the assessment year 2014-15, making an addition of Rs.2,12,66,825/- and there is a disputed income tax liability of Rs.89,15,320/-. The Company has filed an appeal before the Commissioner of Income Tax (Appeals) on 20/01/2017 which is pending for hearing.
- iv) The Assessing Officer has imposed penalty of Rs.20,000/- u/s 271(1)(b) of the Income Tax Act, 1961 for the assessment year 2013-14 and 2014-15. The Company has filed appeals before the Commissioner of Income Tax (Appeals) on 18/01/2017 which are pending for hearing.
- v) The Company has outstanding TDS demands of Rs.1,12,160/- on account of short deductions and interest u/s 201 and 220(2) of the Income Tax Act, 1961. The Company will be filing the revised returns / applications and it is expected that there will be no demand.

	<b>As at March-31- 2017 Amt(Rs.)</b>	<b>As at March-31- 2016 Amt(Rs.)</b>
<b>B Commitments:</b>	Nil	Nil

**29 OTHERS NOTES ON ACCOUNTS**

- 1 The Company has submitted application to Bombay Stock Exchange on 15th January, 2016 under Regulations 37(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 for the Composite Scheme of Arrangement between Tinna Rubber And Infrastructure Limited (TRIL) and Tinna Trade Limited (TTL) (formerly known as Tinna Trade Private Limited). Presently TTL is wholly owned (100%) subsidiary of TRIL. After approval of the Scheme of Arrangement, Agro Commodity Trading and Investments ( Agro Commodity & Warehousing) undertaking shall be transferred to TTL and shareholders of TRIL will be issued equity shares of TTL in the ratio of 1:1. The Bombay Stock Exchange has given no objection to the Scheme of Arrangement of the Company vide letter no DCS/AMAL/AC/398/2016-17 dated 24th May, 2016. Separate meetings of Secured Creditors, Unsecured creditors and Equity Shareholders of the Company were held at New Delhi on 17th September 2016 as per directions of the Hon'ble High Court of Delhi and the Scheme of Arrangement was duly approved at the respective meeting. The Petition has also been filed before Hon'ble High Court of Delhi seeking its sanction to the Scheme of Arrangement. Hon'ble High Court has transferred the matter to the National Company Law Tribunal and the matter is posted for hearing on 17th July 2017.
- 2
  - a) In the opinion of the Board, any of the assets other than fixed assets 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.

**3 Undrawn Warehousing Finance Limits**

The Company has been sanctioned warehousing finance limits from ICICI Bank Limited and State Bank of India as under :

- a) The Company has availed fund based Warehousing Finance facility from State Bank of India, of Rs. 15.00 crores(previous year Rs. 15.00 crores ) against all present and future stocks, raw materials, goods, book debts and vehicles and all other movable assets of the Borrower(s) including receivables documents of title to goods, outstanding monies, bills, invoices document, contracts, insurance policies, guarantees, engagements, securities, investments and rights and the present machinery, warehouse receipts issued by bank approved collateral manager. The limit is further secured by way of personal guarantee of directors Mr. Gaurav Sekhri and Mr. Kapil Sekhri. The said facility had been closed on 28/11/2016 and a fresh sanction letter for working capital limits amounting to Rs.20,00,00,000/- was issued by the bank.
- b) The Company has availed fund based Warehousing Finance facility from ICICI Bank Limited of Rs. 10.00 crores(previous year Rs. 10.00 crores) secured by pledge of agricultural commodities deposited by the pledger at the designated warehouse/godowns as approved by ICICI, in favour of ICICI. The limit is further secured by way of personal guarantees of directors Mr. Gaurav Sekhri and Mr. Kapil Sekhri, and by way of an undertaking for purchase of the said Agro Commodities by Tinna Rubber And Infrastructure Limited (Holding Company).

The said facility remained undrawn as on the date of balance sheet.



**4 Employee benefits**

The disclosures pursuant to Accounting Standard-15, Employee Benefits "specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 are given below:

**Defined Contribution Plan**

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

Employer's Contribution towards Provident Fund (PF)(includes Administration Charges)  
 Employer's Contribution towards Family Pension Scheme (FPS)  
 Employer's Contribution towards Employee State Insurance (ESI)  
**Expenses charged to statement of profit and loss**

As at March-31- 2017 Amt(Rs.)	As at March-31- 2016 Amt(Rs.)
6,88,907	4,75,553
2,17,290	2,48,552
1,05,512	70,804
<b>10,11,709</b>	<b>7,94,909</b>

**Defined Benefit Plan**

**(A) Gratuity (Non-funded)**

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  
 Current Service cost  
 Interest cost  
 Actuarial (gain)/ loss  
 Benefits paid  
 Defined benefits obligation at year end

As at March-31- 2017 Amt(Rs.)	As at March-31- 2016 Amt(Rs.)
17,36,960	24,54,475
6,89,950	4,55,865
1,30,272	1,96,896
1,37,318	(13,70,276)
<b>26,94,500</b>	<b>17,36,960</b>

**b. Reconciliation of fair value of assets and obligations**

Fair value of plan assets  
 Present value of obligations  
 Amount recognized in the balance sheet- asset/(liability)  
     Current portion  
     Non-current portion

26,94,500	17,36,960
<b>26,94,500</b>	<b>17,36,960</b>
47,202	38,452
26,47,298	16,98,508

**c. Expenses recognized in profit and loss statement**

Current service cost  
 Interest cost  
 Expected return on plan assets  
 Actuarial (Gain)/Loss  
 Net cost

6,89,950	4,55,865
1,30,272	1,96,896
1,37,318	(13,70,276)
<b>9,57,540</b>	<b>(7,17,515)</b>

**d. Actuarial Assumption**

Mortality Table (LIC)  
 Demographic assumptions  
 Discount Rate (per annum)  
 Expected rate of return on plan assets (per annum)  
 Rate of escalation in salary (per annum)  
 Withdrawal rate (per annum)

IALM 2006-08 Ultimate 60 years	IALM 2006-08 Ultimate 60 years
7.50%	8.00%
0%	0%
10%	10%
2%	2%

**e. Amounts for current and previous period**

Present value of obligation  
 Fair value of plan assets  
 Surplus/(Deficit)

2016-17	2015-16	2014-15	2013-14	2012-13
26,94,500	17,36,960	24,54,475	11,54,326	20,68,031
<b>(26,94,500)</b>	<b>(17,36,960)</b>	<b>(24,54,475)</b>	<b>(11,54,326)</b>	<b>(20,68,031)</b>

**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) Leave Encashment (Non-funded)**

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  
 Current Service cost  
 Interest cost  
 Actuarial (gain)/ loss  
 Benefits paid  
 Defined benefits obligation at year end

As at March-31- 2017 Amt(Rs.)	As at March-31- 2016 Amt(Rs.)
21,21,505	23,11,201
6,95,975	6,01,689
1,59,113	1,84,896
(74,256)	(4,92,902)
(6,027)	(4,83,379)
<b>28,96,310</b>	<b>21,21,505</b>



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	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)			
<b>b. Reconciliation of fair value of assets and obligations</b>					
Fair value of plan assets	28,96,310	21,21,505			
Present value of obligations	(28,96,310)	(21,21,505)			
Amount recognized in the balance sheet- asset/(liability)					
Current portion	47,615	36,313			
Non-current portion	28,48,695	20,85,192			
<b>c. Expenses recognized in profit &amp; loss account</b>					
Current service cost	6,95,975	6,01,689			
Interest cost	1,59,113	1,84,896			
Expected return on plan assets					
Actuarial (Gain)/Loss	(74,256)	(4,92,902)			
Net cost	<b>7,80,832</b>	<b>2,93,683</b>			
<b>d. Actuarial Assumption</b>					
Mortality Table (LIC)	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate			
Discount Rate (per annum)	7.50%	8.00%			
Expected rate of return on plan assets (per annum)	0%	0%			
Rate of escalation in salary (per annum)	10%	10%			
Withdrawal rate (per annum)	2%	2%			
<b>e. Amounts for current and previous period</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>
Present value of obligation	28,96,310	21,21,505	23,11,201	7,97,729	17,95,317
Fair value of plan assets					
Surplus/(Deficit)	<b>(28,96,310)</b>	<b>(21,21,505)</b>	<b>(23,11,201)</b>	<b>(7,97,729)</b>	<b>(17,95,317)</b>

**Notes:-**

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

**5 Segment Information**

The Segment reporting of the Company has been prepared in accordance with Accounting Standard-17, "Segment Reporting" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014).

**i) Primary-Business Segment**

The company is operating in two segments i.e. in Agro commodities trading and Ceramic Tiles. Hence there are no reportable primary segments.

**ii) Secondary-Geographical Segment**

**Segment Revenue(including other income)**

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
Domestic Market	4,09,18,04,602	4,24,41,26,396
Overseas Market	4,61,77,908	4,58,48,085
	<b>4,13,79,82,510</b>	<b>4,28,99,74,481</b>

**Segment Assets**

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
Domestic Market	90,89,10,428	99,46,04,520
Overseas Market	23,44,919	1,11,43,454
	<b>91,12,55,347</b>	<b>1,00,57,47,974</b>

**Segment Liabilities**

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
Domestic Market	36,48,84,963	49,40,21,890
Overseas Market	30,59,15,042	32,16,83,863
	<b>67,08,00,005</b>	<b>81,57,05,753</b>

**Capital Expenditure**

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
Within India	1,74,98,049	5,73,400
Outside India	-	-
	<b>1,74,98,049</b>	<b>5,73,400</b>

**6 Related Party Disclosures**

The related parties as per the terms of Accounting Standard (AS-18), "Related Party Disclosures" (specified under section 133 of the Companies Act, 2013, read with Rule of Companies (Accounts) Rules, 2014 ) are disclosed below:-

**A Names of related parties and description of relationship**

**(i) Related parties where control exists:**

Tinna Rubber and Infrastructure Limited (Holding Company from 09-05-2013)  
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)

**(ii) Enterprises in which KMP and relatives KMP exercise significant influence.**

Bee Pee Farms & Properties Private Limited  
Fratelli Wines Private Limited



Kriti Estates Private Limited  
 TP Buildtech Private Limited  
 Gee Ess Pee Land Developers Private Limited  
 S S Horticulture Private Limited  
 Tinna Agro Ventures Limited

**(iii) Key Management Personnel**

Mr. Gaurav Sekhri (Managing Director)  
 Mr. Kapil Sekhri  
 Monika Gupta (Company Secretary)

**(iv) Relative of Key Management Personnel**

Mr. Bhupinder Sekhri  
 Mrs. Sobha Sekhri  
 Mrs. Pooja Sekhri  
 Mrs. Aarti Sekhri

**B Transaction during the year**

**As at March-31-  
2017  
Amt(Rs.)**

**As at March-31-  
2016  
Amt(Rs.)**

<b>i) Rent Paid:</b>		
<b>Related parties where control exists:</b>		
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)	23,59,209	38,71,114
<b>ii) Reimbursement/Advance against reimbursement received:</b>		
<b>Related parties where control exists:</b>		
Tinna Rubber and Infrastructure Limited (Holding Company)	-	9,00,568
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)	48,70,869	9,894
<b>Enterprises in which KMP and relatives of KMP exercise significant influence.</b>		
TP Buildtech Private Limited	-	2,12,574
<b>iii) Loan taken from:</b>		
<b>Key Management Personnel</b>		
Mr. Gaurav Sekhri	-	1,00,00,000
<b>iv) Loan Repaid:</b>		
<b>Key Management Personnel</b>		
Mr. Gaurav Sekhri	-	1,00,00,000
<b>v) Loan given to:</b>		
<b>Enterprises in which KMP and relatives of KMP exercise significant influence.</b>		
Kriti Estates Private Limited	26,70,00,000	13,27,00,000
<b>vi) Loan Repayment Received:</b>		
<b>Enterprises in which KMP and relatives of KMP exercise significant influence.</b>		
Kriti Estates Private Limited	25,82,00,000	15,77,00,000
<b>vii) Interest Received:</b>		
<b>Enterprises in which KMP and relatives of KMP exercise significant influence.</b>		
TP Buildtech Private Limited	-	10,93,968
Kriti Estates Private Limited	66,51,718	17,62,086
<b>viii) Reimbursement of expenses:</b>		
<b>Related parties where control exists</b>		
Tinna Rubber and Infrastructure Limited (Holding Company)	34,14,965	10,79,518
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)	1,18,43,034	1,81,95,031
<b>Enterprises in which KMP and relatives of KMP exercise significant influence.</b>		
Fratelli Wines Private Limited	14,93,045	1,79,097
<b>ix) Purchase of Shares:</b>		
<b>Related parties where control exists</b>		
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)	24,62,597	86,31,441
Fratelli Wines Private Limited through Tinna Rubber and Infrastructure Limited (Holding Company)	3,37,50,000	-
<b>x) Remuneration:</b>		
<b>Key Management Personnel</b>		
Mr. Gaurav Sekhri (Managing Director)*	1,36,96,189	1,01,36,541
Monika Gupta (Company Secretary)	6,82,574	6,32,016
* The remuneration payable to Mr. Gaurav Sekhri is as per limits specified in Schedule V of the Companies Act, 2013 and was duly approved by shareholders at the Extra Ordinary General Meeting of Tinna Trade Private Limited held at the registered office of the Company on 1st Day of December, 2016.		
<b>xi) Fixed Assets Purchase:</b>		
<b>Related parties where control exists:</b>		
Tinna Rubber and Infrastructure Limited (Holding Company)	1,47,07,849	-
<b>xii) Services Received:</b>		
<b>Related parties where control exists:</b>		
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)	3,16,20,739	1,26,65,579
Handling and C&F charges	46,996	7,59,685
Syndication Charges	4,02,051	-
Warehouse Management Charges	-	-



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 Signature: [Handwritten signature]

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
<b>xiii) Services Provided:</b>		
<b>Related parties where control exists:</b>		
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)		
Service Agency Income		7,59,685
Other Income	49,680	-
<b>xiv) Dividend paid</b>		
<b>Related parties where control exists:</b>		
Tinna Rubber and Infrastructure Limited (Holding Company)	50,00,000	-
<b>xv) Commission paid</b>		
<b>Enterprises in which KMP and relatives of KMP exercise significant influence.</b>		
Tinna Agro Ventures Limited	14,79,546	-
<b>xvi) Corporate Guarantee taken:</b>		
<b>Related parties where control exists:</b>		
Tinna Rubber and Infrastructure Limited (Holding Company)	11,47,85,600	13,26,65,800
<b>(C) Balance at the year end</b>		
<b>(i) Amount Receivable:</b>		
<b>Enterprises in which KMP and relatives of KMP exercise significant influence.</b>		
Kriti Estates Private Limited	1,47,86,546	-
Fratelli Wines Private Limited	-	2,23,377
<b>(ii) Amount Payable:</b>		
<b>Related parties where control exists</b>		
B.G.K. Infrastructure Developers Private Limited (Subsidiary Company)	52,30,236	27,60,834
<b>Key Management personnel</b>		
Gaurav Sekhri (Managing Director)	8,00,000	-
Monika Gupta (Company Secretary)	1,02,436	81,168

## 7 Operating Lease

The Company has entered into cancellable lease transactions mainly for office and godown premises for the period 11 months. Normally there are renewal and escalation clauses in these contracts. Total lease rent recognised by the Company during the year is Rs. 2,01,40,232/- (previous year Rs. 2,14,59,539/-).

## 8 Corporate Social Responsibility

As per the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, every company, which either has a net worth of Rs 500 crore or a turnover of Rs 1,000 crore or net profit of Rs 5 crore, during any financial year (i.e. any of the three preceding financial years) needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities. Therefore in accordance with the said provisions, the Company has made the provision of Rs.3,57,144/- (Previous year Rs. 8,74,166/-) towards Corporate Social Responsibility to be spent on the prescribed activities under the Corporate Social Responsibility guidelines. The total unspent amount as on 31st March, 2017 is Rs.4,96,213/- (Previous year Rs. 13,39,209/-)

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
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Details of CSR Expenditure

a) Gross amount required to be spent by the Company during the year	16,96,353	19,06,726
b) Amount spent during year ended March 31, 2017		

Particulars	Amount Spent (Rs.)		Yet to be Spent (Rs.)		Total (Rs.)	
	2017	2016	2017	2016	2017	2016
Health Care to farmers	0	5,67,517	0	-0	0	5,67,517
Enhancing Vocational Skills of farmers	9,59,540	0	4,96,213	10,98,710	14,55,753	10,98,710
Education on maintaining quality of soil	1,28,100	0	0	1,28,000	1,28,100	1,28,000
Professional Fees	1,12,500	0	0	1,12,500	1,12,500	1,12,500
<b>Total</b>	<b>12,00,140</b>	<b>5,67,517</b>	<b>4,96,213</b>	<b>13,39,210</b>	<b>16,96,353</b>	<b>19,06,727</b>

## 9 Disclosure required under Section 186(4) of the Companies Act, 2013

### a) Particulars of Loan Given:

Sl. No.	Name of Entity	Loan Given	Outstanding Balance (including interest)	Purpose
1	Kriti Estates Private Limited (Rate of Interest 14.5% p.a)	26,70,00,000	1,47,86,546	General Corporate Purpose



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b) Particulars of Investment made:

Sl. No.	Name of Investee	Investment made during the period(Rs.)	Outstanding Balance of investments as on 31.03.2017(Rs.)
1	B.G.K. Infrastructure Developers Private Limited 7200000/- (51.53%) (Previous Year 7019590/- (50.90%)) equity shares of Rs. 10/- each	24,62,597	9,88,57,028
2	Fratelli Wines Private Limited 275000/- (0.9375%) (Previous Year Nil) equity shares of Rs. 10/- each	3,38,32,500	3,38,32,500

10 Earning Per Share

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
a) Calculation of weighted average number of Equity Shares of Rs.10 each		
Equity shares outstanding at the beginning of the year	50,00,000	50,00,000
Equity shares outstanding at the end of the year	50,00,000	50,00,000
Weighted average no. of equity shares outstanding during the year.	50,00,000	50,00,000
b) Net profit after tax available for equity shareholders	5,64,31,121	2,62,13,829
c) Basic and diluted earning per share	11.29	5.24

11 Unexpired foreign currency exposure and foreign exchange forward contracts

	As at March-31-2017 Amt(Rs.)	As at March-31-2016 Amt(Rs.)
a) Derivative instruments outstanding as at 31st March 2017 are as under:		
No. of Contracts	Nil	3
Notional amount of forward contracts in foreign currency (USD)	Nil	26,16,900
Rupee equivalent	Nil	17,35,86,566
b) Unhedged foreign currency exposures as at 31st March, 2017 are as under:		
Import Trade Payables		
Foreign currency (USD)	2,32,481	64,56,769
Local Currency	1,50,73,743	42,82,96,204
Import Other Payables		
Foreign currency (USD)	55,437	1,21,573
Local Currency	35,94,437	80,64,300
Buyer's Credit		
Foreign currency (USD)	44,19,083	15,54,610
Local Currency	28,65,27,155	10,31,21,779
Interest Payable		
Foreign currency (USD)	11,100	1,706
Local Currency	7,19,708	1,13,165
Trade Receivables		
Foreign currency (USD)	8,566	1,06,577
Local Currency	5,55,408	70,69,562
Other Receivables/ Advances		
Foreign currency (USD)	27,599	56,064
Local Currency	17,89,511	37,18,911
Bank Accounts (EEFC)		
Foreign currency (USD)	-	5,352
Local Currency	-	3,54,981

12 Earnings in foreign currency

Particulars		
Commission		
Contract settlement (Net of Expenses)	2,61,64,265	3,27,30,026
Reimbursement of Expenses (Libero)	1,15,31,698	-
Others (Dispatch Earn, Rebate, Shortage & Handling)	-	35,01,422
	76,76,820	45,33,485
	<b>4,53,72,783</b>	<b>4,07,64,933</b>

13 Expenditure in foreign currency

Foreign travelling	59,95,851	27,43,669
Interest expense	7,19,708	22,29,524
Contract settlement (Net of Income)	-	33,74,765
Others (Rebate, Shortage & Demurrage)	-	1,29,10,578
	<b>67,15,559</b>	<b>2,12,58,536</b>

14 CIF Value of imports

Traded goods	2,62,79,05,271	2,44,19,78,230
	<b>2,62,79,05,271</b>	<b>2,44,19,78,230</b>





- 15 Pursuant to notification of Ministry of Corporate Affairs dated March 30, 2017, disclosure of specified bank notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 is provided in table below:

Particulars	Specified Bank Notes			Other	Total
	Denomination	Numbers	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Closing cash in hand as on 08 Nov 2016	1,000	568	5,68,000	9,521	6,29,521
	500	104	52,000		
Add: Permitted Receipts	0	0	0	5,73,355	5,73,355
Less: Permitted Payments	0	0	0	4,90,845	4,90,845
Less: Amount Deposited in Bank	1,000	568	5,68,000	0	6,20,000
	500	104	52,000		
Closing Cash in hand as on 30 Dec 2016	0	0	0	92,031	92,031

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

Notes 1 to 29 forms integral part of the Financial Statements

"As per our report of even date"

For **V. R. BANSAL & ASSOCIATES**

Chartered Accountants

Firm Registered No. 0185/2011

084, Himalaya House

New Delhi-110002

**RAJAN BANSAL**

(Partner)

M. No. 93591

Place : New Delhi

Dated : 16th May 2017

For and on behalf of the Board of Directors

**GAURAV SEKHRI**

(Managing Director)

DIN: 00090676

**KAPIL SEKHRI**

(Director)

DIN 00090771

**MONIKA GUPTA**

(Company Secretary)

Membership No. FCS-8015

