

27TH ANNUAL REPORT (2013-14)



Tinna Rubber And Infrastructure Limited

(Highlights of the Year)

INCREASE OF STAKE IN TINNA TRADE PRIVATE LIMITED:

The Global takeover of Viterra Inc. in US\$ 6 Billion transaction triggered a settlement between Tinna Rubber And Infrastructure Limited & Glencore by Swiss Giant Glencore Grains Plc. in regards to the Joint Venture company 'Tinna Viterra Trade Private Limited'. The company acquired Glencore's 60% stake in Tinna Viterra Trade Private Limited and made it a wholly owned Subsidiary of the company. The subsidiary company was renamed as 'Tinna Trade Private Limited'.

COMMISSIONING OF NEW MANUFACTURING FACILITIES:

The company has revolutionized recycling of used tyres by developing for the first time HIGH STRUCTURE ULTRAFINE tyre crumb. The product has been accepted by most of the reputed tyre companies such as Ceat, Apollo, Goodyear etc. and it is an essential input in manufacturing new tyres. New facilities have been commissioned and made operational at Panipat, Haldia & Wada.

EXPANSION PLANS:

The company has expanded its business by setting up a Steel Value Addition Plant at its Panipat (Haryana) plant and has also plans to establish similar facilities in Wada (Maharashtra) and Gummidipundi (Tamilnadu). It is also planned to expand the business in existing market and for that research & development work on certain new products like Polymerized Road Sealants, Ready Mix Patch Repairs and Warm Mix Additive is well underway.

ADDITIONS TO THE PRODUCT PORTFOLIO:

The company will witness higher sales in coming years on account of new products introduced like Cut wine Shots, Cleaned Steel wire and High grade Rubber Crumb.

DIVIDEND

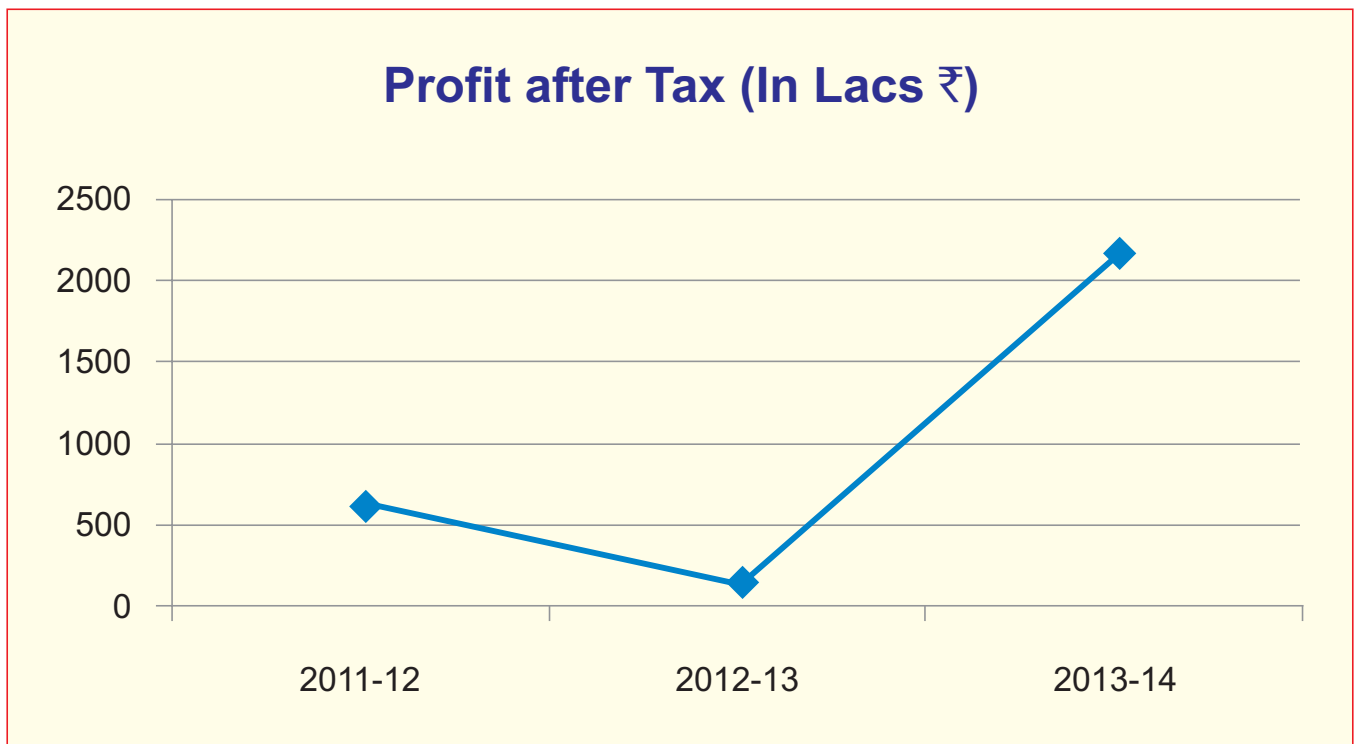
In view of the outstanding financial performance achieved by the company, it has planned to declare dividend on the basis of its business and profits of the financial year 2013-14 and accordingly, your Board of Directors have, after a long period, recommended dividend @ Re. 1/- per equity share to the shareholders of the company for the financial year 2013-14 subject to approval of the shareholders in the ensuing Annual General Meeting.

TINNA RUBBER AND INFRASTRUCTURE LIMITED

FINANCIAL MILESTONES OF THE YEAR

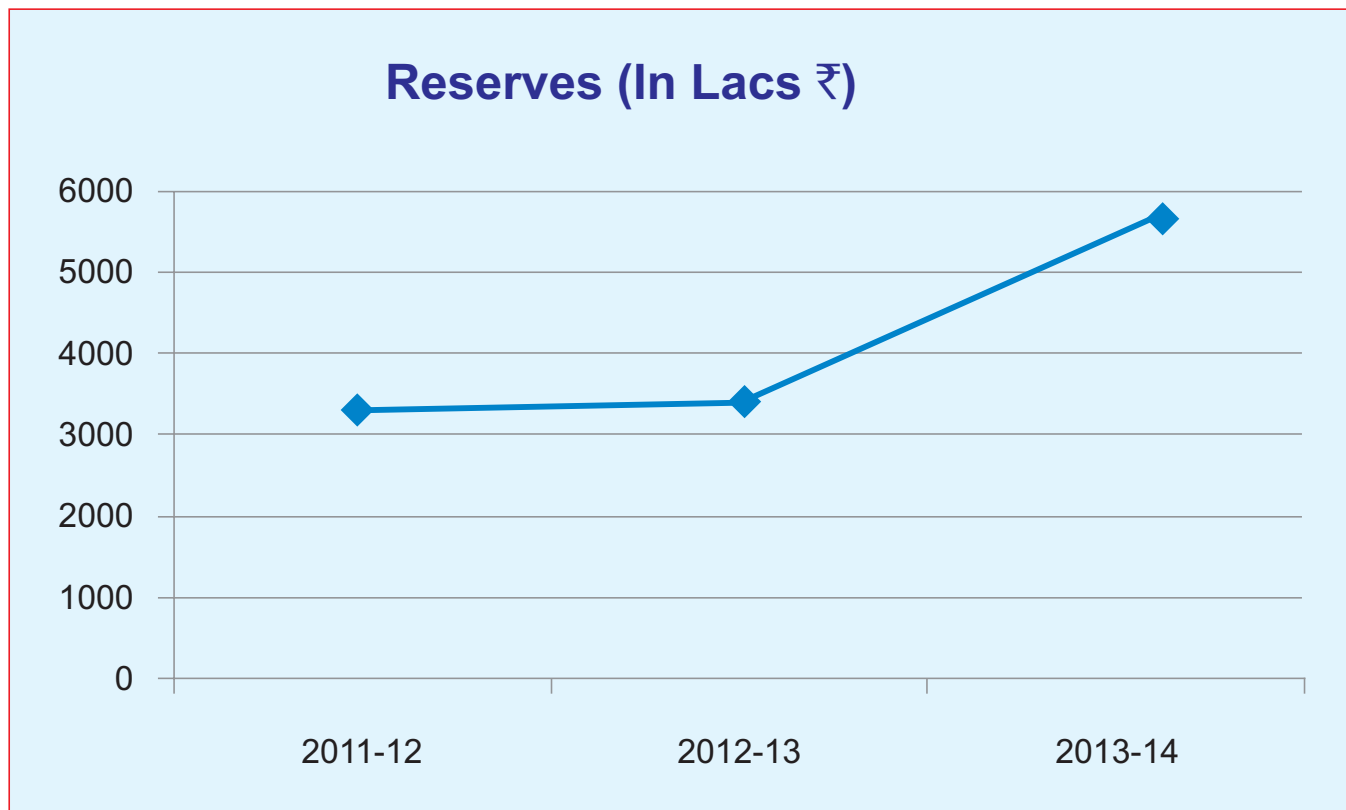
I. GROWTH IN PROFITS :

YEAR	PROFIT AFTER TAX (in lacs ₹)
2011-12	621.64 lacs
2012-13	158.89 lacs
2013-14	2176.08 lacs



II. GROWTH IN RESERVES :

YEAR	RESERVES (in lacs ₹)
2011-12	3366.56 lacs
2012-13	3526.13 lacs
2013-14	5635.62 lacs



III. OTHER ACHIEVEMENTS OF THE YEAR:

- In the year under review, the company sold 18,180 MT of Crumb Rubber Modifier (CRM) which was used for manufacturing approximately 2,00,000 MT of Crumb Rubber Modifier Bitumen (CRMB) suitable to for laying about 8,000 lane kilometers of Roads and Highways.
- The company's employees' strength grew to 558 employees, creating new work opportunities for the youth of our country.
- The Company's leading import of waste tyres grew across the globe, dealing in environment friendly disposal/ use of waste tyres.

CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me great pleasure to welcome you to the 27th Annual General Meeting of the Company.

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

The Company's accounts for the year ended March 31, 2014 along with the Directors' and Auditors' Report and Management's Discussion and Analysis have already been circulated to you. With your permission, I would like to take them as read.

The company, Tinna Rubber And Infrastructure Limited (formerly known as Tinna Overseas Limited) founded in 1987, is distinguished for its wide range of high quality bituminous products. The company commands a strong market presence & immense corporate trust reposed by its customers. The company is among the largest bitumen processing capabilities. Tinna has established plants in North, South, East and West of the country viz., Panipat (Haryana), Wada, District Thane (Maharashtra), Gummidipundi, District Thiruvallur (Tamilnadu) and Haldia (West Bengal), thereby having an edge over competition by having a nationwide presence.

The company is a market leader in the field of rubber & bituminous products, the company has captured substantial share in the market by maintaining high quality, reliability and customer satisfaction. As a market leader in the field of manufacturing & marketing of bituminous products, the company, at present has been operating Central plant located at Panipat for manufacturing of Modified Bitumen & Emulsion. The plant has a capacity of over 300 MT per day and is equipped with the latest Shear Mill imported from Germany, capable of

producing high quality homogenized product with low separation value quality and production and is supported by fully equipped laboratories with precisely calibrated instruments manned by technically qualified and experienced personnel. The company's main products comprise Crumb Rubber Modifier, Crumb Rubber Modifier Bitumen (CRMB), Polymer Modified Bitumen (PMB), Bitumen Emulsions, Micro Surfacing Emulsion, Modified Bitumen Emulsions, Paving Grade Bitumen and Customized Products, which is reflected in its present name 'Tinna Rubber And Infrastructure Limited'.

Due to our recent initiative to backward integrate our business and ability to produce high quality crumb rubber from recycling used tyres, your company is playing an important role in disposal of used tyres in an environmental friendly manner. As a rubber compounder your company is playing a big role in caring for environment around the Globe by using scraps/waste tyres, disposal of which is a huge global issue & potential environmental hazard..The backward integration has started showing positive result in first year itself by adding reliable supply of raw material to the bitumen modifier plants and making a substantial contribution in cost savings, adding to the company's financial performance.

LEADERSHIP AND INNOVATION:

Your company has revolutionized recycling of tyres by developing for the first time **HIGH STRUCTURE ULTRAFINE** tyre crumb. After persistent efforts and strong technical service Tinna-Crumb has become a new raw material for the tyre industry. Tinna-Crumb has been accepted by the most reputed tyre companies as essential input in manufacturing new tyres. Apollo, Ceat and other tyre companies are regularly buying ultrafine crumb. Goodyear is in the final stage of giving global approval.

Your company is in the midst of evaluating / developing process to convert tyre crumb into Reclaim rubber of highest strength. The normal strength of Reclaim in India is 35 to 40 kg whereas Tinna is targeting 130 kg, which will help rubber factories to cut down the use of natural rubber.

This will revolutionise Indian rubber industry and give an edge to exporters by cost cutting.

Your company has also found use of bead wire recovered from old tyres. These are cut into small bits used for shot blasting and are readily sellable. Whatever is left of fine wires from the tyre carcass is baled and sold.

RESEARCH & DEVELOPMENT:

The company will further expand its business in existing markets and explore newer markets and channels while leveraging our solid foundation and for that research & development work on certain new products like Polymerized Road Sealants, Ready Mix Patch Repairs and Warm Mix Additive is already been started.

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

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

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

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

ACKNOWLEDGEMENTS:

The greatest strength of your company has been the unstinting support that it has enjoyed from its constituents and well wishers-my colleagues on the Board, our talented employees, our valued shareholders, investors, bankers, suppliers, customers and the Central and State Governments.

My heartfelt gratitude to each individual, agency and organization who have contributed to and supported our accomplishments.

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

Best Wishes & Regards,

Chairman

CORPORATE INFORMATION

BOARD OF DIRECTORS :	Shri Bhupinder Kumar Sekhri	Managing Director
	Shri Kapil Sekhri*	Whole Time Director
	Shri Anand Kumar Singh	Whole Time Director
	Shri Rahul Garg#	Director
	Shri Maneesh Mansingka*	Director
	Shri Vivek Kohli	Director
	Shri Kulbir Singh	Director
	Shri Ashish Madan#	Director

* resigned on 29th May, 2014

appointed on 9th March, 2014 & 29th May, 2014 respectively.

CORPORATE IDENTITY NUMBER :	L51909DL1987PLC027186
REGISTERED OFFICE :	No. 6, Sultanpur, Mandi Road, Mehrauli, New Delhi - 110030
STATUTORY AUDITORS :	V.R. Bansal & Associates Chartered Accountants, New Delhi.
BANKERS :	Syndicate Bank Vasant Vihar, New Delhi.
CHIEF FINANCIAL OFFICER :	Shri Ravindra Chhabra
COMPANY SECRETARY & COMPLIANCE OFFICER :	Shri Raghuvansh Mani
REGISTRAR & SHARE TRANSFER AGENT :	M/s. Alankit Assignments Limited 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi.
E-MAIL & WEBSITE :	tinna.delhi@tinna.in, www.tinna.in

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NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Shareholders of Tinna Rubber And Infrastructure Limited (formerly known as Tinna Overseas Limited) will be held on **Monday, the 29th September, 2014 at 9.00 A.M. at 18 South Drive Way, DLF Farms, Chhattarpur, New Delhi-110074** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, and Statement of Profit & Loss, Cash Flow Statement for the period ended on that date together with the reports of Directors and Auditors thereon.
2. To Declare Dividend.
3. To appoint a Director in place of Mr. Anand Kumar Singh, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint M/s. V.R. Bansal & Associates, Chartered Accountants, New Delhi, the retiring Auditors as Statutory Auditors of the company and to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit & Auditors) Rules, 2014, as amended from time to time, consent of the company be and is hereby accorded to re-appoint M/s. V.R. Bansal, Chartered Accountants, New Delhi (Firm Registration no. 016534N) as Statutory Auditors of the Company to hold office from the conclusion of this 27th Annual General Meeting until the conclusion of the 29th Annual General Meeting.

RESOLVED FURTHER THAT they may be paid the remuneration which may be decided by the Board of Directors or committee thereof."

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**
- "RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and

the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause-49 of the Listing Agreement, Mr. Ashish Madan (DIN-00108676) who was appointed as an Additional Director of the company pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause-49 of the Listing Agreement, Mr. Vivek Kohli (DIN-00418014) who is the Independent Director of the company and holds office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019.

7. To consider and if deemed fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses for the financial year ending 31st March,

2015 as approved by the Board of Directors of the Company to be paid to M/s Pant & Company, Cost Accountants(Firm Registration no. 000422) for the conduct of the cost audit of the cost records of the company be and is hereby ratified and confirmed.

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

"RESOLVED THAT in supersession of the Special Resolution passed by the shareholders in the earlier Annual General Meeting of the shareholders under section 293(1)(d) of the Companies Act, 1956 and pursuant to the provisions of section 180(1)© of the Companies Act, 2013 and the rules made there under(including any statutory modification(s) or re-enactment thereof for the time being in force), consent is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing any sum or sums of money from time to time whether in Indian rupees or foreign currency, whether unsecured or secured, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate of paid up capital and free reserves of the Company and that the total amount up to which the moneys borrowed by the Board of Directors and outstanding shall not exceed the sum of ₹ 150.00 Crores (Rupees One Hundred Fifty Crores) at any point of time."

9. To consider and if deemed fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent be and is hereby accorded to the Board of Directors of the Company (including a duly constituted Committee thereof) for mortgaging and/ or charging all the movable and immovable properties of the Company present and future, wheresoever situate, and whole or any part of the undertaking of the Company in respect of any term loans, foreign currency borrowing including external commercial borrowing, buyer's credit or syndicated loan, non-convertible debentures etc., issued by the Company together with interest at the agreed rate, additional interest, liquidated damages, commitment

charges, costs, charges, expenses and all other monies payable by the Company to the lenders/ Trustees to the holders of the non-convertible debentures, with such ranking and at such time and on such terms as the Board may determine."

10. To consider and if deemed fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel)Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for the re-appointment of Shri Bhupinder Kumar Sekhri (DIN-00087088) as Managing Director of the Company for a period of 5 (five) years with effect from April 1, 2014.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel)Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Bhupinder Kumar Sekhri shall be given/ entitled to remuneration with effect from 1st April, 2014 ₹ 84,00,000/- (Rupees Eighty Four Lacs) per annum or such other amount as permissible in terms of Part-II of Section II of Schedule- V of the Companies Act, 2013 in case of inadequate profit or no profit during his tenure. Further in case of sufficient profits, he shall be entitled to remuneration of 5% of net profits of the company calculated in terms of the provisions of section 197 and other applicable provisions of the Companies Act, 2013. Further, Shri Bhupinder Kumar Sekhri, Managing Director may be paid remuneration either by way of a specified remuneration or in lump sum at year end or partly by one way and partly by the other.

RESOLVED FURTHER THAT other terms & conditions of re-appointment of Shri Bhupinder Kumar Sekhri will be as under:

1. **Period of Re-appointment:** Five years w.e.f. 01st April, 2014.
2. **Remuneration:** ₹ 84,00,000/- per annum (₹ 7,00,000/- per month)
3. **Telephone:** Provision of mobile phone/ telephone at the residence will not be considered as

perquisite, subject to the provisions of the Income Tax Rules, but personal long distance calls shall be billed by the company.

4. **Conveyance:** Provision of conveyance for official purpose and the same shall not be considered as perquisite as permissible under the Income Tax Act.

FURTHER RESOLVED THAT Shri Bhupinder Kumar Sekhri shall be entitled to other benefits/ perquisites like gas, electricity, water, re-imbusement of medical benefits for self & family, LTA for self & family, club fee, personal accident insurance & medi-claim insurance & other benefits in terms of the rules of the Company and these benefits / perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. However, the overall remuneration shall not exceed the limits as stated above.

RESOLVED FURTHER THAT the terms & conditions of the re-appointment/ remuneration may be altered and varied so as not to exceed the limits specified herein above or in terms of Schedule V of the

Companies Act, 2013 or any amendments hereto or by other concerned authorities and as may be agreed to between the Board of Directors and Shri Bhupinder Kumar Sekhri.

RESOLVED FURTHER THAT the terms & conditions of the re-appointment/ remuneration may be altered and varied so as not to exceed the limits specified herein above or in terms of Schedule V of the Companies Act, 2013 or any amendments hereto or by other concerned authorities and as may be agreed to between the Board of Directors and Shri Bhupinder Kumar Sekhri."

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

**New Delhi
August 22, 2014**

Raghuvansh Mani
Company Secretary

NOTES

1. **Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The Instrument appointing the proxy, in order to be effective must be lodged at the Registered Office of the company at No. 6, Sultanpur (Mandi Road), Mehrauli, New Delhi-110030 duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. Members are requested to immediately intimate to the company their details namely correspondence address, E-mail, client Id, Folio no., Phone/ Fax Numbers, No. of shares held etc so as to update their details in the register of members maintained under the Act.
4. Brief resume of Directors including those proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorship and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause-49 of the Listing Agreement with the Stock Exchange, **are provided in the Statement attached hereto and forming part of this Notice of the Annual General Meeting.**
5. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted at the meeting is annexed hereto.
6. The Register of members and Share Transfer Books of the company will be closed **from Thursday, 25th September, 2014 to Monday, 29th September 2014 (both days inclusive).**
7. As per the provisions of sections 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 Shareholders holding shares in physical form may file nomination in the prescribed SH-13 form with the Company's Registrar and Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
8. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature (s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to attend and vote on their behalf at the meeting.
9. (a) The company has notified closure of Register of Members and Share Transfer Books **from Thursday, 25th September, 2014 to Monday, 29th September, 2014 (both days inclusive)** for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
(b) The dividend on Equity shares, if declared at the Meeting, will be credited / dispatched between **29th September, 2014 to 3rd October, 2014** to those members whose names shall appear on the Company's Register of Members on 25th September, 2014; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Security Depository Limited and Central Depository Services (India)
10. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent M/s Alankit Assignments Limited.
11. Pursuant to clause-32 of the Listing Agreement entered into with the Stock Exchanges and sections 20,101 and 136 of the Companies Act, 2013, electronic copy of the Annual Report and this notice inter-alia indicating the process and manner of e-voting along with Attendance slip and proxy form and being sent by e-mail to those shareholders whose e-mail addresses have been made available to the Company/

Depository Participants unless any member has requested for a hard copy of the same.

12. In terms of Circular no. NDSL/CIR/II/10/2012 dated March, 09, 2012 for those members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Notice calling the meeting and Annual Report for the year ended 31st March, 2014 are being dispatched in the mode prescribed under Companies Act, 2013.
13. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered office of the company during business hours on all days except Sundays, Public Holidays up to the date of the Annual General Meeting.
14. The Company has a dedicated e-mail address **investor@tinna.in** for shareholders to mail their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.
15. Details' pertaining to Directors seeking appointment/re-appointment required as per Clause-49 of the Listing Agreement is provided in the annexure to this notice.
16. The Annual Report for FY 2013-2014 of the company circulated to the members of the company, will be made available on the company's website at **www.tinna.in**.
17. **VOTING THROUGH ELECTRONIC MEANS:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule-20 of the Companies (Management and Administration) Rules, 2014 and clause-35B of the Listing Agreement, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 27th Annual General Meeting. For this purpose, the Company has entered into an agreement with National Security Depository Limited (NSDL) for facilitating e-voting as the Authorized Agency to provide e-voting facilities.

The procedure and instructions for e-voting is as under:

- A. **IN CASE OF MEMBERS RECEIVING E-MAIL:**
 - (i) Log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders' tab to cast your votes.
 - (iii) Now, select the Electronic Voting Sequence Number-"EVSN" along with "Tinna Rubber And Infrastructure Limited" from the drop down menu and click on "SUBMIT".
 - (iv) If you are holding shares in Demat form and have already voted earlier on www.evotingindia.com

for a voting of any Company, then your existing login id AND PASSWORD ARE TO BE USED. If you are a first time user follow the steps given below:

- (v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form.
User ID	For NSDL: 8 Character DP ID Followed by 8 digits Client ID For CDSL: 16 digits Beneficiary ID	Folio Number registered with the company.
PAN*	Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department when prompted by the system while e-voting applicable for both demat as well as physical shareholders).	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/ Depository Participant are requested to use the default number: BCDE1234F.

#Please enter any one of the details in order to login. In case either of the details are not recorded with the depository/ company, please enter the number of shares held by you as on **27th August, 2014** in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT".
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through HSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (ix) Click on the relevant EVSN on which you choose to vote.
- (x) On the voting page, you will see Resolution Description and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire resolutions.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvi) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <http://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board resolution and POA in favour of the Custodian who they have authorized to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- B. IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY OF NOTICE OF AGM** (for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy):
- Please follow all steps from sl. No (i) to sl. No. (xvi) above, to cast vote.**
- C.** The voting period begins on Tuesday, 23rd September (9.00AM) and ends on Thursday, 25th September, 2014 (6.00 PM). During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut off date i.e. 27th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D.** In case you have queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@nsdlindia.com.
- E**
- (a) Mr. Ajay Baroota, FCS, Practising Company Secretary (CP No 3945) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- (b) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the company.
- (c) The Results shall be declared on or after the AGM of the company. The Results declared along with the Scrutinizer's Report shall be available for inspection and also placed on the website of the Company within prescribed period.
18. The investors may contact the Company Secretary for redressal of their grievances/ queries. For this, they may either write to him at the registered office address or e-mail their grievances/ queries to the Company Secretary at e-mail raghuvansh.mani@tinna.in.

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

New Delhi
August 22, 2014

Raghuvansh Mani
Company Secretary

**Explanatory Statement
Pursuant to Section 102
of the Companies Act, 2013**

The following explanatory statement set out all material facts relating to the business mentioned under **Item nos.5 to 10** of the accompanying notice:

Item No. 5

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the company, Mr. Ashish Madan as an Additional Director of the company with effect from May 29, 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Ashish Madan would hold office up to the date of the ensuing Annual General Meeting.

The company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Mr. Ashish Madan for the office of Director of the company.

Mr. Ashish (DIN-00108676) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint as Independent Director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Ashish Madan that he meets with the criteria of independence as prescribed both under sub section (6) of Section 149 of the Act and under Clause-49 of the Listing Agreement. Mr. Ashish Madan possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

In the opinion of the Board, Mr. Ashish Madan fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Ashish Madan is independent of the management.

Brief resume of Mr. Ashish Madan, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause-49 of the Listing Agreement with the Stock Exchanges, are provided in the annexure forming part of this statement.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Mr. Ashish Madan is appointed as an Independent Director.

Copy of the draft letter for appointment of Mr. Ashish Madan as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Mr. Ashish Madan and his relatives, to the extent of his shareholding interest, if any, in the company, none of the other Directors / Key Managerial Personnel of the company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at item no. 5 of the Notice for approval by the shareholders.

Item No. 6

The Board of Directors of the Company appointed Mr. Vivek Kohli as an Independent Director of the company who, in terms of the provisions of Section 161(1) of the Act, would hold office up to the date of the ensuing Annual General Meeting.

The company has received a notice in writing from a member under section 160 of the Act proposing the candidature of Mr. Vivek Kohli for the office of Director of the company.

Mr. Vivek Kohli (DIN-00418014) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint as Independent Director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Vivek Kohli that he meets with the criteria of independence as prescribed both under sub section (6) of Section 149 of the Act and under Clause-49 of the Listing Agreement. Mr. Vivek Kohli possesses appropriate skills, experience and knowledge, inter alia, in the field of law having more than 23 years of experience in this field.

In the opinion of the Board, Mr. Vivek kohli fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Vivek kohli is independent of the management.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Mr. Vivek kohli is appointed as an Independent Director.

Copy of the draft letter for appointment of Mr. Vivek kohli as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Mr. Vivek kohli and his relatives, to the extent of his shareholding interest, if any, in the company, none of the other Directors / Key Managerial Personnel of the company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at item no. 6 of the Notice for approval by the shareholders.

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Pant & Company, Cost Accountants for the conduct of the cost audit of the cost records of the company for the financial year ending March 31, 2014.

In accordance with the provisions of Section 148 of the Act read with the Companies 9Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

The Board recommends the Ordinary Resolution at Item no. 8 for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution.

Item No. 8 & 9

In terms of Section 180(1) © of the Companies Act, 2013 (corresponding to section 293 of the Companies Act, 1956), borrowings by a company apart from temporary loans obtained from the company's bankers in excess of its paid-up capital and free reserves, require the approval of the Members by way of Special Resolution.

Similarly, Section 180(1)(a) of the Companies Act, 2013 requires that the Board of Directors shall not, without the consent of members in general meeting, sell, lease or

otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

The members of the company at their earlier Annual General Meeting had approved by way of a Special Resolution under section 293(1)(d) of the Companies Act, 1956, borrowings over and above the aggregate of paid up capital and free reserves of the company. In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors recommend for borrowing in excess of its paid-up capital and free reserves of the company, provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 150.00 Crores (Rupees One Hundred Fifty Crores) and this resolution has to be approved by the shareholders under section 180 (1)© of the Companies Act, 2013.

Therefore, the Board recommends the Special Resolutions at Item nos. 10 & 11 for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolutions.

Item No. 10

Shri Bhupinder Kumar Sekhri is the principal promoter of your company. He is a graduate. He is also Director / Chairman of other group companies. He is visionary leader. Under his leadership, the company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the company to this level. The Remuneration Committee has considered and approved the re-appointment / remuneration of Shri Bhupinder Kumar Sekhri and recommended to the Board for approval. The Remuneration Committee has considered and approved the re-appointment / remuneration of Shri Bhupinder Kumar Sekhri and recommended to the Board for approval. Your Directors also consider that his re-appointment as Managing Director shall be of immense help to the company and further he be suitably rewarded in terms of profitability of the company in terms of the provisions of the Act and accordingly proposed for re-appointment/ remuneration as provided in the resolution.

The principal terms of re-appointment/ remuneration of Shri Bhupinder Kumar Sekhri are as under:

1. **Period of Re-appointment:** Five years w.e.f. 01st April, 2014.
2. **Remuneration:** ₹ 84,00,000/- per annum (₹ 7,00,000/- per month)
3. **Telephone:** Provision of mobile phone/ telephone at the residence will not be considered as perquisite, subject to the provisions of the Income

Tax Rules, but personal long distance calls shall be billed by the company.

4. **Conveyance:** Provision of conveyance for official purpose and the same shall not be considered as perquisite as permissible under the Income Tax Act.
5. Shri Bhupinder Kumar Sekhri shall be entitled to other benefits/ perquisites like gas, electricity, water, re-imbusement of medical benefits for self & family, LTA for self & family, club fee, personal accident insurance & medi-claim insurance & other benefits in terms of the rules of the Company and these benefits / perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. However, the overall remuneration shall not exceed the limits as stated above.
6. In case there are no profits or profits are inadequate in the company during the currency of the tenure of Shri Bhupinder Kumar Sekhri, then his remuneration shall be governed by Schedule V of the Act as amended from time to time.
7. Shri Bhupinder Kumar Sekhri shall be liable to retire by rotation.
8. Shri Bhupinder Kumar Sekhri shall not be paid sitting fees for attending the meetings of the Board/ Committees thereof.

None of the Directors except Shri Bhupinder Kumar Sekhri is directly or indirectly interested in the proposed resolution and the Board recommends your acceptance thereof in the interest of the company.

This may also be treated as an abstract of the terms of appointment of Shri Bhupinder Kumar Sekhri interms of section 190 of the Companies Act, 2013.

STATEMENT OF PARTICULARS (ITEM NO. 10)
(Pursuant to Schedule-V of the Companies Act, 2013)

I GENERAL INFORMATION:

- (1) Nature of Industry: The company is engaged in the manufacturing of Crumb Rubber material . The company is among the largest bitumen processing capabilities. Tinna has established plants in North , South, East and West of the country viz., Panipat (Haryana), Wada, District Thane(Maharashtra), Gummidipundi, District Thiruvallur (Tamilnadu) and Haldia (West Bengal), thereby having an edge over competition by having a nationwide presence.

- (2) Date of Commencement of Commercial Production: The company was incorporated on 04th March, 1987 and is already in commercial production for long.

- (3) Financial Performance of the company; (₹ In Lacs)

	2013-14	2012-13	2011-12
Sales & other income	9359.89	9036.70	10559.91
Profit before Depreciation, Interest and Tax	1183.99	677.77	628.32
Depreciation	368.90	222.36	120.60
Interest and Finance charges	397.01	309.76	238.67
Profit/ Loss before Exceptional items and Tax	418.08	145.65	269.05
Exceptional Gain/ (Loss)	1917.05	0	473.77
Profit / (Loss) before Tax	2335.13	145.65	742.82

- (4) Foreign earnings, investments or collaborations;

Earnings in Foreign Exchange	2065.26	0	0
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II. INFORMATION ABOUT APPOINTEE:

S. No.	Particulars	Shri Bhupinder Kumar Sekhri
1.	Background details, Recognition or awards.	Shri Bhupinder Kumar Sekhri is the principal promoter of your company. He is a graduate. He is also Director / Chairman of other group companies. He is visionary leader. Under his leadership, the company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the company to this level. He is 63 years old having vast and varied experience of the industry over 40 years.
2.	Past remuneration	Shri Bhupinder Kumar Sekhri was given overall remuneration as per limits provided in terms of section 198,269,309,310,311 read with Schedule XIII & other applicable provisions of the Companies Act, 1956.
3.	Job profile & his Suitability	He is Managing Director of the company and looking after/ guiding entire operations/ policy matters.
4.	Remuneration proposed	Shri Bhupinder Kumar Sekhri is proposed to be paid remuneration as per limits laid down in Schedule V of the Act, if the company has no profits or its profits are inadequate and is case of sufficient profits, his remuneration will be calculated under section 197 of the Act i.e. 5% of the net profits.

5.	Comparative remuneration profile with respects to industry, size of the company, profile of the position and person.	The Company is a market leader in the Bitumenus Product as well as the Company is having major investment in Winery & Agro Products. In current business performance of the company the remuneration designed is very competitive keeping in view the growth of the Company. In last few years the management is having very disciplined approach towards the remuneration policy. The phenomenal growth in activity and the increase in investment in different sectors viz., agro product, winery, etc. have substantially increased the responsibility and accountability of the management and its directors.
6.	Pecuniary relationship, directly or indirectly, with the company or relationship with the managerial personnel, if any.	Except specified remuneration, there is no pecuniary relationship directly or indirectly with the company or with the managerial personal.

III. OTHER INFORMATION:

Reasons of loss or inadequate profits: The industry is prone to disruptive technological changes and there is huge capital expenditure requirement to shift from one product segment or one technology to another. However, the company is expanding its business by setting up various plants with a view of achieving sufficient profits.

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

**New Delhi
August 22, 2014**

**Raghuvansh Mani
Company Secretary**

**Annexure pursuant to Clause-49 of the Listing Agreement with the Stock Exchanges.
Particulars of directors proposed to be appointed/ reappointed at the
27th Annual General Meeting:**

Name of Director	Sh. Anand Kumar Singh	Sh. Ashish Madan	Sh. Bhupinder Kumar Sekhri	Sh. Vivek Kohli
Date of Birth	26th September, 1966.	20th Sept., 1968	2nd March, 1951	9th March, 1968
Date of Appointment	22nd August, 2014	29th May, 2014	27th August, 1996	23rd March, 2012
Qualifications	Graduate	B. Com, C.A.	Graduate	Law Graduate
Experience	More than 20 years vast & varied experience of industry.	More than 10 years of handling the financial matters, project financing and other related matters being associated with various concerns.	Shri Bhupinder Kumar Sekhri is the principal promoter and the driving force in successful implementation of various initiatives and strategies, which positioned the company to this level. He is 63 years old having vast and varied experience of the industry over 40 years	More than 20 years of experience in dealing with various legal matters in all the courts and also consulting and legal advisors of various big industrial houses etc.
Chairman/ Director of other companies	DIRECTOR: 1. Bee Pee Farms 7 Properties Pvt Limited. 2. Prasad Estates P. Ltd. 3. Aasakti Estates P. Limited.	DIRECTOR: 1. Adam Smith Associates (P) Ltd. 2. SNW Smith Consultants P Ltd 3. INDO-IB Capital Partners P Ltd. 4. Tiger Professional Services P Ltd. 5. Studio Anoushkalmpex P. Ltd. 6. Adam Smith Trading P Ltd. 7. Adam Smith Commodities P Ltd. 8. Adam Smith Consultance P. Ltd.	DIRECTOR: 1. Tinna Agro Venture Limited 2. Gautam Overseas Limited 3. Keerthi International Agro Product Pvt. Limited. 4. BGK Commodities Pvt Limited 5. BGK Infrastructure Developers Pvt Limited 6. Adi Farms and Land Developers Pvt. Limited. 7. Shivratna Agro Products Pvt Limited	DIRECTOR: 1. Intellamba Systems Private Limited 2. Predi Wave Channel Solutions India P Limited. 3. Tristar Hydro Power Projects Pvt. Limited. 4. Endeceed Global Solutions P.Ltd. 5. Gaur Hydro Power P. Ltd. 6. Cap Agro Power Pvt. Limited. 7. Agrogrow Farms Pvt. Limited. 8. Japan India Business Incubation Center.
Chairman/ Member of Committees of Board of Companies of which he/She is a Director	Nil	Tinna Rubber and Infrastructure Ltd. (Chairman, Audit Committee)	Nil	Nil
No. of Shares held	1000	0	92426	Nil

DIRECTORS' REPORT

The Members

Your Directors are pleased to present the 27th Annual Report and the Audited Statement of Accounts of the Company for the financial year ended on 31st March, 2014 (01-04-2013 to 31-03-2014).

FINANCIAL HIGHLIGHTS

	(₹ in lacs)	
	2013-2014	2012-2013
Total Income	9359.89	9036.70
Profit/(loss) before interest, Depreciation & Taxation	1154.02	686.99
Interest	367.04	276.79
Depreciation	368.90	222.37
Profit Before Exceptional Items	418.08	145.65
Exceptional Gain (net)	1917.05	----
PBT	2335.13	145.65
Tax	159.05	(13.24)
Profit/ (loss) after interest, Depreciation & Taxation	2176.08	158.89
Reserves & Surplus	5635.62	3526.13

PERFORMANCE REVIEW

During the year under review, the Company earned total income to the tune of ₹9359.89lacs as against ₹9036.70 lacs in the previous year. The company achieved a profit of ₹2,335.13 lacs (including exceptional gain of ₹ 1,917.05 lacs) as against a profit of ₹145.65 lacs in the previous year resulting into better PBIDT (Profit before Interest, Depreciation & Tax) to the tune of ₹ 1,154.04 lacs as compared to ₹ 686.99 lacs in previous year.

OPERATIONS:

Your Company is well on the way to growth. As backward integration the Company had set up plants to make Crumb Rubber from old used tyres at 4 strategic locations in North, West, South and East viz., Panipat (Haryana), Wada, District Thane (Maharashtra), Gummidipundi, District Thiruvallur (Tamilnadu) and Haldia (West Bengal). The backward integration has started showing positive result in first year itself by way reduction in cost of raw material. Production at Haldia plant which was started in May, 2013

has shown a better result and production at Gummidipundi plant is likely to be started in the current financial year.

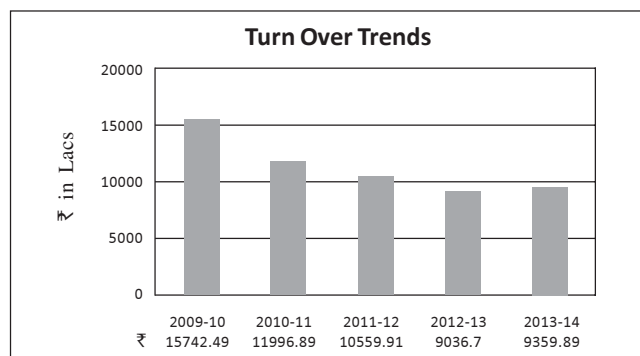
The product wise quantitative statement showing turnover of the company for the last two years is depicted as under which shows that from its new activities, your company is achieving positive response and will achieve better results in next year itself:

Sl. No.	Name of Product	2013-14 (QTY. In MT)	2012-13 (QTY. In MT)
1.	Crumb Rubber Modifier to Oil Refineries	12,235	9,240
2.	Job work (Oil Refineries)	1,12,598	90,952
3.	Fine Crumb Rubber for Site Mixing	3,613	5,289
4.	Job work (Site Mixing)	30,798	43,581
5.	Crumb Rubber / Polymer Modifier Bitumen	3,165	7,312
6.	Bitumen Emulsion	2,598	3,985
7.	Steel Scraps	4,488	1,537
8.	Crumb Rubber	6,104	388
9.	Others	62	101
	Total	1,75,661	1,62,385

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

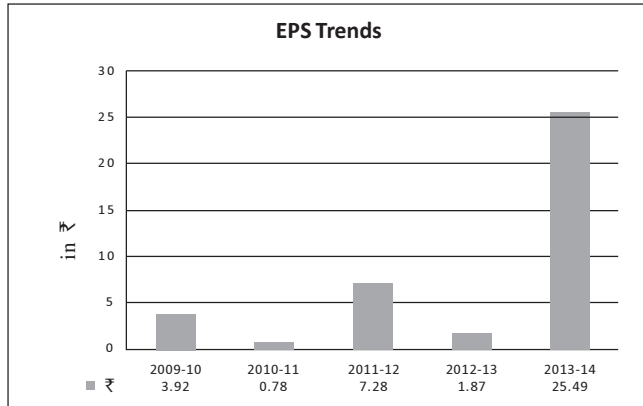
The Company is operating in single segment mainly Crumb Rubber, Crumb Rubber Modifier and Modifier Bitumen & Emulsion Bitumen. The turnover trends of the company for the last five years remained as under:

TURNOVER TRENDS



TRENDS OF EARNING PER SHARES OF LAST FIVE YEARS:

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


CLB MATTER/ORDER

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

DIVIDEND:

Your Directors are pleased to recommend for the approval of the shareholders, a dividend of Re.1/- per share to the members for the financial year ended 31.03.2014.

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

The information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as amended, regarding conservation of energy and technology absorption &

foreign exchange earnings & outgo is given in the annexure forming part of this Report.

FIXED DEPOSITS

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

AUDITORS

M/s. V. R. Bansal & Associates, Chartered Accountants, New Delhi retire at the conclusion of this Annual General Meeting & being eligible have offered themselves for re-appointment, which if made, will be in conformity with the provisions of Section 139 of the Companies Act, 2013.

AUDITORS' REPORT

The Auditors' observations on the accounts have been extensively dealt with in the notes & necessary corrective actions are being taken. The Directors wish to further state that the Company is continuously making efforts for further streamlining/improving the internal audit and other systems. Regarding the comment about short provisions of depreciation for the assets at Mangalore Refinery Petro Chemical Limited (MRPL), Mangalore, the Company earlier intended to re-negotiate due to less than assured business. However, considering commercial consideration and future business and also for maintaining cordial business relation, your Board of Directors have decided to give the plant to MRPL at Re. 1/- only. The remaining depreciation has been booked in the account of first quarter ended on 30th June, 2014.

There was slight delay in payment owing to non-adherence of delivery schedule by the suppliers in Micro, Small and Medium Enterprises. However the company has paid the principal amount during the year.

COST AUDITORS:

As per section 148 of the Companies Act, 2013 and the MCA Circular dated 6th November, 2012, the Board has approved the appointment of M/s Lal Pant & Co., Cost & Management Accountants, Delhi (Firm Regn no. 000422) as Cost Auditor to carry out the cost audit of the products being manufactured by the company for the year ending 31st March, 2015

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2014, on going concern basis'.

PARTICULARS OF EMPLOYEES

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

DIRECTORS

Shri Anand Kumar Singh, Whole-Time Director retires by rotation and being eligible offer himself for re-appointment.

Shri Ashish Madan who was appointed as Additional Director of the company on 29th May, 2014 will be confirmed in the coming shareholders meeting.

Shri Kapil Sekhri and Shri Maneesh Mansingka resigned from the directorship of the company w.e.f. 29th May, 2014.

The Board places on record its appreciation for the valuable contribution made by Shri Kapil Sekhri & Shri Maneesh Mansingka during their tenure as Directors of the Company.

CONSOLIDATION:

In accordance with the Accounting Standard (AS-21) on Consolidated Financial Statements read with AS-23 on accounting for Investment in Associates, the audited consolidated Financial Statements is provided in the Annual Report.

SUBSIDIARY COMPANY

As required under Section 212 of the Companies Act, 1956 the audited Statement of accounts along with the Reports of the Board of Directors of Tinna Trade Private Limited and the auditor's report for the year ended 31st March, 2014 is annexed.

CORPORATE GOVERNANCE

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

ACKNOWLEDGEMENTS

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

For & on behalf of the Board

New Delhi
August 22, 2014

Bhupinder Kumar Sekhri	Anand Kumar Singh
Managing Director	Whole-Time Director

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(I)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended on 31st March, 2014.

A. CONSERVATION OF ENERGY

The company has taken following steps to conserve energy:

- (a) Energy conservation measures taken: The imported and indigenous machinery is of latest technology and non-serving energy to the maximum.
- (b) Additional investments & proposals, if any, being implemented for reduction of consumption of energy: The company has installed plants for manufacturing crumb rubber powder and reclaim rubber having capacity to produce 2500 Tonne per month of crumb rubber of specified quality in an environmental friendly manner. As a rubber compounder the company has played a big role in caring for environment by using recycled tyres and avoid serious environmental hazard and save cost also.
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: The machines used by the company are of latest technology and technology and conserving energy to the maximum. The company further continues to improve productivity by employing trained manpower for efficient utilization of machinery.

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

1. RESEARCH & DEVELOPMENT (R & D):

- (a) Specific areas in which R & D is being carried out by the company:

The company is making continuous efforts to improve the quality of bitumen modifier by adding crumb rubber for enhancing the properties. The company has been undertaking R & D work in new products namely Polymerized Road Sealants, Ready Mix Patch Repairs and Warm Mix Additive.

- (b) Benefits derived as a result of above R & D:
 - Products developed are of better quality.
 - This has resulted in reduction in cost.
- (c) Future Plan of action: Continuous efforts are being made to improve the quality and reduce the cost so as to expand our market.
- (d) Expenditure on R & D: The company incurred ₹ 8.05 lacs on R & D during the year.

2. TECHNOLOGY ABSORPTION , ADAPTATION INNOVATION:

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

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

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

1. Activities relating to export initiatives taken to increase exports, development of new export markets for products and services and export plan: Presently the company is not very keen in export business.

2. Total Foreign Exchange Used and Earned:

	(₹ in lacs)
(a) Total Foreign Exchange Used	1823.19
(b) Total Foreign Exchange Earned	2065.26

For & on behalf of the Board

New Delhi
August 22, 2014

Bhupinder Kumar Sekhri
Managing Director

Anand Kumar Singh
Whole-Time Director

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance Practices stem from the culture and mind set of the organization. As stakeholders across the globe show keen interest in the practices and performance of the company. The company's visionary founder had laid the foundation for good governance and made it an integral part of the company's philosophy. The Company believes in meeting all its obligations, in terms of its size, as a corporate entity to the best of its spirit. The company is further committed to make continuous efforts for further improving the level of corporate governance.

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

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

B) Board of Directors

As on 31st March, 2014, the Company has seven directors out of which four were Non-Executive Directors and three were Executive (paid) Directors. Out of the total Directors, three directors were independent directors. The composition of the Board is in conformity with clause 49 of the Listing Agreement.

During 2013-14 the Board of Directors met eight times on 09.05.2013, 29.05.2013, 12.08.2013, 31.10.2013, 11.01.2014, 31.01.2014, 26.02.2014 and 11.03.2014.

The composition of the Board of Directors and the related information as on 31st March, 2014 was as follows:

Name of Director	Attendance At last AGM	No. of Board Meetings Attended	Category of Director	Other directorships	Other Board's Committees	
					Member	Chairman
Sh. Bhupinder Kumar Sekhri	Yes	8	MD/PG	2	-	-
Sh. Kapil Sekhri*	Yes	5	WTD/PG	2	1	-
Sh. Kulbir Singh	Yes	5	NED	-	1	-
Sh. Maneesh Mansingka*	NA	4	NED/ID	4	0	-
Sh. Rahul Garg	NA	1	NED/ID	0	0	-
Sh. Anand Kumar Singh	NA	6	WTD	2	1	-
Sh. Vivek Kohli	NA	4	NED/ID	6	2	-

* resigned on 29th May, 2014.

PG-Promoter Group

WTD-Whole Time Director

NED-Non Executive Director

ID- Independent Director

NA- Not Applicable.

MD-Managing Director

Committees of the Board :(as constituted under Companies Act, 1956 & Clause-49 of the Listing Agreement)
II. Audit Committee

The Audit Committee was constituted earlier in conformity with Section 292(A) of the Companies Act, 1956 and with Clause 49 of the Listing Agreement. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions and whether the audit tests are appropriate and scientifically carried out and that they are aligned with the realities of the business, adequacy of disclosures, compliance with all relevant statutes and other facets of Company's operation that are of vital concern to the company.

During the year under review, the meetings of Audit Committee were held on 29th May, 2013, 12th August, 2013, 31st October, 2013 and 31st January, 2014.

The composition of the Audit Committee and the meetings attended by the members during the year are as under:

S. No.	Name	Category	Status	No. of Meetings Held	No. of Meetings Attended
1.	Shri Maneesh Mansingka*	Non Executive/ Independent Director	Chairman	4	4
2.	Shri Vivek Kohli	Non Executive/ Independent Director	Member	4	4
3.	Shri Rahul Garg#	Non Executive/ Independent Director	Member	4	0
4.	Shri Kulbir Singh	Non Executive/ Director	Member	4	4

* resigned on 29th May, 2014.

appointed on 09th March, 2014.

III. Remuneration Committee
Terms of reference

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

Composition

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

Name of the Member	Status	No. of Meetings Attended	Remarks
Shri Maneesh Mansingka	Chairman	3	Resigned on 29th May, 2014
Shri Kulbir Singh	Member	3	
Shri Bishnu Agarwala	Member	0	Resigned on 29th May, 2013
Shri Rahul Garg	Member	2	Appointed on 9th March, 2013

Details of remuneration paid to Directors
a) Executive Directors

Name of Director	Salary (₹ in lacs)	Other perquisites (₹)
Sh. Bhupinder Kumar	35.60	0.40
Sh. Kapil Sekhri*	0	0
Sh. Anand Kumar Singh	5.30	0
TOTAL	40.90	0.40

* Gratuity of ₹ 8.30 lacs was paid during the year.

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

- (i) Details of fixed component and performance linked incentives along with the performance criteria;
The company is neither paying any fixed component nor any performance linked incentives to its directors.
- (ii) Service contracts, notice period, severance fees;
Shri Bhupinder Kumar Sekhri, Shri Kapil Sekhri & Shri Anand Kumar Singh were whole time directors of the company and have not entered in any service contracts with the company. The appointment of Shri Bhupinder Kumar Sekhri was for a fixed term till 31st March, 2014 and he has been re-appointed by the Board for a further period of Five years subject to approval of shareholders in the ensuing annual General Meeting. Shri Kapil Sekhri has resigned from the office of Whole-Time Director with effect from 29th May, 2014.
- (iii) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. - Not applicable.

b) Non- Executive Directors

The Company does not pay any remuneration to its Non- Executive Directors except Shri Rahul Garg, Member of Audit Committee towards sitting fee of ₹9,000/- per quarter for attending Board/ Committee meetings.

Remuneration Policy

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

IV. Investors Grievance Committee

Terms of reference

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

Composition

The Committee comprises 3 Directors. The Committee met one time during the year and the attendance of the members at the meeting was as follows:

Name of the Member	Status	No. of Meetings Attended	Remarks
ShriKulbir Singh	Chairman	1	
Shri ManeeshMansingka	Member	1	Resigned on 29th May, 2014
Shri BishnuAgarwala	Member	0	Resigned on 29th May, 2013
Shri Rahul Garg	Member	0	Appointed on 9th March, 2014

Committees of the Board :(as re-constituted under the Companies Act, 2013 & revised Clause-49 of the Listing Agreement)

a) Audit Committee

The Audit Committee is in conformity with Section 177 of the Companies Act, 2013 and with revised Clause 49 of the Listing Agreement. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions and whether the audit tests are appropriate and scientifically carried out and that they are aligned with the realities of the business, adequacy of disclosures, compliance with all relevant statues and other facets of Company's operation that are of vital concern to the company.

The composition of the Audit Committee is as under:

1. Mr. Ashish Madan - Chairman
2. Mr. Vivek Kohli - Member
3. Mr. Kulbir Singh - Member

b) Nomination and Remuneration Committee

In terms of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee was constituted. It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry evaluation of every director's performance and shall also formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee was constituted comprising 4 members as under:

1. Mr. Kulbir Singh, Chairman
2. Mr. Ashish Madan, Member
3. Mr. Vivek Kohli, Member

c) Stakeholders Relationship Committee

The Shareholders/ Investors' Grievance Committee was reconstituted and renamed as Stakeholders Relationship Committee in terms of section 178 of the Companies Act, 2013. This Committee shall consider and resolve the grievances of security holders of the company and all matters relating to shares of the company. The composition of the Stakeholders Relationship Committee and the details regarding meetings held and attended are given as under:

1. Mr. Kulbir Singh, Chairman
2. Mr. Ashish Madan, Member
3. Mr. Rahul Garg, Member

d) Corporate Social Responsibility Committee

During the year a Corporate Social Responsibility Committee was constituted as a Board Committee in accordance with the requirements of Section-135, Schedule VII of the Companies Act, 2013 and the CSR Rules, 2014. The said committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the company, monitoring the implementation of the framework of the CSR Policy, recommending to Board the amount to be spent on CSR activities and ensuring that the implementation of the projects and programmes is in compliance with the objectives of the Corporate Social Responsibility Policy of the company.

The composition of the committee is as under:

1. Mr. Anand Kumar Singh, Chairman
2. Mr. Kulbir Singh, Member
3. Mr. Ashish Madan, Member

V. Shareholders detail

- (i) The Company had 5212 shareholders. During the year under review very few requests/ complaints were received and they were attended/ resolved. Further, no securities were pending for transfer for more than 15 days as on 31.03.2014 except few cases on technical grounds.

(ii) General Body Meetings

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

Financial Year	Date	Time	Location	Remarks
2012-13	29TH September, 2013	9.00 A.M.	18, South Drive Way, DLF Farms, Chattarpur, New Delhi-110074.	
2011-12	29TH September, 2012	9.00 A.M.	18, South Drive Way, DLF Farms, Chattarpur, New Delhi-110074.	
2010-11	30th September, 2011	9.00 A.M.	18, South Drive Way, DLF Farms, Chattarpur, New Delhi-110074.	
2009-10	30th September, 2010	9.00 A.M.	18, South Drive Way, DLF Farms, Chattarpur, New Delhi-110074.	

iii) Resolution through Postal Ballot

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

iv) Disclosures

- (i) There are no materially significant transactions with the related parties viz. promoters, directors or the management, their subsidiaries or relatives etc. that may have a conflicting potential conflict with the interest of the Company at large.
- (ii) There are no penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital market for non compliance by the Company.

v) Means of Communication

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies.

All the data required to be filled electronically such a quarterly financial results, shareholding pattern are being regularly uploaded on the company's website pursuant to Clause-52 of the Listing Agreement with the Stock Exchanges.

vi) General Shareholders' Information**1. 27th Annual General Meeting**

Venue	:	18, South Drive Way, DLF Farms, Chhattarpur, New Delhi-110074
Time	:	9:00 AM
Date	:	29th September, 2014

2. Tentative Financial Calendar

1st Quarter Results	-	2nd August, 2014
2nd Quarter Results	-	Oct-Nov, 2014
3rd Quarter Results	-	Jan-Feb, 2015
4th Quarter Results	-	May 2015

3. Dividend

The directors have recommended a dividend of Re.1/- per equity share of ₹10/- each, subject to approval of shareholders at the ensuing Annual General Meeting. The dividend, if declared, will be paid to the shareholders within 30 days from the date of AGM as per the provisions of Section-123 of the Companies Act, 2013.

The dividend, if declared, will be paid to the equity shareholders of the company whose names appear in the Register of Members of the company or in the records of the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners of the shares as at the end of business hours on 25th September, 2014 which is the Book Closure/Record Date fixed for the purpose.

4. Book Closure

The register of members and share transfer books of the Company remained close from Thursday, the 25th September, 2014 to Monday, the 29th September, 2014. (Both days inclusive)

5. Listing on Stock Exchanges

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

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

6- Market Price Data

Monthly high, low quotations and trading volumes of the company's equity shares during the financial year 2013-14 at Bombay Stock Exchange is noted below:

MONTH	OPEN	HIGH	LOW	CLOSE	TOTAL TURNOVER (in ₹)
April-13	42.50	42.50	42.50	42.50	19,550
May-13	44.0	44.0	44.0	44.0	8,800
June-13	43.0	43.0	43.0	43.0	17,200
July-13	37.0	37.0	37.0	37.0	7,400
Aug-13	36.0	36.0	36.0	36.0	10,800
Sep-13	44.0	44.0	42.0	42.40	21,200
Oct-13	42.5	42.50	42.50	42.50	210
Nov-13	36.60	36.60	36.60	36.0	36
Dec-13	34.0	34.0	34.0	34.0	34
Jan-14	26.775	26.75	26.75	26.75	1,872
Feb-14	24.40	23.0	23.70	23.7	4,740
Mar-14	39.95	39.95	39.95	39.95	39

7. Registrar & Transfer Agent and Share Transfer System

The Company is availing the services of M/s Alankit Assignments Ltd. for the purpose of physical shares and electronic connectivity with the depositories for dematerialized shares. Normally, the physical shares are transferred within 15-30 days, if found in order. The dematerialized shares are directly transferred to the beneficiaries by the Depositories.

8. Details/Distribution of Shareholding as on 31st March, 2014

Nominal value of shares held	No. of Shareholders	% to total Shareholders	Total no. of shares held	Nominal amount of shares held	% of total shares
1 to 5000	5176	99.309	900287	90,02,870	10.512
5001 to 10000	17	0.327	114142	11,41,420	1.333
10001 to 20000	2	0.038	28945	2,89,450	0.338
20001 to 30000	1	0.019	28200	2,82,000	0.329
30001 to 40000	0	0	0	0	0
40001 to 50000	1	0.019	45100	4,51,000	0.526
50001 to 100000	4	0.077	252926	25,29,260	2.953
100000 to above	11	0.211	7195150	7,19,51,500	84.009
Total	5212	100	8564750	8,56,47,500	100

9. Shareholding pattern as on 31st March, 2014

Category of shareholders	No. of shares	% of total shares
Promoters(including person acting in concert)	6266286	73.16
Foreign Institutional Investors	0	0
Non-resident Indians/ Overseas Corporate Bodies/ Foreign Nationals	34700	0.41
Mutual Fund, Financial Institutions and Banks	28200	0.33
Private Corporate Bodies	448787	5.24
Resident Indians	1786777	20.86
Total	8564750	100.00

10. Dematerialisation of Shares

The equity shares of the Company are compulsory traded in dematerialized form and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The international Securities Identification Number (ISIN) of the company under Depository System is INE015C01016. Number of shares held in dematerialized and physical mode as on March 31, 2014 are noted below:

Particulars	No. of shares	% of total shares
Shares held in Dematerialized form with NSDL	6764914	78.98
Shares held in Dematerialized form with CDSL	40108	0.47
Shares held in physical form	1759728	20.55
Total	8564750	100

11. Locations of the Plants

S. No.	Locations	Activity
1.	Refinery Road, Village Rajapur, Panipat (Haryana) - 1321003	i. Modifier Plant ii. Rubber Crumbing Plant iii. Modified Bitumen Plant iv. Bitumen Emulsion Plant
2.	Phase I, IOCL Panipat Refinery, Panipat-132140, Haryana	Operation & Management of CRMB Plant
3.	Gut No. 113/2 & 114/2, Village Pali, Taluka Wada, Distt Thane, Maharashtra - 421303	i. Modifier Plant ii. Rubber Crumbing Plant
4.	IOCL, Mathura Oil Refinery, Mathura (Uttar Pradesh) - 281 006	Operaion & Management of CRMB Plant
5.	Plot No. 2693, 2694, 2696 & 2697, Mauza-Dighasipur,POChakdwipa, Distt, PurbaMedinipore, West Bengal - 721 666	i. Modifier Plant ii. Rubber Crumbing Plant
6.	MRPL, Mangalore Refinery, Kuthethoor Bala Post Cia Katipalla, Mangalore (Karnataka) 575026	Operation & Management of CRMB Plant
7.	Village No. 17, Chithur Natham Village, Gummidipundi Taluk, Thiruvallur District, Tamilnadu	i. Modifier Plant ii. Rubber Crumbing Plant
8.	Haldia Refinery, IOCL Campus, Purba Medinipore, Haldia (West Bengal) - 721606	Operation & Management of CRMB Plant
9.	Village-Mavza, Rampur Jattan, Near IIT College of Engineering, Kalamb, Sirmour 9 Himachal Pradesh) - 173033	Modifier Plant

12. Address for Correspondence

For all stakeholders:

Tinna Rubber And Infrastructure Limited

(Formerly Tinna Overseas Limited)

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

For Physical Transfer of shares/Dematerialisation request:

M/s. Alankit Assignments Limited

205-208, Anarkali Complex, Jhandewalan Extension,
New Delhi -110 055

Phone : +91-11-23541234

Web : www.alankit.com

Fax : +91-11- 42541201

Email : info@alankit.com

VI. Disclosures

The particulars of transactions between the company and its related parties as per the Accounting Standard-18 "Related Party Disclosures" issued by the ICAI are disclosed in Note No.4 of Notes to Financial Statements. However, these transactions are not likely to have any conflict with the Company's interest. All related party transactions are negotiated on arms length basis, and are intended to further the Company's interests.

No Strictures/ Penalties have been imposed on the company by the Stock Exchange or the SEBI or any statutory authority on any matters related to capitalmarkets during the last three years.

In the preparations of the financial statements, the company has followed the Accounting Standards issued by ICAI. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts.

The Management Discussion and Analysis Report is an ongoing process within the Organisation. An exercise on Business Risk was carried out covering the entire gamut of Business operations and the Board was informed of the same.

Adoptions of Non-Mandatory requirements under Clause-49 of the Listing Agreement are being reviewed by the Board from time to time.

VII. Non-Mandatory Requirements

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

VIII. Re-appointment of the Directors

Mr. Anand Kumar Singh, Whole-Time Director is due for retirement by rotation at this Annual General Meeting, who is eligible for re-appointment. Brief particulars of the Director are given below:

Mr. Anand Kumar Singh is the Whole-Time Director of the company. He is Graduate. He is 48 years old having vast and varied experience of the industry over 20 years. He is holding 1,000 equity shares of the company as on 31st March, 2014. He is also on the Board of the following companies:

1. Bee Pee Farms & Properties Private Limited.
2. Prasidh Estates Private Limited.
3. Aasakti Estates Private Limited.

XI. Code of Conduct and Ethics

The Board of Directors of the Company has laid down Code of Conduct and Ethics (the Code) for Company's Directors and Senior Employees. All the Directors and the Senior Employees covered by the Code have affirmed compliance with the Code on an annual basis. A copy of the code of conduct is being made available to stock exchanges for its wide circulation and is being posted at the website of the company. A declaration to this effect signed by the Managing Director of the Company, forms part of the Annual Report of the company.

X. CEO/CFO Certification**CEO/CFO CERTIFICATION**

**To
The Board of Directors
Tinna Rubber And Infrastructure Limited**

- (a) We have reviewed financial statements and the cash flow statement for the year 2013-14 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Tinna Rubber And Infrastructure Limited

New Delhi
August 22, 2014

Bhupinder Kumar Sekhri
Managing Director

Ravindra Chhabra
CFO & GM Accounts

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

**To
The members of
Tinna Rubber And Infrastructure Limited**

Tinna Rubber And Infrastructure Limited is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics.

As provided under clause-49 of the Listing Agreement, I, Bhupinder Kumar Sekhri, Managing Director of the company alongwith Mr. Ravindra Chhabra (CFO & GM Accounts), hereby declare that all Board members and Senior Management Personnel have affirmed compliance with the code of Business Conduct and Ethics formulated by the Company for the financial year ended March 31, 2014.

New Delhi
August 22, 2014

Bhupinder Kumar Sekhri
Managing Director

Ravindra Chhabra
CFO & GM Accounts

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The company, Tinna Rubber And Infrastructure Limited (formerly known as Tinna Overseas Limited) founded in 1984 is in the business of bituminous products for last so many years having captures a substantial market share due to high quality, reliability and customer satisfaction. The company commands a strong market presence & immense corporate trust reposed by its customers. The company is among the largest bitumen processing capabilities. Tinna has established plants in North, South, East and West of the country viz., Panipat (Haryana), Wada, District Thane (Maharashtra), Gummidipundi, District Thiruvallur (Tamilnadu) and Haldia (West Bengal).

The company is a market leader in the field of rubber & bituminous products, the company has captured substantial share in the market by maintaining high quality, reliability and customer satisfaction. As a market leader in the field of manufacturing & marketing of bituminous products and after pioneering and crossing over one million tons mark so far in the field of Modified Bitumen production, the company has now entered into manufacturing of quality Bitumen Emulsion at its Panipat Central Plant apart from working with IOCL at Mathura, Haldia and MRPL Mangalore for manufacturing Modified Bitumen (all grades of CRMB, PMB & specialized bitumen) and EMULSIONS (all grades).

INDUSTRY STRUCTURE & SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

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

As a rubber compounder your company is playing a big role in caring for environment around the Globe by using scraps tyres and avoid serious environmental hazard and save cost also. Due to our recent initiative to backward integration, our business and ability to produce high quality crumb rubber from recycling used tyres, your company is playing an important role in disposal of used tyres in an environmental friendly manner. The backward integration has started showing positive result in first year itself and we are confident that the present activities due to start of new crumb Rubber plant will give better returns in the years to come.

The business of the company mainly consists of manufacturing of Crumb Rubber Modifier, Crumb Rubber Modifier Bitumen (CRMB), Polymer Modified Bitumen (PMB), Bitumen Emulsions, Micro Surfacing Emulsion, Modified Bitumen Emulsions, and Paving Grade Bitumen which is reflected in its present name 'Tinna Rubber And Infrastructure Limited'.

The company will further expand its business in existing markets and explore newer markets and channels while leveraging our solid foundation and for that research & development work on certain new products like Polymerized Road Sealants, Ready Mix Patch Repairs and Warm Mix Additive is already been started.

The company's operating business is organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products. The identified segments are bitumen division, trading in construction chemicals, agricultural activity division and warehousing and infrastructure. The Company is operating in single segment mainly Crumb Rubber, Crumb Rubber Modifier and Modifier Bitumen & Emulsion Bitumen.

FUTURE OUTLOOK:

Crumb Rubber Powder & related products

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

Your company has revolutionized the recycling of tyres by developing for the first time **HIGH STRUCTURE ULTRAFINE** tyre crumb. After persistent efforts and strong technical service Tinna-Crumb has become a new raw material for the tyre industry. Tinna-Crumb has been accepted by the most reputed tyre companies as essential input in new tyres. Apollo, Ceat and other tyre companies are regularly buying ultrafine crumb. Goodyear is in the final stage of giving global approval.

Your company will do further value addition by converting tyre crumb into Reclaim rubber of highest strength. The normal strength of Reclaim in India is 35 to 40 kg whereas Tinna is targeting 130 kg, which will help rubber factories to cut down the use of natural rubber.

This will revolutionise Indian rubber industry and give an edge to exporters by cost cutting.

Your company has also found use of bead wire recovered from old tyres. These are cut into small bits used for shot blasting and are readily sellable. Whatever is left of fine wires from the tyre carcass is baled and sold.

OPPORTUNITIES AND THREATS:

- Softening point is over 60 degrees Celsius whereas for VG 30 softening point is 48 degree Celsius only which gives higher resistance to deformation at higher temperatures.
- CRMB improves resistance to stripping due to water repellent properties.
- Potential increase in Govt. spending on infrastructure development with special stress on development of roads.
- CRMB is economically cheaper or at par with VG 30.
- Low maintenance and gives a longer life to the pavement in comparison to VG 30.
- The best and most suitable for Indian Roads for all weather, Highways, Densest Traffic Roads, Junctions, Airfield runways, Heavy Duty and High Traffic Sea Port Roads etc.

Threats/ Challenges

- Normal competition from other competitors
- Change in Govt. policies.
- Invention of other better alternative product in a fast changing globally environment.
- Slowdown in Infrastructure activity due to financial constraints.

Outlook

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

Risks & Concerns

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

INTERNAL CONTROL SYSTEMS

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

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

FINANCIAL PERFORMANCE

The details of the financial performance of the company are appearing in the Balance Sheet, Profit & Loss Statements and other financial statements forming part of this Annual Report. For financial highlights please refer heading 'FINANCIAL HIGHLIGHTS' of Directors' Report.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

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

CERTIFICATE

To the Members of
Tinna Rubber And Infrastructure Limited

We have examined the compliance of conditions of Corporate Governance by TinnaRubber And Infrastructure Limited, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

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

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

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Ajay Baroota & Associates**
(Company Secretaries)

New Delhi
August 22, 2014

CS Ajay Baroota
C.P.No. 3945

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of TINNA RUBBER AND INFRASTRUCTURE LIMITED ('the Company') which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 8/2014 dated 4th April 2014 of the Ministry of Corporate Affairs. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Emphasis of Matter

Without qualifying our opinion, we would like to draw attention to note no 31(iv) regarding corporate guarantee given by the Company to TP Buildtech Private Limited an associate company, which is not in compliance with section 185 of Companies Act, 2013. As per informations given to us, the same has been complied with subsequent to the date of Balance Sheet.

Basis for Qualified Opinion

The Company has provided depreciation on the rates prescribed under Schedule XIV of the Act in respect of its unit in the complex of Manglore Refinery and Petrochemicals Limited (MRPL). However, as per the work order awarded by MRPL, the Company shall transfer Plant and Machinery of the said unit at nominal value of ₹ 1/- on 05/07/2014. Therefore the depreciation on Plant and Machinery is to be charged on the basis of useful life of the asset i.e. up to 05/07/2014. In view of this, the provision for depreciation is less by ₹ 19,76,667/- for the year ending 31st March, 2014 and the profit is overstated to that extent. Consequently, the value of Plant & Machinery and Reserves and Surplus are over stated due to diminution in the value of assets by ₹ 1,45,87,629/- as at 31st March, 2014.

The Company has not provided interest amounting to ₹ 4,24,685/- as required under the provisions of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 in respect of delayed payments to suppliers covered under the said Act. Consequently, the profit for the year is overstated to that extent.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matters described in the Basis for*

Qualified Opinion paragraphs, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss statement, of the profit for the year ended on that date.
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c) the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and The Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 8/2014 dated 4th April 2014 issued by the Ministry of Corporate Affairs *except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph;*
- e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

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

Place : New Delhi
Dated : 29/5/2014

Rajan Bansal
(Partner)
Membership No. : 93591

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets
 - (b) The Company has a phased periodical programme of physical verification of all fixed assets, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. No material discrepancies have been noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of fixed assets of the Company and such disposal has, in our opinion, not affected the going status of the Company.
2. (a) As per explanations given to us, inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of the verification is reasonable.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business,
 - (c) In respect of loans taken by the Company, repayment of the principal amounts and interest is as per stipulations:
3. (a) The Company has granted loans of ₹10,55,00,000/- to three parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year is ₹6,44,50,000/- and the year-end balance outstanding was ₹ Nil/-.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company. The Company has not charged any interest on loan given to subsidiary Company, since as explained to us, the loan given to subsidiary company is on account of commercial expediency.
 - (c) In respect of loans granted by the Company, repayment of principal amounts and interest is as per stipulations.
 - (d) There is no overdue amount of more than rupees one lakh in respect of loan granted to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - (e) The Company has taken loans of ₹23,99,00,000/- from nine parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹18,81,04,183/- and the year-end balance of loans from such parties was ₹2,10,00,000/-
 - (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which such loans have been taken are not prima facie prejudicial to the interests of the Company.
 - (g) In respect of loans taken by the Company, repayment of the principal amounts and payment of interest is as per stipulations.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or agreements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year exceeding ₹5,00,000/- have been made at price which are reasonable having regard to the prevailing market price at the relevant time. The Company has entered into a lease agreement with the TP Buildtech Private Limited, an associate company @ Rs1/-per month. In our opinion, the said agreement has not been entered at prevailing market rates. As explained to us by the management, the said agreement has been entered on account of commercial expediency.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year, within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the Company during the year has a reasonable internal audit system which requires to be strengthened to make it commensurate with size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the manufacture of Rubber and Rubber Product-waste, Parings and Scrap of Rubber and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the same.
9. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period more than six months from the date they become payable except Entry tax of ₹ 6,54,355/- and interest and penalty on Cess payment under BPMC (Cess on entry of goods) Rules, 1996 of ₹ 25,61,063/-.
- (c) According to the records of Company, the dues outstanding of income-tax and other taxes on account of any dispute are as follows.

S. No.	Name of Statute	Nature of Dues	Amount (₹)	Fin. Year	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax	73,50,358/-	2000-2001	Delhi High Court
2.	Income Tax Act, 1961	Income Tax	4,91,962/-	2005-2006	Commissioner of Income Tax (Appeals)
3.	Income Tax Act, 1961	Income Tax	4,98,512/-	2006-2007	Commissioner of Income Tax (Appeals)
4.	Income Tax Act, 1961	Income Tax	18,12,243/-	2007-2008	Commissioner of Income Tax (Appeals)
5.	Income Tax Act, 1961	Income Tax	41,04,979/-	2008-2009	Commissioner of Income Tax (Appeals)
6.	Service Tax	Service tax (excluding penalties and interest)	50,12,301/-	01.04.2008 to 30.06.2012	Appeal to be filed

10. The Company has no accumulated losses at the end of financial year and it has not incurred cash losses in the current and during the immediate preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank except with some delays in case of term loans where repayment of installments of ₹ 7431314/- and interest of ₹ 2049530/- have been made with delays of 1 to 8 days.

12. According to the information and explanation given to us and based on documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 (as amended) are not applicable to the Company.
15. The Company has given corporate guarantees for loans taken by Others from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interests of the Company, since as explained to us, the said guarantees are given on behalf of subsidiary and associates companies are given on account of commercial expediency.
16. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. The Company has reissued 78800 forfeited equity shares of ₹ 10/- each at a premium of ₹36/- per equity share to parties covered in register maintain under section 301 of the companies Act 1956. In our opinion, the price at which such shares have been issued are not prejudicial to the interests of the Company.
19. The Company did not have any outstanding debentures during the year
20. The Company has not raised money by way of public issue of shares/debentures in current year.
21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the period that causes the financial statement to be materially misstated.

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

Place : New Delhi
Dated : 29/5/2014

Rajan Bansal
(Partner)
Membership No. : 93591

Balance Sheet

	Notes	As at 31-03-2014	Amount (₹) As at 31-03-2013
I. EQUITY & LIABILITIES :			
(1) SHAREHOLDERS' FUNDS			
Share Capital	3	85,647,500	85,383,833
Reserve & surplus	4	563,561,968	352,612,983
		649,209,468	437,996,816
(2) NON-CURRENT LIABILITIES			
Long term borrowings	5	92,836,850	121,398,006
Deferred tax liabilities (Net)	6	39,988,024	26,732,599
Long term provisions	7	7,820,224	8,654,695
		140,645,098	156,785,300
(3) CURRENT LIABILITIES			
Short term borrowings	8	285,819,484	177,054,393
Trade payables	9	58,089,811	73,584,373
Other current liabilities	10	105,371,893	68,734,609
Short term provisions	11	60,590,126	2,521,356
		509,871,314	321,894,731
TOTAL		1,299,725,880	916,676,847
II. ASSETS :			
(1) NON-CURRENT ASSETS			
Fixed assets	12		
Tangible assets		437,158,145	372,102,943
Intangible assets		856,989	788,820
Capital work-in-progress		131,975,150	102,536,945
Non-current investments	13	183,001,565	59,595,770
Long-term loans and advances	14	73,973,671	29,532,979
Other non-current assets	15	66,795,356	18,212,423
		893,760,876	582,769,880
(2) CURRENT ASSETS			
Inventories	16	177,733,614	108,705,723
Trade receivables	17	154,567,944	132,214,775
Cash and bank balances	18	14,392,928	37,900,498
Short-term loans and advances	19	51,452,909	47,946,021
Other current assets	20	7,817,609	7,139,950
		405,965,004	333,906,967
TOTAL		1,299,725,880	916,676,847

SIGNIFICANT ACCOUNTING POLICIES 2

CONTINGENT LIABILITIES AND COMMITMENTS 31

OTHER NOTES ON ACCOUNTS 32

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

"As per our report of even date"

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Anand Kumar Singh
(Whole time Director)

Place : New Delhi
Dated : 29/5/2014

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Statement of Profit & Loss

	Note No.	Year ended 31.3.2014	Amount (₹) Year ended 31.03.2013
I. INCOME			
Revenue From Operations (Gross)		983,578,647	941,355,672
Less: Excise Duty and service tax		54,840,402	52,805,793
Revenue from operations (Net)	21	<u>928,738,245</u>	<u>888,549,879</u>
Other Income	22	7,250,408	15,119,739
TOTAL REVENUE		<u>935,988,653</u>	<u>903,669,618</u>
II. EXPENSES			
Cost of materials consumed	23	565,710,711	670,335,673
Purchases of stock-in-trade	24	6,216,363	-
Changes in inventories of finished goods and work-in- progress and stock-in-trade	25	(35,996,005)	(44,203,583)
Employee benefits expenses	26	92,820,480	86,917,855
Finance costs	27	39,701,494	30,976,114
Depreciation and amortisation expenses	28	36,890,405	22,236,507
Other expenses	29	188,837,218	122,841,772
TOTAL EXPENSES		<u>894,180,666</u>	<u>889,104,338</u>
III. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		<u>41,807,987</u>	<u>14,565,280</u>
Add: Extraordinary Items	30	191,705,292	-
IV. PROFIT BEFORE TAX		<u>233,513,279</u>	<u>14,565,280</u>
V. TAX EXPENSES:			
Current tax		49,512,006	2,893,876
Income tax for earlier year		14,385	(122,895)
MAT Credit Entitlement (Current Year)		(46,862,333)	(2,893,876)
MAT Credit Entitlement (Earlier years)		(14,385)	(7,981,924)
Deferred tax		13,255,425	6,780,949
VI. PROFIT FOR THE YEAR		<u>217,608,181</u>	<u>15,889,150</u>
VII. EARNINGS PER EQUITY SHARE (before extra ordinary items)			
Basic		3.03	1.87
Diluted		3.03	1.87
Refer note 32(6)			
VIII. EARNINGS PER EQUITY SHARE (after extra ordinary items)			
Basic		25.49	1.87
Diluted		25.49	1.87
Refer note 32(6)			

SIGNIFICANT ACCOUNTING POLICIES 2

CONTINGENT LIABILITIES AND COMMITMENTS 31

OTHER NOTES ON ACCOUNTS 32

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

"As per our report of even date"

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Anand Kumar Singh
(Whole time Director)

Place : New Delhi
Dated : 29/5/2014

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Cash Flow Statements

	Year ended March 31, 2014	Year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax & Extraordinary item	41,807,987	14,565,278
Adjustments		
Depreciation and amortization expenses	36,890,405	22,236,507
Depreciation credited to Profit and loss	-	(156,375)
Loss on sale of fixed assets	1,955,482	8,997,064
Profit on sale of fixed assets	(441,819)	(9,937,785)
Provision for doubtful trade receivable	632,358	347,500
Interest income	(3,422,566)	(2,010,939)
Interest expenses	32,241,742	26,064,571
Interest on Income Tax	2,447,578	49,944
Provision for Wealth Tax	172,500	(402,983)
Operating profit before working capital changes	112,283,667	59,752,782
Movement in working capital		
Decrease/(Increase) in trade receivables	(22,985,527)	24,696,039
Decrease/(Increase) in loans and advances	(52,467,299)	(33,670,461)
Decrease/(Increase) in current assets	(666,156)	8,906,290
Decrease/(Increase) in inventory	(69,027,891)	(44,705,139)
(Decrease)/Increase in trade payables	(15,494,562)	43,577,977
(Decrease)/Increase in other liabilities and provisions	72,224,581	21,747,472
Cash generated from/(used) in operations	23,866,813	80,304,960
Income taxes paid (net of refunds)	1,793,629	8,958,208
Net cash flow from/(used) in Operating activities (A)	22,073,184	71,346,752
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress	(143,022,000)	(238,074,864)
Investment in bank deposits (having original maturity of more than three months)	1,273,371	(2,770,602)
Proceeds from sale of fixed assets	10,056,353	23,632,694
Purchase of investment	(123,405,795)	-
Capital Advance (net of creditors for capital goods)	12,507,201	8,638,883
Sale of investment	-	-
Interest income	3,411,063	1,748,687
Loan/ advances given to others	(105,500,000)	(800,000)
Loan/ advances refund received	109,450,000	30,697,795
Purchase of Land	(53,023,300)	-
Extraordinary Items	191,705,292	-
Net cash flow from/(used) in Investing activities (B)	(96,547,815)	(176,927,407)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	(238,434,909)	(198,258,081)
Proceeds from short term borrowings	347,200,000	210,835,042
Repayment of long term borrowings	(25,998,689)	(11,737,957)
Proceeds from long term borrowings	1,250,000	148,521,000
Interest expenses	(35,400,769)	(23,617,483)
Proceeds from issue of forfeited shares	3,624,800	81,500
Net cash flow from/(used) in Financing activities (C)	52,240,433	125,824,021
Net increase / decrease in cash and cash equivalents (A+B+C)	(22,234,198)	20,243,366
Cash and cash equivalents at the beginning of the year	23,717,576	3,474,210
Cash and cash equivalents at the end of the year	1,483,378	23,717,576
NOTES:		
1) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3, "Cash Flow Statements".		
2) Components of cash and cash equivalents		
Balances with banks:		
Current accounts	657,219	23,246,219
Cash on hand	826,159	471,357
	1,483,378	23,717,576
Add : Deposits held as margin money against bank guarantees	12,909,550	14,182,922
Total cash and cash equivalents at the end of the year (Note- 18)	14,392,928	37,900,498

"As per our report of even date"

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

Rajan Bansal
(Partner)
M. No. 93591

Place : New Delhi
Dated : 29/5/2014

For and on behalf of the Board of Directors

Kulbir Singh
(Director)

Anand Kumar Singh
(Whole time Director)

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

1. CORPORATE INFORMATION

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

2. SIGNIFICANT ACCOUNTING POLICIES:

2.01 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies accounting Standards) Rules, 2006, (as amended), relevant provisions of the Companies Act, 1956, read with general circular 8/2014 dated 4th April, 2014 issued by Ministry of Corporate Affairs. 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.

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) Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.
- c) Capital work-in- progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date and are carried at cost comprising direct cost, related incidental expenses and interest on borrowings their against.
- d) Preoperative expenditure and trial run expenditure accumulated as capital work in progress is allocated on the basis of prime cost of fixed assets in the year of commencement of commercial production.
- e) Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

2.04 INTANGIBLE ASSETS**a) Acquired intangible assets**

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

b) Research and development cost

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

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

2.05 DEPRECIATION AND AMORTIZATION

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

b) Depreciation on mobile phones has been provided @ 16.21% p.a on straight line method.

c) Depreciation on leasehold building has been provided @ 10% p.a on the basis of straight line method.

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

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

2.06 INVESTMENTS

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

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

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

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

2.07 INVENTORIES

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

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

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

- iv) The stocks of scrap materials have been taken at net realisable value.
- v) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.08 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions and balances

i) **Initial recognition**

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

ii) **Conversion**

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

iii) **Exchange differences**

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

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

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

2.09 RETIREMENT BENEFITS

i) **Provident fund**

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

- ii) The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit 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.

iii) **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:

i) **Sale of Goods:**

Revenue from sale of Goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, and are recorded net of returns and trade discount. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are

not economics benefits flowing to the company and therefore are excluded from revenue. Excise Duty is deducted from revenue(Gross) to arrive at revenue from operations (net). sales do not include inter-divisional transfe₹

ii) **Job Work**

In case of Job works, the system of accounting in financial books are to consider net effect of material received and dispatched whereas in excise records complete details of input/ output quantity and excise duty is accounted for.

iii) **Composite Services**

In respect of Mobile blending unit where company has got composite price of material consumed & equipment rental, the rate for equipment rental is calculated on the basis of charge received under similar job work arrangements with government refineries and the remaining portion of income is considered as sale price of material.

iv) **Interest**

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

v) **Dividend from investment in Shares**

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

vi) **Claims**

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

2.11 FUTURE CONTRACTS

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

2.12 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

Identification of segments

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

Secondary segment: Geographical Segment

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

2.14 TAXES ON INCOME

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

DIRECT TAXES

- i) Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
- ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier year. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

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

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

- iii) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax. The Company recognizes MAT Credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Acts, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.
- iv) Wealth tax is ascertained in accordance with the provisions of the Wealth Tax Act 1957.

INDIRECT TAXES

- i) Excise duty (including education cess) has been accounted for in respect of the goods cleared. The company is providing excise duty liability in respect of finished products.
- ii) Service Tax has been accounted for in respect of services rendered.
- iii) Final sales tax / Value added tax liability is ascertained on the finalization of assessments in accordance to provisions of sales tax / value added tax laws of respective states where the company is having offices/ works.

2.15 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 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 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 CASH AND CASH EQUIVALENTS

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

Notes on Financial Statements for the year ended 31st March, 2014

	Number	As at 31-03-2014	Number	Amount (₹) As at 31-03-2013
3. SHARE CAPITAL				
(a) Authorised				
Equity Shares of ₹ 10/- each)	10,000,000	100,000,000	10,000,000	10,00,00,000
Issued				
Equity Shares of ₹ 10/- each	8,564,750	85,647,500	8,564,750	85,647,500
Subscribed and fully Paid up				
Equity Shares of ₹ 10/- each	8,485,950	84,859,500	8,485,950	84,859,500
Add: Forfeited share re-issued during the year	78,800	788,000	-	-
Opening balance of forfeited shares		524,333		524,333
Less: Transfer to capital reserves account on re issue of shares {Refer point no (f)}		(524,333)		-
	8,564,750	85,647,500	8,485,950	85,383,833
b) Reconciliation of shares outstanding at the beginning and at the end of reporting period the number of shares				
Equity shares outstanding at beginning of the year		8,485,950		8,564,750
Less: Equity shares forfeited during the year		-		78,800
Add: Forfeited equity shares re-issued during the year		78,800		-
Outstanding at the end of year		8,564,750		8,485,950
c) Terms/rights attached to equity shares				
(i) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of Equity share is entitled to one vote per share.				
(ii) In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
d) Details of Shareholders holding more than 5% shares in the Company				
		As at 31-03-2014		As at 31-03-2013
		No. of shares	% of holding	No. of shares
				% of holding
i) Mrs. Puja Sekhri	1,749,160	20.42	1,749,160	20.61
ii) Mrs. Shobha Sekhri	1,636,343	19.11	1,636,343	19.28
iii) Mrs. Aarti Sekhri	1,511,347	17.65	1,511,347	17.81
As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				
e) Aggregate number of shares issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares or the numbers of shares bought back during the period of five years immediately preceding the date as at which the Balance Sheet is prepared:				
		2013-14		2012-13
Equity shares :				
i) Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
ii) Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil
iii) Shares bought back	Nil	Nil	Nil	Nil
f) Forfeited Shares				
Equity shares	-	-	78,800	788,000
In earlier year, the Company had forfeited 78,800 equity shares of ₹10/- each in respect of which calls remained in arrears. Accordingly a sum of ₹5,24,333/- being the amount originally paid up on shares forfeited and ₹45,48,667/- being the amount of share premium on such shares were shown in share capital account and Capital reserve respectively in the financial year 2012-13. During the year, the Company has reissued 78800 forfeited equity shares of ₹10/- each at a premium of ₹36/- per equity share to the existing shareholders. Accordingly share capital has increased by ₹7,88,000/-, share premium account by ₹28,36,800/- and a sum of ₹5,24,333/- being surplus on re-issue of, forfeited shares has been transferred to capital reserve.				

Notes on Financial Statements for the year ended 31st March, 2014

		As at 31-03-2014	Amount (₹) As at 31-03-2013
4. RESERVE & SURPLUS			
(a) Capital reserve			
As per last balance sheet		4,548,667	-
Transfer from Securities premium account (Refer note no 3(f))		-	4,548,667
Add: Surplus on re-issue of forfeited shares (Refer note no 3(f))		524,333	-
		5,073,000	4,548,667
(b) Securities Premium Account			
As per the last balance sheet		172,377,186	176,857,853
Add: Received during the year (Refer note no 3(f))		2,836,800	68,000
Less: Transfer to capital reserve in respect of shares forfeited		-	(4,548,667)
		175,213,986	172,377,186
(c) General Reserve			
As per last Balance Sheet		11,704,929	11,704,929
		11,704,929	11,704,929
(d) Surplus as per the statement of profit and loss			
As per the last balance sheet		163,982,201	148,093,051
Add: Profit as per statement of profit and loss		217,608,181	15,889,150
Less: Appropriations :			
Proposed final equity dividend		(8,564,750)	-
Corporate dividend tax on proposed dividend		(1,455,579)	-
		371,570,053	163,982,201
		563,561,968	352,612,983

		Amount (₹)			
5. LONG TERM BORROWINGS	Refer Para	Non-Current		Current Maturities	
		As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
SECURED					
a)	Term loans from bank				
	Syndicate Bank	(a) 90,520,429	115,000,000	28,396,732	25,000,000
b)	Long Term maturities of finance lease obligations				
	From banks				
	Axis Bank Limited	-	1,233,927	1,233,927	1,116,967
	HDFC Bank Limited	152,436	301,810	149,374	133,540
	ICICI Bank Limited	528,982		408,622	
c)	From other parties				
	Tata Capital Financial Services Limited	117,847	941,031	823,184	1,176,742
	BMW India Financial Services Pvt. Ltd.	1,517,156	3,921,238	2,404,082	2,176,205
		92,836,850	121,398,006	33,415,921	29,603,454

a) Term Loan from Bank (Secured)

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

II. Primary security

The term loan is secured by way of hypothecation of plant and machinery furniture fixture, generator, office equipment and computers and work in progress at Panipat, Wada, Haldia and Chennai (Gummidipundi) plants of the Company and Unregistered equitable mortgage (UREM) of land and building at Wada and Chennai (Gummidipundi) plants of the Company.

Collateral securities

A. The term loan is further secured by way of equitable mortgage of land and building at:

- i) Land and Building located at Refinery Road, Village Rajapur, Tehsil and District Panipat - 132103
- ii) Land and Building located at Tirlokpur Road, Village Rampur Jattan, Industrial Estate, Kala-Amb, Nahan District Sirmour (H.P)
- iii) Farm House at No.6, Sultanpur, Mandi Road, Mehrauli, New Delhi- 110030
- vi) Land and Building located at Village Pali, Taluka Wada, District-Thane, Maharashtra
- v) Land and Building located at No. 17 Chithur Natham Village, Gummidipundi Taluk, Thiruvallur Dist, Tamilnadu

B. Other Properties

- i) Building at CRMB Plant at Mangalore Refinery and Petrochemicals Ltd. Kuthethur Post, Via Katipalla, Mangalore- 575030
- ii) Plant and Machinery, Furniture and Fixture, Generator, office equipment, computers and work in progress.

III. Terms of Repayment:

The term loan is repayable in 53 monthly installments (52 Equal monthly installments of ₹ 34,73,536/- including interest starting from 30 June 2013 and one installment of ₹ 20,02,242/-).

	As at 31.03.2014		As at 31.03.2013	
	Non Current	Current	Non-Current	Current
IV. Aggregate amount of Term Loans secured by way of personal guarantees of Shri Bhupinder Kumar and Kapil Sekhri, Directors of the Company and Gaurav Sekhri (Relative of Director).	90,520,429	28,396,732	115,000,000	25,000,000

b) Long Term Maturity of Finance Lease Obligations:

Long term maturity of finance lease obligations are secured against hypothecation of respective vehicles under finance lease. The detail as under:-

Name of Lendor	Nature of Lease	Terms of repayments (Including Interest)
Axix Bank Limited	finance lease	Repayable in 36 monthly instalments of ₹1,08,482/- including interest, commencing from 1st may 2012.
HDFC Bank Limited	finance lease	Repayable in 36 monthly instalments of ₹14,650/- including interest, commencing from 5th march 2013.
ICICI Bank Limited	finance lease	Repayable in 36 monthly instalments of ₹40,355/- including interest, commencing from 15th June 2013.
Tata Capital Financial Services Limited	finance lease	Repayable in 36 monthly instalments ranging from ₹17,269/-/- to 51,500/- including interest.
BMW India Financial Services Pvt. Ltd.	finance lease	Repayable in 36 monthly instalments of ₹2,24,000/- including interest, commencing from 29th November 2012.

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
6. DEFERRED TAX LIABILITIES (NET)		
Deferred tax liability		
On account of difference in rates and method of depreciation	43,905,465	35,831,457
	43,905,465	35,831,457
Deferred tax assets		
On account of expenditure charged to the statement of profit and loss and allowed for tax purposes on payment basis	3,917,441	5,469,734
On account of carried forward loss as per I.T. Act	-	3,629,124
	3,917,441	9,098,858
Net Deferred Tax Liabilities (Net)		
At the end of year	39,988,024	26,732,599
For the year	13,255,425	6,780,949
Deferred tax resulting from timing differences between book profit and taxable income is accounted for using the current tax rate.		
7. LONG TERM PROVISIONS		
Provision for employee benefits		
a) Gratuity {refer note 32 (2)}	6,577,863	7,334,025
b) Leave encashment {refer note 32(2)}	1,242,361	1,320,670
	7,820,224	8,654,695
8. SHORT TERM BORROWINGS		
a) Secured (Repayable on Demand)		
Working capital limits from Bank	179,019,484	121,891,232
	179,019,484	121,891,232
b) Unsecured		
From Directors	14,500,000	19,163,161
Inter corporate loans	92,300,000	36,000,000
	106,800,000	55,163,161
	285,819,484	177,054,393
1. a) The Company has availed working capital limits of ₹1200 lacs (previous year ₹1200 lacs) from Syndicate Bank which is secured by hypothecation of stocks and book debts of the Company. The working capital limit is further secured by collateral securities as mentioned under term loan from Syndicate Bank. (Refer point 5(a) above).		
b) Aggregate amount of Working capital limits secured by way of personal guarantees of Shri Bhupinder Kumar and Shri Kapil Sekhri, Directors of the Company and Shri Gaurav Sekhri (Relative of Director).	179,019,484	121,891,232
c) Working capital limits from bank include cheques issued but not presented as on the Balance Sheet date amounting to ₹6,08,30,778/- (Previous year ₹8,27,233)		
2. Unsecured loans from directors and companies are repayable on demand. Repayment of interest has been made as per stipulations.		

Notes on Financial Statements for the year ended 31st March, 2014

Amount (₹)
As at 31-03-2014 As at 31-03-2013

9. TRADE PAYABLES

Trade Payables	58,089,811	73,584,373
	58,089,811	73,584,373

- a) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31st March 2013 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

S. No.	Particulars	Year ended 31st March 2014	Year ended 31st March 2013
i)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act.	1,51,74,768/-	1,32,75,492/-
ii)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

- b) The Information in respect of the party determined under the MSMED Act 2006 , has been identified on the basis of information available with the Company.
- c) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period were at ₹29,49,289/- (previous year ₹49,64,736/-) as on the balance sheet date.
- d) No provision for interest payable in terms of Section 16 of the MSMED Act has been made.

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
10. OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer note 5)	28,396,732	25,000,000
Current maturities of finance Lease obligations (refer note 5)	5,019,189	4,603,454
Interest accrued but not due on borrowings	1,549,398	4,708,425
Security deposit	300,000	300,000
Creditors for capital goods	13,250,339	5,753,224
Other Liabilities:		
Employees benefits expenses	6,318,797	8,075,049
Statutory dues		
Excise duty payable	520,169	758,197
Service Tax	109,654	445,129
Vat/CST	4,101,864	1,993,180
Others	5,169,209	5,381,015
Other Liabilities	40,636,542	11,716,936
	105,371,893	68,734,609

- a) Interest accrued but not due on borrowings includes interest payable to director ₹2,57,978/- (previous year ₹30,41,022/-)
- b) Security deposit is on account of premises given on rent to wholly owned subsidiary company.
- c) The Company has made a provision of excise duty payable amounting to ₹4,99,260/- (Previous Year ₹7,58,197/-) on stocks of finished goods except goods exempt from payment of excise duty. Excise duty is considered as an element of cost at the time of manufacturing of goods.
- d) Employees benefit expenses include payable to directors ₹2,63,380/- (Previous year ₹4,01,800/-)
- e) Other Statutory dues are in respect of TDS, PF, ESI, Entry tax and Cess payable under BPMC (Cess on entry of goods) Rules 1996.
- f) Other payables are in respect of expenses payable and other miscellaneous liabilities and includes due to subsidiary and an associates company as under:

	Amount in ₹	Amount in ₹
Tinna Trade Private Limited (Subsidiary company)	10,426,479	-
Frateli Wines Private Limited	67,200	-

11. SHORT TERM PROVISIONS

Provision For employee benefits		
Gratuity {refer note 32 (2)}	1,723,699	1,595,881
Leave Encashment {refer note 32 (2)}	439,237	398,891
	2,162,936	1,994,772
Others		
Income Tax (Net of advance tax and TDS of Rs 12,68,589/- (Previous Year ₹25,28,296/-)	48,243,417	365,580
Wealth Tax	163,444	161,004
Proposed dividend	8,564,750	-
Corporate dividend tax	1,455,579	-
	58,427,190	526,584
	60,590,126	2,521,356

Notes on Financial Statements for the year ended 31st March, 2014

Amount (₹)
As at 31-03-2014 As at 31-03-2013

- a) Provisions are recognized for Leave encashment, Gratuity, Income Tax, Wealth Tax, Proposed dividend and Corporate dividend 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.

The movement of provisions are as under:-

At the beginning of the year

Leave encashment (Long term ₹13,20,670/-)	17,19,561/-	10,19,347/-
Gratuity (Long term ₹73,34,025/-)	89,29,906/-	77,24,654/-
Income Tax	3,65,580/-	62,77,904/-
Wealth Tax	1,61,004/-	7,02,555/-

Arising during the year

Leave encashment	2,60,722/-	8,85,308/-
Gratuity	9,11,674/-	19,07,199/-
Income Tax (Net of TDS)	4,82,43,417/-	29,80,267/-
Wealth Tax	1,63,444/-	1,61,004/-
Proposed equity dividend	8,564,750	-
Corporate dividend tax	1,455,579	-

Utilised during the year

Leave encashment	44,101/-	1,53,822/-
Gratuity	14,28,656/-	4,76,011/-
Income Tax	3,65,580/-	87,69,696/-
Wealth Tax	1,61,004/-	1,38,568/-

Unused amount reversed

Leave encashment	2,54,584/-	31,272/-
Gratuity	1,11,362/-	2,25,936/-
Income Tax	Nil	1,22,895/-
Wealth Tax	Nil	5,63,987/-

At the end of the year

Leave encashment (Long term ₹12,42,361/-)	16,81,598/-	17,19,561/-
Gratuity (Long term ₹65,77,863/-)	83,01,562/-	89,29,906/-
Income Tax	4,82,43,417/-	3,65,580/-
Wealth Tax	1,63,444/-	1,61,004/-
Proposed equity dividend	8,564,750	-
Corporate dividend tax	1,455,579	-

- b) **Provision for dividend(Proposed)**

The Board of Directors have recommended a final dividend of ₹1/- (Previous year Nil) per equity share ₹10/- each. The payment of final dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

Notes on Financial Statements for the year ended 31st March, 2014

12. FIXED ASSETS

S. No.	DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 01.04.2013	Additions	Sale/ Adjustment	As at 31.03.2014	Upto last year	For the year	Sale/Adjustment during the year	To Date	As at 31.03.2014	As at 31.03.2013
A	Tangible Assets										
1	Land Freehold	19,266,436	-	-	19,266,436	-	-	-	-	19,266,436	19,266,436
2	Building Leasehold	-	5,870,531	-	5,870,531	-	702,882	-	702,882	5,167,649	-
3	Freehold Building	91,714,666	16,116,072	2,890,746	104,939,992	12,040,122	3,005,484	40,737	15,004,869	89,935,123	79,674,544
4	Plant and Equipment	247,623,552	76,741,222	7,294,909	317,069,865	32,479,525	24,779,006	(100,054)	57,358,585	259,711,280	215,144,027
5	Electric Fittings	19,110,741	10,165,951	-	29,276,692	3,094,525	2,870,841	86,134	5,879,232	23,397,460	16,016,216
6	Generator	4,894,362	-	837,950	4,056,412	2,045,577	209,147	167,467	2,087,257	1,969,155	2,848,785
7	Furniture and Fixtures	5,844,230	479,895	-	6,324,125	4,643,903	198,094	-	4,841,997	1,482,128	1,200,327
8	Vehicles	44,576,758	3,377,205	3,437,489	44,516,474	10,217,891	4,194,382	1,546,471	12,865,802	31,650,672	34,358,867
9	Office Equipments	5,514,617	1,419,828	2,174,023	4,760,422	3,201,054	265,794	2,077,318	1,389,530	3,370,892	2,313,563
10	Computer	3,402,876	422,934	305,774	3,520,036	2,122,698	464,418	274,430	2,312,686	1,207,350	1,280,178
	Total tangible assets current year	441,948,238	114,593,638	16,940,891	539,600,985	69,845,295	36,690,048	4,092,503	102,442,840	437,158,145	372,102,943
	Total tangible assets previous year	261,293,277	227,945,594	47,284,824	441,954,047	61,523,358	22,214,793	13,887,047	69,851,104	372,102,943	199,769,919
B	Intangible Assets:										
1	Goodwill	937,920	-	-	937,920	937,919	-	-	937,919	1	1
2	Software	4,819,092	268,526	-	5,087,618	4,030,273	200,357	-	4,230,630	856,988	788,819
	Total intangible assets current year	5,757,012	268,526	-	6,025,538	4,968,192	200,357	-	5,168,549	856,989	788,820
	Total intangible assets previous year	5,000,387	750,816	-	5,751,203	4,940,669	21,714	-	4,962,383	788,820	59,718
C	Capital Work-in- Progress										
	Capital Work-in- Progress (previous year)	102,536,945	106,819,377	77,381,172	131,975,150	-	-	-	-	131,975,150	102,536,945
	TOTAL (A+B+C) CURRENT YEAR	550,242,195	221,681,541	94,322,063	677,601,673	74,813,487	36,890,405	(4,092,502)	107,611,389	569,990,284	475,428,708
	TOTAL (A+B+C) PREVIOUS YEAR	348,623,430	423,557,004	221,938,239	550,242,195	66,464,027	22,236,507	13,887,047	74,813,487	475,428,708	282,159,403

Notes:

- (1) The Company was awarded Work Order No. WQA074A dtd.20.07.2009 by Mangalore Refinery & Petro Chemical Ltd. (MRPL) for making modified bitumen. As per the work order, the Company shall transfer plant of gross block ₹2,35,34,811/- (WDV ₹1,540,1250/-) in complex of MRPL at nominal amount of ₹1/- on 05.07.2014. As per the work order, the prescribed quantity to be processed during the period from 05/07/2009 to 05/07/2014 is 3,55,000 M.T., while as on the date of Balance Sheet 1,44,641 M.T. of quantity (40.74%) has been processed. In view of this, the Company has not amortized the plant during the aforesaid period of work order and the depreciation has been provided on rates as per Schedule XIV of the Companies Act 1956. The Company proposes to hold the plant till the final quantity as per the work order is processed.
- (2) Depreciation on Crumb Rubber Plant has been provided @ 11.875% per annum considering the useful life of the Plant as 8 years on Straight Line Method. Depreciation on other Plant and Machinery has been provided on Straight Line Method on rates as per Schedule XIV of the Companies Act, 1956.
- (3) Depreciation on leasehold building has been provided @ 10% p.a on the basis of straight line method.
- (4) Depreciation on assets for a value not exceeding ₹ 5,000 each individually has been provided @ 100%.
- (5) Depreciation on mobile phones has been provided @ 16.21% p.a on straight line method.
- (6) The Company's plant at Panipat has been notified to be covered under the industrial area of HSIDC, Panipat and the procedural implementation of acquisition/ subsequent release is in progress. (Refer note 31(g))
- (7) Interest during construction paid during the year amounting to ₹ 47,72,140/- (previous year ₹ 94,82,612) has been capitalised in pursuant requirement of AS-16 issued by Institute of Chartered Accountants of India.
- (8) Adjustment in Capital work in progress of ₹ 77,381,172 /- is in respect of Panipat and Haldia units completed during the year which has been transferred under the following heads:

Building	12,409,608
Plant and Machinery	62,392,219
Electrical Fittings and Installations	2,579,345
Total	77,381,172
- (9) Vehicles taken on Finance lease are as under:-

Gross Block	1,88,17,900
Net Block	1,52,89,273

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
13. NON CURRENT INVESTMENT		
Other Investments, Long Term (valued at cost unless otherwise stated)		
a) Investment in Equity instruments:		
Unquoted equity instruments in Subsidiary Companies		
Tinna Trade Private Limited	50,375,320	20,300,320
50,00,000 (100%)* {Previous Year 20,00,000 (40%)} equity shares of ₹ 10/- each fully paid up {refer note 32(9)}		
*one share held by nominee shareholder		
Unquoted equity instruments in Associate Companies		
B.G. K. Infrastructure Developers Private Limited	46,209,695	26,194,700
40,83,800 (50%) {Previous Year 26,17,500 (100%)} equity shares of ₹ 10/- each fully paid up {refer note 32(8)}		
BGNS Infratech Private Limited	23,157,750	-
721875 (48.12%) (Previous Year Nil) equity shares of ₹10/- each fully paid up {refer note 32(10)}		
TP Buildtech Private Limited	19,900,000	-
19,90,000 (49.75%) (Previous Year Nil) equity shares of ₹10/- each fully paid up {refer note 32(11)}		
Unquoted equity instruments in Other Companies		
Puja Infratech Private Limited	3,729,300	-
1,24,000 (12.40%) (Previous Year Nil) equity shares of ₹10/- each fully paid up		
Bee Gee Ess Farms & Properties Private Limited	11,528,750	-
1,15,000 (12.58%) (Previous Year Nil) equity shares of ₹10/- each fully paid up		
Fratelli Wines Private Limited	15,000,000	-
1,50,000 (2.15%) (Previous Year Nil) equity shares of ₹10/- each fully paid up (refer point no.4)		
Keerthi International Agro Private Limited {refer note 32(12)}	1,100,750	1,100,750
11,000 (29%) {Previous Year 11,000 (29%)} equity shares of ₹100/- each fully paid up		
	171,001,565	47,595,770
b) Investment in Preference Shares:		
Indo Enterprises Private Limited (Unquoted)		
40,000 (Previous Year 40,000) 6% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	4,000,000	4,000,000
80,000 (Previous Year 80,000) 8% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	8,000,000	8,000,000
TOTAL	12,000,000	12,000,000
	183,001,565	59,595,770

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
NOTES:		
1. Aggregate value of unquoted Investments	183,001,565	59,595,770
2. Book value of unquoted Investments	258,117,589	99,333,616
3. The Companies are closely held unquoted companies. Therefore book value has been considered on the basis of latest available audited financial statements.		
4. Management is of the opinion that the fair value of the unquoted equity share of Fratelli Wines 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 this company.		
14. LONG TERM LOANS AND ADVANCES		
(Unsecured considered good)		
Capital advances	7,420,398	12,430,484
Security deposits	8,704,160	6,097,734
MAT credit entitlement {refer note 32(13)}	57,752,518	10,875,800
Other loans and advances	96,595	128,961
	73,973,671	29,532,979
15. OTHER NON CURRENT ASSETS		
(Unsecured considered good)		
Land at Delhi {refer note 32(17)}	53,023,300	-
Trade Receivables	27,544,112	31,984,479
Less: Claims payable	(13,772,056)	(13,772,056)
	66,795,356	18,212,423
<p>Long term trade receivable include claim receivable of ₹ 2,75,44,112/- from Food Corporation of India Limited (F.C.I) and Project and Equipment Corporation of India Limited (P.E.C) for which the Company has filed suits for recovery. However, as per order of Company Law Board dated 9th June, 2009, if any amount is received, the amount to the extent of 50% will be paid to separated group. A provision of ₹137,72,056/- has been made as per CLB order. The Company has filed an appeal pending before the Hon'ble High Court of India on 06/02/2013 and is hopeful of recovering the amount due from Food Corporation of India (F.C.I) and Project and Equipment Corporation Of India Limited (P.E.C), Hence no provision has been considered necessary in respect of the aforesaid receivables.</p>		
16. INVENTORIES		
Raw materials {including Stock in Transit ₹ 1,11,38,390/- (Previous Year ₹ 9,77,475/-)}	75,511,449	44,514,443
Work in progress {Including Stock in Transit ₹ 19,20,000/- (Previous Year Nil)}	52,537,143	42,338,354
Finished goods {including Stock in Transit ₹ Nil (Previous Year ₹7,18,892/-)}	8,498,519	7,413,356
Stock in Trade (Traded Goods)	293,584	-
Stores and spares	5,213,337	3,711,981
Packing materials	2,941,884	2,315,388
Consumable stores	203,092	296,064
Steel scrap	32,534,606	8,116,137
	177,733,614	108,705,723
a) Inventories have been valued at lower of cost and net realisable value.		
b) Scrap material has been valued at estimated net realisable value.		
c) Refer note no.2.07		

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
17. TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	21,703,495	14,429,068
Unsecured, considered doubtful	632,358	400,000
	22,335,853	14,829,068
Less : Provision for doubtful receivables	632,358	400,000
	21,703,495	14,429,068
Other receivables		
Unsecured, considered good	132,864,449	117,785,707
	154,567,944	132,214,775
18. CASH AND BANK BALANCES		
Cash and cash equivalents		
Balance with banks in current accounts	657,219	23,246,219
Cash on hand	826,159	471,357
Other bank balances		
Deposits held as margin money against bank guarantees	12,839,000	14,112,372
Pledge with government departments	70,550	70,550
	14,392,928	37,900,498
	14,392,928	37,900,498
* Include Bank deposits of ₹5,00,000/- (Previous year ₹3,50,000/-) with 12 months or more original maturities.		
19. SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances against materials and services	18,592,383	7,247,255
Security deposits	1,654,000	1,154,960
Loans and advances to related parties	-	3,950,000
Balance with Statutory/ Government authorities:		
Excise Duty	13,343,688	15,419,341
Service Tax	3,337,252	523,673
VAT	3,453,959	6,299,459
Loans to employees	1,418,310	1,426,408
Other advances	9,653,317	11,924,925
	51,452,909	47,946,021
	51,452,909	47,946,021
a) Loans and advance includes advance given to B.G.K Infrastructure Developers Private Limited, an associates company ₹ Nil (Previous Year ₹39,50,000/-)		
b) Other advance include advance towards godown rent, job work charges and excise duty on Capital goods (Deferred) and other miscellaneous advances.		
20. OTHER CURRENT ASSETS		
(Unsecured considered good)		
Recoverable against sale of tangible assets	-	4,200,000
Prepaid Expenses	1,457,009	1,763,477
Deposits under protest {refer note 32(16)}	4,061,221	-
Interest accrued but not due	340,909	329,406
Other receivables	1,958,470	847,067
	7,817,609	7,139,950
	7,817,609	7,139,950

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
Other receivable are in respect of incentive receivables and includes due from Companies in which a Director is a Director as under:		
Fratelli Wines Private Limited	-	152,679
Tinna Trade Private Limited, Subsidiary Company	95,929	39,018
Chin Min Developers Private Limited	5,753	-
Green Range Farms Private Limited	187,705	-
TP Buildtech Private Limited	16,139	-
21. REVENUE FROM OPERATIONS (NET)*		
Sale of Products		
Finished goods	874,417,830	848,568,903
Traded goods	5,896,745	-
Sale of services	38,948,570	33,995,294
Other operating revenues	9,475,100	5,985,682
	928,738,245	888,549,879
* REVENUE FROM OPERATIONS		
a) Sale of Products:		
Crumb rubber modifier (CRM)	332,819,350	260,049,557
Crumb rubber modified bitumen (CRMB)	140,549,615	302,262,059
Polymer modified bitumen (PMB)	11,824,499	-
Emulsion	87,033,318	115,924,154
Fine crumb rubber	100,648,400	124,946,388
Crumb rubber	120,264,320	7,719,905
Steel scrap	72,947,110	25,094,120
Natural asphalt	846,000	-
SBS	3,359,152	-
Aqualoc-HW-4	2,723,350	12,138,720
TP crete (TP-4)	58,100	434,000
Others	1,344,616	-
	874,417,830	848,568,903
b) Traded goods:		
Aqualoc-HW-4	4,139,608	-
Tyre cutting machine	1,757,137	-
	5,896,745	-
c) Sale of Services:		
Manufacturing charges	22,477,998	17,245,788
Equipment rental income	16,470,572	16,749,506
	38,948,570	33,995,294
d) Other operating revenues:		
Freight on sales recovered	9,475,100	5,985,682
	9,475,100	5,985,682

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013	
22. OTHER INCOME			
Interest income			
From bank	1,165,805	1,093,403	
From others	2,256,761	917,536	
Rental income	1,403,012	1,340,000	
Profit on sale of tangible assets	441,819	9,937,785	
Excess Provisions written back	1,050,218	841,527	
Doubtful debts and advances recovered	-	52,500	
Miscellaneous income	932,793	936,988	
	7,250,408	15,119,739	
23. COST OF MATERIALS CONSUMED			
Natural asphalt	34,666,200	30,049,687	
Crumb rubber	84,461,069	172,362,931	
Bitumen	198,895,616	334,769,437	
Used old tyre	203,236,591	87,199,476	
Aqualoc-HW-4	2,675,886	11,134,391	
Packing materials	16,555,592	12,894,921	
Others	25,219,757	21,924,830	
	565,710,711	670,335,673	
24. PURCHASE OF STOCK IN TRADE (TADED GOODS)			
Aqualoc HW-4	4,058,399	-	
Tyre cutting machine	2,157,964	-	
	6,216,363	-	
25. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS	As at	As at	Increase/
	31-03-2013	31-03-2012	(Decrease)
Inventories at the end of the Year			
Semi-finished goods	52,537,143	42,338,354	10,198,789
Finished goods	8,498,519	7,413,356	1,085,163
Traded goods	293,584	-	293,584
Steel scrap	32,534,606	8,116,137	24,418,469
	93,863,852	57,867,847	35,996,005
Inventories at the beginning of the Year			
Semi-finished goods	42,338,354	5,361,527	36,976,827
Finished goods	7,413,356	8,302,737	(889,381)
Steel scrap	8,116,137	-	8,116,137
	57,867,847	13,664,264	44,203,583
Increase/ (Decrease) in stocks	35,996,005	44,203,583	
Details of inventories at the end of the Year			
Semi Finished Goods			
Crumb rubber		49,441,823	36,363,104
Modified bitumen		2,061,248	4,492,720
Emulsion		916,047	1,276,272
Eva		118,025	206,258
		52,537,143	42,338,354

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
Finished Goods		
Crumb rubber modifier	3,488,889	4,174,161
Crumb rubber modified bitumen (CRMB)	-	300,542
Emulsion	916,222	2,301,059
Fine crumb rubber	3,773,408	555,516
Aqualoc HW-4	-	82,078
Crumb rubber	320,000	-
	8,498,519	7,413,356
Traded Goods		
Tyre cutting machine	293,584	-
Scrap		
Steel scrap	32,534,606	8,116,137
	93,863,852	57,867,847
Details of inventories at the beginning of the year		
Semi Finished Goods		
Crumb rubber	36,363,104	-
Modified bitumen	4,492,720	4,883,803
Emulsion	1,276,272	477,724
Eva	206,258	-
	42,338,354	5,361,527
Finished Goods		
Crumb rubber modifier	4,174,161	5,720,868
Crumb rubber modified bitumen (CRMB)	300,542	343,261
Emulsion	2,301,059	1,660,106
Aqualoc HW-4	82,078	-
Fine crumb rubber	555,516	578,502
	7,413,356	8,302,737
Scrap		
Steel scrap	8,116,137	-
	57,867,847	13,664,264
26. EMPLOYEE BENEFITS EXPENSES		
Salary, Wages, Bonus and other benefits	80,775,025	74,154,898
Contribution towards PF and ESI	6,842,412	6,118,702
Gratuity and Leave encashment {(refer note no. 32(2))}	806,451	2,572,809
Staff welfare expenses	4,396,592	4,071,446
	92,820,480	86,917,855
Employee benefits expense include managerial remuneration as detailed below :		
Salary	4,226,400	7,120,800
Contribution towards PF	360,937	518,400
27. FINANCE COSTS		
Interest expense	32,241,742	26,064,571
Interest on income tax	2,447,578	49,944
Other borrowing costs	2,014,770	1,564,500
Bank charges	2,997,404	3,297,099
	39,701,494	30,976,114

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
28. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on tangible assets	36,690,048	22,214,793
Amortisation of intangible assets	200,357	21,714
	36,890,405	22,236,507
29. OTHER EXPENSES		
Consumption of stores and spare parts	4,828,849	2,627,181
Power and fuel	53,078,992	26,461,668
Job work charges	13,706,516	1,148,183
Rent	5,444,671	4,626,130
Repairs to buildings	1,565,657	392,726
Repairs to machinery	25,678,148	8,813,423
Repairs others	2,421,761	2,198,125
Insurance	1,901,569	1,729,495
Rates and taxes	1,521,645	1,641,738
Professional and consultancy charges	5,559,929	5,101,792
Travel, Conveyance and vehicle maintenance	18,242,992	19,704,914
Telephone, Internet, Postage and courier	2,400,264	2,606,448
Foreign currency exchange fluctuations (Net)	1,588,213	563,437
Provision for doubtful debts	632,358	400,000
Bad debts and sundry balances written off	5,015,367	83,043
Loss on sale of tangible assets	1,955,482	8,997,064
Audit fees*	800,000	800,000
Commission	2,191,732	4,282,635
Transportation expenses	27,239,826	18,792,114
Business promotion and marketing expenses	2,728,588	3,152,477
Lab expenses/Research and development	805,416	582,461
Shortage in transit	209,503	329,165
Excise duty on opening and closing stocks of finished goods	(258,937)	(132,656)
Miscellaneous expenses	9,578,677	7,940,209
	188,837,218	122,841,772
* Payment to Auditors		
Audit fee	650,000	650,000
Tax audit fee	150,000	150,000
	800,000	800,000
30. EXCEPTIONAL ITEMS		
Release consideration {Refer note 32(15)}	191,705,292	-
	191,705,292	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	2013-14	(Amount in ₹) 20112-13
31. CONTINGENT LIABILITIES AND COMMITMENTS		
A. Contingent liabilities (to the extent not provided for)		
a) Claims/Suits filed against the Company not acknowledged as debts (Advance paid ₹50,000/-) (Refer point (i))	1,43,02,921/-	1,43,02,921/-
b) Bank guarantees opened with banks: (Margin money ₹1,28,39,000/- (Previous Year ₹1,35,39,000/-)	11,44,04,592/-	11,35,17,161/-
c) Foreign letter of credits opened with Bank (USD \$)	Nil/-	80,36,563/-
d) Disputed tax liabilities in respect of pending cases before Appellate Authorities (Refer Point (ii))	1,92,70,355/-	1,42,58,054/-
e) Surety given to sales tax department (Haryana) in favour of associate company (Refer point (iii))	1,00,000/-	1,00,000/-
f) Corporate guarantee (Refer point (iv))	53,55,00,000/-	Nil/-
g) Demand raised by Haryana State Industrial and Infrastructural Development Corporation Limited (HSIDC) (Refer point V)	3,73,26,794/-	3,73,26,794/-
h) Entry tax levied by the Government of West Bengal {net of provision of ₹654355/- (previous year ₹ 575735)}	6,46,273/-	2,75,130/-

NOTES:

- i) a) Shri Vijay Kumar Sekhri (Ex-Director) and Anil Kumar Sekhri (Ex-Director) have filed suits before Hon'ble High Court Delhi for recovery ₹11250000/- towards remuneration from 01.09.2009 to 15.07.2011 together with interest 18% p.a which has been dismissed by Hon'ble High Court Delhi vide order dated 12.02.2013. The said Shri. Vijay Kumar Sekhri (Ex-Director) and Shri Anil Kumar Sekhri (Ex-Director) have filed Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.
- b) A claim has been filed against the Company by a supplier for recovery of ₹17,76,558/- which is pending before the VII Addl. City Civil Court, Chennai.
- ii) The various disputed tax liabilities are as under:

Description	Court Authority	Period to which relates	Disputed amount	
a) Income Tax				
The Tribunal deleted addition of ₹1,90,91,831/- on account of disallowance of job work charges. The Income Tax department has filed an appeal before the Hon'ble High court of Delhi.	High Court of Delhi	2000-01	73,50,358/-	73,50,358/-
The disputed tax liabilities in respect of various disallowance/ additions made by the A.O.	CIT (Appeals)	2006-07 to 2009-10	69,07,696/-	69,07,696/-
			<u>1,42,58,054/-</u>	<u>1,42,58,054/-</u>

b) Service Tax

Service Tax Liability (excluding interest and Penalty) on account of difference in interpretation about category of service in respect of Operation and Maintenance of Crumb Rubbber Modified Bitumen (CRMB) Plant of Indian Oil Corporation Limited at Mathura	Filing of appeal under process	01.04.2008 to 30.06.2012	50,12,301/-
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1,92,70,355/-	1,42,58,054/-
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Based on the opinion of the legal advisor, the Company does not expect any liabilities hence no provision has been made.

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

- iii) The Company has given surety bond for Rs1,00,000/- under Haryana VAT Act, 2003 and CST Act, 1956 in favour of Fratelli Wines Private Limited, an associate company.
- iv) The corporate gurantees given by the Company are as under:-
- a) The Company has extended the corporate gurantee for credit facility of ₹5,00,00,000/- taken by TP Buildtech Private Limited(associate company) from Syndicate Bank. The Company has extended 2nd charge (UREM) on land measuring 13500 sq. metres situated at Gult No 113/2 and 114/2 Village Pali Taluka Wada, District Thane- Maharashtra towards credit facility sanctioned to TP Buildtech Private Limited.
 - b) The Company has extended corporate gurantee for credit facility of ₹15,65,00,000/- taken by BGK Infrastructure Developers Private Limited(associate company) from ICICI Bank Limited.
 - c) The Company has extended the corporate gurantee for credit facility of ₹32,90,00,000/- taken by Tinna Trade Private Limited(subsidiary company) from Syndicate Bank.
- v) The Company had set up a plant at Panipat, Haryana on land measuring 34 kanals, 8 marlas. The land was notified as a part of Industrial area by Haryana State Industrial and Infrastructural Development Corporation Limited (HSIIDC) in the year 2006-07. In terms of applicable Government laws, the company filed an objection with the authority and land measuring 20 kanals and 12 marlas was released by HSIIDC which continues to be in possession of the company till date. However, HSIIDC has erroneously served a demand of ₹ 37326794/- for allotment of above land. The company has filed a writ petition in the High Court of Punjab and Haryana against demand served by HSIIDC and release and restoration of entire land.

B. Commitments:

Estimated amount of capital contracts remaining to be executed and not provided for(net of advances)	1,90,13,389/-	1,92,18,308/-
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32. OTHERS NOTES ON ACCOUNTS

1. a) In the opinion of the Board, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- b) Balance of trade payable, other current liabilities, long and short term advances, other non-current and current assets and trade receivable are subject to reconciliation and confirmations.

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

Defined Contribution Plan

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

	2013-14	2012-13
Employer's contribution towards provident fund (PF)	3,444,558	3,307,318
Employer's contribution towards family pension scheme (FPS)	2,757,241	2,385,289
Employer's contribution towards employee state insurance (ESI)	711,292	657,925
	<u>6,913,091</u>	<u>6,350,532</u>
Less: Capitalised under tangible assets	(70,679)	(231,830)
Expenses charged to statement of profit and loss	<u>6,842,412</u>	<u>6,118,702</u>

Defined Benefit Plan
(A) Gratuity

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

a. Reconciliation of opening and closing balances of defined benefit obligation

Defined benefit obligation at beginning of the year	8,929,906	7,724,654
Current service cost	1,439,419	1,547,802
Interest cost	736,717	635,538
Actuarial (gain)/ loss	(1,375,826)	(502,077)
Benefits paid	(1,428,656)	(476,011)
Defined benefits obligation at year end	<u>8,301,560</u>	<u>8,929,906</u>

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

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

c. Reconciliation of fair value of assets and obligations

Fair value of plan assets	-	-
Present value of obligations	8,301,561	8,929,906
Amount recognized in the balance sheet- asset/(liability)	(8,301,561)	(8,929,906)
Current portion	1,723,699	1,595,881
Noncurrent portion	6,577,862	7,334,025

d. Expenses recognized in profit and loss account

Current service cost	1,439,419	1,547,802
Interest cost	736,717	635,538
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(1,375,826)	(502,077)
Net cost	<u>800,310</u>	<u>1,681,263</u>

e. Investment details

LIC group gratuity policy	-	-
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f. Actuarial Assumption

Mortality Table (LIC)	1994-96	1994-96
Discount Rate (per annum)	9%	8.25%
Expected rate of return on plan assets(per annum)	0%	0%
Rate of escalation in salary (per annum)	8%	7%

g. Amounts for current and previous period	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of obligation	8,301,561	8,929,906	7,724,654	6,034,934	3,020,930
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-

NOTES:

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

(B) Leave Encashment

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

	2013-14	2012-13
a. Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined Benefit obligation at beginning of the year	1,719,561	1,011,990
Current Service cost	349,290	388,796
Interest cost	141,864	83,260
Actuarial (Gain)/ Loss	(485,014)	388,644
Benefits paid	(44,101)	(153,129)
Defined benefits obligation at year end	1,681,600	1,719,561
b. Reconciliation of opening and closing balance of fair value of plan assets		
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets actuarial (Gain/Loss)	-	-
Employer contribution	-	-
Benefits paid	-	-
Fair value of plan assets as on 31.03.2013	-	-
Actual return on plan assts	-	-
c. Reconciliation of fair value of assets and obligations		
Fair value of plan assets at beginning of the year	-	-
Present value of obligations at year end	1,681,600	1,719,561
Amount recognized in the balance sheet- asset/(liability)	(1,681,600)	(1,719,561)
Current Portion	439,237	398,891
Noncurrent Portion	1,242,363	1,320,670
d. Expenses recognized in profit & loss account		
Current service cost	349,290	388,796
Interest cost	141,864	83,260
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(485,014)	388,644
Net cost	6,140	860,700

e. Investment details

LIC group gratuity policy	-	-
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f. Actuarial Assumption

Mortality Table (LIC)	1994-96	1994-96
Discount Rate (per annum)	9%	8.25%
Expected rate of return on plan assets(per annum)	0%	0%
Rate of escalation in salary (per annum)	8%	7%

g. Amounts for current and previous period	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of obligation	1,681,599	1,719,561	1,011,990	567,838	262,014
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-

NOTES:

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

3. Segment Information:

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

4. Related Party Disclosure

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

(A) Names of related parties and description of relationship :
(i) Subsidiary Companies

Tinna Trade Private Limited (w.e.f 09/05/2013)
B.G.K. Infrastructure Developers Private Limited (upto 29/10/2013)

(ii) Associate Companies

B.G.K. Infrastructure Developers Private Limited (w.e.f 30/10/2013)
BGNS Infratech Private Limited (w.e.f. 31/05//2013)
T P Builtech Private Limited (w.e.f. 05/04/2013)

(iii) Enterprises in which KMP and relatives of such person exercise significant influence.

Fratelli Wines Private Limited
Pratham Road Technologies and Construction Limited
Bee Pee Farms and Properties Private Limited
Bee Gee Ess Farms & Properties private Limited
Spaceage Technical services Private Limited
Shankar Ratna Agro Farm Privarte Limited
Shivratna Agro Products Private Limited

Gee Ess Pee Land Developers Private Limited
 S.S.Horticulture Private Limited
 Shiv Ratna Multilayers Private Limited
 Nova Infratech Limited
 Chinmin Developers Private Limited
 Guru Infratech Private Limited
 BGK Commodities Private Limited
 Arnav Estate Private Limited
 Panjawani Properties Private Limited
 Puja Infratech Private Limited
 Green Range Farms Private Limited

(iv) Key Management personnel

Shri Bhupinder Kumar Sekhri
 Shri Kapil Sekhri

(v) Relatives of key management personnel

Shri Gaurav Sekhri
 Smt. Shobha Sekhri
 Smt. Aarti Sekhri
 Smt. Puja Sekhri

(B) Transaction during the year

	<u>2013-14</u>	<u>2012-13</u>
(i) Loan taken from :		
Enterprises in which KMP and relatives of such person exercise significant influence.		
Arnav Estate Private Limited	-	12,900,000
Chin Min Developer Private Limited	11,100,000	38,000,000
Gee Ess Pee land Developers Private Limited	155,000,000	-
Guru Infratech Private Limited	2,000,000	-
Green Range Farms Private Limited	6,500,000	-
Panjawani Properties Private Limited	-	8,000,000
Puja Infratech Private Limited	-	3,500,000
S.S.Horticulture Private Limited	5,000,000	1,200,000
Key Management Personnel		
Mr Bhupinder Kumar Sekhri	20,900,000	19,600,000
Mr Kapil Sekhri	8,400,000	-
	208,900,000	83,200,000
(ii) Loan Repaid:		
Enterprises in which KMP and relatives of such person exercise significant influence.		
Arnav Estate Private Limited	-	12,900,000
Chin Min Developer Private Limited	11,100,000	47,988,662
Gee Ess Pee Land Developers Private Limited	155,000,000	501,770
Guru Infratech Private Limited	2,000,000	1,506,639
Panjawani Properties Private Limited	-	8,000,000
Pratham Road Technologies and Construction Limited	-	653,844
Puja Infratech Private Limited	-	3,500,000
S.S.Horticulture Private Limited	5,000,000	1,200,000

	Key Management Personnel		
	Mr Bhupinder Kumar Sekhri	37,004,183	23,700,000
	Mr Kapil Sekhri	-	8,807,165
		210,104,183	108,758,080
(iii)	Interest Paid		
	Enterprises in which KMP and relatives of such person exercise significant influence.		
	Arnav Estate Private Limited	-	641,671
	Chin Min Developer Private Limited	172,726	1,049,018
	Gee Ess Pee Land Developers Private Limited	1,259,566	4,110
	Guru Infratech Private Limited	-	12,329
	Green Range Farms Private Limited	19,500	-
	Panjawani Properties Private Limited	-	459,041
	Pratham Road Technologies & Construction Limited	-	90,016
	Puja Infratech Private Limited	-	179,895
	S.S.Horticulture Private Limited	-	25,151
	Key Management Personnel		
	Mr Bhupinder Kumar Sekhri	446,261	3,378,913
	Mr Kapil Sekhri	89,178	598,240
		1,987,231	6,438,384
(iv)	Commisson Paid		
	Associate Companies		
	TP Builtech Private Limited	-	460,350
(v)	Rent Received		
	Subsidiary Companies		
	Tinna Trade Private Limited	1,403,000	1,340,000
	Associate Companies		
	T P Buildtech Private Limited	12	-
		1,403,012	1,340,000
(vi)	Reimbursement of Expenses		
	Subsidiary Companies		
	Tinna Trade Private Limited	10,751,978	
	Associate Companies		
	TP Builtech Private Limited	-	25,100
	B.G.K. Infrastructure Developers Private Limited	-	38,992
	Enterprises in which KMP and relatives of such person exercise significant influence.		
	Fratelli Wines Private Limited	135,831	171,742
		10,887,809	235,834
(vii)	Reimbursement received of expenses incurred		
	Subsidiary Companies		
	Tinna Trade Private Limited	400,297	352,381
	Associate Companies		
	TP Builtech Private Limited	2,126,259	-
	B.G.K. Infrastructure Developers Private Limited		
		2,526,556	352,381

(viii) Loan given to			
Subsidiary Companies			
Tinna Trade Private Limited	97,500,000		-
Associate Companies			
B.G.K. Infrastructure Developers Private Limited	-		800,000
Enterprises in which KMP and relatives of such person exercise significant influence.			
Chin Min Developer Private Limited	5,500,000		-
Green Range Farms Private Limited	2,500,000		-
	105,500,000		800,000
(ix) Repayment of loans given			
Subsidiary Companies			
Tinna Trade Private Limited	97,500,000		
Associate Companies			
B.G.K. Infrastructure Developers Private Limited	3,950,000		-
Enterprises in which KMP and relatives of such person exercise significant influence.			
Chin Min Developer Private Limited	5,500,000		-
Green Range Farms Private Limited	2,500,000		-
	109,450,000		-
(x) Interest Received			
Subsidiary Companies			
Tinna Trade Private Limited	1,071,452		-
Enterprises in which KMP and relatives of such person exercise significant influence.			
Chin Min Developer Private Limited	5,753		-
Green Range Farms Private Limited	187,705		-
	1,264,910		-
(xi) Sale of fixed assets			
Enterprises in which director exercise significant influence			
Shivratna Agro Products Private Limited	250,000		-
Associate Companies			
T P Buildtech Private Limited	7,107,919		-
	7,357,919		-
(xii) Sale of goods and services			
Associate Companies			
T P Buildtech Private Limited	7,119,485		-
	7,119,485		-
(xiii) Purchase of incentive certificates			
Subsidiary Companies			
Tinna Trade Private Limited	3,261,595		-
	3,261,595		-
(xiv) Refund of advance for share			
Associate Companies			
B.G.K. Infrastructure Developers Private Limited	4,000,006		-
	4,000,006		-
(xv) Equity shares purchased			
Associate Companies			
B.G.K. Infrastructure Developers Private Limited (1466300 equity shares of Rs 10/-each)	20,014,995		-
T P Buildtech Private Limited(1990000 equity shares of Rs 10/-each)	19,900,000		-

	Enterprises in which KMP and relatives of such person exercise significant influence.		
	562500 equity shares of BGNS Infratech Private Limited for ₹18000000/- and 124000 equity shares of Puja Infratech Private Limited for ₹ 3720000/- purchased from S.S Horticultures Private Limited)	21,720,000	-
	Fratelli Wines Private Limited(150000 equity shares of Rs 10each)	15,000,000	-
	115000 equity shares of Bee Gee Ess Farms & Properties private Limited purchased from Chin Min Developer Private Limited.	11,500,000	-
		88,134,995	-
(xvi)	Forfeited share re-issued		
	Key Management Personnel		
	Shri Kapil Sekhri	1,812,400	-
	Relatives of key management personnel		
	Shri Gaurav Sekhri	1,812,400	-
		3,624,800	-
(xvii)	Purchases of gifts		
	Enterprises in which KMP and relatives of such person exercise significant influence.		
	Fratelli Wines Private Limited	645,318	419,113
		645,318	419,113
(xviii)	Managerial remuneration		
	Key Management Personnel		
	Mr. Bhupinder Kumar Shekhri-Director	3,560,400	3,560,400
	Mr Kapil Sekhri- Director(previous year)	-	3,560,400
	Relatives of key management personnel		
	M₹ Shobha Sekhri	1,200,000	720,000
	M₹ Aarti Sekhri	-	720,000
		4,760,400	8,560,800
(xix)	Corporate guarantees given		
	Subsidiary Companies		
	Tinna Trade Private Limited	329,000,000	
	Associate Companies		
	B.G.K. Infrastructure Developers Private Limited	156,500,000	-
	TP Builtech Private Limited	50,000,000	
		535,500,000	-
(C)	Balance at the year end		
(i)	Amount Receivable		
	Subsidiary Companies		
	Tinna Trade Private Limited	95,929	39,018
	Associate Companies		
	B.G.K. Infrastructure Developers Private Limited	-	3,950,000
	TP Builtech Private Limited	16,139	-
	Enterprises in which KMP and relatives of such person exercise significant influence.		
	Fratelli Wines Private Limited		152,679
	Green Range Farms Private Limited	187,705	-
	Chin Min Developer Private Limited	5,753	-
		305,526	4,141,697

(ii) Amount Payable		
Subsidiary Companies		
Tinna Trade Private Limited		
Security deposit	300,000	300,000
Other payables	10,426,479	-
Enterprises in which KMP and relatives of such person exercise significant influence.		
Fratelli Wines Private Limited	67,200	-
Gee Ess Pee land Developers Private Limited	1,133,609	-
Green Range Farms Private Limited	6,517,550	-
Associate Companies		
TP Builtech Private Limited		373,285
Key management personnel		
Mr Bhupinder Kumar Sekhri	6,484,118	22,407,583
Mr Kapil Sekhri	8,480,260	198,400
Relatives of key management personnel		
Ms. Shobha Sekhri	83,900	41,000
Ms. Aarti Sekhri	-	41,400
TOTAL	33,493,116	23,361,668

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

The details of lease transactions are as under:-

Operating Lease:

- i) The company has entered into operating leases for factory buildings and lands that are renewable on a periodic basis and cancelable at company's option. The company has not entered into sub-lease agreements in respect of these leases.
- ii) The total of future minimum lease payments under non cancellable leases are as follows:

	2013-14	2012-13
Not later than one year	42,21,000/-	40,20,000/-
Later than one year but not later than five year	1,90,36,710/-	1,81,50,300/-
Later than five years	1,97,97,294/-	2,49,04,704/-
Lease rent payments recognised in the statement of profit and loss as rent expenses for the year	54,44,671/-	46,26,130/-

6. **Earning per Share:**

	2013-14	2012-13
a) Calculation of weighted average number of Equity Shares of ₹10 each		
Equity shares outstanding at the beginning of the year	8,485,950	8,564,750
Equity shares outstanding at the end of the year	8,564,750	8,485,950
Weighted average no. of equity shares outstanding during the year.	8,536,037	8,485,950
b) Net profit after tax(after extra ordinary items) available for equity shareholders	217,608,181	15,889,148
Less : Extra Ordinary Items	191,705,292	0
Net profit after tax(before extra ordinary items) available for equity shareholders	25,902,889	15,889,148
c) Basic and diluted earning per share(before extraordinary items)	3.03	1.87
Basic and diluted earning per share(after extraordinary items)	25.49	1.87

7. Interest and other borrowing costs amounting to ₹ 47,72,140/- (previous year ₹ 94,82,612/-) have been capitalized to the carrying cost of fixed assets being financing costs directly attributable to the acquisition, construction or installation of the concerned qualifying assets till the date of its commercial use, in accordance with accounting standard 16 "Borrowing Costs" notified by the Companies (Accounting Standards) Rules, 2006 (as amended).
8. B.G.K. Infrastructure Developers Private Limited has ceased to be the subsidiary of the Company w.e.f. 28/10/2013. The Company has entered into 'Shares Subscription Agreement' with 'Insurexcellence Advisors Private Limited' and 'Slam Stock Holdings Limited' (collectively referred to as the 'Investors') and BGK Infrastructure Developers Private Limited' (referred to as the 'Existing Shareholder') on 11th Day of April, 2013. As per the agreements, the investors have invested in the equity capital of the Company to the extent of 50% (fifty) of the paid up equity share capital post such investment and nominated 2 (two) non-rotational Directors on the Board of the Company. With effect from 29th day of October 2013 M/s B.G.K. Infrastructure Developers Private Limited has become an associate company and has been treated in accordance with AS-23 "Accounting for Investment in Associate Company" issued by the Institute of Chartered Accountants of India.
9. Tinna Viterra Trade Private Limited having 40% share holding during the previous year(2012-13) has ceased to be a Joint Venture Company in terms of Share Transfer and Release Agreement entered into on 9th of May 2013 with Viterra Asia Private Limited. As per the agreement the Company has acquired the remaining 60% of Tinna Viterra Trade Private Limited and hence the said Company has become 100% subsidiary of the Company with effect from 09/05/2013.
10. The Company has acquired 721875/- equity shares of BGNS Infratech Private Limited on 31.05.2013. Therefore from the said date BGNS Infratech Private Limited become an associate company and has been treated in accordance with AS-23 "Accounting for Investment in Associate Company" issued by the Institute of Chartered Accountants of India.
11. The Company has acquired 1990000/- equity shares of TP Buildtech Private Limited on 5.04.2013. Therefore from the said date TP Buildtech Private Limited become an associate company and has been treated in accordance with AS-23 "Accounting for Investment in Associate Company" issued by the Institute of Chartered Accountants of India.
12. The Company has invested a sum of ₹11,00,750/- in Keerthi International Agro Private Limited towards 11,000 equity shares of ₹100 each i.e 29% holding in the investee company. The Company by itself or through its Directors does not have any significant influence over the the controls and affairs of the investee Company. Therefore the said investee company has not been treated as associates in terms of AS-23 Accounting for Investment in Associates in Consolidated Financial Statements as notified by the Companies (Accounting Standard) Rules, 2006 (as amended).
13. During the year the Company has recognised MAT credit as an asset on the basis of the consideration of prudence. The same has been shown under the head "Long term Loans and Advances" since there being a convincing, evidence of realisation of the asset in the specified period. Accordingly the Company has recognised MAT credit entitlement as on the date of Balance sheet amounting to ₹ 5,77,52,518/-.
14. The Company has entered into an agreement on 25.02.2010 with Riveria Builder Private Limited and Viki Housing Development Private Limited for sale of 89,993 equity shares of ₹ 100/- each of Gautam Overseas Limited for ₹90,00,000. The Company has received the sales consideration of ₹ 90,00,000/- in the F.Y 2009-10 which has been duly accounted for. The Company Law Board has vide order dated 28.06.2010 restrained the Company for transfer of said shares, which has been upheld by the Hon'ble High Court of Delhi. The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.
15. The Company had entered into joint venture agreement dated June 30, 2009 with Viterra Asia Pte Limited, Singapore to carry on business relating to agricultural products and formed a joint venture company. The extraordinary income of ₹19,17,05,292/- (net of expenses ₹23,12,330/- and reimbursement ₹1,07,51,978/-to Tinna

Trade Private Limited) represents the amount received from Viterra Asia Pte Limited Singapore as per Share Transfer & Release Agreement dated May 9, 2013 on release of parties from the obligations and terms & conditions of the joint venture agreement dated June 30, 2009. The said Extraordinary Income has been treated as capital receipt. However, the provision for MAT u/s 115JB of the Income Tax Act, 1961 has been made on the said income.

16. The Company has paid under protest, countervailing duty (CVD) of Rs 40,61,221/- on import of old used tyres scrap for manufacturing of crumb rubber (CRMB). The same has been treated as refundable. An appeal has been filed before the Commissioner of Customs (Appeals) Chennai and Commissioner of Customs (Appeals) Ghaziabad for ₹ 318910/- and ₹ 1111597/- respectively, supporting the claim of the company which is pending before the authority.
17. The company has purchased land at Delhi during the year to carry on the activities of development of land, construction of houses, apartments etc. The process of mutation of land, the land use conversion from agricultural to other use is yet to be done in accordance with the applicable Laws. In the view of the same is classified as non-current assets.
18. The Company has given 1,131 square meter of land on lease at ₹1/- per month to T.P Buildtech Private Limited an associate Company with effect from 01/04/2013 vide agreement dated 29.12.2012 and addendum to the agreement. The same has been given on account of commercial expediency.
19. In accordance with Accounting Standard- 28, "Impairment of Assets", notified under the Companies (Accounting Standard) Rules, 2006 (as amended), the Company has assessed the potential generation of economic benefits from its business units as on the balance sheet date is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts. on of economic benefits from its business units as on the balance sheet date is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.
20. **CIF Value of imports**
- | | | |
|--------------------------------|----------------|---------------|
| Raw material | 12,65,99,417/- | 4,42,93,859/- |
| Traded goods | 40,58,399/- | Nil |
| Capital goods | 1,71,04,317/- | 6,43,85,767/- |
| Spares parts for capital goods | 30,62,918/- | 7,00,960/- |
21. **Expenditure in foreign exchange**
- | | | |
|--------------------|-------------|-------------|
| Foreign Travelling | 14,95,634/- | 12,09,366/- |
|--------------------|-------------|-------------|
22. **Earnings in foreign exchange**
- | | | |
|--|-----------------------|------------|
| Release consideration received from Viterra Asia Pte
(Including ₹1,07,51,978/- reimbursement to
Tinna Trade Private Limited) | 20,47,69,600/- | Nil |
| F.O.B Value of Exports | 17,57,137/- | Nil |
| Sale of Machinery | 17,57,137/- | Nil |
| | 20,65,26,737/- | Nil |
23. **Purchase of Share in foreign currency Tinna Trade Private Limited** 3,00,00,000/- Nil

24. Value of imported/indigenous raw materials and components/stores and spares consumed and percentage thereof
Raw Materials Consumed

Indigenous	Amt. (₹)	38,39,66,953/-	61,62,66,518/-
	%	70.00%	93.74%

Imported	Amount. (₹)	16,51,88,166/-	4,11,74,234/-
	%	30.00%	6.26%

Total		54,91,55,119/-	65,74,40,752/-
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Stores and spares

Indigenous	Amount. (₹)	48,28,849/-	26,27,181/-
	%	100%	100%

Packing Material Consumed

Indigenous	Amount. (₹)	1,65,55,592/-	1,28,94,921/-
	%	100%	100%

25. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise as at 31st March, 2014 are as under:

a) Unhedged foreign Currency exposures as at 31st March 2014 are as under:

Import Trade Payable

Foreign currency (USD):	36,435/98	2,29,760/41
Local Currency:	21,83,061/-	1,25,62,473/-

Export Trade Receivable

Foreign currency (USD):	20016	Nil
Local Currency:	11,99,269/-	Nil

b) Derivative instruments outstanding as at 31st March 2014 are as under:

Particulars/purpose

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

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

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

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

Notes 1 to 32 forms integral part of the Financial Statements

"As per our report of even date"

For V. R. BANSAL & ASSOCIATES
(Chartered Accountants)
ICAI Firm Registration No.0016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Anand Kumar Singh
(Director)

Place : New Delhi
Dated : 29/5/2014

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

INDEPENDENT AUDITORS' REPORT

To

The The Members of,

M/s. TINNA RUBBER AND INFRASTRUCTURE LIMITED

No. 6, Sultanpur (Mandi Road)

Mehrauli, Delhi-110030

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of TINNA RUBBER AND INFRASTRUCTURE LIMITED ("the Company") and its subsidiaries and associates which comprise the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 8/2014 dated 4th April 2014 of the Ministry of Corporate Affairs. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that gives true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion. We did not audit total share of loss of ₹ 1,65,269/- for the period ended 31st March 2014., included in the accompanying consolidated financial statements in respect of an associate company namely BGNS Infratech Private Limited, whose financial statements and other financial information have been audited by other auditors in accordance with generally accepted auditing standards whose reports have been furnished to us, and our opinion, in so far as it relates to the amount included in respect of the associate is based solely on the reports of the other auditors.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard 21, "Consolidated Financial Statements" and Accounting Standard 23, "Accounting for investments in Associates in consolidated financial statements", issued by the Institute of Chartered Accountants of India, and on the basis of the separate audited financial statements of the associate included in the Consolidated Financial Statements.

Emphasis of Matter

Without qualifying our opinion, we would like to draw attention to note no 32(iv) regarding corporate guarantee given by the Company to TP Buildtech Private Limited, an

associate Company, which is not in compliance with section 185 of Companies Act, 2013. As per information given to us, the same has been complied with subsequent to the date of balance sheet

Basis for Qualified Opinion

The Company has provided depreciation on the rates prescribed under Schedule XIV of the Act in respect of its unit in the complex of Manglore Refinery and Petrochemicals Limited (MRPL). However, as per the work order awarded by MRPL, the Company shall transfer Plant and Machinery of the said unit at nominal value of ₹ 1/- on 05/07/2014. Therefore the depreciation on Plant and Machinery is to be charged on the basis of useful life of the asset i.e upto 05/07/2014. In view of this, the provision for depreciation is less by ₹19,76,666/- for the year ending 31st March, 2014 and the profit is overstated to that extent. Consequently, the value of Plant & Machinery and Reserves and Surplus are over stated due to diminution in the value of assets by Rs1,45,87,629/- as at 31st March, 2014.

The Company has not provided interest amounting to ₹ 4,24,685/- as required under the provisions of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 in respect of delayed payments to suppliers covered under the said Act. Consequently, the profit for the year is overstated to that extent.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, “*xcept for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs*”, the consolidated financial statements give the information required by Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the consolidated Profit and Loss statement, of the profit for the year ended on that date and
- c) in the case of consolidated Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For V. R. Bansal and Associates

Chartered Accountants

ICAI Firm Registration No. : 016534N

Rajan Bansal

Partner

Place : New Delhi

Dated : 29/5/2014

Membership No. : 93591

Consolidated Balance Sheet

	Note No.	As at 31-03-2014	Amount (₹) As at 31-03-2013
I. EQUITY & LIABILITIES :			
1. SHAREHOLDERS' FUNDS			
Share Capital	3	85,647,500	85,383,833
Reserve & surplus	4	679,892,713	352,587,631
		<u>765,540,213</u>	<u>437,971,464</u>
2. NON-CURRENT LIABILITIES			
Long term borrowings	5	92,836,850	121,398,006
Deferred tax liabilities (Net)	6A	39,988,024	26,732,599
Long term provisions	7	9,755,351	8,654,695
		<u>142,580,225</u>	<u>156,785,300</u>
3. CURRENT LIABILITIES			
Short term borrowings	8	617,291,648	183,479,066
Trade payables	9	171,228,260	73,584,373
Other current liabilities	10	150,858,765	68,860,822
Short term provisions	11	61,004,526	2,669,077
		<u>1,000,383,199</u>	<u>328,593,338</u>
TOTAL		<u><u>1,908,503,637</u></u>	<u><u>923,350,102</u></u>
II. ASSETS :			
1. NON-CURRENT ASSETS			
Fixed assets	12		
Tangible assets		439,334,345	401,179,903
Intangible assets		1,161,388	808,520
Capital work-in-progress		131,975,150	104,309,747
Non-current investments	13	138,072,999	33,401,070
Deferred Tax Assets	6B	6,901,934	-
Long-term loans and advances	14	76,669,939	30,037,979
Other non-current assets	15	68,463,356	18,212,423
		<u>862,579,111</u>	<u>587,949,642</u>
2. CURRENT ASSETS			
Inventories	16	417,491,608	108,705,723
Trade receivables	17	368,438,195	132,301,950
Cash and bank balances	18	153,136,537	41,240,646
Short-term loans and advances	19	89,166,991	43,996,021
Other current assets	20	17,691,195	9,156,121
		<u>1,045,924,526</u>	<u>335,400,461</u>
TOTAL		<u><u>1,908,503,637</u></u>	<u><u>923,350,102</u></u>
SIGNIFICANT ACCOUNTING POLICIES	2		
CONTINGENT LIABILITIES AND COMMITMENTS	32		
OTHER NOTES ON ACCOUNTS	33		

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

"As per our report of even date"

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Anand Kumar Singh
(Whole time Director)

Place : New Delhi
Dated : 29/5/2014

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Consolidated Statement of Profit & Loss

	Note No.	Year ended 31.3.2014	Amount (₹) Year ended 31.02.2013
I. INCOME			
Revenue From Operations (Gross)		3,214,267,643	944,069,603
Less: Excise Duty and service tax		55,644,323	53,104,335
Revenue from operations (Net)	21	3,158,623,320	890,965,268
Other Income	22	26,698,777	15,119,739
Share in Associates (Net)		(3,906,785)	-
TOTAL REVENUE		3,181,415,312	906,085,007
II. EXPENSES			
Cost of materials consumed	23	565,710,711	670,335,673
Purchases of traded goods	24	2,168,985,534	-
Changes in inventories of finished goods and work-in-Progress	25	(161,185,957)	(44,203,583)
Employee benefits expenses	26	106,850,131	86,917,855
Finance costs	27	62,584,217	30,988,516
Depreciation and amortisation expenses	28	37,571,006	22,237,441
Other expenses	29	370,486,847	124,534,073
TOTAL EXPENSES		3,151,002,489	890,809,975
III. PROFIT BEFORE EXTRAORDINARY ITEM AND PRIOR PERIOD ITEM AND TAX		30,412,823	15,275,032
Add : Exceptional Items	30	191,705,292	-
IV. PROFIT BEFORE TAX AND PRIOR PERIOD ITEM		222,118,115	15,275,032
Add : Exceptional Items	31	6,311,448	-
V. PROFIT BEFORE TAX		228,429,563	15,275,032
VI. TAX EXPENSES:			
Current tax		44,448,268	3,095,876
Income tax for earlier year		(3,213,868)	(122,895)
MAT Credit Entitlement (Current Year)		(48,064,498)	(2,893,876)
MAT Credit Entitlement (Earlier years)		(14,385)	(7,981,924)
Deferred tax		13,989,547	6,780,949
VII. PROFIT FOR THE YEAR		221,284,499	16,396,902
VII. EARNINGS PER EQUITY SHARE (Before extra ordinary items): (Refer note no. 33(14))			
Basic		3.46	1.93
Diluted		3.46	1.93
(Face value of ₹ 10/- per share)			
VIII. EARNINGS PER EQUITY SHARE (After extra ordinary items): (Refer note no. 33(14))			
Basic		25.92	1.93
Diluted		25.92	1.93
(Face value of ₹ 10/- per share)			

SIGNIFICANT ACCOUNTING POLICIES	2
CONTINGENT LIABILITIES AND COMMITMENTS	32
OTHER NOTES ON ACCOUNTS	33

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

"As per our report of even date"

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Anand Kumar Singh
(Whole time Director)

Place : New Delhi
Dated : 29/5/2014

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Consolidated Cash Flow Statements

	Year ended March 31, 2014	Year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax, Extraordinary item & Prior Period item	43,035,719	15,275,030
Adjustments	-	-
Depreciation and amortization expenses	37,571,006	22,237,441
Depreciation credited to Profit and loss	-	(156,375)
Loss on sale of fixed assets	1,967,788	8,997,064
Profit on sale of fixed assets	(441,819)	(9,937,785)
Provision for doubtful trade receivable	632,358	347,500
Interest income	(8,051,951)	(2,010,939)
Interest expenses	42,685,865	26,064,571
Unrealised Foreign Exchange(gain) loss net	3,282,803	-
Interest on Income Tax	2,447,578	-
Share of loss in associates	3,906,785	-
Profit on dilution of stake in subsidiary	(9,319,425)	-
Provision for Wealth Tax	172,500	-
Prior Period Item	(6,311,448)	-
Miscellaneous Expenses Written off	-	35,720
Operating profit before working capital changes and extraordinary items	111,577,759	60,852,227
Movement in working capital		
Decrease/(Increase) in trade receivables	(38,423,301)	24,608,864
Decrease/(Increase) in loans and advances	(64,265,047)	(24,925,946)
Decrease/(Increase) in current assets	(2,458,273)	8,632,268
Decrease/(Increase) in inventory	(191,441,478)	(44,705,139)
(Decrease)/Increase in trade payables	(259,740,897)	43,577,977
(Decrease)/Increase in other liabilities and provisions	94,683,371	23,651,530
	-	-
Cash generated from/(used) in operations	(350,067,866)	91,691,781
Income taxes paid (net of refunds)	20,422,305	8,823,975
Net cash flow from/(used) in Operating activities (A)	(370,490,171)	82,867,806
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress	(143,833,730)	(238,179,003)
Investment in bank deposits (having original maturity of more than three months)	1,273,371	(2,770,602)
Proceeds from sale of fixed assets	10,931,900	23,632,694
Purchase of investments	(93,405,795)	-
Capital Advance (net of creditors for capital goods)	8,399,256	-
Interest income	8,040,448	2,010,939
Loan/ advances refund received (net)	3,950,000	30,192,795
Purchase of Land	(53,023,300)	-
Sale of Land	26,323,440	-
Extraordinary Items	191,705,292	-
Net cash flow from/(used) in Investing activities (B)	(39,639,118)	(185,113,177)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowings (net)	381,405,513	14,976,961
Repayment of long term borrowings (net)	(24,748,689)	136,783,043
Interest expenses	(45,472,923)	(26,064,571)
Proceeds from issue of forfeited shares	3,624,800	81,500
Net cash flow from/(used) in Financing activities (C)	314,808,701	125,776,933
Net increase / decrease in cash and cash equivalents (A+B+C)	(95,320,588)	23,531,562
Cash and cash equivalents at the beginning of the year	27,057,724	3,526,162
Cash acquired on Acquisition of subsidiary(net of Investment)	211,149,302	-
Cash in subsidiary disposed	(2,659,451)	-
Cash and cash equivalents at the end of the year	140,226,987	27,057,724
NOTES:		
1) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3, "Cash Flow Statements".		
2) Components of cash and cash equivalents		
Balances with banks:		
Current accounts	116,341,864	26,547,476
Cash on hand	985,123	510,248
Add: Deposits less than 3 months	22,900,000	-
	140,226,987	27,057,724
Add: Deposits held as margin money against bank guarantees	12,909,550	14,182,922
Total cash and cash equivalents at the end of the year (Note-18)	153,136,537	41,240,646

"As per our report of even date"

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

Rajan Bansal
(Partner)
M. No. 93591
Place : New Delhi
Dated : 29/5/2014

For and on behalf of the Board of Directors

Kulbir Singh
(Director)

Raghuvansh Mani
(Company Secretary)

Anand Kumar Singh
(Whole time Director)

Ravindra Chhabra
(CFO & G.M. Accounts)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2014****1. CORPORATE INFORMATION**

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

Wholly owned subsidiary of Company namely Tinna Trade Private Limited (the subsidiary) was incorporated on 5 January, 2009 as Maple Newgen Trade Private Limited and subsequently the name of the Company was changed to Tinna Viterra 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. The subsidiary is primarily engaged in the trading of agro commodities i.e. wheat, yellow peas, chana, kaspas peas, lentils including oil seeds and oil meals etc. The Company is also engaged in the business of cargo handling services.

The Subsidiary Company (upto 28/10/2013) BGK Infrastructure Developers Private Limited was incorporated on 27th December, 2007. The Company is primarily engaged in the business of construction, development, acquisition, establishment and maintenance of warehouse, godown and clearing and forwarding services.

2. SIGNIFICANT ACCOUNTING POLICIES**2.01 BASIS OF PREPARATION**

The financial statements of the Company have been prepared on historical cost convention as a going concern on accrual basis, the provisions of the Companies Act, 2013 (to the extent notified), the Companies Act, 1956 (to the extent applicable), read with general circular 8/2014 Rules, 2006, (as amended), and in accordance with generally accepted accounting principles in India (Indian GAAP) and comply with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) to the extent applicable. Accounting policies have been consistently applied and where a newly issued accounting standard is initially adopted or where an existing accounting policy requires a change due to more appropriate presentation of financial statements, such changes are suitably incorporated. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

2.02 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

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

2.03 USE OF ESTIMATES

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

2.04 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Tinna Rubber and Infrastructure Limited ('the Company'), and its subsidiary Companies Tinna Trade Private Limited and B.G.K Infrastructure Developers Private Limited (upto 28/10/2013) ('the Group Company') collectively referred to as 'the Group'. The consolidated financial statements have been prepared on the following basis:-

- a) The financial statements of the parent and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits in full. Unrealised profit / losses resulting from intra-group transactions has also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the group.
- b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements. Differences in accounting policies have been disclosed separately.
- c) The difference between the cost of investment in the subsidiary, over the net assets, at the time of acquisition of share in the subsidiary, if any, is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

2.05 TANGIBLE FIXED ASSETS

- a) Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets are further adjusted by the amount of CENVAT credit and VAT credit availed wherever applicable and subsidy directly attributable to the cost of fixed asset. Interest and other borrowing costs during construction period to finance qualifying fixed assets is capitalised if capitalisation criteria are met.
- b) Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.
- c) Capital work-in- progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date and are carried at cost comprising direct cost , related incidental expenses and interest on borrowings their against.
- d) Preoperative expenditure and trial run expenditure accumulated as capital work in progress is allocated on the basis of prime cost of fixed assets in the year of commencement of commercial production.
- e) 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.
- f) Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

2.06 INTANGIBLE ASSETS

a) Acquired intangible assets

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

b) Research and development cost

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

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

2.07 DEPRECIATION AND AMORTIZATION

- a) Depreciation on tangible fixed assets is provided on straight line basis using the rates and in the manner as prescribed in Schedule XIV of the Companies Act, 1956, which approximates the useful lives of the assets estimated by the management. Depreciation on Crumb Rubber Plant has been provided at 11.875% per annum considering the useful life of the Plant as 8 years on straight line method and in case of Mobile Phones @ 16.21% on Straight Line Method. Depreciation on other Plant and Machinery has been provided on Straight line Method on rates as per Schedule XIV of the Companies Act, 1956 and for the group company M/s Tinna Trade Private Limited depreciation on tangible assets is provided pro-rata to the period of use based on the written down value method using the rates set out below which are greater than equal to the corresponding rates prescribed in schedule XIV of the Companies Act, 1956.

Description	Rates (%) (per annum)
Plant and Machinery	
Computers	40
Other plant and machinery	13.91 to 33.33
Furniture and fixtures	18.1
Vehicles	25.89

- b) Computer Software are amortized over a period of 5 years in the case of the Company and 4 years in case of Subsidiary Company, M/s B.G.K. Infrastructure Developers Private Limited.
- c) Lease hold land is depreciated over the period of the lease.
- d) Assets costing not more than 5,000/- each individually are depreciated at 100%.

2.08 INVESTMENTS

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

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

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

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

2.09 INVENTORIES

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

- ii) Finished goods are valued at cost plus excise duty or net realizable value whichever is lower. The finished goods are valued by using weighted average cost method. Cost of finished goods includes direct Raw Material, labour cost, allocable overhead manufacturing expenses and excise duty.
- iii) Work-in-progress are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- iv) Traded goods are valued at lower of cost {on First In First Out (FIFO) basis} and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to point of sale, including octroi and other levies, transit insurance and receiving charges.
- v) The stocks of scrap materials have been taken at net realisable value.
- vi) Packing material are valued at cost.
- vii) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.10 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions and balances

- i) **Initial recognition**

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

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

Exchange differences arising on conversion / settlement of foreign currency monetary items and on foreign currency liabilities relating to fixed assets acquisition are recognised as income or expense in the year in which they arise.
- iv) **Bank Guarantee And Letter of Credit**

Bank Guarantee And Letter of Credits are recognized at the point of negotiation with Banks and converted at the rates prevailing on the date of Negotiation, However, Outstanding at the period end are recognized at the rate prevailing as on that date and total sum is considered as contingent liability.
- v) **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.

2.11 RETIREMENT BENEFITS

- i) **Provident fund**

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

- ii) The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit 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.
- iii) **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.

2.12 REVENUE RECOGNITION

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

- i) **Sale Of Goods:**
Revenue from sale of Goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, and are recorded net of returns and trade discount. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company and therefore are excluded from revenue. Excise Duty is deducted from revenue (Gross) to arrive at revenue from operations (net). sales do not include inter-divisional transfer.
- ii) **Job Work**
In case of Job works, the system of accounting in financial books are to consider net effect of material received and dispatched whereas in excise records complete details of input/ output quantity and excise duty is accounted for.
- iii) **Composite Services**
In respect of Mobile blending unit where company has got composite price of material consumed & equipment rental, the rate for equipment rental is calculated on the basis of charge received under similar job work arrangements with government refineries and the remaining portion of income is considered as sale price of material.
- vi) **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 customer ₹
- v) **Cargo handling operations**
Income from cargo handling operations is recognised on completion of the contracted activity.
- vi) **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 2009-14 (FTP 2009-14). 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.
- vii) **Claims**
Claims are recognised when there exists reasonable certainty with regard to the amounts to be realised and the ultimate collection thereof.

viii) **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.

ix) **Interest**

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

x) **Dividend from investment in Shares**

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

2.13 FUTURE CONTRACTS

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

2.14 PRIOR PERIOD ITEMS/EXTRAORDINARY ITEMS

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

2.15 SEGMENT REPORTING

Identification of segments

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

In case of subsidiary Company M/s Tinna Trade Private Limited, 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.

2.16 TAXES ON INCOME

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

DIRECT TAXES

- i) Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
- ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier year. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

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

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

- iii) Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax. The Company recognizes MAT Credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Acts, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.
- iv) Wealth tax is ascertained in accordance with the provisions of the Wealth Tax Act 1957.

INDIRECT TAXES

- i) Excise duty (including education cess) has been accounted for in respect of the goods cleared. The company is providing excise duty liability in respect of finished products.
- ii) Service Tax has been accounted for in respect of services rendered and services received is accounted and when there is no uncertainty in availing/ utilizing the credits.
- iii) Final sales tax/Value added tax liability is ascertained on the finalization of assessments in accordance to provisions of sales tax / value added tax laws of respective states where the company is having offices/works.

2.17 IMPAIRMENT OF ASSETS

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

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

2.18 LEASES

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

2.19 BORROWING COSTS

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

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

2.20 EARNING PER SHARE

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

2.21 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 are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

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

2.22 OPERATING CYCLE

Based on the nature of products/activities of the Company and the 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.

2.23 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.

2.24 CASH AND CASH EQUIVALENTS

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

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	Number	As at 31-03-2014	Number	Amount (₹) As at 31-03-2013
3. SHARE CAPITAL				
(a) Authorised				
Equity Shares of ₹ 10/- each)	10,000,000	100,000,000	10,000,000	10,00,00,000
Issued				
Equity Shares of ₹ 10/- each	8,564,750	85,647,500	8,564,750	85,647,500
Subscribed and fully Paid up				
Equity Shares of ₹ 10/- each	8,485,950	84,859,500	8,485,950	84,859,500
Add: Forfeited share re-issued during the year	78,800	788,000	-	-
Opening balance of forfeited shares		524,333		524,333
Less: Transfer to capital reserves account on re issue of shares {Refer point no (f)}		(524,333)		-
	8,564,750	85,647,500	8,485,950	85,383,833
b) Reconciliation of shares outstanding at the beginning and at the end of reporting period the number of shares				
Equity shares outstanding at beginning of the year		8,485,950		8,564,750
Less: Equity shares forfeited during the year		-		78,800
Add: Forfeited equity shares re-issued during the year		78,800		-
Outstanding at the end of year		8,564,750		8,485,950
c) Terms/rights attached to equity shares				
(i) The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of Equity share is entitled to one vote per share.				
(ii) In the event of liquidation of the Company ,the holders of equity share will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder				
d) Details of Shareholders holding more than 5% shares in the Company				
	As at 31..03.2014		As at 31.03.2013	
	No of shares	% of holding	No of shares	% of holding
i) M₹ Puja Sekhri	1,749,160	20.42	1,749,160	20.61
ii) M₹ Shobha Sekhri	1,636,343	19.11	1,636,343	19.28
iii) M₹ Aarti Sekhri	1,511,347	17.65	1,511,347	17.81
As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				
e) Aggregate number of shares issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares or the numbers of shares bought back during the period of five years immediately preceding the date as at which the Balance Sheet is prepared:				
	2013-14		2012-13	
Equity shares :				
i) Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil
ii) Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil
iii) Shares bought back	Nil	Nil	Nil	Nil

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
f) Forfeited Shares		
Equity Shares	-	78,800
	-	788,000
<p>In earlier year, the Company had forfeited 78,800 equity shares of ₹10/- each in respect of which calls remained in arrears. Accordingly a sum of ₹5,24,333/- being the amount originally paid up on shares forfeited and ₹45,48,667/- being the amount of share premium on such shares were shown in share capital account and Capital reserve respectively in the financial year 2012-13. During the year, the Company has reissued 78800 forfeited equity shares of ₹10/- each at a premium of ₹36/- per equity share to the existing shareholders. Accordingly share capital has increased by ₹7,88,000/-, share premium account by ₹28,36,800/- and a sum of ₹5,24,333/- being surplus on re-issue of, forfeited shares has been transferred to capital reserve.</p>		
4. RESERVE & SURPLUS		
(a) Capital reserve		
As per last balance sheet	4,548,667	-
Transfer from Securities premium account (Refer note no 3(f))	-	4,548,667
Add: Surplus on re-issue of forfeited shares (Refer note no 3(f))	524,333	-
Reserves of subsidiaries on acquisition (Refer note no. A below)	111,927,954	-
Reserves of associates on acquisition (Refer note no B below)	751,824	-
	117,752,778	4,548,667
(b) Securities Premium Account		
As per the last balance sheet	172,377,186	176,857,853
Add: Received during the year (Refer note no 3(f))	2,836,800	68,000
Less: Transfer to capital reserve in respect of shares forfeited	-	4,548,667
	175,213,986	172,377,186
(c) General Reserve		
As per last Balance Sheet	11,704,929	11,704,929
	11,704,929	11,704,929
(d) Surplus as per the statement of profit and loss		
As per the last balance sheet	163,956,849	147,559,947
Add : Profit as per statement of profit and loss	221,284,499	16,396,902
Less: Appropriations :		
Proposed final equity dividend	(8,564,750)	-
Corporate dividend tax on proposed dividend	(1,455,579)	-
	375,221,019	163,956,849
	679,892,713	352,587,631
A. Reserves of subsidiary company M/s Tinna Trade Private Limited on acquisition are as under:-		
Balance in Reserves and Surplus as per Balance Sheet of the Company as on 09/05/2013	112,277,926	-
Less : Excess of investment in subsidiary company over face value of equity shares acquired	375,320	-
	111,902,606	-
Add : Share on dilution of stake in subsidiary company, M/s. B.G.K. Infrastructure Developers Private Limited	25,348	-
Reserves of subsidiaries on acquisition	111,927,954	-

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

		Amount (₹)	
		As at 31-03-2014	As at 31-03-2013
B. The Reserves and Surplus arising on acquisition of associates are as under :-			
Name of the Company	Date of acquisition	Reserves as on date of acquisition	% of holding
B.G.N.S. Infratech Private Limited	30.05.2013	28,86,623	48.13%
TP Buildtech Private Limited	05.04.2013	(13,01,036)	49%
			7,51,824

		Amount (₹)			
		Non-Current		Current Maturities	
5. LONG TERM BORROWINGS	Refer Para	As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
SECURED					
a)	Term loans from bank Syndicate Bank	90,520,429	115,000,000	28,396,732	25,000,000
b)	Long Term maturities of finance lease obligations From banks				
	Axis Bank Limited	-	1,233,927	1,233,927	1,116,967
	HDFC Bank Limited	152,436	301,810	149,374	133,540
	ICICI Bank Limited	528,982		408,622	
c)	From other parties				
	Tata Capital Financial Services Limited	117,847	941,031	823,184	1,176,742
	BMW India Financial Services Pvt. Ltd.	1,517,156	3,921,238	2,404,082	2,176,205
		92,836,850	121,398,006	33,415,921	29,603,454
a)	Term Loan from Bank (Secured)				

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

II. Primary security

The term loan is secured by way of hypothecation of plant and machinery furniture fixture, generator, office equipment and computers and work in progress at Panipat, Wada, Haldia and Chennai (Gummidipundi) plants of the Company and Unregistered equitable mortgage (UREM) of land and building at Wada and Chennai (Gummidipundi) plants of the Company.

Collateral securities

- A. A) The term loan is further secured by way of equitable mortgage of land and building at:
- i) Land and Building located at Refinery Road, Village Rajapur, Tehsil and District Panipat- 132103.
 - ii) Land and Building located at Tirlokpur Road, Village Rampur Jattan, Industrial Estate, Kala-Amb, Nahan District Sirmour (H.P).
 - iii) Farm House at No.6, Sultanpur, Mandi Road, Mehrauli, New Delhi- 110030
 - iv) Land and Building located at Village Pali, Taluka Wada, District-Thane, Maharashtra.
 - v) Land and Building located at No.17 Chithur Natham Village, Gummidipundi Taluk, Thiruvallur Dist, Tamilnadu.
- B. Other Properties
- i) Building at CRMB Plant at Mangalore Refinery and Petrochemicals Ltd. Kuthethur Post, Via Katipalla, Mangalore- 575030
 - ii) Plant and Machinery, Furniture and Fixture, Generator, office equipment, computers and work in progress.

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

Amount (₹)
As at 31-03-2014 As at 31-03-2013

III. Terms of Repayment:

The term loan is repayable in 53 monthly installments (52 Equal monthly installments of ₹ 34,73,536/- including interest starting from 30 June 2013 and one installment of ₹ 20,02,242/-).

	As at 31-03-2014		As at 31-03-2013	
	Non Current	Current	Non-Current	Current
IV. Aggregate amount of Term Loans secured by way of personal guarantees of Shri Bhupinder Kumar and Kapil Sekhri, Directors of the Company and Gaurav Sekhri (Relative of Director).	90,520,429	28,396,732	115,000,000	25,000,000

b) Long Term Maturity of Finance Lease Obligations:

Long term maturity of finance lease obligations are secured against hypothecation of respective vehicles under finance lease. The detail as under:-

Name of Lendor	Nature of Lease	Terms of repayments (Including Interest)
From Banks:		
Axis Bank Limited	finance lease	Repayable in 36 monthly instalments of ₹1,08,482/- including interest, commencing from 1st may 2012.
HDFC Bank Limited	finance lease	Repayable in 36 monthly instalments of ₹14,650/- including interest, commencing from 5th march 2013.
ICICI Bank Limited	finance lease	Repayable in 36 monthly instalments of ₹40,355/- including interest, commencing from 15th June 2013.
From Others:		
Tata Capital Financial Services Limited	finance lease	Repayable in 36 monthly instalments ranging from ₹17,269/- to ₹ 51,500/- including interest.
BMW India Financial Services Pvt. Ltd.	finance lease	Repayable in 36 monthly instalments of ₹2,24,000/- including interest, commencing from 29th November 2012

6A. DEFERRED TAX LIABILITIES (NET)

Deferred tax liability

On account of difference in rates and method of depreciation of fixed assets	43,905,465	35,831,457
	43,905,465	35,831,457

Deferred tax assets

On account of expenditure charged to the statement of profit and loss and allowed for tax purposes on payment basis	3,917,441	5,469,734
On account of carried forward loss as per I.T. Act.	-	3,629,124
	3,917,441	9,098,858

Net Deferred Tax Liabilities (Net)

At the end of year	39,988,024	26,732,599
For the year	13,255,425	6,780,949

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
6B. DEFERRED TAX ASSETS		
Deferred tax asset		
On account of difference in rates and method of depreciation of fixed assets	194,879	-
On account of carried forward loss as per Income Tax Act	1,722,526	-
On account of different treatment of certain payments under Income Tax Act	4,351,185	-
Provisions for employee benefits	633,344	-
Deferred tax asset	6,901,934	-
Deferred tax Asset		
At the end of the year	6,901,934	-
For the year	734,122	-
Deferred tax resulting from timing differences between book profit and taxable income is accounted for using the current tax rate.		
7. LONG TERM PROVISIONS		
Provision for employee benefits		
a) Gratuity {refer note no. 33(10)(A)}	7,729,073	7,334,025
b) Leave encashment {refer note no. 33(10)(B)}	2,026,278	1,320,670
	9,755,351	8,654,695
8. SHORT TERM BORROWINGS		
a) Secured (Repayable on Demand)		
Working capital limits from Bank	510,491,648	121,891,232
	<u>510,491,648</u>	<u>121,891,232</u>
b) Unsecured		
From Directors	14,500,000	19,163,161
Inter corporate loans	92,300,000	42,424,673
	<u>106,800,000</u>	<u>61,587,834</u>
	617,291,648	183,479,066

i) a) The Company has availed working capital limits of ₹1200 lacs (previous year ₹1200 lacs) from Syndicate Bank which is secured by hypothecation of stocks and book debts of the Company. The working capital limit is further secured by collateral securities as mentioned under term loan from Syndicate Bank. (Refer point 8(a) above).

b) Working capital limits from bank include cheques issued but not presented as on the Balance Sheet date amounting to ₹6,08,30,778/-(Previous year ₹8,27,233)

ii) In the case of subsidiary company, working capital limits from ICICI Bank is secured by means of first charge ranking pari passu by way of hypothecation of the Company's entire stocks of raw material and finished goods, consumable stores and such other moveable including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.

The Limits are further secured by way of first pari passu charge on the land and building located at Satbari, Sultanpur measuring 12 Bigha 19 biswas in the name of Bee Gee Ess Farms and Properties Private Limited and personal guarantees of Directors Shri Gaurav Sekhri and Shri Kapil Sekhri and corporate guarantee of Bee Gee Ess Farms and Properties Private Limited.

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

Amount (₹)
As at 31-03-2014 As at 31-03-2013

- iii) In the case of subsidiary company, working capital limits from Syndicate Bank is secured by means of first pari passu charge along with ICICI Bank over hypothecation of the Company's entire stocks of raw material, semi-finished and finished goods, consumable stores and spares and such other moveable's including book debts, bills whether documentary or clean, outstanding money's receivables, both present and future, in a form and manner satisfactory to the Bank

The limits are further secured by Equitable mortgage of Land and Building situated at 11-B Gaushala Road, Satbari, New Delhi in the name of Bee Gee Ess Farms and Properties Private Limited on pari passu basis along with ICICI Bank Limited and on personal guarantees of Director Shri Gaurav Sekhri and corporate guarantees of Tinna Rubber and Infrastructure Limited and Bee Gee Ess Farms and Properties Private Limited.

- iv) Aggregate amount of Working capital limits secured by way of personal guarantees of Shri Bhupinder Kumar and Shri Kapil Sekhri, Directors of the Tinna Rubber And Infrastructure Limited and Shri Gaurav Sekhri (Relative of Director).

179019484 121,891,232

Aggregate amount of Working capital limits secured by way of personal guarantees of Shri Kapil Sekhri and Shri Gaurav Sekhri, Directors of Tinna Trade Private Limited.

331472164 -

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

9. TRADE PAYABLES

Trade Payables	171,228,260	73,584,373
	171,228,260	73,584,373

- a) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31st March 2014 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

S. No.	Particulars	Year ended 31st March 2014	Year ended 31st March 2013
i)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act.	1,51,74,768/-	1,32,75,492/-
ii)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
b) The Information in respect of the party determined under the MSMED Act 2006 , has been identified on the basis of information available with the Company.		
c) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period were at ₹29,49,248/- (previous year ₹49,64,736/-) as on the balance sheet date.		
d) No provision for interest payable in terms of Section 16 of the MSMED Act has been made.		
e) Trade payable includes ₹ 22,50,192/- payable to an associate company BGK Infrastructure Developers Private Limited (previous year ₹ Nil)		
10. OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer note 5)	28,396,732	25,000,000
Current maturities of finance Lease obligations (refer note 5)	5,019,189	4,603,454
Interest accrued but not due on borrowings	1,921,367	4,708,425
Advance and progress payments from customers	28,417,927	-
Security deposit	300,000	300,000
Creditors for capital goods	13,250,339	5,753,224
Other Liabilities:		
Employees benefits expenses	6,971,671	8,075,049
Statutory dues		
Excise duty payable	520,169	758,197
Service Tax	109,654	445,129
Vat/CST	4,101,864	1,993,180
Others	7,553,576	5,381,015
Other Liabilities	54,296,277	11,843,149
	150,858,765	68,860,822

- a) Interest accrued but not due on borrowings includes interest payable to director ₹2,57,978/- (previous year ₹30,41,022/-)
- b) The Company has made a provision of excise duty payable amounting to ₹4,99,260/- (Previous Year ₹.7,58,197/-) on stocks of finished goods except goods exempt from payment of excise duty. Excise duty is considered as an element of cost at the time of manufacturing of goods.
- c) Employees benefit expenses include payable to directors ₹2,63,380/- (Previous year ₹4,01,800/-)
- d) Other Statutory dues are in respect of TDS, PF, ESI, Entry tax , Cess payable under BPMC (Cess on entry of goods) Rules 1996 and AG market fee TDS.
- e) Other payables are in respect of brokerage payable, expenses payable and other miscellaneous liabilities and includes ₹67,200/- (previous year ₹ Nil/-) due to M/s Fartelli Wines Private Limited, an associate company.

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
11. SHORT TERM PROVISIONS		
Provision For employee benefits		
Gratuity {refer note no. 33(10)(A)}	1,726,815	1,595,881
Leave Encashment {refer note no. 33(10)(B)}	453,049	398,891
	2,179,864	1,994,772
Others		
Income Tax (Net of advance tax and TDS of Rs 20,73,284/- (Previous Year ₹25,28,296/-))	48,640,889	513,301
Wealth Tax	163,444	161,004
Proposed dividend	8,564,750	-
Corporate dividend tax	1,455,579	-
	58,824,662	674,305
	61,004,526	2,669,077

- a) Provisions are recognized for Leave encashment, Gratuity, Income Tax Wealth Tax, Proposed dividend and Corporate dividend 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.

The movement of provisions are as under:-

At the beginning of the year

Leave encashment (Long term ₹30,87,957/-)	35,14,878/-	10,19,347/-
Gratuity (Long term ₹93,98,760/-)	1,09,97,937/-	77,24,654/-
Income Tax	2,14,22,682/-	62,77,904/-
Wealth Tax	1,61,004/-	7,02,555/-

Arising during the year

Leave encashment	26,07,22/-	8,85,308/-
Gratuity	9,11,674/-	19,07,199/-
Income Tax (Net of TDS)	4,94,45,583/-	31,27,988/-
Wealth Tax	1,63,444/-	1,61,004/-
Proposed equity dividend	85,64,750/-	-
Corporate dividend tax	14,55,579/-	-

Utilised during the year

Leave encashment	2,97,895/-	1,53,822/-
Gratuity	14,28,656/-	4,76,011/-
Income Tax	1,89,94,256/-	87,69,696/-
Wealth Tax	1,61,004/-	1,38,568/-

Unused amount reversed

Leave encashment	9,98,378/-	31,272/-
Gratuity	10,25,067/-	2,25,936/-
Income Tax	32,33,121/-	1,22,895/-
Wealth Tax	Nil/-	5,63,987/-

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
At the end of the year		
Leave encashment (Long term ₹20,26,278/-)	24,79,327/-	17,19,561/-
Gratuity (Long term ₹77,29,073/-)	94,55,888/-	89,29,906/-
Income Tax	4,86,40,889/-	5,13,301/-
Wealth Tax	1,63,444/-	1,61,004/-
Proposed equity dividend	85,64,750/-	-
Corporate dividend tax	14,55,579/-	-

b) Provision for dividend(Proposed)

The Board of Directors have recommended a final dividend of ₹1/- (Previous year Nil) per equity share ₹10/- each. The payment of final dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

- c) Opening balances shown under movement in provisions includes opening balance of subsidiary company M/s. Tinna Trade Private Limited and excludes opening balances of M/s. B.G.K. Infrastructure Developers Private Limited.

Notes on Financial Statements for the year ended 31st March, 2014

12. FIXED ASSETS

S. No.	DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 01.04.2013	Additions	Sale/ Adjustment	As at 31.03.2014	Upto last year	For the year	Sale/Adjustment during the year	To Date	As at 31.03.2014	As at 31.03.2013
A	Tangible Assets										
1	Land Freehold	19,266,436	-	-	19,266,436	-	-	-	-	19,266,436	19,266,436
2	Leasehold Land	29,076,960	-	29,076,960	-	-	32,145	32,145	-	-	29,076,960
3	Freehold Building	91,714,666	16,116,072	2,890,746	104,939,992	12,040,122	3,005,484	40,737	15,004,869	89,935,123	79,674,544
4	Leasehold Building	-	5,870,531	-	5,870,531	-	702,882	702,882	702,882	5,167,649	-
5	Plant and Equipment	247,623,552	77,841,222	8,394,909	317,069,865	32,479,525	24,779,006	302,633	57,358,585	259,711,280	215,144,027
6	Electric Fittings	19,110,741	10,165,951	-	29,276,692	3,094,525	2,870,841	86,134	5,879,232	23,397,460	16,016,216
7	Generator	4,894,362	-	837,950	4,056,412	2,045,577	209,147	167,467	2,087,257	1,969,155	2,848,785
8	Furniture and Fixtures	5,845,380	885,686	98,937	6,632,129	4,645,053	230,078	39,603	4,887,156	1,744,973	1,200,327
9	Vehicles	44,576,758	6,880,941	3,437,489	48,020,210	10,217,891	4,558,729	1,546,471	15,086,866	32,933,344	34,358,867
10	Office Equipments	5,514,617	2,143,960	2,304,564	5,354,013	3,201,054	342,711	2,131,791	1,623,396	3,730,617	2,313,563
11	Computer	3,402,876	1,461,639	431,183	4,433,332	2,122,698	600,453	358,174	2,955,024	1,478,308	1,280,178
	Total tangible assets current year	471,026,348	121,366,002	47,472,738	544,919,612	69,846,445	37,331,476	1,592,654	105,585,267	439,334,345	401,179,903
	Total tangible assets previous year	292,446,776	227,945,594	49,324,944	471,067,426	61,523,574	22,215,727	13,887,047	69,852,254	401,215,172	230,923,202
B	Intangible Assets:										
1	Goodwill	957,620	-	19,700	937,920	937,919	-	-	937,919	1	19,701
2	Software	4,819,092	653,566	40,500	5,432,158	4,030,273	239,530	(968)	4,270,771	1,161,387	788,819
	Total intangible assets current year	5,776,712	653,566	60,200	6,370,078	4,968,192	239,530	(968)	5,208,690	1,161,388	808,520
	Total intangible assets previous year	4,984,818	750,816	750,816	750,816	4,940,669	21,714	-	4,962,383	773,251	44,149
C	Capital Work-in- Progress	104,309,747	106,819,377	79,153,974	131,975,150	-	-	-	-	131,975,150	104,309,747
	Capital Work-in- Progress (previous year)	83,998,429	194,964,733	174,653,415	104,309,747	-	-	-	-	104,309,747	83,998,429
	TOTAL (A+B+C) CURRENT YEAR	581,112,807	228,838,945	126,686,912	683,264,840	74,814,637	37,571,006	1,591,686	110,793,957	572,470,883	506,298,170
	TOTAL (A+B+C) PREVIOUS YEAR	381,430,023	423,661,143	223,978,359	581,112,807	66,464,243	22,237,441	13,887,047	74,814,637	506,298,170	314,965,780

Notes:

- The Company was awarded Work Order No. WQA074A dtd.20.07.2009 by Mangalore Refinery & Petro Chemical Ltd. (MRPL) for making modified bitumen. As per the work order, the Company shall transfer plant of gross block ₹2,35,34,811/- (WDV ₹1,540,1250/-) in complex of MRPL at nominal amount of ₹1/- on 05.07.2014. As per the work order, the prescribed quantity to be processed during the period from 05/07/2009 to 05/07/2014 is 3,55,000 M.T., while as on the date of Balance Sheet 1,44,641 M.T. of quantity (40.74%) has been processed. In view of this, the Company has not amortized the plant during the aforesaid period of work order and the depreciation has been provided on rates as per Schedule XIV of the Companies Act 1956. The Company proposes to hold the plant till the final quantity as per the work order is processed.
- Depreciation on Crumb Rubber Plant has been provided @ 11.875% per annum considering the useful life of the Plant as 8 years on Straight Line Method. Depreciation on other Plant and Machinery has been provided on Straight Line Method on rates as per Schedule XIV of the Companies Act, 1956.
- Depreciation in the case of subsidiary company has been provided on WDV basis at rates as per Schedule XIV of the Companies Act, 1956.
- Depreciation on leasehold building has been provided @ 10% p.a on the basis of straight line method.
- Depreciation on assets for a value not exceeding ₹ 5,000 each individually has been provided @ 100%.
- Depreciation on mobile phones has been provided @ 16.21% p.a on straight line method and in subsidiary company depreciation has been provided @33.33% p.a on SLM basis.
- The Company's plant at Panipat has been notified to be covered under the industrial area of HSIDC, Panipat and the procedural implementation of acquisition/ subsequent release is in progress. (Refer note 32A(v))
- Interest during construction paid during the year amounting to ₹ 47,72,140/- (previous year ₹ 94,82,612) has been capitalised in pursuant requirement of AS-16 issued by Institute of Chartered Accountants of India.
- Goodwill arising during the Consolidation of B.G.K. Infrastructure Developers Private Limited in the prior period amounting to ₹19,700/- has been adjusted as B.G.K. Infrastructure Developers Private Limited ceases to be a subsidiary company w.e.f. 29/10/2013 due to dilution in stake.
- Adjustment in Capital work in progress of ₹77,381,172/- is in respect of Panipat and Haldia units completed during the year which has been transferred under the following heads:

Building	12,409,608
Plant and Machinery	62,392,219
Electrical Fittings and Installations	2,579,345
Total	77,381,172
- Vehicles taken on Finance lease are as under:-

Gross Block	18,817,900
Net Block	15,289,273

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	Amount (₹)	
	As at 31-03-2014	As at 31-03-2013
13. NON CURRENT INVESTMENT		
Other Investments, Long Term (valued at cost unless otherwise stated)		
a) Investment in Equity instruments:		
Unquoted equity instruments in Associate Companies		
B.G.K Infrastructure Developers Private Limited 40,83,800 (50%) (Previous Year 26,17,500 (100%)) equity shares of ₹ 10/- each fully paid up [refer note no. 33(4)]	46,209,695	-
Add:- Accumulated Income/(Loss) Upto 28.10.2013	(717,710)	
	45,491,985	
Add:- Profit due to dilution of stake in subsidiary	9,319,425	
Add:- Share in Profits/(Loss) from 29.10.2013 to 31.03.2014	699,769	55,511,179
* Including Goodwill NIL on acquisition		
BGNS Infratech Private Limited 721875 (48.125%) (Previous Year Nil) equity shares of ₹10/- each fully paid up [refer note no. 33(5)]	23,157,750	
Add:- Accumulated Income Upto 30.05.2013	1,389,332	
	24,547,082	
Add:- Share in Profits/ (Loss) from 31.05.2013 to 31.03.2014	(165,269)	24,381,813
** Including Goodwill ₹1,45,49,813/- on acquisition [refer note no. 33(9)(g)]		
TP Buildtech Private Limited 19,90,000 (49.75%) (Previous Year Nil) equity shares of ₹10/- each fully paid up [refer note no. 33(6)]	19,900,000	
Add:- Accumulated Income/(Loss) Upto 05.04.2013	(637,508)	
	19,262,492	
Add:- Share in Profits/ (Loss) from 06.04.2013 to 31.03.2014	(4,441,285)	14,821,207
Unquoted equity instruments in Joint Venture Company (upto 08.05.2013)		
Tinna Trade Private Limited Previous Year 2000000(100%) equity shares of ₹ 10/- each paid up [refer note no. 33(3)]		20,300,320
Unquoted equity instruments in Other Companies		
Puja Infratech Private Limited 1,24,000 (12.40%) (Previous Year Nil) equity shares fully of ₹10/- each fully paid up	3,729,300	-
Bee Gee Ess Farms & Property Private Limited 1,15,000 (12.58%) (Previous Year Nil) equity shares of ₹10/- each fully paid up	11,528,750	-

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
Fratelli Wines Private Limited 1,50,000 (2.15%) (Previous Year Nil) equity shares of ₹10/- each fully paid up [refer point no. 4]	15,000,000	-
Keerthi International Agro Private Limited 11,000 (29%) (Previous Year 11,000 (29%)) equity shares of ₹100/- each fully paid up [refer note no. 33(7)]	1,100,750	1,100,750
	126,072,999	21,401,070
b) Investment in Preference Shares:		
Indo Enterprises Private Limited (Unquoted)		
40,000 (Previous Year 40,000) 6% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	4,000,000	4,000,000
80,000 (Previous Year 80,000) 8% Non-Cumulative redeemable nominal value of ₹10/- each optionally convertible preference shareholders at a premium of ₹ 90/- each.	8,000,000	8,000,000
TOTAL	12,000,000	12,000,000
	138,072,999	33,401,070
NOTES:		
1. Aggregate value of unquoted Investments	138,072,999	33,401,070
2. Book value of unquoted Investments	96,858,277	73,183,968
3. The Companies are closely held unquoted companies. Therefore book value has been considered on the basis of latest available audited financial statements.		
4. Management is of the opinion that the fair value of the unquoted equity share of Fratelli Wines Private Limited exceed the amount of investment made on the basis of discounted cash flow method and hence these is no impairment in the value of investment in this company.		
14. LONG TERM LOANS AND ADVANCES (Unsecured considered good)		
Capital advances	7,420,398	12,430,484
Security deposits	10,198,263	6,602,734
MAT credit entitlement {refer note no 33(17)}	58,954,683	10,875,800
Other loans and advances	96,595	128,961
	76,669,939	30,037,979
15. OTHER NON CURRENT ASSETS (Unsecured considered good)		
Land at Delhi (refer note no. 33(21))	53,023,300	-
Trade receivables	27,544,112	31,984,479
Less: Claims payable	(13,772,056)	(13,772,056)
Fixed deposits with banks include deposits held under lien with Government authorities (with original maturity period of more than 12 months)	1,668,000	-
	68,463,356	18,212,423

Long term trade receivable include claim receivable of ₹ 2,75,44,112/- from Food Corporation of India Limited (F.C.I) and Project and Equipment Corporation of India Limited (P.E.C) for which the Company has filed suits for recovery.

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
<p>However, as per order of Company Law Board dated 9th June, 2009, if any amount is received, the amount to the extent of 50% will be paid to separated group. A provision of ₹137,72,056/- has been made as per CLB order. The Company has filed an appeal pending before the Hon'ble High Court of India on 06/02/2013 and is hopeful of recovering the amount due from Food Corporation of India (F.C.I) and Project and Equipment Corporation Of India Limited (P.E.C), Hence no provision has been considered necessary in respect of the aforesaid receivables.</p>		
16. INVENTORIES		
Raw materials {including Stock in Transit ₹ 1,11,38,390/- (Previous Year ₹ 9,77,475/-)}	75,511,449	44,514,443
Work in progress {Including Stock in Transit ₹ 19,20,000/- (Previous Year Nil)}	52,537,143	42,338,354
Finished goods {including Stock in Transit ₹ Nil (Previous Year ₹7,18,892/-)}	8,498,519	7,413,356
Stock in Trade (Traded Goods) {includes Stock in Transit ₹ 49090211/- (Previous Year ₹ Nil)}	238,426,103	-
Stores and spares	5,213,337	3,711,981
Packing materials	4,567,359	2,315,388
Consumable stores	203,092	296,064
Steel scrap	32,534,606	8,116,137
	417,491,608	108,705,723
a) Inventories have been valued at lower of cost and net realisable value.		
b) Scrap material has been valued at estimated net realisable value.		
c) Packing materials are valued at cost only.		
d) Refer Accounting policy no. 2.09		
17. TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	23,591,027	14,429,068
Unsecured, considered doubtful	5,813,853	400,000
	29,404,880	14,829,068
Less : Provision for doubtful receivables	5,813,853	(400,000)
	23,591,027	14,429,068
Other receivables		
Unsecured, considered good	344,847,168	117,872,882
	368,438,195	132,301,950
18. CASH AND BANK BALANCES		
Cash and cash equivalents		
Balance with banks :		
In current accounts	116,246,327	26,547,476
In EEFC accounts	95,537	-
Fixed deposits held as margin money against the borrowings, having a maturity period of less than three months	22,900,000	-
Cash on hand	985,123	510,248
Other bank balances		
Deposits held as margin money against bank guarantees*	12,839,000	14,112,372
Pledged with government departments	70,550	70,550
	153,136,537	41,240,646

* Include Bank deposits of ₹5,00,000/- (Previous year ₹3,50,000/-) with 12 months or more original maturities.

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
19. SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances against materials and services	28,297,412	7,247,255
Security deposits	13,740,646	1,154,960
Margin money for forward contracts	10,728,922	-
Balance with Statutory/ Government authorities:		
Excise Duty	13,343,688	15,419,341
Service Tax	3,337,252	523,673
VAT	4,729,661	6,299,459
Port Authorities	595,605	-
Loans to Employees	1,418,310	1,426,408
Income Tax Refund due	298,747	-
Other advances	12,676,750	11,924,925
	89,166,993	43,996,021

- a) Security deposit include deposit with material suppliers and statutory departments.
- b) Other advances include advances towards godown rent, job work charges and excise duty on Capital goods (Deferred) and other miscellaneous advances.

20. OTHER CURRENT ASSETS

(Unsecured considered good)

Recoverable against sale of tangible assets	-	4,200,000
Prepaid expenses	1,457,009	1,763,477
Export incentive receivables	1,396,131	-
Insurance claims receivable	7,771,606	-
Deposits under protest {refer note no. 33(20)}	4,061,221	-
Interest accrued but not due	1,046,759	329,406
Other receivables	1,958,470	2,863,238
	17,691,196	9,156,121

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

Fratelli Wines Private Limited	-	152,679
Chin Min Developers Private Limited	5,753	-
Green Range Farms Private Limited	187,705	-
TP Buildtech Private Limited	16,139	-

21. REVENUE FROM OPERATIONS (NET)*

Sale of Products

Finished goods	874,417,830	848,568,903
Traded goods	2,208,692,887	-
Sale of services	63,973,875	36,410,683
Other operating revenues	11,538,728	5,985,682
	3,158,623,320	890,965,268

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
* REVENUE FROM OPERATIONS		
a) Sale of Finished Goods:		
Crumb rubber modifier (CRM)	332,819,350	260,049,557
Crumb rubber modified bitumen (CRMB)	140,549,615	302,262,059
Polymer modified bitumen (PMB)	11,824,499	-
Emulsion	87,033,318	115,924,154
Fine crumb rubber	100,648,400	124,946,388
Crumb rubber	120,264,320	7,719,905
Steel scrap	72,947,110	25,094,120
Natural asphalt	846,000	-
SBS	3,359,152	12,572,720
Aqualoc-HW-4	2,723,350	-
TP crete (TP-4)	58,100	-
Others	1,344,616	-
	874,417,830	848,568,903
b) Traded goods		
Aqualoc-HW-4	4,139,608	-
Tyre cutting machine	1,757,137	-
Yellow Peas	1,152,542,990	-
Kaspa Peas	86,754,645	-
Soya DOC	358,020,027	-
Lentils	245,644,014	-
Chana	122,641,947	-
Green peas	8,332,201	-
Others	228,860,318	-
	2,208,692,887	-
c) Sale of Services:		
Manufacturing charges	22,477,998	17,245,788
Equipment rental income	16,470,572	16,749,506
Clearing and Forwarding Services Income	5,371,152	2,415,389
Warehouse Rental Income	1,133,076	-
Comission Income	18,407,573	-
Cargo Handling and agency income	113,504	-
	63,973,875	36,410,683
d) Other operating revenues:		
Freight on Sales Recovered	9,475,100	5,985,682
Duty draw back received	642,463	-
Advance license under FPS Scheme	1,396,131	-
Sale of old jute gunny bags	25,034	-
	11,538,728	5,985,682

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013	
22. OTHER INCOME			
Interest Income			
From Bank	3,739,169	1,093,403	
From Others	4,312,781	917,536	
Rental Income	115,012	1,340,000	
Profit on Sale of tangible assets	441,819	9,937,785	
Excess Provisions written back	2,707,718	841,527	
Doubtful debts and advances recovered	-	52,500	
Dividend Income	18,919	-	
Profit due to dilution of stake in subsidiary	9,319,425	-	
Miscellaneous Income	6,043,934	936,988	
	26,698,777	15,119,739	
23. COST OF MATERIALS CONSUMED			
Natural asphalt	34,666,200	30,049,687	
Crumb rubber	84,461,069	172,362,931	
Bitumen	198,895,616	334,769,437	
Used old tyre	203,236,591	87,199,476	
Aqualoc-HW-4	2,675,886	11,134,391	
Packing materials	16,555,592	12,894,921	
Others	25,219,757	21,924,830	
	565,710,711	670,335,673	
24. PURCHASE OF STOCK IN TRADE (TADED GOODS)			
Aqualoc HW-4	4,058,399	-	
Tyre cutting machine	2,157,964	-	
Yellow Peas	1,170,209,622	-	
Kaspa-Dun Peas	15,983,994	-	
Soya DOC	377,599,592	-	
Lentils	195,717,651	-	
Chana	148,409,463	-	
Green peas	9,024,480	-	
Others	196,734,160	-	
Trade goods in transit	49,090,211	-	
	2,168,985,534	-	
25. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS	Year Ended 31-03-2014	Year Ended 31-03-2013	Increase/ (Decrease)
Inventories at the end of the Year			
Semi-finished goods	52,537,143	42,338,354	10,198,789
Finished goods	8,498,519	7,413,356	1,085,163
Traded goods*	238,426,103	112,942,567	125,483,536
Steel scrap	32,534,606	8,116,137	24,418,469
	331,996,371	170,810,414	161,185,957
Inventories at the beginning of the Year			
Semi-finished goods	42,338,354	5,361,527	36,976,827
Finished goods	7,413,356	8,302,737	(889,381)
Traded goods*	112,942,567	112,942,567	-
Steel scrap	8,116,137	-	8,116,137
	170,810,414	126,606,831	44,203,583

*Inventories of traded goods at the beginning of the year for ₹11,29,42,567/- in respect of subsidiary company Tinna Trade Private Limited on the date of 9th May, 2013.

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	Year Ended 31-03-2014	Year Ended 31-03-2013	Increase/ (Decrease)
Details of inventories at the end of the Year			
Semi Finished Goods			
Crumb rubber	49,441,823	36,363,104	13,078,719
Modified bitumen	2,061,248	4,492,720	(2,431,472)
Emulsion	916,047	1,276,272	(360,225)
Eva	118,025	206,258	(88,233)
	52,537,143	42,338,354	10,198,789
Finished Goods			
Crumb rubber modifier	3,488,889	4,174,161	(685,272)
Crumb rubber modified bitumen (CRMB)	-	300,542	(300,542)
Emulsion	916,222	2,301,059	(1,384,837)
Fine crumb rubber	3,773,408	555,516	3,217,892
Aqualoc HW-4	-	82,078	(82,078)
Crumb rubber	320,000	-	320,000
	8,498,519	7,413,356	1,085,163
Traded Goods			
Tyre cutting machine	293,584	-	293,584
Yellow Peas	120,000,311	13,467,307	106,533,004
Kaspa-Dun Peas	11,556,586	60,931,200	(49,374,614)
Lentils	13,668,644	11,404,890	2,263,754
Chana	42,358,514	16,161,127	26,197,387
Green peas	1,458,254	134,023	1,324,231
Trade goods in transit	49,090,211	-	49,090,211
Others	-	10,844,020	(10,844,020)
	238,426,103	112,942,567	125,483,537
Scrap			
Steel scrap	32,534,606	8,116,137	24,418,469
	32,534,606	8,116,137	24,418,469
Details of inventories at the beginning of the year			
Semi Finished Goods			
Crumb rubber	36,363,104	-	36,363,104
Modified bitumen	4,492,720	4,883,803	(391,083)
Emulsion	1,276,272	477,724	798,548
Eva	206,258	-	206,258
	42,338,354	5,361,527	36,976,827
Finished Goods			
Crumb rubber modifier	4,174,161	5,720,868	(1,546,707)
Crumb rubber modified bitumen (CRMB)	300,542	343,261	(42,719)
Emulsion	2,301,059	1,660,106	640,953
Aqualoc HW-4	82,078	-	82,078
Fine crumb rubber	555,516	578,502	(22,986)
	7,413,356	8,302,737	(889,381)
Traded Goods			
Yellow Peas	13,467,307	13,467,307	-
Kaspa-Dun Peas	60,931,200	60,931,200	-
Lentils	11,404,890	11,404,890	-
Chana	16,161,127	16,161,127	-
Green peas	134,023	134,023	-
Soya Doc	176	176	-
Others	10,843,844	10,843,844	-
	112,942,567	112,942,567	-
Scrap			
Steel scrap	8,116,137	-	8,116,137
	8,116,137	-	8,116,137

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
26. EMPLOYEE BENEFITS EXPENSES		
Salary, Wages, Bonus and other benefits	93,933,543	74,154,898
Contribution towards PF and ESI	7,137,882	6,118,702
Gratuity and Leave encashment {(refer note no. 33(10))}	806,451	2,572,809
Staff welfare expenses	4,972,255	4,071,446
	106,850,131	86,917,855
Employee benefits expense include managerial remuneration as detailed below:		
Salary	7,033,900	7,120,800
Contribution towards PF	360,937	518,400
27. FINANCE COSTS		
Interest Expense	42,685,866	26,064,571
Interest payable to trade payables	1,831,695	-
Interest on Income Tax	2,447,578	49,944
Other Borrowing Costs	5,979,728	1,564,500
Bank charges	9,639,350	3,309,501
	62,584,217	30,988,516
28. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on tangible assets	373,331,012	22,215,727
Amortisation of intangible assets	239,994	21,714
	373,571,006	22,237,441
29. OTHER EXPENSES		
Consumption of Stores and spare parts	4,828,849	2,627,181
Packing Material	10,552,781	-
Power and fuel	53,378,439	26,461,668
Job work charges	13,706,516	1,148,183
Equipment Hire Charges	496,715	321,660
Port Services and stevedoring charges	2,688,000	1,125,600
Clearing and forwarding expenses	38,348,189	-
Rent	17,253,646	4,626,130
Repairs to buildings	1,565,657	392,726
Repairs to machinery	25,678,148	8,813,423
Repairs others	2,698,706	2,198,125
Insurance	5,628,726	1,729,495
Rates and taxes	1,521,645	1,702,378
Professional and consultancy charges	7,532,614	5,116,207
Travel, Conveyance and vehicle maintenance	23,104,839	19,704,914
Telephone, Internet, Postage and Courier	3,350,728	2,606,448
Foreign currency exchange fluctuations (Net)	19,521,734	563,437
Provision for doubtful debts	632,358	400,000
Bad debts and sundry balances written off	5,015,367	83,043
Loss on sale of tangible assets	1,967,788	8,997,064
Loss on commodity future trading	17,521,804	-
Audit Fees*	1,268,208	828,090
Commission	11,233,900	4,282,635
Transportation expenses	27,333,840	18,880,065

Notes on Consolidated Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
Business promotion and marketing expenses	5,474,775	3,152,477
Lab Expenses/Research & development	805,416	582,461
Expenditure for increase in share capital	802,750	-
Shortage in transit	209,503	329,165
Excise Duty on opening and closing stocks of finished goods	(258,937)	(132,656)
Stock handling and supervision charges	48,190,118	-
Contract Settlement	7,513,358	-
Miscellaneous expenses	10,920,667	7,994,154
	370,486,847	124,534,073
* Payment to Auditors		
Statutory audit fee (including service tax)	1,026,406	678,090
Tax audit fee	166,386	150,000
Income tax matter	13,109	-
Reimbursement of out of pocket expenses	62,307	-
	1,268,208	828,090
30. EXTRAORDINARY ITEMS		
Release consideration {Refer note 33(19)}	191,705,292	-
	191,705,292	-
31. PRIOR PERIOD ITEMS		
Insurance Claims	3,113,806	-
Export Incentives	3,197,642	-
	6,311,448	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	2013-14	(Amount in ₹) 2012-13
32. CONTINGENT LIABILITIES AND COMMITMENTS		
A. Contingent liabilities (to the extent not provided for)		
a) Claims/Suits filed against the Company not acknowledged as debts (Advance paid ₹50,000/-) (Refer point (i))	14,302,921	1,43,02,921
Bank guarantees opened with banks: (Margin money ₹1,28,39,000/- (previous year ₹1,35,39,000/-)	114,404,592	11,35,17,161
Foreign letter of credits opened with bank (USD)	6085105	80,36,563
Disputed tax liabilities in respect of pending cases before Appellate Authorities (Refer Point (ii))	19,270,355	1,42,58,054
Surety given to sales tax department (Haryana) in favour of associate company (Refer point (iii))	100,000	1,00,000
Corporate guarantee (Refer point (iv))	206,500,000	-
Demand raised by Haryana State Industrial and Infrastructural Development Corporation Limited (HSIDC) (Refer point V)	37,326,794	3,73,26,794
Entry tax levied by the Government of West Bengal {net of provision of ₹654355/- (previous year ₹ 575735/-)}	646,273	2,75,130

NOTES:

- i) a) Shri Vijay Kumar Sekhri (Ex-Director) and Anil Kumar Sekhri (Ex-Director) have filed suits before Hon'ble High Court Delhi for recovery ₹11250000/- towards remuneration from 01.09.2009 to 15.07.2011 together with interest 18% p.a which has been dismissed by Hon'ble High Court Delhi vide order dated 12.02.2013. The said Shri. Vijay Kumar Sekhri (Ex-Director) and Shri Anil Kumar Sekhri (Ex-Director) have filed Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.
- b) A claim has been filed against the Company by a supplier for recovery of ₹17,76,558/- which is pending before the VII Addl. City Civil Court, Chennai.
- ii) The various disputed tax liabilities are as under:

Description	Court Authority	Period to which relates	Disputed amount	
a) Income Tax				
The Tribunal deleted addition of ₹1,90,91,831/- on account of disallowance of job work charges. The Income Tax department has an appeal before the Hon'ble filed High court of Delhi.	High Court of Delhi	2000-01	73,50,358/-	73,50,358/-
The disputed tax liabilities in respect of various disallowance/ additions made by the A.O.	CIT (Appeals)	2006-07 to 2009-10	69,07,696/-	69,07,696/-
			1,42,58,054/-	1,42,58,054/-

b) Service tax

Service Tax Liability (excluding interest and Penalty) on account of difference in interpretation about category of service in respect of Operation and Maintenance of Crumb Rubber Modified Bitumen (CRMB) Plant of Indian Oil Corporation Limited at Mathura.	Filing of appeal under process	01.04.2008 to 30.06.2012	50,12,301/-	-
			1,92,70,355/-	1,42,58,054/-

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

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

- iii) The Company has given surety bond for Rs1,00,000/- under Haryana VAT Act, 2003 and CST Act, 1956 in favour of Fratelli Wines Private Limited, an associate company.
- iv) The corporate guarantees given by the Company are as under:-
- a) The Company has extended the corporate guarantee for credit facility of ₹5,00,00,000/- taken by TP Buildtech Private Limited(associate company) from Syndicate Bank. The Company has extended 2nd charge (UREM) on land measuring 13500 sq. metres situated at Gult No 113/2 and 114/2 Village Pali Taluka Wada, District Thane- Maharashtra towards credit facility sanctioned to TP Buildtech Private Limited.
- b) The Company has extended corporate guarantee for credit facility of ₹15,65,00,000/- taken by BGK Infrastructure Developers Private Limited(associate company) from ICICI Bank Limited.
- v) The Company had set up a plant at Panipat, Haryana on land measuring 34 kanals, 8 marlas. The land was notified as a part of Industrial area by Haryana State Industrial and Infrastructural Development Corporation Limited (HSI IDC) in the year 2006-07. In terms of applicable Government laws, the company filed an objection with the authority and land measuring 20 kanals and 12 marlas was released by HSI IDC which continues to be in possession of the company till date. However, HSI IDC has erroneously served a demand of ₹ 37326794/- for allotment of above land. The company has filed a writ petition in the High Court of Punjab and Haryana against demand served by HSI IDC and release and restoration of entire land.
- vi) In Subsidiary Company Tinna Trade Private Limited, vide draft order order dated 29th Jan 2014 as rectified by draft order dated 31st Jan 2014, the Learned Additional Director of Income Tax, Transfer Pricing Officer II (4) New Delhi has proposed an adjustment of ₹ 7,94,43,060/- for Assessment year 2011-12 (relevant to financial year 2010-11). Being aggrieved by the same, the company has filed a review petition to the Disputed Resolution Panel, New Delhi. Pending the final decision in the matter, the liability on account of the same is yet not finally determined.

B. Commitments:

Estimated amount of capital contracts remaining to be executed and not provided for(net of advances) (Amount in ₹)	1,90,13,389/-	1,92,18,308/-
Estimated amount of commodity contracts remaining to be executed and not provided for :-		
Buy (250 metric ton)	8,344,200	-
Sell (1,480 metric ton)	85,554,560	-

33. OTHERS NOTES ON ACCOUNTS

1. In Accordance with Accounting Standard (AS-21) on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India, the consolidated Financial statements of Tinna Rubber and Infrastructure Limited include the financial statements of its subsidiary companies as under:-

Name	Country of Incorporation	Extent of Control
Tinna Trade Private Limited (w.e.f 9/05/2013)	India	100%
BGK Infrastructure Developers Private Limited (upto 28/10/2013)	India	100%

2. The associates Company included in the Consolidated financial statements in accordance with Accounting Standard (AS-23) "Accounting for Investment in Associates in consolidated Financial Statements" are as under :-

Name of the associate Companies	Country	Proportion of Ownership
BGK Infrastructure Developers Private Limited (w.e.f 29/10/2013)	India	50.00%
TP Buildtech Private Limited (w.e.f 05/04/2013)	India	49.75%
BGNS Infratech Private Limited (w.e.f 31/05/2013)	India	48.125%

3. Tinna Trade Private Limited (Formerly known as Tinna Viterra Trade Private Limited) having 40% share holding during the previous year(2012-13) has ceased to be a Joint Venture Company in terms of Share Transfer and Release Agreement entered into on 9th of May 2013 with Viterra Asia Private Limited. As per the agreement the Company has acquired the remaining 60% of Tinna Trade Private Limited and hence the said Company has become 100% subsidiary of the Company with effect from 09/05/2013.
4. B.G.K Infrastructure and Developers Private Limited has ceased to be the subsidiary of the Company w.e.f. 29/10/2013. The said Company has entered into 'Shares Subscription Agreement' with 'Insurexcellence Advisors Private Limited' and 'SIAM Stock Holdings Limited' (collectively referred to as the 'Investors') and Tinna Rubber and Infrastructure Limited' (referred to as the 'Existing Shareholder') on 11th Day of April, 2013. As per the agreements, the investors have invested in the equity capital of the Company to the extent of 50% (fifty) of the paid up equity share capital post such investment and nominated 2 (two) non-rotational Directors on the Board of the Company. With effect from 29th day of October 2013, M/s B.G.K. Infrastructure and Developers Private Limited has become an associate company and has been treated in accordance with AS-23 "Accounting for Investment in Associate Company" issued by the Institute of Chartered Accountants of India.
5. The Company has acquired 7,21,875/- fully paid up equity shares of BGNS Infratech Private Limited on 31.05.2013. Therefore from the said date BGNS Infratech Private Limited has become an associate company and has been treated in accordance with AS-23 "Accounting for Investment in Associate Company" issued by the Institute of Chartered Accountants of India.
6. The Company has acquired 19,90,000/- fully paid equity shares of TP Buildtech Private Limited on 5.04.2013. Therefore from the said date TP Buildtech Private Limited has become an associate company and has been treated in accordance with AS-23 "Accounting for Investment in Associate Company" issued by the Institute of Chartered Accountants of India.
7. The Company has invested a sum of ₹11,00,750/- in Keerthi International Agro Private Limited towards 11,000 equity shares of ₹100 each i.e 29% holding in the investee company. .The Company by itself or through its Directors does not have any significant influence over the the controls and affairs of the investee Company. Therefore the said investee company has not been treated as associates in terms of AS-23 Accounting for Investment in Associates in Consolidated Financial Statements as notified by the Companies (Accounting Standard) Rules, 2006 (as amended).

8. The name of the Subsidiary Company has been changed from "Tinna Viterra Trade Private Limited" to "Tinna Trade Private Limited" w.e.f. June 6th, 2013 vide fresh certificate of incorporation consequent upon change of name issued by the Registrar of the Companies, National Capital Territory of Delhi and Haryana during the year.

9. Principles of consolidation

The consolidated financial statements relate to Tinna Rubber and Infrastructure Private Limited (The Company), the subsidiary companies Tinna Trade Private Limited w.e.f 9/05/2013 and B.G.K. Infrastructure Developers Private Limited (upto 28/10/2013) ('the Group Company') collectively referred to as "The Group". The financial statements of subsidiary Companies and associates are audited up to 31st March, 2014. The Consolidated financial statements have been prepared on following basis :-

- a) The consolidated financial statements have been prepared based on line-by-line consolidation of the statement of profit and loss and the balance sheet of the company and its subsidiary after eliminating intra group balances and unrealized profits / losses if any on intra group transactions.
- b) Reporting of subsidiary Companies has been prepared using uniform accounting policies except following:

S. No.	B.G.K Infrastructure Developers Private Limited		Tinna Trade Private Limited		
	Depreciation rate	Basis of Depreciation	Depreciation rate	Basis of Depreciation	
1.	Furniture & Fixtures	6.33%	SLM	18.10%	WDV
2.	Computers	16.21%	SLM	40%	WDV
4.	Mobiles	4.75%	SLM	33.33%	SLM
5.	Vehicles	-	-	25.89%	WDV

The proportionate share of depreciation charged and net block of fixed assets are incorporated on the basis of depreciation rates as enumerated above.

- c) In case of associates where the Company directly or indirectly through subsidiaries holds more than 20% of equity, investments in associates are accounted for using equity method in accordance with Accounting Standard (AS-23) "Accounting for investments in associates in consolidated financial statements" issued by the Institute of Chartered Accountants of India.
- d) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its statement of profit and loss to the extent such change is attributable to the associates profit and loss account and through its reserves for the balance, based on available information.
- e) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

- g) Goodwill arising on acquisition is as under:-

(i) BGNS Infratech Private Limited (on 31/05/2013)	
Percentage of Holding	48.125%
Net Assets as on date of Acquisition	17,886,623
Share of Tinna Rubber and Infrastructure Limited in Net Assets	8,607,937
48.125%	
Investments in said Company	23,157,750
Amount paid for Goodwill	14,549,813

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

Defined Contribution Plan

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

	2013-14	2012-13
Employer's contribution towards provident fund (PF)	3,651,000	3,307,318
Employer's contribution towards family pension scheme (FPS)	2,784,387	2,385,289
Employer's contribution towards employee state insurance (ESI)	773,174	657,925
	<u>7,208,561</u>	<u>6,350,532</u>
Less: Capitalised under tangible assets	(70,679)	(231,830)
Expenses charged to statement of profit and loss	<u>7,137,882</u>	<u>6,118,702</u>

Defined Benefit Plan

(A) Gratuity

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

a. Reconciliation of opening and closing balances of defined benefit obligation

Defined benefit obligation at beginning of the year*	10,997,937	7,724,654
Current service cost	1,783,339	1,547,802
Interest cost	922,840	635,538
Actuarial (gain)/ loss	(2,819,574)	(502,077)
Benefits paid	(1,428,656)	(476,011)
Defined benefits obligation at year end	<u>9,455,886</u>	<u>8,929,906</u>

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

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

c. Reconciliation of fair value of assets and obligations

Fair value of plan assets	-	-
Present value of obligations	9,455,887	8,929,906
Amount recognized in the balance sheet- asset/(liability)	(9,455,887)	(8,929,906)
Current portion	1,726,815	1,595,881
Non-current portion	7,729,072	7,334,025

d. Expenses recognized in profit and loss account

Current service cost	1,783,339	1,547,802
Interest cost	922,840	635,538
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(2,819,574)	(502,077)
Net cost	(113,395)	1,681,263

e. Investment details

LIC group gratuity policy	-	-
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f. Actuarial Assumption

Mortality table (LIC)		1994-96	1994-96
Discount rate (per annum)		9%	8.25%
Expected rate of return on plan assets(per annum)		0%	0%
Rate of escalation in salary (per annum)		8-10%	7%
Withdrawl rate (per annum)		1-3%	-

g. Amounts for current and previous period	2013-14	2012-13	2011-12	2010-11*	2009-10*
Present value of obligation	9,455,887	10,997,937	9,005,605	6,034,934	3,020,930
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit)	(1,154,326)	(2,068,031)	(1,280,951)	-	-

* Include opening balance of subsidiary company Tinna Trade Private Limited.

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) The gratuity plan is unfunded.

(B) Leave Encashment

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

	<u>2013-14</u>	<u>2012-13</u>
a. Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined Benefit obligation at beginning of the year*	3,514,878	1,011,990
Current Service cost	675,945	388,796
Interest cost	303,443	83,260
Actuarial (Gain)/ Loss	(1,717,042)	388,644
Benefits paid	(297,895)	(153,129)
Defined benefits obligation at year end	<u>2,479,329</u>	<u>1,719,561</u>
b. Reconciliation of opening and closing balance of fair value of plan assets		
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets actuarial (Gain/Loss)	-	-
Employer contribution	-	-
Benefits paid	-	-
Fair value of plan assets as on	-	-
Actual return on plan assts	-	-
c. Reconciliation of fair value of assets and obligations		
Fair value of plan assets at beginning of the year	-	
Present value of obligations at year end	2,479,329	1,719,561
Amount recognized in the balance sheet- asset/(liability)	(2,479,329)	(1,719,561)
Current Portion	453,049	398,891
Noncurrent Portion	2,026,280	1,320,670

d Expenses recognized in profit & loss account

Current service cost	675,945	388,796
Interest cost	303,443	83,260
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(1,717,042)	388,644
Net cost	(737,654)	860,700

e. Investment details

LIC group gratuity policy	-	-
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f. Actuarial Assumption

Mortality table (LIC)	1994-96	1994-96
Discount rate (per annum)	9%	8.25%
Expected rate of return on plan assets(per annum)	0%	0%
Rate of escalation in salary (per annum)	8-10%	7%
Withdrawal rate (per annum)	2%	

g. Amounts for current and previous period	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of obligation	2,479,328	3,514,878	2,220,574	567,838	262,014
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit)	(797,729)	(1,795,317)	(1,208,584)	-	-

NOTES:

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

11. Segment Information:**Business Segment - Holding Company**

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

b) i. Business Segment - Subsidiary Company

The company is operating in a single segment of Agro commodities trading. Hence there are no reportable primary segments.

ii. Secondary-Geographical Segment (in Subsidiary Company)**Segment revenue**

Domestic Market	2,153,186,155	-
Overseas Market	82,664,170	-
	<u>2,235,850,325</u>	<u>-</u>

Segment Assets	655,596,705	-
Overseas Market	8,536,098	-
	664,132,803	-
Segment Liabilities		
Domestic Market	453,411,309	-
Overseas Market	49,462,180	-
	502,873,489	-

12. Related Party Disclosure

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

(A) Names of related parties and description of relationship :
(i) Associate Companies

B.G.K Infrastructure Developers Private Limited (w.e.f 29/10/2013)
 BGNS Infratech Private Limited (w.e.f. 31/05//2013)
 T P Builtech Private Limited (w.e.f. 05/04/2013)

(ii) Enterprises in which KMP and relatives of such person exercise significant influence.

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

(iii) Key Management personnel

Shri Bhupinder Kumar Sekhri
 Shri Kapil Sekhri
 Shri Gaurav Sekhri (Whole Time Director)

(iv) Relatives of key management personnel

Smt. Shobha Sekhri
 Smt. Aarti Sekhri
 Smt. Puja Sekhri

(v) Relatives of key management personnel

Viterra Limited, Australia(upto 08-05-2013)

(B) Transaction during the year	2013-14	2012-13
(i) Loan taken from :		
Enterprises in which KMP and relatives of such person exercise significant influence.		
Arnav Estate Private Limited	-	12,900,000
Chin Min Developer Private Limited	11,100,000	38,000,000
Gee Ess Pee land Developers Private Limited	155,000,000	-
Guru Infratech Private Limited	2,000,000	-
Green Range Farms Private Limited	6,500,000	-
Panjawani Properties Private Limited	-	8,000,000
Puja Infratech Private Limited	-	3,500,000
S.S.Horticulture Private Limited	5,000,000	1,200,000
Key Management Personnel		
Mr Bhupinder Kumar Sekhri	20,900,000	19,600,000
Mr Kapil Sekhri	8,400,000	-
	208,900,000	83,200,000
(ii) Loan Repaid:		
Enterprises in which KMP and relatives of such person exercise significant influence.		
Arnav Estate Private Limited	-	12,900,000
Chin Min Developer Private Limited	11,100,000	47,988,662
Gee Ess Pee Land Developers Private Limited	155,000,000	501,770
Guru Infratech Private Limited	2,000,000	1,506,639
Panjawani Properties Private Limited	-	8,000,000
Pratham Road Technologies and Construction Limited	-	653,844
Puja Infratech Private Limited	-	3,500,000
S.S.Horticulture Private Limited	5,000,000	1,200,000
Key Management Personnel		
Mr Bhupinder Kumar Sekhri	37,004,183	23,700,000
Mr Kapil Sekhri	-	8,807,165
	210,104,183	108,758,080
(iii) Interest Paid		
Enterprises in which KMP and relatives of such person exercise significant influence.		
Arnav Estate Private Limited	-	641,671
Chin Min Developer Private Limited	172,726	1,049,018
Gee Ess Pee Land Developers Private Limited	1,259,566	4,110
Guru Infratech Private Limited	-	12,329
Green Range Farms Private Limited	19,500	-
Panjawani Properties Private Limited	-	459,041
Pratham Road Technologies & Construction Limited	-	90,016
Puja Infratech Private Limited	-	179,895
S.S.Horticulture Private Limited	-	25,151
Key Management Personnel		
Mr Bhupinder Kumar Sekhri	446,261	3,378,913
Mr Kapil Sekhri	89,178	598,240
	1,987,231	6,438,384
(iv) Commisison Paid		
Associate Companies		
TP Builtech Private Limited		460,350

(v) Rent Received			
Associate Companies			
T P Buildtech Private Limited	12		-
	12		-
(vi) Reimbursement of Expenses			
Associate Companies			
TP Builtech Private Limited	-		25,100
BGK Infrastructure and Developers Private Limited	-		38,992
Enterprises in which KMP and relatives of such person exercise significant influence.			
Fratelli Wines Private Limited	135,831		171,742
	135,831		235,834
(vii) Reimbursement received of expenses incurred			
Associate Companies			
TP Builtech Private Limited	2,126,259		-
	2,126,259		-
(viii) Loans given to			
Enterprises in which KMP and relatives of such person exercise significant influence.			
Chin Min Developer Private Limited	5,500,000		-
Green Range Farms Private Limited	2,500,000		-
Gee Ess Pee Land Developers Private Limited	117,500,000		-
	125,500,000		-
(ix) Repayment of loans given			
Enterprises in which KMP and relatives of such person exercise significant influence.			
Chin Min Developer Private Limited	5,500,000		-
Green Range Farms Private Limited	2,500,000		-
Gee Ess Pee Land Developers Private Limited	117,500,000		-
	125,500,000		-
(x) Interest received			
Enterprises in which KMP and relatives of such person exercise significant influence.			
Chin Min Developer Private Limited	5,753		-
Green Range Farms Private Limited	187,705		-
Gee Ess Pee Land Developers Private Limited	1,182,517		-
	1,375,975		-
(xi) Sale of fixed assets			
Associate Companies			
T P Buildtech Private Limited	7,107,919		-
Enterprises in which director exercise significant influence			
Shivratna Agro Products Private Limited	250,000		-
(xii) Sale of goods and services			
Associate Companies			
T P Buildtech Private Limited	7,119,485		-
	7,119,485		-
(xiii) Equity shares purchased			
Associate Companies			
BGK Infrastructure Developers Private Limited (1466300 equity shares of Rs 10/-each)	20,014,995		-
T P Buildtech Private Limited (1990000 equity shares of Rs 10/-each)	19,900,000		-

	Enterprises in which KMP and relatives of such person exercise significant influence.		
	562500 equity shares of BGNS Infratech Private Limited for ₹18000000/- and 124000 equity shares of Puja Infratech Private Limited for ₹ 3720000/- purchased from S.S Horticultures Private Limited)	21,720,000	-
	Fratelli Wines Private Limited (150000 equity shares of Rs 10each)	15,000,000	-
	115000 equity shares of Bee Gee Ess Farms & Properties private Limited purchased from Chin Min Developer Private Limited.	11,500,000	-
		88,134,995	-
(xiv)	Forfeited share re-issued		
	Key Management Personnel		
	Shri Kapil Sekhri	1,812,400	-
	Shri Gaurav Sekhri	1,812,400	-
		3,624,800	-
(xv)	Purchases of gifts		
	Enterprises in which KMP and relatives of such person exercise significant influence.		
	Fratelli Wines Private Limited	645,318	419,113
		645,318	419,113
(xvi)	Managerial remuneration		
	Key Management Personnel		
	Mr. Bhupinder Kumar Shekhri-Director	3,560,400	3,560,400
	Mr Kapil Sekhri- Director(previous year)	-	3,560,400
	Mr. Gaurav Sekhri	3,153,333	-
	Relatives of key management personnel		
	M [₹] Shobha Sekhri	1,200,000	720,000
	Mrs Aarti Sekhri	-	720,000
		7,913,733	8,560,800
(xvii)	Corporate Gurantee given:		
	Associate Companies		
	BGK Infrastructure Developers Private Limited	156,500,000	-
	TP Builtech Private Limited	50,000,000	-
		206,500,000	-
(xviii)	Commisson Received:		
	Related parties where control exists		
	Viterra Limited, Australia	54,898	-
		54,898	-
(xix)	Corporate Gurantee taken:		
	Enterprises in which KMP and relatives of KMP exercise significant influence.		
	Bee Gee Ess Farms and Properties Private Limited	300,000,000	
		300,000,000	
(C)	Balance at the year end		
(i)	Amount Receivable		
	Associate Companies		
	TP Builtech Private Limited	16,139	-
	Enterprises in which KMP and relatives of such person exercise significant influence.		
	Fratelli Wines Private Limited	-	152,679
	Green Range Farms Private Limited	187,705	-
	Chin Min Developer Private Limited	5,753	-
	Gee Ess Pee Land Developers Private Limited	1,064,264	-
	Key Management personnel		
	Mr. Gaurav Shekhri	83,981	
		1,357,842	152,679

(ii) Amount Payable
Enterprises in which KMP and relatives of such person exercise significant influence.

Fratelli Wines Private Limited	67,200	-
Gee Ess Pee land Developers Private Limited	1,133,609	-
Green Range Farms Private Limited	6,517,550	-
BGK Infrastructure Developers Private Limited	2,250,192	
SS Horticulture Private Limited	-	121,090

Associate Companies

TP Builtech Private Limited		373,285
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Key management personnel

Mr Bhupinder Kumar Sekhri	6,484,118	22,407,583
Mr Kapil Sekhri	8,480,260	198,400

Relatives of key management personnel

Ms. Shobha Sekhri	83,900	41,000
Ms. Aarti Sekhri	-	41,400

TOTAL	25,016,829	23,182,758
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13. i). Accounting for leases has been done in accordance with Accounting Standard-19 notified by the Companies (Accounting Standard) Rules, 2006 (as amended)

The details of lease transactions are as under:-

Operating Lease:

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

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

	2013-14	2012-13
Not later than one year	42,21,000/-	40,20,000/-
Later than one year but not later than five year	1,90,36,710/-	1,81,50,300/-
Later than five years	1,97,97,294/-	2,49,04,704/-
Lease rent payments recognised in the statement of profit and loss as rent expenses.	54,44,671/-	46,26,130/-

- iii) The Subsidiary 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 ₹ 1,31,69,094/- (previous year NIL).

14. Earning per Share:

	2013-14	2012-13
a) Calculation of weighted average number of Equity Shares of ₹10 each		
Equity shares outstanding at the beginning of the year	8,485,950	8,564,750
Equity shares outstanding at the end of the year	8,564,750	8,485,950
Weighted average no. of equity shares outstanding during the year.	8,536,037	8,485,950
b) Net profit after tax(after extra ordinary items) available for equity shareholders	221,284,499	16,396,902
Less : Extra Ordinary Items	191,705,292	0
Net profit after tax(before extra ordinary items) available for equity shareholders	29,579,207	16,396,902
c) Basic and diluted earning per share(before extraordinary items)	3.46	1.93
Basic and diluted earning per share(after extraordinary items)	25.92	1.93

15. Prior Period Items

- The Subsidiary Company has recognised Rs 31,97,642/- on account of export incentives for the financial Year 2012-13 and ₹ 31,13,806/- on account of insurance claims for the financial year 2012-13. The same has been treated as prior period items in accordance with AS-5 "Net Profit or Loss for the period, prior period items and change in accounting policies and treated accordingly in the statement of profit and loss.
16. Interest and other borrowing costs amounting to ₹ 47,72,140/- (previous year ₹ 94,82,612/-) have been capitalized to the carrying cost of fixed assets being financing costs directly attributable to the acquisition, construction or installation of the concerned qualifying assets till the date of its commercial use, in accordance with accounting standard 16 "Borrowing Costs" notified by the Companies (Accounting Standards) Rules, 2006 (as amended).
17. During the year the Group Company has recognised MAT credit as an asset on the basis of the consideration of prudence. The same has been shown under the head "Long term Loans and Advances" since there being a convincing, evidence of realisation of the asset in the specified period. Accordingly the Company has recognised MAT credit entitlement as on the date of Balance sheet amounting to ₹ 5,89,54,683/-.
18. The Company has entered into an agreement on 25.02.2010 with Riveria Builder Private Limited and Viki Housing Development Private Limited for sale of 89,993 equity shares of ₹ 100/- each of Gautam Overseas Limited for ₹90,00,000. The Company has received the sales consideration of ₹ 90,00,000/- in the F.Y 2009-10 which has been duly accounted for. The Company Law Board has vide order dated 28.06.2010 restrained the Company for transfer of said shares, which has been upheld by the Hon'ble High Court of Delhi. The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India.
19. The Company had entered into joint venture agreement dated June 30, 2009 with Viterra Asia Pte Limited, Singapore to carry on business relating to agricultural products and formed a joint venture company. The extraordinary income of ₹ 1,917.05 lacs (net of expenses of ₹107.52 lacs) represents the amount received from Viterra Asia Pte Limited Singapore as per Share Transfer & Release Agreement dated May 9, 2013 on release of parties from the obligations and terms & conditions of the joint venture agreement dated June 30, 2009. The said Extraordinary Income has been treated as capital receipt. However, the provision for MAT u/s 115JB of the Income Tax Act, 1961 has been made on the said income.
20. The Company has paid under protest, countervailing duty (CVD) of Rs 40,04,788/- on import of old used tyres scrap for manufacturing of crumb rubber (CRMB). The same has been treated as refundable. An appeal has been filed before the Commissioner of Customs (Appeals) Chennai and Commissioner of Customs (Appeals) Ghaziabad for ₹ 318910/- and ₹ 1111597/- respectively, supporting the claim of the company which is pending before the authority.
21. The company has purchased land at Delhi during the year to carry on the activities of development of land, construction of houses, apartments etc. The process of mutation of land, the land use conversion from agricultural to other use is yet to be done in accordance with the applicable Laws. In the view of the same is classified as non-current assets.
22. The Company has given 1,131 square meter of land on lease at ₹1/- per month to T.P Buildtech Private Limited an associate Company with effect from 01/04/2013 vide agreement dated 29.12.2012 and addendum to the agreement. The same has been given on account of commercial expediency.
23. In accordance with Accounting Standard- 28, "Impairment of Assets", notified under the Companies (Accounting Standard) Rules, 2006 (as amended), the Company has assessed the potential generation of economic benefits from its business units as on the balance sheet date is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly, the management is of the view that no impairment provision is called for in these accounts.

24.	In the opinion of the Board, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.		
25.	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.		
26.	CIF Value of imports	2013-14	2012-13
	Raw material	126,599,417	44,293,859
	Traded goods	1,253,206,481	-
	Capital goods	17,104,317	64,385,767
	Spares parts for capital goods	3,062,918	700,960
		<u>1,399,973,133</u>	<u>109,380,586</u>
27.	Expenditure in foreign exchange		
	Foreign travelling	1,877,064	1,209,366
	Interest expenses	3,102,838	-
	Contract settlement (Net)	7,944,620	-
		<u>12,924,522</u>	<u>1,209,366</u>
28.	Earnings in foreign exchange		
	Release consideration received from Viterra Asia Pte (Including ₹1,07,51,978/- reimbursement to Tinna Trade Private Limited)	204,769,600	-
	Export sales	62,607,355	-
	Commission	18,407,573	-
	Others	1,649,242	-
	F.O.B Value of Exports		
	Sale of Machinery	1,757,137	-
		<u>289,190,907</u>	<u>-</u>
29.	Value of imported/indigenous raw materials and components/stores and spares consumed and percentage thereof		
	Raw Materials Consumed		
	Indigenous	Amt. (₹)	383,966,953
		%	70.00%
	Imported	Amt. (₹)	165,188,166
		%	30.00%
	Total		549,155,119
			65,74,40,752/-
	Stores and spares		
	Indigenous	Amt. (₹)	4,828,849
		%	100%
			26,27,181/-
			100%
	Packing Material Consumed		
	Indigenous	Amt. (₹)	16,555,592
		%	100%
			1,28,94,921/-
			100%
30.	Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise as at 31st March,2014 are as under:		
a)	Unhedged foreign Currency exposures as at 31st March 2014 are as under:		
i.	Import Trade Payable		
	Foreign currency (USD):	853247/98	2,29,760/41
	Local Currency:	51,273,272	1,25,62,473

ii.	Buyer' Credit		
	Foreign currency (USD)	2,601,650	-
	Local Currency	156,358,645	-
iii.	Interest Payable		
	Foreign currency (USD)	6,189	-
	Local Currency	371,969	-
iv.	Export Trade Receivable		
	Foreign currency (USD):	162,048	-
	Local Currency:	9,735,367	-
b)	Derivative instruments outstanding as at 31st March 2014 are as under:		
i.	Particulars/purpose		
	Forward Contracts-Sell (To hedge Release Consideration receivable from Viterra Asia PTE Limited, Singapore)		
ii.	Foreign Currency (USD):	-	7,50,000/-
	Local Currency:	-	4,07,91,975/-
iii.	No. of Contracts	56	-
	Notional amount of forward contracts in foreign currency (USD)	1,530,000	-
	Rupee equivalent	91,952,694	-

31. The Company has not declared any dividend during the previous year hence no remittance in foreign currency has been made.
32. (i) Figures of the previous year have been regrouped /reclassified /rearranged wherever necessary.
(ii) Tinna Trade Private Limited has become subsidiary during the year and its figures are consolidated in the current year only hence the figures are not strictly comparable with the previous year.
33. Notes 1 to 32 forms integral part of the Financial Statements.

"As per our report of even date"

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Kulbir Singh
(Director)

Anand Kumar Singh
(Director)

Place : New Delhi
Dated : 29/5/2014

Raghuvansh Mani
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

INDEPENDENT AUDITORS' REPORT

To

The The Members of,

M/s. TINNA TRADE PRIVATE LIMITED

(Formerly known as Tinna Viterra Trade Private Limited)

No. 6, Sultanpur (Mandi Road)

Mehrauli, Delhi-110030

Report on the Financial Statements

We have audited the accompanying financial statements of TINNA TRADE PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April, 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements,

whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("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, 2014;
- (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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs.
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Place : New Delhi
Dated : 18/5/2014

Rajan Bansal
(Partner)
Membership No. : 93591

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) The Company has a phased periodical programme of physical verification of all fixed assets, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. No material discrepancies have been noticed on such verification.
 - c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of fixed assets of the Company and such disposal has, in our opinion, not affected the going status of the Company.
2.
 - a) As per explanations given to us, inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of the verification is reasonable. Inventories lying with outside parties have been confirmed by them as at year end.
 - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
3.
 - a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.
 - b) The Company has taken loan of ₹ 9,75,00,000/- from Tinna Rubber and Infrastructure Limited, a holding company, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 9,75,00,000/- and the year-end balance outstanding was ₹ Nil/-.
 - c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which such loans have been taken are not prima facie prejudicial to the interests of the Company.
 - d) In respect of loans taken by the Company, repayment of the principal amounts and payment of interest is as per stipulations.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to sale of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system.
5.
 - a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contracts or agreements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year exceeding ₹ 5,00,000/- have been made at price which are reasonable having regard to the prevailing market price at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year, within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

7. The Company does not have an internal audit system.
8. In our opinion, Cost records under section 209(1)(d) of the Companies Act, 1956 are not required to be maintained by the Company.
9.
 - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable to it.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank during the year.
12. According to the information and explanations given to us and based on documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund, nidhi/ mutual benefit fund/ society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion the Company is not dealing in or trading of shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. Based on our examination of records and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions, which are prejudicial to the interests of the Company.
16. The Company has not taken any term loan. Accordingly, the provisions of clause 4(xvi) of the Companies(Auditor's Report) Order, 2003 are not applicable to the Company.
17. According to the information and explanations given to us and an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. According to the information and explanations given to us, the Company did not have any outstanding debentures during the year.
20. According to the information and explanations given to us, the Company has not raised money by public issue of shares/ debentures during the year.
21. Based upon our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

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

Rajan Bansal
(Partner)

Place : New Delhi
Dated : 18/5/2014

Membership No. : 93591

Balance Sheet as at March 31, 2014

	Note No.	As at 31-03-2014	Amount (₹) As at 31-03-2013
I. EQUITY & LIABILITIES :			
1. SHAREHOLDERS' FUNDS			
Share Capital	3	50,000,000	50,000,000
Reserve & surplus	4	111,259,313	102,451,393
		161,259,313	152,451,393
2. NON-CURRENT LIABILITIES			
Long-term provisions	5	1,935,127	3,832,022
		1,935,127	3,832,022
3. CURRENT LIABILITIES			
Short-term borrowings	6	331,472,164	-
Trade payables	7	113,138,449	583,311,147
Other current liabilities	8	55,913,350	60,148,220
Short-term provisions	9	414,399	21,088,428
		500,938,362	664,547,795
TOTAL		664,132,802	820,831,210
II. ASSETS :			
1. NON-CURRENT ASSETS			
Fixed assets	10		
Tangible assets		2,176,200	3,315,940
Intangible assets		304,399	14,623
Deferred tax assets	11	6,901,934	7,636,056
Long-term loans and advances	12	2,696,268	4,211,830
Other non-current assets	13	1,668,000	1,966,000
		13,746,801	17,144,449
2. CURRENT ASSETS			
Inventories	14	239,757,994	269,749,941
Trade receivables	15	213,870,250	347,697,543
Cash and cash equivalents	16	138,743,609	113,586,199
Short-term loans and advances	17	48,044,633	44,275,045
Other current assets	18	9,969,515	28,378,033
		650,386,001	803,686,761
TOTAL		664,132,802	820,831,210

SIGNIFICANT ACCOUNTING POLICIES	1
CONTINGENT LIABILITIES AND COMMITMENTS	28
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The accompanying notes are an integral part of the financial statements.

"As per our report of even date"

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Gaurav Sekhri
(Managing Director)
DIN - 00090676

Kapil Sekhri
(Whole time Director)
DIN - 00090771

Place : New Delhi
Dated : 18/5/2014

Monika Gupta
(Company Secretary)
ACS - 22857

Statement of Profit & Loss for the Year Ended March 31, 2014

	Note No.	As at 31.3.2014	Amount (₹) As at 31.02.2013
I. INCOME			
Revenue from operations (net)	19	2,517,881,265	5,044,445,879
Other income	20	18,913,966	8,617,933
TOTAL REVENUE		2,536,795,231	5,053,063,812
II. EXPENSES			
Purchase of stock in trade	21	2,275,734,886	3,901,898,257
Changes in inventories of stock-in-trade	22	29,989,387	557,260,381
Employee benefits expenses	23	15,061,943	28,345,062
Finance costs	24	24,469,115	37,882,719
Depreciation and amortisation expense	25	773,842	1,257,914
Other expenses	26	190,768,585	406,166,583
TOTAL EXPENSES		2,536,797,758	4,932,810,916
III. PROFIT BEFORE TAX AND PRIOR PERIOD ITEMS (I-II)		(2,527)	120,252,896
Add: Prior period items	27	6,311,448	-
PROFIT BEFORE TAX		6,308,921	120,252,896
IV. TAX EXPENSES:			
Current tax		1,202,165	44,117,000
MAT credit entitlement		(1,202,165)	-
Income tax for previous year		(3,233,121)	-
Deferred tax		734,122	(4,342,260)
TOTAL TAX EXPENSES		(2,498,999)	39,774,740
V. PROFIT FOR THE YEAR		8,807,920	80,478,156
VI. EARNINGS PER EQUITY SHARES {(Refer Note no 29(9))}			
(nominal value of share ₹ 10/- each)			
Basic		1.76	16.10
Diluted		1.76	16.10

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Gaurav Sekhri
(Managing Director)
DIN - 00090676

Kapil Sekhri
(Whole time Director)
DIN - 00090771

Place : New Delhi
Dated : 18/5/2014

Monika Gupta
(Company Secretary)
ACS - 22857

Cash Flow Statements for the Year Ended March 31, 2014

	Year ended March 31, 2014	Year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and prior period items	(2,527)	120,252,896
Adjustments for :	-	
Depreciation and amortisation expenses	773,842	1,257,914
Interest Income	(2,706,405)	(305,667)
Interest expense	11,860,521	34,814,015
Loss on Sale of Fixed assets	12,306	53,483
Unrealised foreign exchange (gain)/loss (net)	3,282,803	7,320,488
Exchange (gain)/loss on translation of foreign currency cash	-	577
Prior period items	6,311,448	-
Operating profit before working capital changes	19,531,988	163,393,706
Movement in working capital:		
(Increase)/decrease in inventories	29,991,946	556,302,813
(Increase)/decrease in trade receivables	133,827,294	(165,692,208)
(Increase)/decrease in short-term loans and advances	(7,052,392)	9,465,032
(Increase)/decrease in long-term loans and advances	2,717,727	456,780
(Increase)/decrease in other current assets	(7,317,361)	-
(Increase)/decrease in other non-current assets	298,000	(374,000)
Increase/(decrease) in trade payables	(470,172,698)	(409,948,942)
Increase/(decrease) in other current liabilities	(5,907,552)	(27,781,829)
Cash generated/(used in) operating activities	(304,083,047)	125,821,353
Direct tax paid (net)	(18,628,676)	(29,073,240)
Net cash flow from/(used in) operating activities	(322,711,723)	96,748,113
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(811,730)	(413,193)
Sale of fixed assets	875,547	496,295
Sale of land	26,323,440	-
Deposits encashed	-	5,000,000
Interest received	2,108,845	661,576
Net cash flow from/(used in) investing activities	28,496,102	5,744,678
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/repayment from secured loan (net)	330,861,584	(729,038)
Interest Paid	(11,488,552)	(26,769,378)
Net cash flow from/(used in) financing activities	319,373,032	(27,498,416)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	25,157,410	74,994,374
E. Cash and cash equivalents at the beginning of the year	113,586,199	38,592,401
Exchange gain/(loss) on translation of foreign currency cash and cash equivalents	-	(577)
F. Cash and cash equivalents at the end of the year	138,743,609	113,586,199
NOTES:		
1) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3, "Cash Flow Statements".		
2) Cash and cash equivalents as per Cash Flow Statement	138,743,609	113,586,198
Cash and cash equivalents as per Balance Sheet	138,743,609	113,586,198

In terms of our report attached

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

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Gaurav Sekhri
(Managing Director)
DIN - 00090676

Kapil Sekhri
(Director)
DIN - 00090771

Place : New Delhi
Dated : 18/5/2014

Monika Gupta
(Company Secretary)
ACS - 22857

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

1. CORPORATE INFORMATION

Tinna Trade Private Limited ("the company") was incorporated on 5th January, 2009 as Maple Newgen Trade Private Limited. Subsequently the name of the Company was changed to Tinna Viterra 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. The Company is primarily engaged in the trading of Agro commodities i.e. wheat, yellow peas, chana, kasper peas, lentils including oil seeds and oilmeals etc. The Company is also engaged in the business of cargo handling services.

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 in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies accounting Standards) Rules, 2006, (as amended), relevant provisions of the Companies Act, 1956, read with general circular 8/2014 dated 4th April, 2014 issued by Ministry of Corporate Affairs. 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.

2.02 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

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

2.03 USE OF ESTIMATES

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

2.04 TANGIBLE FIXED ASSETS

- a) Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets are further adjusted by the amount of CENVAT credit and VAT credit availed wherever applicable and subsidy directly attributable to the cost of fixed asset. Interest and other borrowing costs during construction period to finance qualifying fixed assets is capitalised if capitalisation criteria are met.
- b) Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

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

2.05 INTANGIBLE ASSETS

a) Acquired intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any 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.

2.06 DEPRECIATION AND AMORTIZATION

- a) Depreciation on tangible fixed assets is provided pro-rata to the period of use based on written down value method using the rates set out below which are greater than or equal to the corresponding rates prescribed in schedule XIV of the Companies Act, 1956.

Description	Rates (%) (per annum)
Plant and Machinery	
Computers	40
Other plant and machinery	13.91 to 33.33
Furniture and fixtures	18.1
Vehicles	25.89

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

2.07 INVESTMENTS

- a) Inventories are valued at lower of cost {on First In First Out (FIFO) basis} and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to point of sale, including octroi and other levies, transit insurance and receiving charges.
- b) Packing material are valued at cost only.

2.08 FOREIGN CURRENCY TRANSACTIONS

i) Initial recognition

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

ii) **Conversion**

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

iii) **Exchange differences**

Exchange differences arising on conversion/settlement of 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.

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

Bank Guarantee And Letter of Credits are recognized at the point of negotiation with Banks and converted at the rates prevailing on the date of Negotiation. However, Outstanding at the period end are recognized at the rate prevailing as on that date and total sum is considered as contingent liability.

v) **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

i) **Provident fund**

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

ii) **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.

iii) **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 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**
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 2009-14 (FTP 2009-14). 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 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.

2.12 SEGMENT REPORTING

Business Segments

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.

2.13 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 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 year. 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.

2.14 IMPAIRMENT OF ASSETS

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

2.15 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.

2.16 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.

2.17 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.

2.18 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.

2.19 OPERATING CYCLE

Based on the nature of products/activities of the Company and the 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.

2.20 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.

2.24 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 charges in value.

Notes on Financial Statements for the year ended 31st March, 2014

3. SHARE CAPITAL	As at 31-03-2014		Amount (₹) As at 31-03-2013	
	Number	(Amount in ₹)	Number	(Amount in ₹)
(a) Authorised				
Equity shares of ₹ 10/- each	5,000,000	50,000,000	5,000,000	50,000,000
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10/- each	5,000,000	50,000,000	5,000,000	50,000,000
b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :				
Outstanding at the beginning of the year	5,000,000	50,000,000	5,000,000	50,000,000
Addition during the year	-	-	-	-
Outstanding at the end of the year	5,000,000	50,000,000	5,000,000	50,000,000
c) Terms/rights attached to equity shares :				
(i) The Company has one class of equity shares having face value of ₹10/- each. Each shareholder is eligible for one vote per share held.				
(ii) 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 shareholder.				
d) Shares held by the Holding Company			March 31, 2014	March 31, 2013
Tinna Rubber and Infrastructure Limited(w.e.f May 9, 2013)			5,000,000	-
Viterra Asia Pte Limited Singapore(upto May 8,2014)			-	3,000,000
e) Details of shareholders holding more than 5% shares in the Company			March 31, 2014	March 31, 2013
	No of shares	% of holding	No of shares	% of holding
Tinna Rubber and Infrastructure Limited * (Holding Company w.e.f May 9, 2013)	5,000,000	100	2,000,000	40
Viterra Asia Pte Limited, Singapore (Holding Company upto May 8, 2013)	-	-	3,000,000	60
* (One share held by Shri Bhupender Sekhri 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 :			March 31, 2014	March 31, 2013
	No of shares	(₹)	No of shares	(₹)
Equity Shares				
i) Fully paid up pursuant to contract(s)	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. RESERVE & SURPLUS				
Surplus as per Statement of Profit and Loss				
As per last balance sheet		102,451,393		21,973,237
Add: Net profit as per statement of profit and loss		8,807,920		80,478,156
Total Reserves and Surplus		111,259,313		102,451,393

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
5. LONG-TERM PROVISIONS		
Provision for employee benefits {refer note no 29(5)}		
Gratuity	1,151,210	2,064,735
Leave encashment	783,917	1,767,287
	1,935,127	3,832,022
6. SHORT-TERM BORROWINGS		
Secured-Loan repayable on demand		
Working capital limits from banks		
Cash credit	175,113,519	-
Buyer's credit	156,358,645	-
	331,472,164	-
Working capital limits is from ICICI Banks and Syndicate Banks. The details are as under:-		
a) Working capital limits from ICICI Bank are secured by means of first charge ranking pari passu by way of hypothecation of the Company's entire stocks of raw material and finished goods, consumable stores and spares and such other moveable including book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.		
The limits are secured by way of first pari passu charge on the land and building located at 11B Gaushala Satbari, Sultanpur measuring 12 Bigha 19 biswas in the name of Bee Gee Ess Farms and Properties Private Limited (associate company) and personal guarantees of Directors Shri Gaurav Sekhri and Shri Kapil Sekhri and corporate guarantee of Bee Gee Ess Farms and Properties Private Limited.		
b) Working capital limits from Syndicate bank is secured by means of first pari passu charge along with ICICI Bank over hypothecation of the Company's entire stocks of raw material, semi-finished and finished goods consumable stores and spares and such other moveable's including book debts, bills whether documentary or clean, outstanding money's receivables, both present and future, in a form and manner satisfactory to the Bank.		
The limits are further secured by Equitable mortgage of Land and Building situated at 11-B Gaushala Road, Satbari, New Delhi in the name of Bee Gee Ess Farms and Properties Private Limited on pari passu basis along with ICICI Bank 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 and Properties Private Limited.		
c) Aggregate amount of working capital limits secured by way of personal guarantees of Directors	331,472,164	-
7. TRADE PAYABLES		
Trade Payables	113,138,449	583,311,147
	113,138,449	583,311,147
a) Based on the information available with the Company, the balance due to Micro and Small Enterprises as defined under the Micro, Development (MSMED) Act, 2006 is ₹ Nil (Previous year ₹ Nil) and interest during the year ₹ Nil (Previous year ₹ Nil) has been paid or is payable under the terms of the MSMED Act, 2006.		
b) Trade payable includes ₹ 22,50,192/- payable to an associate company BGK Infrastructure Developers Private Limited (previous year ₹ Nil)		

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
8. OTHER CURRENT LIABILITIES		
Current maturities of finance lease obligations*	-	610,580
Interest accrued but not due on borrowings	371,969	-
Interest accrued on trade payables	-	31,250,604
Advance and progress payments from customers	28,417,927	3,265,857
Other payables		
Employees benefits expenses	652,874	3,937,399
Statutory dues payable **	2,384,367	5,943,629
Other current liabilities ***	24,086,213	15,140,151
	55,913,350	60,148,220

* Finance lease obligations from TATA Finance Limited against hypothecation of Vehicle is repaid during the year.

** Statutory dues payable are in respect of PF,ESI,AG market fee, TDS , Sales Tax and Service Tax.

*** Other current liabilities include Rs95929/- payable brokerage and other services etc.

9. SHORT-TERM PROVISIONS

Provision for employee benefits{refer note no 29(5)}		
Gratuity	3,116	3,296
Leave encashment	13,812	28,030
Other provisions		
Income tax [Net of advance tax and TDS of ₹ 804695/- (Previous year ₹ 44,829,949/-)]	397,471	21,057,102
	414,399	21,088,428

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.

The movement of provision are as under:

At the beginning of the year

Leave encashment(Long term 1767287/-)	1,795,317	1,208,584
Gratuity(Long term Rs2064735/-)	2,068,031	1,280,951
Income Tax	21,057,102	3,919,177

Arising during the year

Leave encashment	-	586,733
Gratuity	-	787,080
Income Tax	1,202,165	44,117,000

Utilised during the year

Leave encashment	253,794	-
Gratuity	-	-
Income Tax	18,628,676	26,979,075

Unused amount reversed

Leave encashment	743,794	-
Gratuity	913,705	-
Income Tax	3,233,121	-

At the end of the year

Leave encashment(Long term 783917/-)	797,729	1,795,317
Gratuity(Long term Rs1151210/-)	1,154,326	2,068,031
Income Tax	397,471	21,057,102

Notes on Financial Statements for the year ended 31st March, 2014

10. FIXED ASSETS

Amount in (₹)

DESCRIPTION	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 01.04.2013	Additions during the year	Sale/ Adjustment	As at 31.03.2014	As at 01.04.2014	For the year	Sale/ Adjustment	As at 31.03.2014	As at 31.03.2013
Tangible Assets									
Plant and Equipment									
Iron bins	1,100,000	-	1,100,000	-	402,687	-	402,687	-	697,313
Computers	1,000,606	38,099	125,409	913,296	566,130	159,952	83,744	642,338	434,476
Furniture and Fixtures	128,049	277,742	97,787	308,004	49,718	35,045	39,603	45,160	78,331
Vehicles	3,503,736	-	-	3,503,736	1,772,968	448,096	-	2,221,064	1,730,768
Office equipment	572,783	151,349	130,541	593,591	197,731	90,608	54,473	233,866	375,052
TOTAL	6,305,174	467,190	1,453,737	5,318,627	2,989,234	733,701	580,507	3,142,428	3,315,940
Intangible Assets:									
Computer software	40,500	344,540	40,500	344,540	25,877	40,141	25,877	40,141	14,623
TOTAL	6,345,674	811,730	1,494,237	5,663,167	3,015,111	773,842	606,384	3,182,569	3,330,563
Previous Year	33,234,815	413,193	27,302,334	6,345,674	2,186,313	1,257,914	429,116	3,330,563	31,048,502

Notes:

1. Depreciation has been provided on WDV basis at rates as per schedule XIV of Companies Act, 1956.
2. Depreciation on mobile phones has been provided @33.33% p.a .
3. Depreciation on assets of value less than ₹ 5000 has been provided at 100% .
4. Sales includes ₹ 887853/- WDV sold to BGK Infrastructure Developers Private Limited(associate company) for ₹ 875547/-.

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
11. DEFERRED TAX ASSETS		
Deferred tax asset		
On account of difference in rates and method of depreciation of fixed assets	194,879	82,603
On account of carried forward loss as per Income Tax Act.	1,722,526	-
On account of different treatment of certain payments under Income Tax Act.	4,351,185	6,299,990
Provision for employee benefits	633,344	1,253,463
Deferred tax asset	6,901,934	7,636,056
Deferred income tax Asset		
At the end of year	6,901,934	7,636,056
For the year	734,122	(4,342,260)
12. LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Security deposits to related party *	300,000	300,000
to others **	1,194,103	3,911,830
MAT credit entitlement{refer note no 29(11)}	1,202,165	-
	2,696,268	4,211,830
13. OTHER NON-CURRENT ASSETS		
Fixed deposits with banks include deposits held under lien with Government authorities*	1,668,000	1,966,000
* With original maturities period more than 12 months)	1,668,000	1,966,000
14. INVENTORIES		
(As taken, valued and certified by management)		
Stock-in-trade	189,042,308	262,273,969
Packing materials	1,625,475	1,628,034
Trade goods in transit	49,090,211	5,847,938
Stock-in-trade	239,757,994	269,749,941
a) Inventories are valued at lower of cost [on first out basis (FIFO)] and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to point of sale, including octroi and other levies, transit insurance and receiving charges.		
b) Packing materials are are valued at cost.		
15. TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good*	1,887,532	2,328,459
Unsecured considered doubtful	5,181,495	5,181,495
	7,069,027	7,509,954
Less: Provision for doubtful receivables	5,181,495	5,181,495
	1,887,532	2,328,459

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
Other trade receivables		
Unsecured, considered good	211,982,719	345,369,084
	<u>213,870,251</u>	<u>347,697,543</u>
16. CASH AND CASH EQUIVALENTS		
Balances with banks		
Current accounts	115,589,108	111,589,148
EEFC accounts (USD\$ 1589.64), Previous year (USD\$ 29,929.34)	95,537	1,627,836
Cash on hand	158,964	169,215
Fixed deposits held as margin money against borrowings, having a maturity period of less than three months	22,900,000	200,000
	<u>138,743,609</u>	<u>113,586,198</u>
17. SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Advance against material and services	9,705,029	9,906,637
Deposit towards forward contracts and future trading option	10,728,922	27,944,357
Forward contracts receivables (net)	-	1,563,472
Security deposits *	12,086,646	1,883,667
Balances with Government authorities		
Service tax credit receivable	-	123,023
VAT credit receivable	1,275,702	157,783
Balances with port authorities	595,605	838,598
Income Tax Refund (A.Y 2010-11)	298,747	-
Others **	13,353,983	1,857,508
	<u>48,044,633</u>	<u>44,275,045</u>
* Security deposit include deposit with material suppliers and statutory departments.		
** Others includes prepaid expenses, ₹10,64,264/- due from Gee Ess Pee Land Developers Private Limited (associate company) and ₹1,03,30,550 due from Tinna Rubber and Infrastructure Limited (Holding company) {refer note no 29(1)}		
18. OTHER CURRENT ASSETS		
Unsecured, considered good		
Intrest accrued on deposits	801,779	204,218
Fixed assets held for sale	-	26,323,440
Export incentive receivables		
Duty Drawback		1,850,375
License in hand	1,396,131	-
Insurance Claim Receivable	7,771,606	-
	<u>9,969,516</u>	<u>28,378,033</u>

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
19. REVENUE FROM OPERATIONS		
Sale of traded goods	2,496,062,481	4,935,960,930
Sale of Services	19,755,156	101,231,345
Other operating revenues	2,063,628	7,253,604
	2,517,881,265	5,044,445,879
Notes:		
(i) Sale of traded goods comprises		
Yellow Peas	1,228,486,305	2,294,432,970
Kaspa-Dun Peas	86,759,385	400,083,027
Soya DOC	395,853,659	620,438,283
Lentils	311,600,852	460,953,578
Chana	222,072,570	306,198,010
Green peas	10,160,911	229,614,483
Others	241,128,799	624,240,579
	2,496,062,481	4,935,960,929
(ii) Sale of services		
Commission income	18,462,471	49,910,046
Cargo Handling and agency income	1,292,685	51,321,299
	19,755,156	101,231,345
(iii) Other operating revenues		
Duty draw back received	642,463	1,850,375
Advance license under FPS Scheme	1,396,131	-
Contract settlement income (net)	-	5,112,297
Sale of old jute gunny bags	25,034	290,932
	2,063,628	7,253,604
20. OTHER INCOME		
Interest income		
From banks	2,706,405	305,667
From others	3,127,472	6,046,231
Miscellaneous income	11,422,589	2,266,035
Excess provisions no longer required written back		
Gratuity	913,706	-
Leave encashment	743,794	-
	18,913,966	8,617,933
21. PURCHASE OF TRADED GOODS		
Traded goods		
Yellow Peas	1,170,209,622	1,587,695,069
Kaspa-Dun Peas	76,915,194	289,830,590
Soya DOC	377,599,592	565,106,812
Lentils	229,433,740	413,993,879
Chana	160,747,105	354,430,742
Green peas	9,024,480	184,120,511
Others	202,714,944	500,872,716
Trade goods in transit	49,090,211	5,847,938
	2,275,734,886	3,901,898,257

Notes on Financial Statements for the year ended 31st March, 2014

		As at 31-03-2014	Amount (₹) As at 31-03-2013
22. CHANGES IN INVENTORIES OF STOCK-IN-TRADE			
Opening stock		268,121,907	825,382,288
Less: Closing stock		238,132,519	268,121,907
(Increase)/decrease in stock-in-trade		29,989,387	557,260,381
Stock in traded (traded goods)	As on 31.03.2014	As on 31.03.2013	(Increase)/Decrease
Details of inventory at the end of the year			
Yellow Peas	120,000,311	81,604,785	38,395,526
Kaspa-Dun Peas	11,556,586	-	11,556,586
Lentils	13,668,644	71,612,548	(57,943,904)
Chana	42,358,514	99,179,843	(56,821,329)
Green peas	1,458,254	2,148,543	(690,289)
Others	-	7,728,250	(7,728,250)
Trade goods in transit	49,090,211	5,847,938	43,242,273
	238,132,519	268,121,907	(29,989,387)
Details of inventory at the beginning of the year			
Yellow Peas	81,604,785	598,236,814	(516,632,029)
Kaspa-Dun Peas	-	40,757,834	(40,757,834)
Lentils	71,612,548	73,762,269	(2,149,721)
Chana	99,179,843	23,715,952	75,463,891
Green peas	2,148,543	-	2,148,543
Others	7,728,250	52,949,016	(45,220,766)
Trade goods in transit	5,847,938	35,960,405	(30,112,467)
	268,121,907	825,382,288	(557,260,381)
23. EMPLOYEE BENEFITS EXPENSES			
Salaries and wages		14,380,826	26,418,283
Contribution to PF and ESI		84,176	79,815
Gratuity expenses		-	787,081
Staff welfare expenses		596,941	1,059,883
		15,061,943	28,345,062
* Employee benefits expense include managerial remuneration ₹34,40,000/- (Previous year Rs75,90,000/-)			
24. FINANCE COSTS			
Interest expenses			
Term loans (vehicle)		27,420	99,173
Credit facilities from banks		11,833,101	14,978,979
Trade payables		1,950,084	17,511,203
Interest on delayed payment of statutory dues		2,881	2,224,660
Other borrowing costs		3,964,959	
Bank charges		6,690,670	3,068,704
		24,469,115	37,882,719

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
25. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on tangible assets	733,701	1,247,830
Amortisation of intangible assets	40,141	10,084
	773,842	1,257,914
26. OTHER EXPENSES		
Packing material consumed	10,553,606	21,688,616
Electricity and water	285,926	370,146
Rent and warehousing charges	13,169,094	60,794,850
Equipment hire charges	281,990	2,487,213
Repairs and maintenance- others	337,110	749,385
Insurance	3,821,184	3,633,213
Communication expenses	998,583	1,096,735
Travelling and conveyance	4,657,491	4,591,466
Freight and forwarding	37,143,485	74,385,333
Brokerage and commission	10,158,748	33,672,411
Business promotion expenses	2,818,426	952,043
Legal and professional charges	1,791,388	3,662,807
Payment to auditors *	403,193	1,776,293
Loss on forward contracts/foreign exchange (net)	21,440,140	66,680,696
Clearing and forwarding expenses	3,451,326	15,307,940
Stock handling and supervision charges	52,128,940	104,335,298
Loss on sale/disposal of fixed assets	12,306	53,483
Loss from commodity future trading	18,875,972	7,089,262
Loss from contract settlements(net)	7,423,358	-
Miscellaneous expenses	1,016,319	2,839,393
	190,768,585	406,166,583
* Payments to auditors		
Statutory audit fee (inclusive of Service Tax ₹ 37,080)	337,080	1,404,500
Other services	-	337,080
Reimbursement of out of pocket expenses	66,113	34,713
	403,193	1,776,293
27. PRIOR PERIOD ITEMS{REFER NOTE NO 29(3)}		
Insurance claims	3,113,806	-
Export Incentives	3,197,642	-
	6,311,448	-

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
28. CONTINGENT LIABILITIES AND COMMITMENTS		
A. Contingent liabilities (to the extent not provided for):		
a) Foreign letter of credits opened with Bank (\$101250)	6,085,105	-
B. Commitments:		
Estimated amount of commodity contracts remaining to be executed and not provided for		
Buy (250 metric ton)	8,344,200	-
Sell (1480 metric ton)	85,554,560	-

29. OTHERS NOTES ON ACCOUNTS

1. Termination of joint venture agreement

The Company entered into a share transfer and release agreement dated 9th May 2013, with Viterra Asia Pte Limited, erstwhile joint venture partner and Tinna Rubber and Infrastructure Limited an associate Company, whereby the Company has terminated the joint venture agreement with Viterra Asia Pte Limited and 3000000 fully paid equity shares of the Company have been transferred by Viterra Asia Pte Limited to Tinna Rubber and Infrastructure Limited for a consideration of ₹ 3,00,00,000/-. By virtue of this, the Company has become a wholly owned subsidiary of M/s Tinna Rubber and Infrastructure Limited w.e.f. 09/05/2013. Further, for release of parties, Viterra Asia Pte Limited has paid a consideration of USD 37.60 million (INR ₹ 20,47,69,600/-) to Tinna Rubber and Infrastructure Limited.

As part of consideration, Tinna Rubber and infrastructure Limited had a liability of Rs 1,07,51,978/- as severance cost payable to certain employees of the Company. The Company has paid the aggregate liability on behalf of Tinna Rubber and Infrastructure Limited and debited the same as recoverable from Tinna Rubber and Infrastructure limited,(Holding Company).

2. Change in name of company

The name of the Company has been changed from "Tinna Viterra Trade Private Limited" to "Tinna Trade Private Limited" w.e.f. June 6th, 2013 vide fresh certificate of incorporation consequent upon change of name issued by the Registrar of the Companies, National Capital Territory of Delhi and Haryana during the year.

3. Prior Period Items

The Company has recognised Rs 31,97,642/- on account of export incentives for the financial Year 2012-13 and ₹ 31,13,806/- on account of insurance claims for the financial year 2012-13. The same has been treated as prior period items in accordance with AS-5" Net Profit or Loss for the period, prior period items and change in accounting poliicies and treated accordingly in the statement of profit and loss.

4. During the year vide draft order dated 29 Jan 2014 as rectified by draft order dated 31 Jan 2014, the Learned Additional Director of Income Tax, Transfer Pricing Officer II (4) New Delhi has proposed an adjustment of ₹ 7,94,43,060/- for Assessment year 2011-12 (relevant to financial year 2010-11). Being aggrieved by the same, the company has filed a review petition to the Disputed Resolution Panel, New Delhi. Pending the final decision in the matter, the liability on account of the same is yet not finally determined.

Notes on Financial Statements for the year ended 31st March, 2014

Amount (₹)
As at 31-03-2014 As at 31-03-2013

5. Employee benefits

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

Defined Contribution Plan

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

	2013-14	2012-13
Employer's Contribution towards Provident Fund (PF)	17,223	16,285
Employer's Contribution towards Family Pension Scheme (FPS)	27,146	25,677
Employer's Contribution towards Employee State Insurance (ESI)	39,807	37,853
Expenses charged to statement of profit and loss	84,176	79,815

Defined Benefit Plan

(A) Gratuity

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

	2013-14	2012-13
a. Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined Benefit obligation at beginning of the year	2,068,031	1,280,951
Current Service cost	343,920	663,138
Interest cost	186,123	105,389
Actuarial (gain)/ loss	(1,443,748)	18,553
Benefits paid	-	-
Defined benefits obligation at year end	1,154,326	2,068,031
b. Reconciliation of fair value of assets and obligations		
Fair value of plan assets	-	-
Present value of obligations	1,154,326	2,068,031
Amount recognized in the balance sheet- asset/(liability)	(1,154,326)	(2,068,031)
Current portion	3,116	3,296
Non-current portion	1,151,210	2,064,735
c. Expenses recognized in profit and loss statement		
Current service cost	343,920	663,138
Interest cost	186,123	105,389
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(1,443,748)	18,554
Net cost	(913,705)	787,081

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
d. Actuarial Assumption		
Mortality Table (LIC)	IALM 2006-08 Ultimate	LIC 94-96 Ultimate
Demographic assumptions	60 years	60 years
Discount Rate (per annum)	9%	8.25%
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%

	2013-14	2012-13	2011-12	2010-11*	2009-10 *
g. Amounts for current and previous period					
Present value of obligation	1,154,326	2,068,031	1,280,951		
Fair value of plan assets	-	-			
Surplus/(Deficit)	(1,154,326)	(2,068,031)	(1,280,951)		-

* Figures in respect of these years are not available.

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.
- b) The gratuity plan is unfunded

(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.

	2013-14	2012-13
a. Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined Benefit obligation at beginning of the year	1,795,317	1,208,584
Current Service cost	326,655	742,143
Interest cost	161,579	99,435
Actuarial (gain)/ loss	(1,232,028)	(254,845)
Benefits paid	(253,794)	-
Defined benefits obligation at year end	797,729	1,795,317
b. Reconciliation of fair value of assets and obligations		
Fair value of plan assets		
Present value of obligations	797,729	1,795,317
Amount recognized in the balance sheet- asset/(liability)	(797,729)	(1,795,317)
Current portion	13,812	28,030
Non-current portion	783,917	1,767,287
c. Expenses recognized in profit & loss account		
Current service cost	326,655	742,143
Interest cost	161,579	99,435
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	(1,232,028)	(254,845)
Net cost	(743,794)	586,733

Notes on Financial Statements for the year ended 31st March, 2014

					Amount (₹)	
					As at 31-03-2014	As at 31-03-2013
d. Investment details						
LIC group gratuity policy					-	-
e. Actuarial Assumption						
Mortality Table (LIC)			IALM 2006-08		LIC 94-96	
			Ultimate		Ultimate	
Discount Rate (per annum)			9%		8.25%	
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%	
f. Amounts for current and previous period	2013-14	2012-13	2011-12	2010-11*	2009-10 *	
Present value of obligation	797,729	1,795,317	1,208,584	-	-	
Fair value of plan assets	-	-				
Surplus/(Deficit)	(797,729)	(1,795,317)	(1,208,584)			

* Figures in respect of these years are not available.

Notes:-

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

5. Segment Information

	2013-14	2012-13
i. Primary-Business Segment		
The company is operating in a single segment of Agro commodities trading. Hence there are no reportable primary segments.		
ii) Secondary-Geographical Segment		
Segment Revenue		
Domestic Market	2,454,076,163	4,816,546,023
Overseas Market	82,719,068	236,517,789
	2,536,795,231	5,053,063,812
Segment Assets		
Domestic Market	655,596,705	800,915,873
Overseas Market	8,536,098	19,915,337
	664,132,803	820,831,210
Segment Liabilities		

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
Domestic Market	453,411,309	529,616,927
Overseas Market	49,462,180	138,762,890
	502,873,489	668,379,817

7. Related Party Disclosure

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

A. Names of related parties and description of relationship

(i) Related parties where control exists:

Glencore International Plc., Switzerland (Ultimate Holding Company upto 08-05-2013)
 Viterra Asia Pte. Limited, Singapore (Holding Company upto 08-05-2013)
 Viterra Inc., Canada (Ultimate Holding Company upto 16-12-2012)
 Viterra Limited, Australia(upto 08-05-2013)
 Viterra S.A.(upto 08-05-2013)
 Tinna Rubber and Infrastructure Limited (Holding Company from 09-05-2013)

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

Fratelli Wines Private Limited
 Pratham Road Technologies & Construction Limited
 Bee Pee Farms and Properties Private Limited
 Bee Gee Ess Farms & Properties private Limited
 Spaceage Technical services Private Limited
 Shankar Ratna Agro Farm Privarte Limited
 Shivratna Agro Products Private Limited
 Gee Ess Pee Land Developers Private Limited
 S.S.Horticulture Private Limited
 Shiv Ratna Multilayers Private Limited
 Nova Infratech Limited
 Chinmin Developers Private Limited
 Guru Infratech Private Limited
 BGK Commodities Private Limited
 Arnav Estate Private Limited
 Panjawani Properties Private Limited
 Puja Infratech Private Limited
 Green Range Farms Private Limited
 B.G.K Infrastructure Developers Private Limited (w.e.f 30/10/2013)
 BGNS Infratech Private Limited
 T P Builtech Private Limited
 Admisi Commodities Private Limited (up to 1st August, 2012)

(iii) Key Management personnel

Mr. Gaurav Sekhri(Whole Time Director)

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
B. Transaction during the year	2013-14	2012-13
i) Interest Paid:		
Related parties where control exists:		
Tinna Rubber and Infrastructure Limited	1,071,452	-
Viterra Asia Pte. Limited		17,511,203
ii) Commission Received:		
Related parties where control exists		
Viterra Asia Pte. Limited	-	27,045,656
Viterra Inc., Canada	-	12,348,379
Viterra Limited, Australia	54,898	10,516,011
iii) Rent Paid:		
Related parties where control exists:		
Tinna Rubber and Infrastructure Limited	1,576,412	1,505,624
iv) Reimbursement/Advance against reimbursement received:		
Related parties where control exists:		
Viterra Limited, Australia	-	7,542,205
Tinna Rubber and Infrastructure Limited	10,751,978	-
v) Loan taken from:		
Related parties where control exists:		
Tinna Rubber and Infrastructure Limited	97,500,000	-
vi) Loan Repaid:		
Related parties where control exists:		
Tinna Rubber and Infrastructure Limited	97,500,000	-
vii) Loan given to:		
Enterprises in which KMP and relatives of KMP exercise significant influence.		
Gee Ess Pee Land Developers Private Limited	117,500,000	-
viii) Loan Repayment Received:		
Enterprises in which KMP and relatives of KMP exercise significant influence.		
Gee Ess Pee Land Developers Private Limited	117,500,000	-
ix) Interest Received:		
Enterprises in which KMP and relatives of KMP exercise significant influence.		
Gee Ess Pee Land Developers Private Limited	1,182,517	
x) Reimbursement of expenses:		
Related parties where control exists		
Viterra Asia Pte. Limited		4,880,015
Tinna Rubber and Infrastructure Limited	400,297	357,005
xi) Contract Settlement Income:		
Related parties where control exists		
Viterra Asia Pte. Limited		4,611,845

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
x.ii) Managerial remuneration:		
Key Management Personnel		
Mr. Gaurav Sekhri	3,440,000	7,590,000
xiii) Sale of Incentive Certificate:		
Related parties where control exists:		
Tinna Rubber and Infrastructure Limited	3,197,642	-
xiv) Purchases:		
Related parties where control exists		
Viterrra Asia Pte. Limited		1,432,930,383
Viterrra Inc., Canada		556,524,745
Viterrra Limited, Australia		516,244,131
xv) Fixed Assets Sold:		
Enterprises in which KMP and relatives of KMP exercise significant influence.		
BGK Infrastructure Developers Private Limited	875,547	
xvi) Brokerage Paid:		
Enterprises in which KMP and relatives of KMP exercise significant influence.		
Admisi Commodities Private Limited		593,050
xvii) Services Received:		
Enterprises in which KMP and relatives of KMP exercise significant influence.		
BGK Infrastructure Developers Private Limited	3,190,747	
xviii) Corporate Gurantee taken:		
Related parties where control exists:		
Tinna Rubber and Infrastructure Limited	329,000,000	-
Enterprises in which KMP and relatives of KMP exercise significant influence.		
Bee Gee Ess Farms and Properties Private Limited	300,000,000	
C) Balance at the year end	2013-14	2012-13
(i) Amount Receivable:		
Related parties where control exists		
Tinna Rubber and Infrastructure Limited	10,330,550	-
Viterrra Asia Pte. Limited		17,925,318
Viterrra Inc., Canada		1,474,455
Enterprises in which KMP and relatives of KMP exercise significant influence.		
Gee Ess Pee Land Developers Private Limited	1,064,264	-
Key Management personnel		
Mr. Gaurav Shekhri	83,981	24,671
Fellow Subsidiary Companies		
Viterrra Limited, Australia		515,564
(ii) Amount Payable:		
Related parties where control exists		
Viterrra Asia Pte. Limited		478,129,983
Viterrra Inc., Canada		75,374,563
Tinna Rubber and Infrastructure Limited	-	39,018

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
Enterprises in which KMP and relatives of KMP exercise significant influence.		
BGK Infrastructure Developers Private Limited	2,250,192	-
Key Management personnel		
Mr. Gaurav Shekhri		137,292
iii) Security deposit for office.		
Related parties where control exists		
Tinna Rubber and Infrastructure Limited	300,000	300,000
iv) Interest Payable:		
Related parties where control exists		
Viterra Asia Pte. Limited		31,250,604
v) Other Payables:		
Related parties where control exists		
Viterra Asia Pte. Limited		4,100,000

8. 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 ₹ 1,31,69,094/- (previous year ₹ 6,07,94,850/-).

9. Earning Per Share	2013-14	2012-13
a) Calculation of weighted average number of Equity Shares of ₹ 10 each		
Equity shares outstanding at the beginning of the year	5,000,000	5,000,000
Equity shares outstanding at the end of the year	5,000,000	5,000,000
Weighted average no. of equity shares outstanding during the year.	5,000,000	5,000,000
b) Net profit after tax available for equity shareholders	8,807,922	80,478,156
c) Basic and diluted earning per share	1.76	16.10

10. 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.

11. During the year the Company has recognised MAT credit as an asset on the basis of the consideration of prudence. The same has been shown under the head "Long term Loans and Advances" since there being a convincing, evidence of realisation of the asset in the specified period. Accordingly the Company has recognised MAT credit entitlement as on the date of Balance sheet amounting to ₹ 1202165/-.

12. Unexpired foreign currency exposure and foreign exchange forward contracts.

a) Derivative instruments outstanding as at 31st March 2014 are as under:		
No. of Contracts	56	15
Notional amount of forward contracts in foreign currency (USD)	15,30,000	8,200,000
Rupee equivalent	91,952,694	445,992,260

Notes on Financial Statements for the year ended 31st March, 2014

	As at 31-03-2014	Amount (₹) As at 31-03-2013
b) Unhedged foreign currency exposures as at 31st March, 2014 are as under:		
Import Trade Payables		
Foreign currency (USD)	816,812	2,551,290
Local Currency	49,090,211	138,762,890
Buyer' Credit		
Foreign currency (USD)	2,601,650	-
Local Currency	156,358,645	-
Interest Payable		
Foreign currency (USD)	6,189	-
Local Currency	371,969	-
Export Trade Receivables		
Foreign currency (USD)	142,032	366,163
Local Currency	8,536,098	19,915,337
13. Earnings in foreign currency		
Particulars		
Export sales	62,607,355	182,932,934
Commission	18,462,471	49,910,046
Contract settlement (Net)	-	1,264,343
Agency commission	-	1,384,675
Others	1,649,242	1,025,791
	82,719,068	236,517,789
14. Expenditure in foreign currency		
Foreign travelling	381,430	801,903
Interest expenses	3,102,838	17,511,203
Contract settlement (Net)	7,944,620	-
	11,428,887	18,313,106
15. CIF Value of imports		
Traded goods	1,307,306,604	2,706,126,698
	1,307,306,604	2,706,126,698

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)
ICAI Firm Registration No. 016534N

For and on behalf of the Board of Directors

Rajan Bansal
(Partner)
M. No. 93591

Gaurav Sekhri
(Managing Director)
DIN - 00090676

Kapil Sekhri
(Director)
DIN - 00090771

Place : New Delhi
Dated : 18/5/2014

Monika Gupta
(Company Secretary)
ACS - 22857

**FORM-MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

TINNA RUBBER AND INFRASTRUCTURE LIMITED

Regd. Office : No. 6, Sultanpur, Mandi Road, Mehrauli, New Delhi - 110030
Tel. : 011- 32959600 Fax : 011- 26807073, E-mail:tinna.delhi@tinna.in, www.tinna.in
CIN No.: L51909DL1987PLC0271186

27th ANNUAL GENERAL MEETING - SEPTEMBER 29, 2014

Name of member(s)

Registered address:

E Mail ID:

Folio No. /DP ID-Client ID:

I/ We, being the member(s) ofholdingshares of
the above named Company, hereby appoint:

- 1) Name E.Mail
Address.....
..... Signature or failing him/her.
- 2) Name E.Mail
Address.....
..... Signature

As my/ our proxy to attend and vote (on a poll) for me/ us and on my /our behalf at the 27th Annual General Meeting of the Company to be held on Monday, 29th September, 2014 at 9.00 a.m. at 18 South Drive Way, DLF Farms, Chhattarpur, New Delhi-110074 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Resolutions	
		For	Against
1.	Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial year ended on 31st March, 2014.		
2.	To declare Dividend.		
3.	To appoint a Director in place of Mr. Anand Kumar Singh, who retires by rotation and being eligible offers himself for re-appointment.		
4.	To re-appoint M/s. V. R. Bansal & Associates, Chartered Accountants, the Auditors and fix their remuneration.		
Special Business:			
5.	To appoint Mr. Ashish Madan as Independent Director		
6.	To appoint Mr. Vivek Kohli as Independent Director		
7.	To appoint Cost Auditor for the financial year 2014-15.		
8.	Authorization to Board for borrowing to an amount not exceeding Rs. 150.00 Crores.		
9.	Authorization to Board to create/mortgage/charges/hypothecation in favour of lenders up to an amount not exceeding.		
10.	To re-appoint Mr. Bhupinder Kumar Sekhri as Managing Director.of the Company.		

Signed thisday of2014

Signature of the Member

Signature of the Proxy Holder(s)

Affix a
₹ 1
Revenue
Stamp

NOTE:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 27th Annual General Meeting.
3. *It is optional to put a'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/ she think appropriate.
4. Please complete all details including detail of member(s) in above box before submission.

(TEAR HERE)

TINNA RUBBER AND INFRASTRUCTURE LIMITED

REGD. OFFICE :

NO. 6, SULTANPUR, MANDI ROAD, MEHRAULI,

NEW DELHI - 110030

Tel. : 011- 32959600 Fax : 011- 26807073

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

CIN : L51909DL1987PLC027186

27th ANNUAL GENERAL MEETING

SEPTEMBER 29, 2014, 9.00 A.M.

Folio No. /DP ID-Client ID:

Number of Shares Held:

I certify that I am a member / proxy for the member of the company.

I hereby record my presence at the 27th Annual General Meeting of the company at 18 South Drive Way, DLF Farms, Chhattarpur, New Delhi-110074 on Monday, 29th September, 2014 at 9.00 A.M.

Name of the Member/ Proxy
(in BLOCK letters)

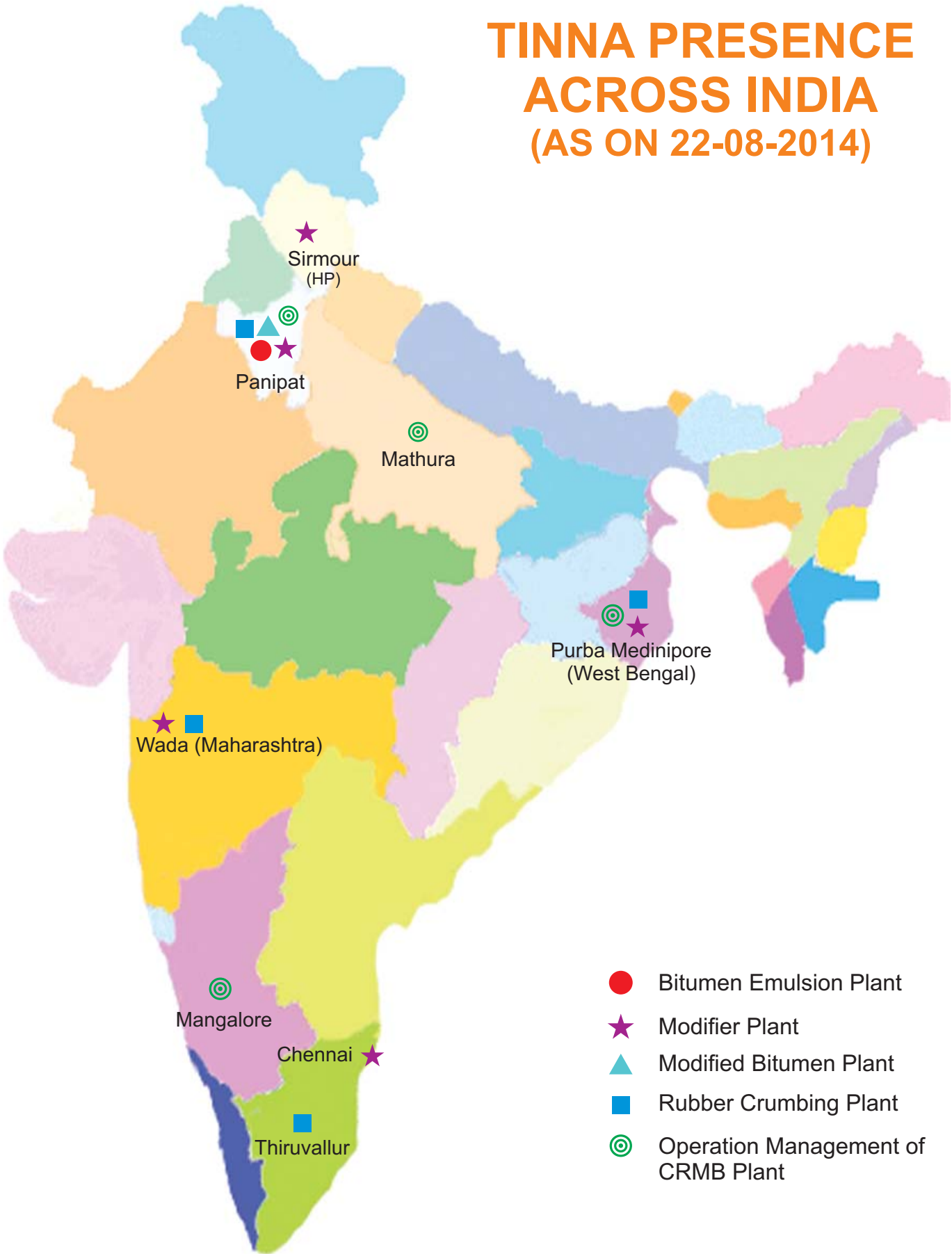
Signature of the Member / Proxy

NOTE

1. Please complete the Folio/ DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report for the financial period year ended on 31st March, 2014 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail address is registered with the company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of the Attendance Slip.
3. Physical copy of the Annual Report for the financial period year ended on 31st March, 2014 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

(TEAR HERE)

TINNA PRESENCE ACROSS INDIA (AS ON 22-08-2014)



REGISTERED POST / COURIER / BOOK POST



Bitumenous Products Plant



Emulsion Plant



Rubber Crumbing Plant



Mobile Blending Units

If undelivered, please return to :

Tinna Rubber And Infrastructure Limited

Regd. Office :

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

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

CIN : L51909DL1987PLC027186