

Tinna[®]



25TH ANNUAL REPORT (2011-12)



TINNA OVERSEAS LIMITED

TINNA OVERSEAS LIMITED

(At a glance)

INCEPTION

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

PRESENCE

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

MARKET REACH

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

MARKET POSITION

The Company is one of the largest bitumen modifier manufacturer and supplier in the country. The company has successfully marketed its bitumen modifiers, which have been proven to enhance quality of roads laid in India.

CERTIFICATIONS

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

CHAIRMAN'S MESSAGE



Dear Shareholders,

I am delighted to connect with you through this 25th annual report of the Company.

It gives me great pleasure in welcoming you all to the 25th Annual General Meeting of your Company, a momentous year in the TINNA history as we celebrate completion of 25 years of operation. Your Company has crossed many impressive milestones in this journey which has made us the most dominant player in the sector. With the clear goal of taking the business of your company to a position of strength, your company steadily increasing its marketshare in the industry.

While our sector continues to face unprecedented competitive pressures and policy uncertainties, the company has maintained the profitability in comparison to last year. We have made significant progress in bringing the business expansions of the company by opening and positioning Rubber Crumbing Plants to be made from Scrap Tyres at 4 strategic locations in North, West, South and Eastern part of India) viz., Panipat (Haryana), Wada, Dist. Thane (Maharashtra), Gummidipundi, Distt. Thiruvallur (Tamilnadu), Haldia (West Bengal). These backward integration units are aimed to enhance profitability and stable supply of main raw material Crumb Rubber for the Modifier and CRMB Plants of the company.

The company plans to diversify its marketing options by supplying crumb rubber to various tyre companies in addition to in house use for the company. Due to strategic locations of its units, we fully expect your company to continue to dominate the crumb rubber modifier business across India. With setting up of crumbing plants, the company is now positioned better to deal with cyclical nature of raw material availability shall have an advantage in terms of reducing manufacturing costs.

The company leadership team is constantly looking at ways to better internal efficiencies and operational effectiveness with a clear focus on product and process quality. The company continues to build upon and deepen its existing relationships with road contractors, infrastructure companies and petroleum majors. While doing so, Tinna Overseas Limited continued its commitment as a responsible corporate citizen and its obligations towards society and environment.

The business of the company mainly consists of manufacturing of crumb rubber, crumb rubber modifier and processing and mixing of bituminous products. The existing name of the company is not properly reflecting the major activities/businesses of the company. To reflect the business of the company in the name, the board recommends to change the name of the company from Tinna Overseas Limited to Tinna Rubber and Infrastructure Limited.

The year gone by was indeed full of challenges. Estimated GDP growth rate at merely 6.5% was considerably lower than the previous year. Depreciation of rupee in the second half of the year led to costlier imports and higher domestic input costs. This impacted profitability. Yet the company has performed better than last year across various parameters.

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

The board of the company has broaden its structure by inducting professionals with rich experience to serve the company by contributing in financial, legal and industrial areas. CA Bishnu Agarwalla, Mr. Vivek Kohli and Mr. Maneesh Mansingka joined the Board of the company. CA Bishnu Agarwalla is a Chartered Accountant by profession. Mr. Vivek Kohli is a renowned advocate and he has wide and varied experience of legal, indirect taxation & related matters. Mr. Maneesh Mansingka is a successful entrepreneur with great skill in building businesses and forming strategic partnerships with global companies. We welcome them to our Board.

I would like to express our delight at presenting you the financial result of your company. We commit to deliver value to all stakeholders and renew our promise to constantly focus on exceeding customer's 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 with the aim of enhancing long term economic value of all the stakeholders and the society at large.

Before I conclude, I would like to take this opportunity to thank all our stakeholders- Shareholders, customers, business partners and bankers – for being with us through the turbulences of the recent years. My unreserved thanks to the management team and all employees of the company for having put in tremendous efforts and sacrifices in making an admired company.

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

Best Wishes & Regards,

Chairman

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Bhupinder Kumar Sekhri
Chairman

Shri Kapil Sekhri
Director

Shri Vivek Kohli
Director

CA Bishnu Agarwalla
Director

Shri Maneesh Mansingka
Director

Shri Kulbir Singh
Director

Choudhary Runveer Krishanan
Company Secretary & Compliance Officer

BOARD COMMITTEES

AUDIT COMMITTEE

CA Bishnu Agarwalla
Chairman

Shri Vivek Kohli
Member

Shri Maneesh Mansingka
Member

REMUNERATION COMMITTEE

Shri Maneesh Mansingka
Chairman

Shri Kulbir Singh
Member

CA Bishnu Agarwalla
Member

SHAREHOLDERS'/INVESTORS' / GRIEVANCES COMMITTEE

Shri Kulbir Singh
Chairman

CA Bishnu Agarwalla
Member

Shri Maneesh Mansingka
Member

REGISTERED OFFICE

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

STATUTORY AUDITORS

Rawla & Company
Chartered Accountants

BANKERS

Syndicate Bank

CONTENTS	Page No. (s)
Tinna Overseas Limited (At a glance)	
Chairman's Message	
Corporate Information	
Notice	1 - 7
Directors' Report	8 - 11
Report on Corporate Governance	12 - 20
Management Discussion and Analysis	21 - 23
Auditors' Report & Annexures	24 - 28
Balance Sheet	29
Profit & Loss Account	30
Cash Flow Statement	31
Notes Forming Part of the Financial Statements	32 - 53
Consolidated Accounts & Auditor Reports Thereon	54 - 82
Accounts on Subsidiary Company :	
B.G.K. Infrastructure Developers Pvt. Ltd.	83 - 94
Form of Proxy and Attendance Slip	

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Shareholders of Tinna Overseas Limited will be held on **Saturday, 29th September, 2012 at 9.00 A.M. at 18 South Drive Way, DLF Farms, Chhattarpur, New Delhi - 110074** to transact the following business:

ORDINARY BUSINESS

01. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012, and Profit & Loss Account for the year ended on that date together with the reports of Directors and Auditors thereon.
02. To appoint a Director in place of Shri Kapil Sekhri who retires by rotation and being eligible offers himself for re-appointment.
03. To appoint M/s Rawla & Co., Chartered Accountants, New Delhi, the retiring Auditors as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors.

SPECIAL BUSINESS

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

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

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

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

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

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

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

Resolved in terms of clause 6 of Chapter III and other applicable provisions of Securities And Exchange Board Of India (Delisting Of Equity Shares) Regulations, 2009 and subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, Listing Agreement, and any directions or modifications as may be issued by any regulating authority and other Acts, Rules and Regulations and subject to the approval, consent, permission or sanction of the SEBI, Stock Exchanges where the Shares of the company are listed, Reserve Bank of India and other appropriate authority, Institutions or regulators as may be necessary and subject to such other conditions as may be prescribed by any one of them in granting such approval, consent, permission or sanction, approval of the company be and is hereby granted to the Board of Directors, to de-list in accordance with the Securities And Exchange Board Of India (Delisting Of Equity Shares) Regulations, 2009, the Equity Shares of the company from Calcutta stock Exchange Limited, The Delhi Stock exchange Association Limited and The Stock exchange, Ahmedabad on such terms and condition as it may in its absolute discretion deem fit and so required to cause the de-listing of the Equity Shares of the Company."

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

Resolved in continuation of special resolution passed at the annual general meeting of the company held on 30th September, 2011 and pursuant to the provision of section 198, 269, 309, 310, 311, 315 and all other applicable Section of the Companies Act, 1956 read with Schedule XIII to the said Act, as amended up-to-date, and as per Article 138 of the Article of Association of the company, consent of the Company be and is hereby accorded for the appointment of Shri Bhupinder Kumar Sekhri as Managing Director of the company with effect from 27th August, 2012 till 31st March, 2014.

Resolved Further That Shri Bhupinder Kumar Sekhri be and is hereby given/entitled to the remuneration as per the limit as calculated in terms of the special resolution as earlier approved at annual general meeting on 30th September, 2011.

Resolved Further That the Board of Directors of the Company be and is hereby authorized to take all

such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"Resolved That pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII & other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) & subject to such other approvals/sanctions, if any, Shri Kapil Sekhri be and is hereby re-appointed as Whole Time Director w.e.f. 01st April, 2012 till 31st March, 2014.

Resolved Further That pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII & other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) & subject to such other approvals/sanctions, if any, Shri Kapil Sekhri shall be given/entitled to remuneration w.e.f. 01st April, 2012 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part 2 of Schedule XIII of the Companies Act, 1956.

Resolved Further That the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

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

"Resolved That pursuant to Section 21 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, the name of the Company be changed from **TINNA OVERSEAS LIMITED** to **TINNA RUBBER AND INFRASTRUCTURE LIMITED**.

Resolved Further That pursuant to section 16 of the companies Act 1956, clause I (Name clause) of Memorandum of Association of the Company be and is hereby attached by substituting the same with the following:

"Clause I, the name of the company is TINNA RUBBER AND INFRASTRUCTURE LIMITED."

Resolved Further That the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board thereof) be and is hereby authorized to do all such acts, deeds matters or things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution."

**By Order of the Board of Directors
For Tinna Overseas Limited**

**New Delhi
August 27, 2012**

**Choudhary Runveer Krishanan
Company Secretary**

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. **The proxy in order to be effective must be lodged at the Regd. Office of the Company at No. 6, Sultanpur (Mandi Road), Mehrauli, New Delhi-110030 at least 48 hours before the commencement of the meeting.**
3. Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
4. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
5. Members are requested to bring their copies of the Annual Report to the meeting.
6. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, the 25th September, 2012 to Saturday, the 29th September, 2012 (both days inclusive).
7. Members who are holding Company's shares in dematerialization form are requested to bring details of their depository A/c Number for identifications.
8. Members holding equity shares in physical form are hereby requested to notify change of their address, if any, quoting folio number.
9. Keeping in view the "Green Initiative in Corporate Governance" of Ministry of Corporate Affairs, the company proposes to send important communications such as un-audited financial results, press releases and other similar information soon after these are intimated to the stock exchanges including annual reports, etc. to the members in electronic form. Members who have still not registered their e-mail addresses are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the company Registrar and Share Transfer Agents.
10. The Company has a dedicated e-mail address "**investor@tinna.in**" for shareholders to mail their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.
11. The Company's website "**www.tinna.in**" has a dedicated section on investors.
12. Considering the advantages of scripless trading like exemption from stamp duty, elimination of bad deliveries, reduction in transaction costs, improved liquidity etc., members are requested to consider dematerialisation of their shareholding, if not already done, to avoid inconvenience in future.
13. The Annual Report for FY 2011-2012 of the company circulated to the members of the company, will be made available on the company's website at **www.tinna.in**.

STATEMENT CONTAINING FOLLOWING INFORMATION PURSUANT TO SECTION II OF PART II OF SCHEDULE XIII OF THE COMPANIES ACT, 1956

Item No. 9.

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

I. General Information:

- (1) **Nature of industry-** To deal in all kind of rubbers, rubber sheets, rubber products and P.V.C. Chemicals, Bituminous Products;
- (2) **Date or expected date of commencement of commercial production-** The Company was incorporated on 04th March, 1987 and is an existing company and production activities already commenced many years back.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus-** The Company is an existing company and hence, the para is not applicable to the company.
- (4) **Financial performance based on specified indicators-** The total turnover of the company in the financial year is ₹ 10,618.37 lacs. During the year the total turnover from bitumen activity is increased by 16 % and the company has now entered into manufacturing of quality bitumen Emulsions at our Panipat central plant where we have installed a state of the art plant. The company is also entering into manufacturing of crumb rubber powder from scrap tyres at Panipat, Wada, Haldia, Thiruvallur (Tamilnadu).
- (5) **Export performance and net foreign exchange collaborations-** There is no export in the company during the financial year.
- (6) **Foreign investments or collaborators, if any-** There is no foreign investment or collaborators in the company.

II. Information about the appointee:

- (1) **Background details-** Shri Kapil Sekhri is principal promoter and whole time director of the Company. He is on the board of other group companies. He is a BBA from Richmond College London (UK). He is

visionary leader. Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is young, energetic and is also one of the leading force for the company. He is 37 years old and having vast and varied experience of the industry over 17 years.

- (2) **Past remuneration-** Shri Kapil Sekhri was given remuneration of ₹ 3,00,000/- pm and such other amount as permissible in terms of Section II of Part 2 of Schedule XIII of the Companies Act, 1956

- (3) **Recognition or awards-** Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level.

- (4) **Job profile and his suitability-** He was Whole Time Director of the company upto 31st March, 2012 and looking after/guiding entire operations/ policy matters. The Board commends his reappointment as Whole Time Director w.e.f. 01st April, 2012 for shareholder's approval in coming Annual General Meeting of the Company.

- (5) **Remuneration proposed-** Shri Kapil Sekhri shall be given/entitled to remuneration w.e.f. 01st April, 2012 of ₹ 3,00,000/- pm or such other amount as permissible in terms of Section II of Part 2 of Schedule XIII of the Companies Act, 1956.

- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)-** The Company is a market leader in the Bitumenus Product as well as the Company is having major investment in Warehousing & 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, warehousing, etc. have substantially increased the responsibility and accountability of the management and its directors.

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

III. Other information:

- (1) **Reasons of loss or inadequate profits -** The reduction in profit mainly resulted due to lowering of margin as due to increased competition, selling price/job work charges of refineries has remained same/reduced but operational cost has increased. Due to inflation manpower cost has also increased. Financial cost has increased due to increased lending rate. Price of scrap rubber has gone up. Being the second year of site mixing, there was higher cost of site mixing operation (Mobile Blending Units) and the profit from this activity was less than expected. The Company also booked bad debts /provision for doubtful debts ₹ 5.998 lacs. The company has earned profit before tax and before exceptional items ₹ 269.05 lacs as compare to ₹ 173.19 lacs in previous year. Although result is better than the last year but inadequate due to continuous increasing material and other costs. Company is making efforts to improve the price/margin.
- (2) **Steps taken or proposed to be taken for improvement-** During the year the total turnover from bitumen activity is increased by 16 % and the company has now entered into manufacturing of quality bitumen Emulsions at our Panipat central plant where we have

installed a state of the art plant. The Company is making efforts to improve the price/margin. Now, company is also setting up crumb rubber modifier plant (backward integration) at Panipat, Wada, Haldia, Thiruvallur (Tamilnadu).

- (3) **Expected increase in productivity and profits in measurable terms-** Above steps of new plant and better utilization of existing assets expected to give improvements in results.

IV. Disclosures:

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

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

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

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

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

Item No. 4.

The Board of Directors of your company at its meeting held on 23rd March, 2012 appointed Shri Bishnu Agarwalla as an Additional Director w.e.f. 23rd March, 2012. He holds the office upto the date of ensuing Annual General Meeting. As required under section 257 of the Companies Act, 1956 the company has received notices from some members proposing his candidature as director of the Company. Shri Bishnu Agarwalla aged 28 years having wide and varied experience of accounting, finance & related matters. He is a Chartered Accountant by profession. He served for Deloitte Haskins & Sells and involved in several internal audit assignments covering a range of industries such as manufacturing, telecommunications, media, hospitality and FMCG. He is a member of the Institute of Internal Auditors (IIA) Delhi Chapter. He is not holding any equity shares in the company. He is also member of board committees.

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

The Board of Directors commends the resolution for approval.

Item No. 5.

The Board of Directors of your company at its meeting held on 23rd March, 2012 appointed Shri Vivek Kohli as an Additional Director w.e.f. 23rd March, 2012. He holds the office upto the date of ensuing Annual General Meeting. As required under section 257 of the Companies Act, 1956 the company has received notices from some members proposing his candidature as director of the Company. Vivek is a graduate in Mathematics (Honours) from St. Stephens College, Delhi University. Shri Vivek Kohli aged 44 years having wide and varied experience of legal, indirect taxation & related matters. He heads Corporate Law Practice, Regulatory Practice and Indirect Tax Practice. Vivek is also a specialist in Customs, Central Excise, Service Tax, VAT and Import Trade Control issues. He regularly advises some of the biggest Indian and Multi National Corporates on their indirect tax compliance and other allied issues. He is not holding any equity shares in the company. He is also member of board committees.

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

The Board of Directors commends the resolution for approval.

Item No. 6.

The Board of Directors of your company at its meeting held on 23rd March, 2012 appointed Shri Maneesh Mansingka as an Additional Director w.e.f. 23rd March, 2012. He holds the office upto the date of ensuing Annual General Meeting. As required under section 257 of the Companies Act, 1956 the company has received notices from some members proposing his candidature as director of the Company. Shri Maneesh Mansingka, aged 40 years serves as Director in various companies. Mr. Mansingka has over 14 years of experience. Maneesh Mansingka is commerce graduate. He is not holding any equity shares in the company. He is also member of board committees. Shri Maneesh Mansingka is a successful entrepreneur with great skills in building businesses and forming strategic partnerships with global companies.

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

The Board of Directors commends the resolution for approval.

Item No. 7.

The Board considered that the Company's Equity Shares are listed with the Bombay Stock Exchange, The Stock Exchange, Ahmedabad, The Delhi Stock Exchange Association Limited and The Calcutta Stock Exchange Association Limited and there is no trading or negligible trading of equity shares since listing at the Stock Exchange, Ahmedabad, The Delhi Stock Exchange Association Limited and The Calcutta Stock Exchange Association Limited. However, the Company's shares are regularly being traded at the Bombay Stock Exchange. Therefore, in terms of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, announced by the SEBI, the Companies have been permitted for voluntary delisting of shares including from the Regional Stock Exchange, subject to the compliance of the terms and conditions of the said regulations. The Board further considered that the Bombay Stock Exchange is having nationwide trading terminals and the investors have access to trade and deal in Company's shares across the country and listing on the

Stock Exchange, Ahmedabad, The Delhi Stock Exchange Association Limited and The Calcutta Stock Exchange Association Limited are not providing any significant tangible advantage to the shareholders and investors of the Company and the Company should take effective steps for voluntary delisting of the Company's Equity Shares from the Stock Exchange, Ahmedabad, The Delhi Stock Exchange Association Limited and The Calcutta Stock Exchange Association Limited and continue its listing only with the Bombay Stock Exchange to avoid unnecessary financial and administrative burden due to multiple compliances of the various clauses of the Listing Agreement from time to time and to provide better services to the investors through the nationwide Stock Exchange terminal.

None of the Directors of the company is, in any way, concerned or interested in the resolution.

The Board of Directors commends the resolution for approval.

Item No. 8.

Shri Bhupinder Kumar Sekhri was re-appointed as a Whole Time Director at annual general meeting held on September 30, 2010. He is now recommended to be appointed as Managing Director to take responsibilities as Managing Director of the company with effect from 27th August, 2012, in accordance with the provisions of the Companies Act, 1956 and Article 138 of the Article of Association to hold office till 31st March, 2012.

Born and educated in New Delhi, Mr. Bhupinder Kumar Sekhri Graduated from the University of Delhi. His career over the years has spanned various sales and marketing, administration and marketing positions. The Board believes that his proposed remuneration is commensurate with his role and responsibility as Managing Director of the Company.

None of the Directors except, S/Shri Bhupinder Kumar & Kapil Sekhri is directly or indirectly interested in the proposed Special Resolution at Item No.8 of the Notice and the Board recommends your acceptance thereof in the interest of the Company.

Item No. 9.

Shri Kapil Sekhri is the principal promoter of your Company. He is Director/ Chairman of other group companies. He is visionary leader. Under his direction, 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 37 years old having vast and varied experience of the industry over 17 years. Your Directors consider that Shri Kapil Sekhri be given remuneration w.e.f. 01st April, 2012 of Rs. 3,00,000/- pm or such other amount as permissible in terms of Section II of Part 2 of Schedule XIII of the Companies Act, 1956.

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

The necessary disclosures in terms of Section II of Part 2 of Schedule XIII of the Companies Act, 1956 is also given for your reference.

None of the Directors except, S/Shri Bhupinder Kumar Sekhri & Kapil Sekhri, is directly or indirectly interested in the proposed Special Resolution except to the extent that they hold any share of the company.

The Board recommends your acceptance thereof in the interest of the Company.

Item No. 10.

The Board of Directors of your company at its meeting held on 31st July, 2012. decided to change the name of company. The office of Registrar of companies, National Capital Territory of Delhi and Haryana has confirmed the availability of the proposed name TINNA RUBBER AND INFRASTRUCTURE LIMITED vide its letter dated 09th August, 2012 that there is no objection in the availability of the changed name TINNA RUBBER AND INFRASTRUCTURE LIMITED from the existing name TINNA OVERSEAS LIMITED. The business of the company consists of manufacturing, processing and mixing bituminous products and rubberized material. The existing name of the company is not reflecting the clear activities/ businesses of the company.

To reflect the business, the board recommends to change the name of the company from Tinna Overseas Limited to Tinna Rubber and Infrastructure Limited.

The resolution as proposed is recommended for approval.

None of the Directors are concerned or interested in the proposed special resolution except to the extent that they hold any share of the company.

The Board of Directors recommended the resolution for approval of the shareholders.

DIRECTORS' REPORT

The Members

Your Directors are pleased to present the 25th Annual Report and the Audited Statement of Accounts of the Company for the financial year ended on 31st March, 2012 (01-04-2011 to 31-03-2012).

FINANCIAL HIGHLIGHTS

	(₹ in lacs)	
	2011-2012	2010-2011
Total Income	10,618.37	11,795.46
Profit/(loss) before interest,		
Depreciation & Taxation	602.27	508.74
Interest	212.87	221.76
Depreciation	120.35	113.79
Profit Before Exceptional Items	269.05	173.19
Exceptional Gain (net)	473.77	-
PBT	741.96	171.16
Tax	121.17	107.64
Profit/(loss) after interest,		
Depreciation & Taxation	621.65	65.55
Reserves & Surplus	3366.56	2882.63

REVIEW OF OPERATIONS

During the year under review, the Company achieved total income to the tune of ₹ 10,618.37 lacs as against ₹ 11,795.46 lacs in the previous year. This year the Company earned a PAT of ₹ 621.65 lacs as against a profit of ₹ 65.55 lacs in the previous year.

During the year under review in the bitumen division the Company did a business of ₹ 10,543.30 lacs as against a business of ₹ 9070.94 lacs in the previous year. In this division, during the year under review the Company earned a profit of ₹ 1040.50 lacs as against a profit of ₹ 1114.73 lacs in the previous year.

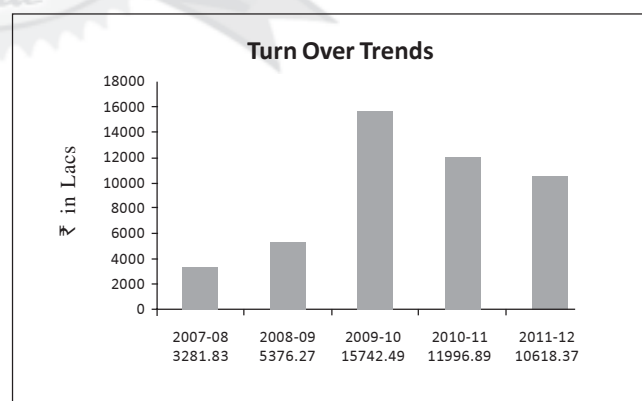
Company has discontinued trading of Soya DOC and now entirely focussing on Crumb Rubber, Bituminous and infrastructure related products. Company started trading of construction chemicals and achieved turnover of ₹ 24.23 lacs. Site mixing business has grown as expected and its share in total sales has increased.

Due to moderate increase in Sales price and better cost control and utilisation of resources, Company has achieved better profit at ₹ 269.05 lacs (before exceptional gain) as compare to ₹ 173.19 lacs. 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.

Over a period of 4 years Company had invested about 80 lacs at Tuljapur (Maharashtra) on jatropha plantation and other allied related assets including irrigation pipeline, temporary shed and preoperative expense. The concept of jatropha could not deliver as per expectation to most of the investors and we also were facing the same situation of non-viability of cultivating Jatropha. To save on further loss and to channelize management attention to more productive purpose, Company decided to surrender the lease and discontinue this activity.

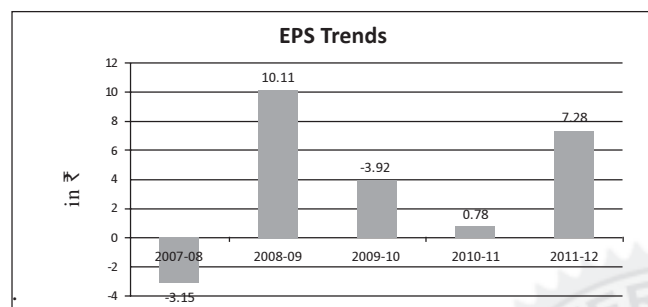
The company's operating business are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products. The identified segments are bitumen division, trading in construction chemicals, agricultural activity division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

TURNOVER TRENDS



TRENDS OF EARNING PER SHARES OF LAST FIVE YEARS:

This year Company has recorded good earnings per share for its shareholders in comparison to last year. The earning per shares depicts the proportion of profits of the Company in a financial year with each shares held by the shareholders.


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. Thereafter petition (s) / application (s) filed by/against the company related to other family disputes before the Hon'ble High Court of Delhi. The matters are pending before the court.

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

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

FIXED DEPOSITS

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

AUDITORS

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

AUDITORS' REPORT

The Auditors' observations on the accounts have been extensively dealt with in the notes & necessary corrective actions are being taken. The Directors wish to further state that the Company is continuously making efforts for further streamlining/improving the internal audit and other systems. The Company has sold non-strategic investment in order to meet the fund requirement for the core business of crumb rubber/bituminous products. Regarding the comment about short provisions of depreciation for the assets at Mangalore Refinery Petro Chemical Limited, Mangalore, the Company would re-negotiate due to less than assured business.

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, 2012, 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, 2012, on going concern basis'.

PARTICULARS OF EMPLOYEES

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

DIRECTORS

Shri Bhupinder Kumar Sekhri shall be appointed as Managing Director of the company in coming annual general meeting. Shri Kapil Sekhri retires by rotation and being eligible offer himself for re-appointment.

S/Shri Rajesh Garg and Anil Kumar Grover resigned from the directorship of the company w.e.f. 24th December, 2011 and 30th April, 2012 respectively. The Board places on record its appreciation for the valuable contribution made by Mr. Garg and Mr. Grover during their tenure as Director of the Company. Mr. Daini Singh was appointed as additional director on 24th December, 2011 but due to immediate involvement in his personal assignments he resigned from directorship of the company on 23rd March, 2012.

Shri Bishnu Agarwalla, Shri Vivek Kohli and Shri Maneesh Mansingka who were appointed as additional director on 23rd March, 2012 shall be confirmed in the coming shareholders meeting.

DELISTING

The Board of Directors commended the resolution for approval in ensuing annual general meeting. The company communicated to stock exchanges where it intends to delist its shares for necessary course of action from Delhi Stock Exchange Association Limited (DSE), The Calcutta Stock

Exchange Association Limited (CSE) & The Stock Exchange Ahmedabad (ASE). The equity shares will continue to be listed at the Bombay Stock Exchange (BSE) having nation wide terminals.

SUBSIDIARY COMPANY

As required under Section 212 of the Companies Act, 1956 the audited Statement of accounts along with the Reports of the Board of Directors of B. G. K. Infrastructure Developers Private Limited and the auditor's report for the year ended 31st March, 2012 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 27, 2012**

Bhupinder Kumar Sekhri **Kulbir Singh**
Whole Time Director Director

ANNEXURES TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended on 31st March, 2012.

A. CONSERVATION OF ENERGY

- (a) Energy conservation measures taken: The imported and indigenous machinery is of latest technology and con-serving energy to the maximum.
- (b) Additional investments & proposals, if any, being imple-mented for reduction of consumption of energy: During the year company has made modification in boiler by investing Rs. 4.81 lacs and now pet coke is being used as fuel instead of woods.
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: The machines used by the Company are of latest technology and conserving energy to the maximum. The Company further continues to improve productivity by employing trained manpower for effi-cient utilization of machinery.
- (d) Not applicable.

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

1. RESEARCH & DEVELOPMENT (R & D)

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

- (d) Expenditure on R & D: The Company incurred Rs.7.76 lacs on R & D during the year.

2. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

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

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

- (c) Not applicable.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

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

2. Total Foreign Exchange Used and Earned

(₹ in lacs)

- | | |
|-----------------------------------|--------|
| (a) Total Foreign Exchange Used | 925.92 |
| (b) Total Foreign Exchange Earned | nil |

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

**New Delhi
August 27, 2012**

Bhupinder Kumar Sekhri	Kulbir Singh
Whole Time Director	Director

REPORT ON CORPORATE GOVERNANCE

A) Company's Philosophy

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

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

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

The Company is in full compliance with clause 49 of the listing agreement.

B) Board of Directors

The Board of Directors consisted of seven directors as on 31st March, 2012 out of which five were Non -Executive Directors and two were Executive (paid) Directors. Out of the seven Directors, five Directors were independent Directors and two from promoters group.

Twelve Board Meetings were held during the financial year 2011-2012 (01-04-2011 to 31-03-2012) 14-04-2011, 28-04-2011, 26-05-2011, 30-07-2011, 24-08-2011, 31-10-2011, 25-11-2011, 12-12-2011, 04-01-2012, 31-01-2012, 16-03-2012 & 23-03-2012. The composition of Board of Directors and the related information as on 31st March, 2012 was as follows:

Name of Director	Attendance At last AGM	No. of Board Meetings Attended	Category of Director	Other directorships	Other Board's Committees	
					Member	Chairman
Sh. Bhupinder Kumar Sekhri	NO	12	WTD/PG	2	-	-
Sh. Anil Kr. Grover	Yes	11	NED/ID	-	1	2
Sh. Kapil Sekhri	Yes	7	WTD/PG	1	-	-
Sh. Rajesh Garg\$	Yes	6	NED/ID	-	-	-
Sh. Kulbir Singh	Yes	12	NED/ID	-	2	1
Sh. Daini Singh#	NA	3	NED/ID	-	-	3
Sh. Maneesh Mansingka*	NA	1	NED/ID	-	2	1
Sh. Vivek Kohli*	NA	1	NED/ID	-	1	-
Sh. Bishnu Agarwalla*	NA	1	NED/ID	-	2	1

PG - Promoter Group

NED - Non Executive Director

ID Independent Director

WTD - Whole Time Director NA - Not Applicable

\$ resigned w.e.f. 24/12/2011

appointed w.e.f. 24/12/2011 & resigned 23/03/2012

* appointed w. e. f. 23/03/2012

** Directorships in private companies, associations are excluded.

Committees of the Board

1. Audit Committee

I. Terms of reference

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

II. Composition

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

Name of the Member	Status	No. of meetings Attended	Remarks
Shri Rajesh Garg*	Chairman	4	
Shri Anil Kumar Grover	Member	5	
Shri Kulbir Singh	Chairman/Member	5	
Shri Daini Singh#	Member	1	
Sh. Maneesh Mansingka%	Member	-	
Sh. Vivek Kohli%	Member	-	
Sh. Bishnu Agarwalla%	Chairman	-	

* Resigned w.e.f. 24/12/2011 & committee reconstituted

Resigned w.e.f. 23/03/2012 & committee reconstituted

% Inducted w.e.f. 23/03/2012

2. Remuneration Committee

I. Terms of reference

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

II. Composition

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

Name of the Member	Status	No. of meetings Attended	Remarks
Shri Anil Kumar Grover	Chairman	3	
Shri Kulbir Singh	Member	3	
Shri Daini Singh#	Member	1	
Shri Maneesh Mansingka*	Member	-	
Shri Bishnu Agarwalla*	Chairman	-	

Resigned 23/03/2012 & committee reconstituted.

* Inducted w.e.f. 23/03/2012 & committee reconstituted.

III. Details of remuneration paid to Directors

A. Executive Directors

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

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

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

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

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

- (ii) Details of fixed component and performance linked incentives along with the performance criteria;
The company is neither paying any fixed component nor any performance linked incentives to its directors.
- (iii) Service contracts, notice period, severance fees;
S/Shri Bhupinder Kumar & Kapil Sekhri are whole time directors of the company and have not entered in any service contracts with the company. The appointment of S/Shri Bhupinder Kumar Sekhri & Kapil Sekhri is for fixed term, i.e. till 31st March, 2014.
- (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. - **Not applicable.**

B. Non- Executive Directors

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

Remuneration Policy

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

Shareholding of Directors as on 31st March, 2012

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

3. Investors Grievance Committee

I. Terms of reference

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

II. Composition

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

Name of the Member	Status	No. of meetings Attended	Remarks
Shri Anil Kumar Grover	Chairman	3	
Shri Rajesh Garg\$	Member	2	
Shri Daini Singh#	Member	1	
Shri Kulbir Singh	Member	3	
Shri Maneesh Mansingka*	Member	-	
Shri Bishnu Agarwalla*	Member	-	

\$ Resigned w.e.f. 24/12/2011

Appointed w.e.f. 24/12/2011 & resigned 23/03/2012

* Inducted w.e.f. 23/03/2012 & committee reconstituted

The Company had 5861 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 31-03-2012 except few cases on technical grounds.

C. General Body Meetings

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

Financial Year	Date	Time	Location	Remarks
2010-2011	30th September, 2011	9:00 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	
2009-2010	30th September, 2010	9:00 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	
2008-2009	11th December, 2009	10:00 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	
2007-2008	11th December, 2009	9:30 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074	

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

D. Disclosures

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

E Means of Communication

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

F General Shareholders' Information

i. 25th Annual General Meeting

Venue	:	18 South Drive Way, DLF Farms, Chhattarpur, New Delhi-110074
Time	:	9:00 AM
Date	:	29th September, 2012

ii. Tentative Financial Calendar

1st Quarter Results	-	end July 2012
2nd Quarter Results	-	end Oct 2012
3rd Quarter Results	-	end Jan 2013
4th Quarter Results	-	end April 2013

iii. Book Closure

The register of members and share transfer books of the Company remained close from Tuesday, the 25th September, 2012 to Saturday, the 29th September, 2012. (Both days inclusive)

iv. Listing on Stock Exchanges

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

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

*Regional Stock Exchange of the Company.

G Market Price Data

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

MONTH	OPEN	HIGH	LOW	CLOSE	TOTAL TURNOVER (in ₹)
Jul-11	32	52	23.23	23.23	1,28,686
Aug-11	22.1	27	18.25	27	1,05,818
Sep-11	27.6	38.8	27.6	36.15	1,08,459
Oct-11	34.35	34.35	30.3	32	20,280
Nov-11	30.45	35.9	28.95	35.9	58,020
Dec-11	35.9	38	31.05	32.5	12,760
Jan-12	30.9	39.4	30.9	35.75	1,279
Feb-12	34	34	22.35	22.35	45,060
Mar-12	21.25	22.65	19	22.65	19,400

H Registrar & Transfer Agent and Share Transfer System

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

I Details/Distribution of Shareholding as on 31st March, 2012

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	5592	95.411	728501	7285010	8.506
5001 to 10000	133	2.269	90878	908780	1.061
10001 to 20000	58	0.989	82060	820600	0.958
20001 to 30000	24	0.409	61916	619160	0.723
30001 to 40000	8	0.136	29000	290000	0.339
40001 to 50000	6	0.102	28400	284000	0.332
50001 to 100000	21	0.358	148400	1484000	1.733
100001 to ABOVE	19	0.324	7395595	73955950	86.349
Total	5861	100	8564750	85647500	100

Shareholding pattern as on 31st March, 2012

Category of shareholders	No. of shares	% of total shares
Promoters (including person acting in concert)	6077560	71.92
Foreign Institutional Investors	0	0
Non-resident Indians/Overseas Corporate Bodies/ Foreign Nationals	34700	0.41
Mutual Fund, Financial Institutions and Banks	46000	0.33
Private Corporate Bodies	1324854	15.68
Resident Indians	1081636	11.66
GDRS	0	0
Total	8564750	100

J. Dematerialisation of Shares

The equity shares of the Company are compulsory traded in dematerialized form and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The international Securities Identification Number (ISIN) of the company under Depository System is INE015C01016. Number of shares held in dematerialized and physical mode as on March 31, 2012 are noted below:

Particulars	No. of shares	% of total shares
Shares held in Dematerialized form with NSDL	6269892	73.21
Shares held in Dematerialized form with CDSL	41120	0.48
Shares held in physical form	2253738	26.31
Total	8564750	100

K. Locations of the Plants

Sl No.	Locations	Activity
1	Refinery Road, Village Rajapur, Panipat(Haryana)132 1003	(i) Modifier Plant
		(ii) Rubber Crumbing Plant
		(iii) Modified Bitumen Plant
		(iv) Bitumen Emulsion Plant
2	Phase I, IOCL Panipat Refinery, Panipat-132 140, Haryana	(i) Operation & Management of CRMB Plant
3	Gut no113/2 & 114/2 , Village Pali, Taluka Wada, Distt Thane, Maharashtra- 421 303	(i) Modifier Plant
		(ii) Rubber Crumbing Plant
4	IOCL, Mathura Oil Refinery, Mathura (Uttar Pradesh) - 281 006	(i) Operation & Management of CRMB Plant
5	Plot no 2693,2694,2696 & 2697, Mauza-Dighasipur, PO Chakdwipa, Distt. Purba Medinipore, West Bengal-721 666	(i) Modifier Plant
		(ii) Rubber Crumbing Plant
6	Plot no 42-43, Manali Oil Refinery Road Ernavoor, Chennai-600057	(i) Modifier Plant
7	MRPL, Mangalore Refinery, Kuthethoor Bala Post via Katipalla, Mangalore, (Karnataka) -575 026	(i) Operation & Management of CRMB Plant
8	Village no 17, Chithur Natham Village, Gummidipundi Taluk,Thiruvallur District, Tamilnadu	(i) Rubber Crumbing Plant
9	Survey no 166/3 & 4 Village Naroli Silvassa UT of Dadra Nagar Haveli, Silvassa- 396 235	(i) Modifier Plant
10	Haldia Refinery, IOCL Campus, Purba Medinipore, Haldia (West Bengal) -721 606	(i) Operation & Management of CRMB Plant
11	Village-Mavza, Rampur Jattan, Near IIT College of Engineering, Kalamb, Sirmour(Himachal Pradesh)- 173 033	(i) Modifier Plant

L. Address for Correspondence

For all stakeholders:

Tinna Overseas Limited

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

For Physical Transfer of shares/Dematerialisation request:

M/s Alankit Assignment Limited

2E/21 Jhandewalan Extension New Delhi -110 055

Phone : +91-11-23541234

Fax : +91-11- 42541201

Web : www.alankit.com

Email : info@alankit.com

M. Non- Mandatory Requirements

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

N. Re-appointment of the Directors

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

1. Shri Kapil Sekhri is the principal promoter of your Company. He is Director/ Chairman of other group companies. He is visionary leader. Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 37 years old having vast and varied experience of the industry over 17 years. He is holding 25,000 equity shares of the company as on 31.03.2012. He is also on the board of the other group company (ies) details of which as given below:

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

O. Code of Conduct and Ethics

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

P. CEO/CFO Certification**CEO/CFO CERTIFICATION**

**To
The Board of Directors
Tinna Overseas Limited**

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material facts 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 their knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control system of the company 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 purpose 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.

New Delhi
August 27, 2012

(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 Overseas Limited**

I, Bhupinder Kumar Sekhri, whole time 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, 2012.

New Delhi
August 27, 2012

Bhupinder Kumar Sekhri
Whole Time Director

Ravindra Chhabra
CFO & GM Accounts

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

Business Organisation/ Review

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

Presently, the Company is mainly focusing on bitumen related activities wherein the Company finds a great potential. Due to moderate increase in Sales price and better cost control and utilisation of resources, Company has achieved better profit at ₹ 269.05 lacs (before exceptional gain) as compare to ₹ 173.19 lacs. 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.

During the year under review, the Company achieved total income to the tune of ₹ 10,618.37 lacs as against ₹ 11,795.46 lacs in the previous year. This year the Company earned a PAT of ₹ 621.65 lacs as against a profit of ₹. 65.55 lacs in the previous year.

Company has discontinued trading of Soya DOC and now entirely focussing on Crumb Rubber, Bituminous and infrastructure related products. Company started trading of construction chemicals and achieved turnover of ₹ 24.23 lacs. Site mixing business has grown as expected and its share in total sales has increased. Over a period of 4 years Company had invested about ₹ 80 lacs at Tuljapur (Maharashtra) on jatropa plantation and other allied related assets including irrigation pipeline, temporary shed and preoperative expense. The concept of jatropa could not deliver as per expectation to most of the investors and we also were facing the same situation of non-viability of cultivating Jatropa. To save on further loss and to channelize management attention to more productive purpose, Company decided to surrender the lease and discontinue this activity.

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

Although company has performed better than last year yet these are inadequate and company is making efforts to improve by adding new products and by backward integration. Better utilization of existing assets expected to give improvements in results. Emulsion Bitumen plant has started working during the year and has contributed turnover of ₹ 402 lacs (Approx.). The Company has also set up Crumb Rubber plant at Panipat to be made from Scrap Tyres. Similar plat are being set up in South (At Taluka Gummidipundi Dist. Thiruvallur (Tamilnadu), Western India at Wada, Dist Thane(Maharashtra) and Haldia(West Bengal) with total expected investment of ₹ 2170 lacs.

The Management is looking forward to capitalize this Opportunity.

Industry Structure and Development

Bitumen Modifier & related products

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

Opportunities – Bitumen Modifier & related products

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

Threats/ Challenges

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

Outlook

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

Risks & Concerns

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

HUMAN RESOURCES/INDUSTRIAL RELATIONS

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

INTERNAL CONTROL SYSTEMS

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

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

CERTIFICATE

To the Members of
Tinna Overseas Limited

We have examined the compliance of conditions of Corporate Governance by Tinna Overseas Limited, for the year ended on 31st March, 2012, 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 compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 given to us, and based on the representations made by Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

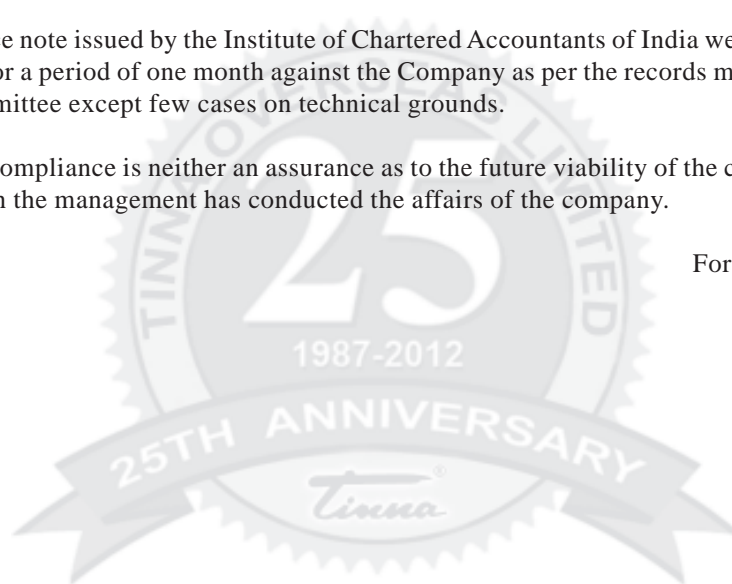
As required by the Guidance note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the shareholder/investor's Grievance Committee except few cases on technical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

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

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

New Delhi
August 27, 2012

CS Ajay Baroota
C.P No. 3945



AUDITORS' REPORT

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

1. We have audited the annexed Balance Sheet of M/s. TINNA OVERSEAS LIMITED as at 31st March, 2012 and the statement of profit and loss of the company and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the companies (Auditor's Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5, to the extent applicable to the company, of the said order.
4. Further to our comments in the annexure referred to in the above paragraph, we report that;
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit except documents in support of fair value of the sale of shares {Refer Note No. 14 (iv)};
 - b) In our opinion, proper books of account, as required by law, have been kept by the

company so far as appears from our examination of these books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

- c) The balance sheet, 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, profit & loss account and cash flow statement, dealt with by this report, comply with the accounting standards referred to in sub-section 3(C) of section 211 of the Companies Act, 1956 **except in case of AS-6 as mentioned in point no. f;**
- e) On the basis of written representation received from the directors, as on 31st March 2012 and taken on record by the board of directors, we report that none of the directors are disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
- f) **Attention is drawn to**
 Note no. 13 (a) regarding non- provision of higher depreciation on the basis of limits on the use of the assets upto 05.07.2014 and accordingly non-provision of ₹ 1,06,36,540/- due to diminution in value of Assets at MRPL unit
 Effect of the above point on statement of profit and Loss and balance sheet is that:
 - (i) Total profits for the year are overstated to the extent of:
 - (a) Non-provision of diminution in value of plant of ₹ 10,78,851/-
 - (ii) Total fixed assets and reserves & surplus are overstated to the extent of:
 - (b) Non-provision of diminution in value of plant of ₹ 1,06,36,540/-
 - g) Subject to the above, in our opinion and to the best of our information and according to explanations given to us, the said balance

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

- i) in the case of the balance sheet, of the state of affairs of the company as at 31st March, 2012;
- ii) in the case of the statement of profit and loss, of the profit of the company for the year ended on that date; and

- iii) in the case of cash flow statement, of the cash flows of the company for the year ended on that date.

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

CA Hardeep Singhal
(Partner)
M. No. 505618

New Delhi
August 27, 2012



ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 of our report to the members of M/s TINNA OVERSEAS LIMITED on the accounts as at and for the period ended 31st March, 2012 that;

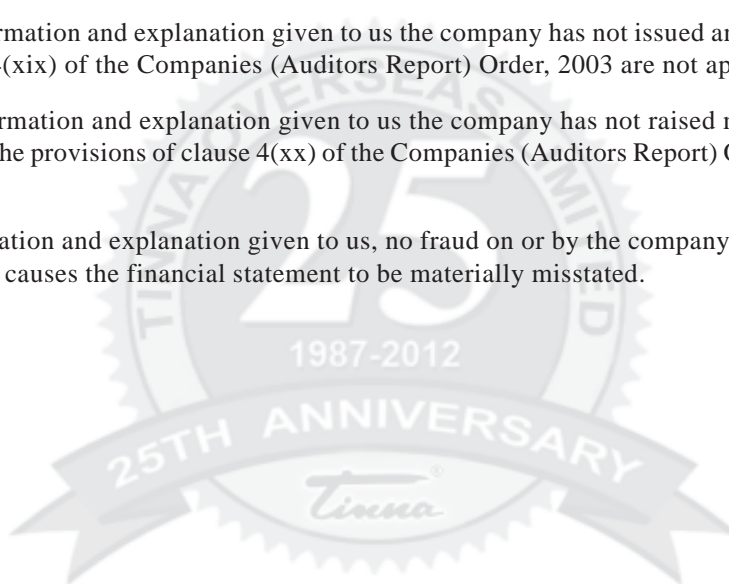
1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The company has a phased periodical programme of physical verification of all fixed assets, which in our opinion is reasonable having regard to the size of the company and the nature of its business. No material discrepancies have been noticed on such verification.
 - (c) During the year, the company has not disposed off major part of the assets. According to the information and explanations given to us, we are of the opinion that the surrender of leasehold land and written off of Jatropa Plantation at Tuljapur unit has not affected the going concern 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) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the company has maintained proper records of inventories. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.
3. (a) The company has granted loan of ₹ 31,50,000/- to one party covered in the register maintained under section 301 of Companies Act, 1956. The maximum amount involved during the year is ₹ 31,50,000/- and year-end balance outstanding was ₹ 31,50,000/-
 - (b) Based on our examination, rate of interest and other terms & conditions of loans given by the company, secured or unsecured, are prima facie not prejudicial to the interest of the company except non- recovery of interest.
 - (c) There is no stipulation of receipt of principal amount and interest on loans granted by the company, accordingly, clause 4(iii) (d) of the Companies (Auditors Report) Order, 2003 is not applicable to the company
 - (e) The company has taken loans of ₹ 5,99,35,000/- from three parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 3,56,61,770/- and the year-end balance of loans from such parties was ₹ 3,25,72,097/-.
 - (f) The company has paid interest on loans taken from parties covered in the register maintained u/s 301 of the Companies Act, 1956. However, rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the company
 - (g) There is no stipulation of repayment of loans and interest
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventories, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have been so entered; and

- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or agreements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year exceeding ₹ 5,00,000/- have been made at prices on which we are reasonable, except in case of sale of shares we are unable to comment in absence of any document in support of its fair value
6. In our opinion and according to the information given to us, the company has not accepted any deposits from the public under section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company during the year has a reasonable internal audit system which requires to be strengthened to make it commensurate with size and the nature of its business.
8. We have broadly reviewed the cost records of the company and are of opinion that, prima facie, the accounts and records prescribed under clause (d) sub section (I) section 209 of the Companies Act, 1956 have been maintained. However, we have not made a detailed examination of the records with a view to satisfy ourselves that the records are complete and correct.
9. (i) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax/ value added tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it, except few cases of late deductions and depositions of TDS and late depositions of ESI/PF, advance income tax & sales tax/ value added tax.
- (ii) According to the information and explanations given to us, no undisputed amount outstanding payable in respect of income tax, sales tax/ vat, wealth tax, service tax, custom duty, excise duty, cess, at the end of the period ending 31st March, 2012 for a period more than six months from the date they become payable except wealth tax of ₹ 5,63,987/-, income tax of ₹ 71,574/- and interest & penalty on Cess payment under BPMC (cess on entry of goods) Rules, 1996 of ₹ 25,61,063/-
- (iii) According to the information and explanations given to us there are no dues of value added tax, income tax, custom duty, wealth tax, excise duty, service tax and cess which have not been deposited on account of any dispute, except the following:

S. No.	Name of Statute	Nature of dues	Amount (₹)	Fin. Year	Forum where dispute is pending
1.	ESI Corporation	Additional demand	396,629/-	1999-2000	Regional Director, Faridabad
2.	Haryana VAT	Increase in rate of Levy	1,002,579/-	2010-2011	Haryana tax tribunal
3.	Income Tax Act, 1961	Income Tax	7,350,358/-	2000-2001	Delhi High Court

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

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



New Delhi
August 27, 2012

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

CA Hardeep Singhal
(Partner)
M. No. 505618

Balance Sheet as at 31st March, 2012

	Note No.	As at 31-03-2012	Amount (₹) As at 31-03-2011
I. EQUITY & LIABILITIES :			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	3	85,370,333	85,370,333
(b) Reserve & surplus	4	336,655,833	288,263,245
		422,026,166	373,633,578
(2) NON-CURRENT LIABILITIES			
(a) Long term borrowings	5	3,640,657	9,456,557
(b) Deferred tax liabilities	6	19,951,650	24,471,145
(c) Other long term liabilities	7	13,772,056	300,000
(d) Long term provisions	8	6,159,046	5,648,011
		43,523,409	39,875,713
(3) CURRENT LIABILITIES			
(a) Short term borrowings	9	155,333,605	113,577,288
(b) Trade payables	10	30,990,840	38,186,583
(c) Other current liabilities	11	38,540,681	37,717,542
(d) Short term provisions	12	10,044,355	3,552,209
		234,909,481	193,033,622
		700,459,056	606,542,913
II. ASSETS :			
(1) NON-CURRENT ASSETS			
(a) Fixed assets	13		
(i) Tangible assets		199,805,188	214,005,640
(ii) Intangible assets		24,449	1
(iii) Capital work-in-progress		82,329,766	12,432,382
(b) Non-current investments	14	59,595,770	86,804,130
(c) Long-term loans and advances	15	25,017,046	13,062,839
(d) Other non-current assets	16	37,984,479	38,653,005
		404,756,698	364,957,997
(2) CURRENT ASSETS			
(a) Inventories	17	64,000,584	86,589,856
(b) Trade receivables	18	157,258,314	116,271,932
(c) Cash and bank balances	19	18,337,261	13,376,803
(d) Short-term loans and advances	20	41,687,205	17,991,686
(e) Other current assets	21	14,418,994	7,354,639
		295,702,358	241,584,916
		700,459,056	606,542,913

SIGNIFICANT ACCOUNTING POLICIES 2

OTHER NOTES ON THE FINANCIAL STATEMENTS 31-42

As per our report of even date attached.

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

CA Hardeep Singhal
(Partner)
M. No. 505618

New Delhi
August 27, 2012

For and on behalf of the Board of Directors

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

Chy. Runveer Krishanan
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Statement of Profit & Loss for the year ended 31.03.12

	Note No.	2011-12	Amount (₹) 2010-11
INCOME			
Revenue From Operations		1,168,788,919	1,276,657,896
Less: Excise Duty		112,798,314	103,887,094
	22	1,055,990,605	1,172,770,802
Other Income	23	5,846,853	6,775,301
		1,061,837,458	1,179,546,103
EXPENSES			
Cost of materials consumed	24	794,978,270	672,057,598
Purchases stock-in-trade	25	24,711,966	297,604,669
Changes in inventories of finished goods & work-in-Progress	26	11,144,487	(20,974,144)
Employee benefits expenses	27	67,335,216	58,661,704
Finance costs	28	21,286,923	22,175,685
Depreciation		12,035,475	11,379,308
Other expenses	29	103,440,080	121,322,491
		1,034,932,417	1,162,227,311
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		26,905,041	17,318,792
Exceptional Items	30	47,376,932	-
PROFIT BEFORE TAX		74,281,973	17,318,792
TAX EXPENSES:			
Current tax		16,636,824	3,817,583
Deferred tax		(4,519,495)	6,946,189
PROFIT/(LOSS) FOR THE YEAR		62,164,644	6,555,020
Earnings per equity share:			
(1) Basic		7.28	0.77
(2) Diluted		7.28	0.77
SIGNIFICANT ACCOUNTING POLICIES	2		
OTHER NOTES ON THE FINANCIAL STATEMENTS	31-42		

As per our report of even date attached.

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

For and on behalf of the Board of Directors

CA Hardeep Singhal
(Partner)
M. No. 505618

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

New Delhi
August 27, 2012

Chy. Runveer Krishanan
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Cash Flow Statement for the year ended 31st March, 2012

	(Amount ₹)		(Amount ₹)	
	1.4.2011 to 31.3.2012		01.04.2010-31.03.2011	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit(Loss) After Tax and Extra ordinary items		62,164,644		6,555,020
Add / (Less) : Adjustment for :				
Prior Period				
Provision for Income Tax & Interest on Income Tax (or remove interest from add back as well as payment of IT)	17,763,455		4,028,802	
Provision for Wealth Tax	138,568		107,139	
Provision for Deferred Tax	(4,519,495)	13,382,528	6,946,189	11,082,130
Net Profit before tax		75,547,172		17,637,150
Exceptional & Extraordinary items Loss(Profit)	(47,376,932)			
Depreciation	12,035,475		11,379,308	
Interest Paid	19,077,692		19,299,412	
Bad Debts	599,864		4,281,915	
Provision for Doubtful Debts	(579,846)		665,389	
Loss on Sale of Assets	1,850,995		652,389	
Profit on Sale of Assets	(64,642)		(1,597,841)	
Interest Received	(4,450,032)		(1,795,444)	
Rent Received	(1,280,000)		(1,480,312)	
Profit on Sale of Investments	-		-	
Loss on Sale of Investment	6,500		-	
Misc. Income	(52,179)	(20,233,105)	(2,093,528)	29,311,288
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGE		55,314,067		46,948,438
Adjustment for :				
Decrease/(Increase) in Trade and other Receivables	(41,069,425)		61,659,899	
Decrease/(Increase) in Inventories	22,589,272		(48,673,779)	
Increase/(Decrease) in Trade Payables/Other Liabilities	(3,854,382)		(48,705,968)	
Decrease/(Increase) in Other Assets	(14,602,849)	(36,937,384)	(5,267,767)	(40,987,615)
CASH GENERATED FROM OPERATIONS		18,376,683		5,960,823
Direct Tax Paid	(12,705,674)		(7,289,085)	
Rent Received	1,280,000		1,480,312	
Misc. Income	52,179	(11,373,495)	2,093,528	(3,715,245)
Cash Flow before Extraordinary items		7,003,188		2,245,578
Extraordinary items (Freight on Shifting of Mumbai unit)	(1,251,418)			-
NET CASH FROM OPERATING ACTIVITIES (A)		5,751,770		2,245,578
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(113,855,246)		(37,175,595)	
Sale of Fixed Assets	92,940,388		7,091,000	
Purchase of Investment	(21,298,140)		(15,067,420)	
Sale of Investment	48,400,000		63,061,000	
Interest Received	4,450,032		1,795,444	
Loan/Advances given to others	(53,747,795)		(11,431,000)	
Loan/Advances refund received	26,365,757		10,683,000	
NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES (B)		(16,745,004)		18,956,429
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Issue of Share Capital			-	
Proceeds from Long term Borrowings	5,483,000		12,849,000	
Repayment of Long term Borrowings	(12,681,225)		(11,530,000)	
Proceeds from Unsecured Loan	85,829,609		57,500,000	
Repayment of Unsecured Loan	(43,600,000)		(60,000,000)	
Interest Paid	(19,077,692)		(19,299,412)	
NET CASH USED IN FINANCING ACTIVITIES (C)		15,953,692		(20,480,412)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		4,960,458		721,595
OPENING CASH AND CASH EQUIVALENTS		13,376,803		12,655,208
CLOSING CASH AND CASH EQUIVALENTS		18,337,261		13,376,803

As per our report of even date attached.

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

CA Hardeep Singhal
(Partner)
M. No. 505618

New Delhi
August 27, 2012

For and on behalf of the Board of Directors

Kulbir Singh
(Director)

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(Whole time Director)

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Ravindra Chhabra
(CFO & G.M. Accounts)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

NOTE 1 : PROFILE OF COMPANY

Tinna Overseas Limited (the company) was incorporated on 4th March 1987. The Company is primarily engaged in the business of manufacturing of 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.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES:

I. GENERAL

The financial statements are prepared under historical cost convention using the accrual system of accounting in accordance with the accounting principles generally accepted in India and the requirements of the Companies Act, 1956, including the mandatory Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.

II. USE OF ESTIMATES :

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

III. FIXED ASSETS:

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

IV. DEPRECIATION:

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

V. INVESTMENTS:

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

VI. INVENTORIES:

- a) The raw materials, stores & spare parts are valued at cost. The raw material, stores & spares & raw material contents of work in progress are valued by using the first in first out (FIFO) method while the

finished goods are valued by using weighted average cost method. Cost relating to finished goods means direct raw material, labour cost & allocable overhead manufacturing expenses.

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

VII. TAXES:

a) DIRECT TAXES:

i) CURRENT TAX :

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

ii) DEFERRED TAX :

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

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

iii) WEALTH TAX :

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

b) INDIRECT TAXES:

i) EXCISE DUTY:

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

ii) SERVICE TAX:

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

iii) SALES TAX / VALUE ADDED TAX:

Final sales tax / 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.

VIII. REVENUE RECOGNITION:

a) SALE :

- i. Export sale is recognized as on the date of shipment and accounted for on the rates prevailing on the date of transaction. The revenue in respect of export benefit is recognized on post exports basis, at the rate at which the entitlement accrues
- ii. Domestic sales are inclusive of excise duty.

- iii. In case of Job works, the system of accounting in financial books are to consider net effect of material received and dispatched whereas in excise records complete details of input/ output quantity and excise duty is accounted for.
- iv. In respect of Mobile blending unit where company has got composite price of material consumed & equipment rental, the rate for equipment rental is calculated on the basis of charge received under similar job work arrangements with government refineries and the remaining portion of income is considered as sale price of material.

b) INTEREST INCOME:

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

c) DIVIDEND FROM INVESTMENT IN SHARES:

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

IX. GRATUITY / RETIREMENTS BENEFITS:

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

X. RESEARCH AND DEVELOPMENT:

Net of revenue expenditure on research and development is charged to profit and loss account in the year in which it is incurred. Capital expenditure on research and development is shown as fixed assets and depreciation is considered as per Schedule XIV of the Companies Act, 1956.

XI. FOREIGN EXCHANGE TRANSACTIONS:

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

XII. BORROWING COST:

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

XIII. IMPAIRMENT OF ASSETS:

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

XIV. LEASES:

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

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

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

(b) Secondary segment: Geographical Segment

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

(c) Unallocated items:

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

XVI. OPERATING EXPENSES:

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

XVII. PRIOR PERIOD ITEMS:

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

Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 3 : SHARE CAPITAL		
AUTHORISED		
100,00,000 (Previous year 1,00,00,000)		
Equity Shares of ₹ 10/- each)	100,000,000	10,00,00,000
ISSUED CAPITAL		
85,64,750 (Previous year 85,64,750)	85,647,500	85,647,500
Equity Shares of ₹ 10/- each fully paid up	<u>85,647,500</u>	<u>85,647,500</u>
SUBSCRIBED AND PAID UP CAPITAL		
85,64,750 (Previous year 85,64,750)	85,647,500	85,647,500
Equity Shares of ₹ 10/- each fully paid up		
Less : Calls in arrears		
a) From directors & officers	-	-
b) From others	(277,167)	(277,167)
114,100 shares (Previous Year 114,100 Shares)	<u>85,370,333</u>	<u>85,370,333</u>
a) The Company has only one class of equity shares having a par value of ₹ 10/-. Each holder of Equity share is entitled to one vote per share.		
b) The company's public issue of 21,63,600 equity shares of ₹ 10/- each for cash at a premium of ₹ 85/- per share aggregating to ₹ 2,055.42 lacs and firm allotment of 1,50,000 equity shares of ₹ 10/- each for cash at a premium of ₹ 100/- per share aggregating to ₹ 165.00 lacs to NRI's/OCB's opened for subscription on 20th March, 1995 was oversubscribed. Allotment was made on 23rd May, 1995 and allotment money / final call was made on 27.05.95. Amount of ₹ 24,94,500/- receivable on account of calls in arrears have been apportioned between share capital (₹ 2,77,167/-) and share premium account (₹ 22,17,333/-) in the ratio of one to eight.		
c) Calls in arrears from 554 shareholders and their amounts are subject to reconciliation and confirmation, however, no interest has been provided thereon.		
d) Reconciliation of the number of shares		
Equity shares as on 31.03.2011	8,564,750	8,564,750
Add: Equity shares issued/ subscribed during the year	-	-
Less: Reduction in equity shares	-	-
Equity shares as on 31.03.2012	<u>8,564,750</u>	<u>8,564,750</u>
e) List of Shareholders who holds more than 5% holding	No of shares (% to total capital)	No of shares (% to total capital)
i) Mrs. Puja Sekhri	17,49,160 (20.42%)	17,20,160 (20.08%)
ii) Mrs. Shobha Sekhri	16,36,343 (19.11%)	16,07,343 (18.77%)
iii) Mrs. Aarti Sekhri	15,10,947 (17.64%)	14,81,947 (17.30%)
f) No. of shares for the period of five years immediately preceding the date as at which the Balance Sheet is prepared:		
Equity shares :		
i) Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
ii) Fully paid up by way of bonus shares	Nil	Nil
iii) Shares bought back	Nil	Nil

Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 4 : RESERVE & SURPLUS		
i) <u>GENERAL RESERVE</u>		
As per last Balance Sheet	11,704,929	11,704,929
	11,704,929	11,704,929
ii) <u>SECURITIES PREMIUM ACCOUNT</u>		
As per last Balance Sheet *	176,857,853	176,857,853
	176,857,853	176,857,853
* Refer Note No. 3 (b)		
iii) <u>SURPLUS</u>		
As per last Balance Sheet	99,700,463	93,044,201
Less: Adjustment as per CLB Order (Refer Note no 16)	(13,772,056)	-
Add :Reversal of depreciation of earlier year	-	101,242
Add :As per Statement of Profit & Loss	62,164,644	6,555,020
	148,093,051	99,700,463
Total	336,655,833	288,263,245
NOTE 5 : LONG TERM BORROWINGS		
<u>TERM LOANS- SECURED</u>		
i) Syndicate Bank	-	6,585,669
ii) Car Loans	3,640,657	2,870,888
	3,640,657	9,456,557
a) The term loan from Syndicate Bank of ₹ Nil (PY ₹ 65,85,669/-) and ₹ 65,85,669/- (PY ₹ 82,90,995/-) shown under current maturities of long term debts under current liabilities carry interest @ PLR + 1.25% is secured against Plant & Machinery & collaterally secured by all the fixed assets of the company.		
b) The term loan from Syndicate Bank is further secured by the personal guarantee of Sh. Bhupinder Kumar Sekhri (Director), Sh. Kapil Sekhri (Director) & Sh. Gaurav Sekhri (Relative of director)		
c) Terms of repayment in respect of car loans are as under:		
Lender:	UP to 12 months	More than 12 months
HDFC Bank	118,317	-
Axis Bank	930,624	2,350,894
Tata Capital	3,039,703	1,289,763
	4,088,644	3,640,657

The loans are secured against respective vehicles financed and repayable in various equal monthly installments.

d) The Company has not defaulted in repayment of loans and interest.

Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 6 : DEFERRED TAX LIABILITIES		
DEFERRED TAX LIABILITY:		
Related to Fixed Assets	24,155,979	27,870,929
DEFERRED TAX ASSETS:		
Disallowances under the Income Tax Act	4,204,329	3,399,784
Net Deferred Tax Liabilities	19,951,650	24,471,145
NOTE 7 : OTHER LONG TERM LIABILITIES		
Claim Payable (Refer Note No. 16)	13,772,056	-
Deposits from others	-	300,000
	13,772,056	300,000
NOTE 8 : LONG TERM PROVISIONS		
Provision for employee benefits		
a) For leave encashment	638,247	350,266
b) For gratuity	5,520,799	5,297,745
	6,159,046	5,648,011
a) Disclosure required by AS-15 (Revised) on employee benefits has been given in Note No.27.		
NOTE 9 : SHORT TERM BORROWINGS		
a) SECURED:		
Working Capital from Syndicate Bank		
Cash Credit	110,612,363	111,077,288
	110,612,363	111,077,288
b) UNSECURED		
Loans & advances		
i) From related parties	44,721,242	-
ii) From others	-	2,500,000
	44,721,242	2,500,000
	155,333,605	113,577,288
i) The Company is having Cash Credit limit of ₹ 1100 lacs from Syndicate bank payable on demand and secured by stock and book debts of the Company both present and future and are collaterally secured by all the Fixed Assets of the company. The cash credit limit is further secured by the personal guarantee of Sh.Bhupinder Kumar Sekhri (Director), Sh.Kapil Sekhri (Director) and Sh.Gaurav Sekhri (Relative of Director)		
b) The Cash Credit limit is further secured by the personal guarantee of Sh. Bhupinder Kumar (Director), Sh. Kapil Sekhri (Director) & Sh. Gaurav Sekhri (Relative of director)		
ii) Unsecured loans are repayable on demand.		

Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 10 : TRADE PAYABLES		
Due to Micro, Small & Medium Enterprises	18,866,019	16,125,857
Others	12,124,821	22,060,726
	<u>30,990,840</u>	<u>38,186,583</u>

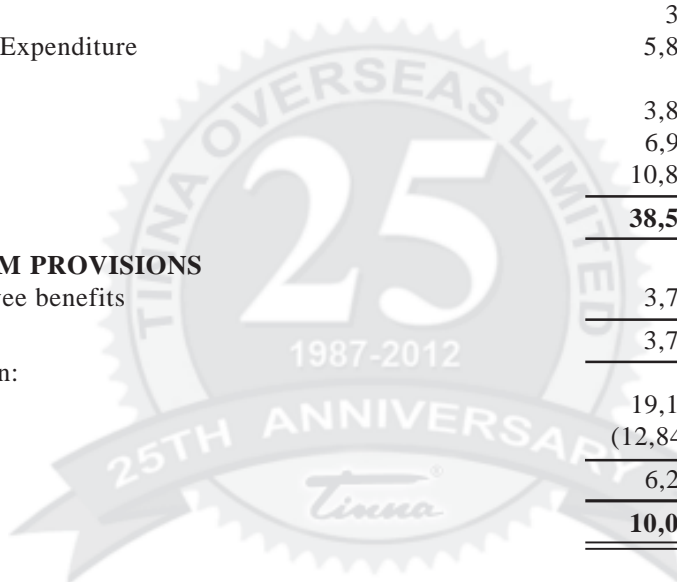
The details of the amount outstanding to "The Micro, Small and Medium Enterprises" are based on available information with the Company and the outstanding balance beyond 45 days is ₹ Nil (Previous year ₹ Nil).

NOTE 11 : OTHER CURRENT LIABILITIES

a) Current Maturities of of long term debt (Refer to Note No. 5)	10,674,312	12,056,638
b) Interest Accrued but not due on borrowings	29,742	38,075
c) Security Deposit	300,000	-
d) Creditors for Capital Expenditure	5,858,856	565,354
e) Other Liabilities:		
i) Employee dues	3,870,108	3,477,099
ii) Statutory dues	6,929,043	9,363,947
iii) Others	10,878,620	12,216,429
	<u>38,540,681</u>	<u>37,717,542</u>

NOTE 12 : SHORT TERM PROVISIONS

a) Provision For employee benefits	3,766,451	2,238,096
	<u>3,766,451</u>	<u>2,238,096</u>
b) Provision for Taxation:		
Provision	19,121,503	11,754,216
Less: Paid	(12,843,599)	(10,440,103)
Closing Balance	6,277,904	1,314,113
	<u>10,044,355</u>	<u>3,552,209</u>



Notes on Financial Statements for the year ended 31st March 2012

NOTE 13 : FIXED ASSETS - AS AT 31.03.2012

S. No.	DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as at 01.04.2011	Additions	Sale/ Adjustments	Balance as at 31.03.2012	Upto 31.03.11	For the Period	Adjustment	Balance as at 31.03.2012	As at 31.03.2011
A	Tangible Assets									
1	Land:									
1(i)	Leasehold Land	12,173,261		(12,173,261)						12,173,261
1(ii)	Freehold Land	5,978,579	6,925,651		12,904,230					12,904,230
	Total (Land):	18,151,840	6,925,651	(12,173,261)	12,904,230					12,904,230
2	Building									
2(i)	Leasehold Building	20,137,847		(20,137,847)		50,219	(100,438)			20,087,628
2(ii)	Freehold Building	50,077,560	1,390,887		51,468,447	10,184,765	1,915,031		12,099,796	39,368,651
	Total (Building)	70,215,407	1,390,887	(20,137,847)	51,468,447	10,234,984	1,965,250	(100,438)	12,099,796	39,368,651
3	Plant & Equipment	116,274,869	22,457,334	(4,210,330)	134,521,873	19,833,023	6,098,216	(742,267)	25,188,972	109,332,901
4	Electric Fittings	6,261,576	372,592	(446,766)	6,187,402	3,165,944	186,099	(50,666)	3,301,377	2,886,025
5	Generator	5,780,549		(130,156)	5,650,393	2,026,719	271,766	(98,852)	2,199,633	3,450,760
6	Furniture & Fixtures	6,232,691	116,351	(877,662)	5,471,380	5,263,245	160,501	(819,758)	4,603,988	867,392
7	Vehicles	27,620,563	11,772,534	(2,638,640)	36,754,457	7,497,551	2,806,718	(977,643)	9,326,626	27,427,831
8	Office Equipments	5,384,270	709,234	(911,411)	5,182,093	3,676,959	171,125	(849,890)	2,998,194	2,183,899
9	Computer	3,026,617	174,066	(12,412)	3,188,271	1,410,657	397,819	(3,704)	1,804,772	1,383,499
10	Agricultural Division Assets:									
10(i)	Leasehold Building	47,703		(47,703)		8,659	39,044	(47,703)		39,044
10(ii)	Agriculture Plantation (Jatropha)	6,512,579		(6,512,579)		471,077	6,041,502	(6,512,579)		6,041,502
10(iii)	Plant & Machinery	2,065,116		(2,065,116)		261,578	1,695,361	(1,956,939)		1,803,538
10(iv)	Office Equipments	15,000		(15,000)		2,152	12,848	(15,000)		12,848
10(v)	Computer	31,000		(31,000)		13,423	17,577	(31,000)		17,577
10(vi)	Vehicle-Tractor	374,000		(374,000)		122,170	24,675	(146,845)		251,830
10(vii)	100% DEPRICIABLE Assets	32,077		(32,077)		32,077		(32,077)		
	Total tangible Assets	268,025,857	43,918,649	(50,615,960)	261,328,546	54,020,217	19,888,501	(12,385,361)	61,523,358	199,805,188
B	Intangible Assets:									
1	Goodwill	937,920			937,920	937,919			937,919	1
2	Software	4,000,000	27,198		4,027,198	4,000,000	2,750		4,002,750	24,448
	Total Intangible Assets	4,937,920	27,198		4,965,118	4,937,919	2,750		4,940,669	24,449
C	Capital Work-in-Progress									
	CWIP/Pre Operative Expenses	12,432,382	98,933,665	(29,036,281)	82,329,766					82,329,766
	TOTAL (A+B+C)	285,396,159	142,879,512	(79,652,241)	348,623,429	58,958,136	19,891,251	(12,385,361)	66,464,027	282,159,403
	Previous Year	259,966,466	78,883,897	(49,435,799)	289,414,564	53,279,979	11,302,686	(5,624,529)	58,958,136	230,456,428

Depreciation of current year debited to Statement of Profit & Loss Account
 Assets written off as per Note no 30-exceptional items
 Depreciation Capitalised
Total
 12,035,475
 7,831,008
 24,768
19,891,251

- (a) Company was awarded Work Order No. WQA074A dttd.20.07.2009 by Mangalore Refinery & Petrochemical Ltd. (MRPL) for making modified bitumen. As per work order company shall transfer plant of gross block ₹ 2,35,34,811/- & (WDV ₹ 1,74,87,797/-) in complex of MRPL at nominal amount of ₹ 1/- on 05.07.2014. The work order prescribed quantity of 3,55,000 mts. to be processed during work order period 05.07.2009 to 05.07.2014, but till 31.03.2012 only 115,231(32.46%) mts. has been processed. As the quantity specified in the work order is not processed fully, so the company has not amortized the plant as per aforesaid period & has depreciated as per rates provided in Schedule-XIV as the company proposes to hold the plant up to actual modification work completion.
- (b) The company had an agriculture business segment (Jatropha Plantation) located at Tuljapur (Maharashtra). The company's policy was to capitalize all the expenditures including depreciation till the period of completion of first phase of the unit i.e 31 May 2010. The company had lease upto 31/03/2022. Considering the no potential and on basis of staff & Director survey Company has surrendered the lease and the capitalized expenses on the plantation and related structure ₹ 78,31,007 has been charged to Profit & Loss account as extraordinary item.
- (c) Company has a plant at Village Rajapur, Refinery Road Panipat since 2001. Haryana government has notified Industrial Area and the plant would now fall in the HSIDC (Haryana State Industrial Development Corporation). The procedural implementation for the acquisition/subsequent release are in progress. The total Project WDV of the Panipat Unit is ₹ 15,16,07,381/-.

Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 14 : NON CURRENT INVESTMENT		
NON-TRADE INVESTMENT:		
a) INVESTMENT IN PREFERENCE SHARES :		
a. M/S. INDO ENTERPRISES (P) LTD. (unquoted)	12,000,000	12,000,000
1,20,000 (P.Y 1,20,000) 9% Non-Cumulative Preference Shares of ₹ 10/- each at a premium of ₹ 90/- each.		
Total	12,000,000	12,000,000
b) INVESTMENT IN EQUITY SHARES OF ASSOCIATES		
1) Shiv Ratna Agro Product Pvt. Ltd. (unquoted)	-	2,306,500
Nil (PY 2,30,000) Equity share of ₹ 10/- each fully paid up		
2) Tinna Viterra Trade (P) Ltd.		
(Earlier known as Maple Newgen Trade P. Ltd.) (unquoted)		
19,96,000 (PY 11,96,186) equity shares of ₹ 10/- each fully paid up	19,960,000	11,961,860
4,000 (PY 4,000) equity shares of ₹ 10/- each at a premium of ₹ 75/08 each Full Paid Up	340,320	340,320
3) Nova Cements Ltd.(unquoted)	-	7,500,000
Nil (PY 1,50,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up		
4) Fratelli Wines (P) Ltd. (unquoted)	-	9,300,000
Nil (PY 9,30,000) equity shares of ₹ 10/- each fully paid up		
5) B.S Farms & Properties (P) Ltd. (unquoted)	-	3,000,000
Nil (PY 1,00,000) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up		
6) Puja Infratech (P) Ltd. (unquoted)	-	5,700,000
Nil (PY 1,90,000) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up		
7) Space Age Tech. (P) Ltd. (unquoted)	-	2,000,000
Nil (PY 40,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up		
8) S.S Horticultures (P) Ltd. (unquoted)	-	4,900,000
Nil (PY 98,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up		
9) Shiv Ratna Udyog (P) Ltd. (unquoted)	-	500,000
Nil (PY 50,000) equity shares of ₹ 10/- each fully paid up		
	20,300,320	47,508,680
c) INVESTMENT IN EQUITY SHARES OF 100% SUBSIDIARY		
1) B.G.K Infrastructure Dev. (P) Ltd. (unquoted)	26,194,700	26,194,700
26,17,500 (PY 26,17,500) equity shares of ₹ 10/- each fully paid up		
	26,194,700	26,194,700
d) OTHER INVESTMENT IN EQUITY SHARES		
Keerthi International Agro Pvt. Ltd. (unquoted)	1,100,750	1,100,750
11,000 (PY 11,000) equity shares of ₹ 100/- each fully paid up		
	1,100,750	1,100,750
Total Investment	59,595,770	86,804,130

- i) Company had entered into agreement to sell 89,983 equity shares of ₹ 100/- each of Gautam Overseas Ltd. during 2009-10 for ₹ 90,00,000/- (Rupees ninety lacs). The Company Law Board (CLB) earlier granted stay order dated 28.06.2010 restraining the company to transfer the shares. The company had filed appeal in the Hon'ble High Court of Delhi against the matter and the same was restored to the CLB for reconsideration. The CLB vide Order dated 12.01.2012 gave option to petitioners (Mr. Vijay K. Sekhri group) to sell their shares at fair valuation of their shares done by a valuer & same was sustained by Hon'ble High Court of Delhi vide Order dated 02.07.2012. The Company is contemplating for future legal recourse to be adopted based on legal advice.
- ii) M/S B.G.K. infrastructure Developers (P) Ltd. has become 100% subsidiary of Company during the financial year 2010-2011 & one share is held by Sh. Bhupinder Kumar Sekhri, whole time director as nominee of Company.

iii) NOTES:

1) Aggregate Amount of :

(a) Quoted Investments	-	-
(b) Unquoted Investments	59,595,770	86,804,130
	<u>59,595,770</u>	<u>86,804,130</u>

2) Aggregate Market value of :

(a) Quoted Investments	-	-
(b) Unquoted Investments		
Book Value*	63,381,277	69,474,153
	<u>63,381,277</u>	<u>69,474,153</u>

* The companies are closely held companies. No market / stock exchange value can be determined. Book value has been considered on the basis of latest available balance sheet as on 31.3.2011.

- iv) Investments sold during the year as per book value and is more than intrinsic value of shares based on Balance Sheet of respective companies dated 31.03.2011 except in case of Space Age Technologies (P) Ltd (SATPL). The intrinsic value of the each equity share of SATPL at the time of purchase & sale was ₹ 317 & ₹ 286 respectively (as per year ending Balance Sheet) . Company do not possess any valuation report certifying the value of shares as on the date of sale / transfer of shares of such companies.

Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 15 : LONG TERM LOANS & ADVANCES		
Unsecured but considered good		
a) Capital Advance	21,174,999	11,120,477
b) Security deposit	3,339,850	1,449,892
c) Other loans & advances	502,197	492,470
	25,017,046	13,062,839
<p>1. Capital Advance includes ₹ 352,075/- given to Kerala Industrial Infrastructure Development Ltd for the industrial plot on long term lease basis. As per terms of the agreement, company was to construct factory building by October 2011. However company is yet to take any step for construction and has applied for extension.</p> <p>2. Other advance include advance to ex-employee ₹ 50,000/- refer note no. 31(iii) contingent liability.</p>		
NOTE 16 : OTHER NON CURRENT ASSETS		
Other receivable	37,984,479	38,653,005
	37,984,479	38,653,005
<p>Long term trade receivable include claim receivable of ₹ 2, 75, 44,112 from M/s. F.C.I and M/s P.E.C for which the company has filed suits for recovery and is hopeful of recovery. However, as per order of Company Law Board dated 9th June, 2009 with effect from 5th January, 2009, if any amount is received, the amount to the extent of 50% will be paid to seperated group. A provision of ₹ 137,72,056 has been made as per CLB order vide Note no 4.</p>		
NOTE 17 : INVENTORIES		
a) Raw Material	47,153,137	58,510,617
b) Raw Materials-in-Transit	-	1,565,781
c) Work in Process	5,361,527	2,202,786
d) Finished Goods	8,302,737	22,605,965
e) Stores & spares	3,183,183	1,704,707
	64,000,584	86,589,856
NOTE 18 : TRADE RECEIVABLE		
(Unsecured, unconfirmed & considered Good)		
Due over six months	5,774,474	1,467,253
Less : Provision for doubtful debts	-	(596,313)
Others	151,483,840	115,400,992
	157,258,314	116,271,932
NOTE 19 : CASH & BANK BALANCES		
a) Cash & cash equivalents		
Balance with banks in current accounts	6,389,234	2,074,588
Cash on Hand	468,915	715,389
b) Other bank balances		
Margin money for bank guarantee / commitments	11,479,112	10,586,826
	18,337,261	13,376,803

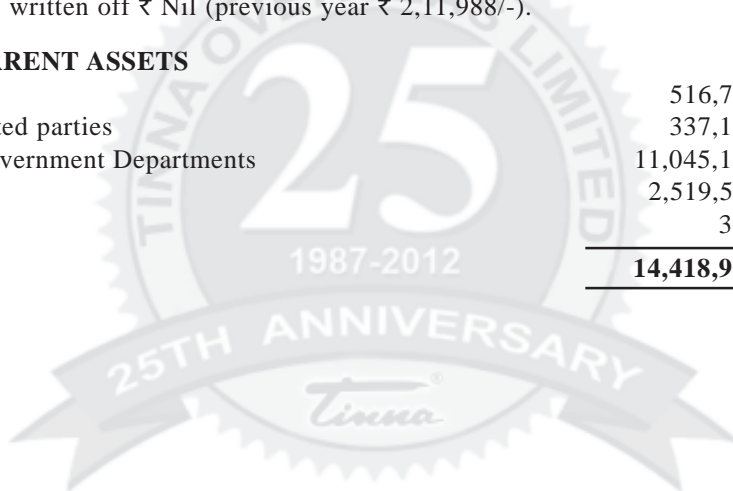
Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 20 : SHORT TERM LOANS & ADVANCES		
Unsecured, considered good		
a) Loans to related Parties	3,150,000	6,365,757
b) Others:		
i) Security deposit	1,234,363	843,203
ii) Loans to Company	30,697,795	112,362
iii) Loans to Employees	273,400	1,285,184
iv) Other advances	6,467,190	9,500,705
Less : Provision for doubtful debts	(135,543)	(115,525)
	41,687,205	17,991,686

Advance to supplier includes ₹ 1,75,000/- (Previous year ₹ 1,90,000/- recoverable from KRM International (Shoe) for which the company has succeeded in the High court vide order dated 28.05.2010 against the order of lower court regarding dismissing of appeal on limitation of period. The account has been settled for ₹ 240,000/-, before the Hon'ble court and the company has written off ₹ Nil (previous year ₹ 2,11,988/-).

NOTE 21 : OTHER CURRENT ASSETS

a) Unbilled Revenue	516,733	646,408
b) Receivable from related parties	337,191	2,090,534
c) Recoverable from Government Departments	11,045,123	2,924,320
d) Prepaid Expenses	2,519,585	1,693,015
e) Others	362	362
	14,418,994	7,354,639



Notes on Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 22 : REVENUE FROM OPERATIONS		
a) Sale of Products	1,021,844,444	1,140,757,563
b) Income from Services	26,718,625	25,094,761
c) Other operating revenues	7,427,536	6,918,478
	1,055,990,605	1,172,770,802
NOTE 22.1 : REVENUE FROM OPERATIONS		
a) Sale of Products:		
Bitumen for Modifier(TBM)	350,123,095	362,249,160
CRMB/PMB	518,298,450	442,705,837
Emulsion	40,265,807	-
CTCR	-	3,063,750
PTSA Crumb Rubber 40# Mesh	-	18,548,750
Fine Crumb Rubber	42,069,873	44,883,087
Fine Crumb Rubber(Packed)	68,759,474	-
Soya Doc Yellow	-	269,151,549
Natural Asphalt/Bitumen VG-10	4,800	155,430
Aqaloc-HW-4	2,322,945	-
	1,021,844,444	1,140,757,563
b) Sale of Services:		
Modification Charges	19,988,902	24,229,721
Equipment Rental/ Income (Mobile Unit) 865,040		6,729,723
	26,718,625	25,094,761
c) Other operating revenues:		
Freight on Sales Recovered	7,427,536	6,918,478
	7,427,536	6,918,478
NOTE 23 : OTHER INCOME		
a) Interest Income	4,450,032	1,795,444
b) Rental Income	1,280,000	1,480,312
c) Net gain/loss on foreign currency transactions	14,345	(191,824)
d) Profit on Sale of Fixed Assets	64,642	1,597,841
e) Misc.Income	37,834	2,093,528
	5,846,853	6,775,301

Notes on Financial Statements for the year ended 31st March, 2012

	2011-12	Amount (₹) 2010-11
NOTE 24 : COST OF MATERIALS CONSUMED		
Raw Material Consumption		
Opening Stock	59,807,801	32,827,046
Add : Purchase	772,746,856	693,448,587
Add : Inter-Unit	-	-
Less : Closing Stock	(47,153,137)	(60,076,398)
	785,401,520	666,199,235
Packing Material Consumption	-	
Opening Stock	916,017	465,734
Add : Purchase	10,492,336	6,081,475
Less : Closing Stocks	(1,831,603)	(688,846)
	9,576,750	5,858,363
	794,978,270	672,057,598
Interunit goods transfer are ₹ 290,26,305 transfer by one unit and received by others and the net amount is ₹ Nil.		
NOTE 24.1 : COST OF MATERIALS CONSUMED		
a) Natural Asphalt	69,224,913	83,643,214
b) Rubber Crumb	223,530,555	206,318,725
c) Bitumen	452,350,677	343,493,224
d) Others	40,295,375	32,744,072
	785,401,520	666,199,235
NOTE 25 : PURCHASE STOCK IN TRADE		
a) Purchase Fine Crumb Rubber	22,704,077	29,174,083
b) Purchase of Aqualoc HW-4	2,007,889	-
c) Purchase Soya Doc Yellow	-	268,430,586
	24,711,966	297,604,669
NOTE 26 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS		
A) Closing Stock		
Semi-Finished Goods	5,361,527	2,202,786
Finished Goods	8,302,737	22,605,965
	(A) 13,664,264	24,808,751
B) Opening stock		
Semi-Finished Goods	2,202,786	55,389
Finished Goods	22,605,965	3,779,218
	(B) 24,808,751	3,834,607
C) Variation in Stock	(A-B) (11,144,487)	20,974,144
NOTE 27 : EMPLOYEES BENEFIT EXPENSES		
a) Salary & Wages	52,906,138	43,974,854
b) Contribution to PF & ESI	4,917,621	5,222,814
c) Gratuity, Leave encashment, Bonus & Ex-gratia	5,883,026	6,069,327
d) Staff welfare expense	3,628,431	3,394,709
	67,335,216	58,661,704

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

	2011-12	Amount (₹) 2010-11
<u>Defined Contribution Plan</u>		
Contribution to Defined Contribution Plan, paid during the year is as under:-		
Particulars		
Employer's Contribution to Provident Fund	1,225,254	1,301,280
Employer's Contribution to Family Pension Fund	2,781,027	2,953,586
<u>Defined Benefit Plan</u>		
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) Change in Present Value of Defined Benefit Obligations	2011-12	2010-11
(i) Defined Benefit obligation as on 01.04.2011	6,034,934	3,020,930
(ii) Current Service cost	1,047,984	1,031,997
(iii) Interest cost	528,057	248,544
(iv) Actuarial (Gain)/Loss	853,983	1,765,771
(v) Benefits paid	(740,304)	(32,308)
(vi) Defined benefits obligation as on 31.03.2012	7,724,654	6,034,934
b) Change in fair value of plan assets		
(i) Fair value of plan assets as on 01.04.2011	-	-
(ii) Expected return on plan assets actuarial (Gain/Loss)	-	-
(iii) Employer Contribution	-	-
(iv) Benefits paid	-	-
(v) Fair value of plan assets as on 31.03.2012	-	-
(vi) Actual return on plan assets	-	-
c) Reconciliation of fair value of assets and obligations		
(i) Fair value of plan assets as at 31st March, 2011	-	-
(ii) Present value of obligations as at 31st March, 2012	7,724,654	6,034,934
(iii) Amount recognized in the balance sheet		
d) Expenses recognized in profit & loss account		
(i) Current service cost	1,047,984	1,031,977
(ii) Interest cost	528,057	248,544
(iii) Expected return on plan assets	-	-
(iv) Actuarial (Gain)/Loss	853,983	1,765,771
(v) Net cost	2,430,025	3,046,312
e) Investment details		
(i) LIC.group gratuity policy	-	-
f) Actuarial assumption	LIC	LIC
Mortality table	(1994-96)	(1994-96)
Discount rate (per annum)	8.75%	8.25%
Expected rate of return on plan assets(per annum)	0%	0%
Rate of escalation in salary (per annum)	5%	5%

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.

Notes on Financial Statements for the year ended 31st March, 2012

	2011-12	Amount (₹) 2010-11
NOTE 28 : FINANCE COST		
a) Interest Expenses	19,077,692	21,964,466
b) Interest on Income Tax	1,126,631	211,219
c) Other Borrowing Costs	1,082,600	-
	21,286,923	22,175,685
NOTE 29 : OTHER EXPENSES		
Electricity, Fuel, Generator & Water Charges	14,327,801	11,614,998
Consumable Stores Consumed	3,369,677	4,425,744
Repairs to Machinery	3,916,277	5,884,842
Rent	3,000,708	2,583,346
Rates & Taxes	1,487,366	4,781,199
Insurance Charges	1,145,040	926,121
Repairs to Buildings	358,320	1,193,960
Repairs Others	2,079,457	2,098,996
Professional and Consultancy charges	4,347,318	4,275,885
Bank charges	2,580,248	2,635,591
Commuting Expenses (Travel, Conveyance & Vehicle Maintenance)	17,938,756	22,476,713
Communication Expenses (Telephone, Internet, Postage & Courier)	2,689,980	2,591,006
Provision for doubtful debts & receivables	(579,846)	665,389
Bad Debts	599,864	4,281,915
Loss on Sale of Fixed Assets	1,850,995	652,389
Loss on Sale of Investments	6,500	-
Payment to Auditor*	750,000	753,500
Commission	4,829,303	7,222,233
Transportation Expenses	25,055,347	23,871,566
Business Promotion and Marketing Expenses	4,962,124	7,897,306
Lab Exp./Research & Development	776,356	1,110,119
Shortage in Transit	929,437	691,622
Excise Duty #	(1,041,650)	1,482,724
Miscellaneous Expenses	8,060,702	7,205,327
	103,440,080	121,322,491
* Payment to Auditor		
Audit Fees	550,000	550,000
Tax Audit Fees	150,000	150,000
Other Services	50,000	53,500
	750,000	753,500
# Variation in Excise Duty on Opening & Closing Stock of Finished Goods		
NOTE 30 : EXCEPTIONAL ITEMS		
Gain on sale of property at Mumbai	56,459,358	-
Jatropha Plantation and other assets written off *	(7,831,008)	-
Freight on Machinery & Stock Transferred from Mumbai plant **	(1,251,418)	-
	47,376,932	-

* As per Board meeting dated 24/08/2011 based on survey the input costs over five years(approximate) could not give any output and continuing efforts and further inputs/investment was waste. The company surrendered lease hold land to lessor.

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

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2012**

Other Notes on the Financial Statements:

NOTE 31 : CONTINGENT LIABILITIES AND COMMITMENTS

1. Contingent liabilities:-

(A) Claims against the company not acknowledged as debt:

(Amount in ₹)

Particulars	As at 31.03.2012	As at 31.3.2011
i) Income Tax Matters, Pending decision on various appeals made by the Company and by the Department (excluding interest)	73,50,358	73,50,358
ii) Value Added Tax Matter under dispute	6,69,560	8,58,635
iii) Compensation claimed filed by Ex-Directors / Ex-Employees under dispute	1,33,33,658	1,20,83,658
iv) Other matters under dispute	17,76,558	17,76,558

(B) Guarantees:

Bank Guarantees in normal course of business activity (Margin money held in form of FDR ₹ 1,08,52,924) (Previous Year ₹ 1,00,00,000/-)	8,34,72,241	8,94,72,633
--	-------------	-------------

(C) Others money for which company is contingently liable:

55,000

55,000

Surety with Sale Tax / Vat (Margin money held in form of FDR of ₹ 73,320/- (Previous Year ₹ 69,840/-)		
---	--	--

(D) Commitments:

- (i) Capital Commitment : Estimated amount of contracts remaining to be executed on capital account and not provided net of advances for ₹ 4,72,89,396 (Previous Year ₹ 3,23,92,497)
- (ii) Foreign Letter of Credit : ₹ Nil (Previous Year ₹ 61,54,390)
- (iii) Revenue Commitment : Figures could not be determined on account of open agreed order with various customers.

NOTE 32 : REMUNERATION TO DIRECTORS

(Amount in ₹)

Particulars	2011-12	2010-11
a) Remuneration/ commission paid to directors	71,20,800	29,20,800
b) Perquisites (valued as per Income Tax Act)	79,200	79,200
c) Provident Fund	3,88,800	5,76,000

The company paid remuneration as per Schedule XIII of the Companies Act, 1956. The excess payment of ₹ Nil (Previous year ₹ 18,79,200 was lying under trust). The directors have reimbursed the same.

(C) Key management personnel and their relatives :

- Sh. Bhupinder Sekhri whole time Director
- Sh. Kapil Sekhri whole time Director
- Smt. Shobha Sekhri Executive
- Smt. Aarti Sekhri Executive

(Amount in ₹)

Nature of Transaction	2011-12	2010-11
Remuneration / Salary	89,32,800	52,00,000

i. Mr. Bhupinder Kumar Sekhri

Imprest given	---	15,60,000
Refund of Imprest received	---	15,60,000
Loan Received	3,86,60,000	1,45,00,000
Loan Repaid	1,65,60,000	1,45,00,000
Interest Expenses (Gross)	12,92,402	98,877
Purchase of shares of BGK Infrastructure Developers P Ltd.	--	50,000
Outstanding balance at the end of year: Receivable by Company	---	8,50,611
Outstanding balance at the end of year: Payable by Company	2,32,63,161	--

ii. Mr. Kapil Sekhri

Imprest given	--	2,60,000
Refund of Imprest received	--	2,60,000
Loan Received	2,07,75,000	2,00,00,000
Loan Repaid	1,25,40,072	2,00,00,000
Interest Expenses (Gross)	6,35,820	3,59,548
Outstanding balance at the end of year: Receivable by Company	--	12,23,492
Outstanding balance at the end of year: Payable by Company	88,07,166	---

iii. Gaurav Sekhri

Purchase of shares of BGK Infrastructure Developers (P) Ltd.	---	50,000
Sale of shares of Nova Cement Ltd. & Puja Infratech Ltd.	36,80,000	---
Advance Received against sale of shares	95,00,000	---
Refund of the advance	95,00,000	---

iv. Mrs. Puja Sekhri

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

NOTE 34

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

NOTE 35 :

SEGMENT INFORMATION AS PER AS-17 ISSUED BY ICAI										
	BITUMEN DIVN.		TULJAPUR DIVN.		TRADING ACTIVITY		UNALLOCABLE		TOTAL	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Turnover	1,053,567,660	903,619,253	-	-	2,422,945	269,151,549	-	-	10,055,990,605	11,72,770,802
Other Income	762,126	3,474,620	-	-	147	-	5,084,580	3,300,681	5,846,853	6,775,301
Total Revenue	1,054,329,786	907,093,873	-	-	2,423,092	269,151,549	5,084,580	3,300,681	1,061,837,458	1,179,546,103
Segment Result										
Net Profit(loss)	104,050,709	111,473,232	(7,847,603)	(725,535)	(432,320)	720,963	(33,606,142)	(104,913,640)	62,164,644	6,555,020
Segment Assets	510,805,057	414,413,460	335,331	8,167,239	2,975,833	-	186,324,835	83,962,214	700,459,056	606,542,913
Segment Liabilities	55,686,891	56,571,146	-	384,305	105,874	-	222,640,125	75,953,884	278,432,890	232,909,335
Depreciation/Assets										
Written off	8,861,679	8,031,426	7,831,008	597,002	-	-	3,173,796	2,750,880	19,866,483	11,379,308
Capital Expenditure/ Assets/WIP	101,814,890	33,142,614	-	-	-	-	12,040,356	4,032,981	113,855,246	37,175,595

NOTE 36

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

(a) Finance Lease:

The company does not have any finance lease arrangements.

(b) Operating Lease:

- i. Lease rentals recognized as expenses in the profit and loss account for the period ₹ 30,00,708 (Previous year ₹ 25, 83,346)
- ii. The company has entered into operating leases for factory buildings and leasehold lands that are renewable on a periodic basis and cancelable at company's option. The company has not entered into sub-lease agreements in respect of these leases.
- iii. The total of future minimum lease payments under non cancelable leases are as follows:

(Amount in ₹)

Particulars	31.3.2012	31.3.2011
Not later than one year*	18,71,820	24,95,354
Later than one year but not later than five year*	--	27,09,547
Later than five years* (2016 to 2022)	--	7,59,998

*The above future minimum lease payments do not include rent paid of ₹ 6,88,888 (Previous year ₹ 5,39,826) for residence of employees of the company for which no formal written lease arrangements exist under cancelable at the option of the company. Company had long term lease of Agriculture land at Tuljapur, Dist. Osmanabad (Maharashtra) for the period of 15 years (from 01/04/2007 to 31/03/2022). Company had used the same for Jatropha Plantation. Considering no potential company has surrendered the lease and the agreement has been cancelled during the year 2011-12.

NOTE 37 : EARNING PER SHARE

(Amount in ₹)

Particulars		2010-12	2009-11
(a)	Calculation of weighted average number of Equity Shares of ₹ 10 each		
	i) Equity shares outstanding at the beginning of the year	85,64,750	85,64,750
	ii) Equity shares outstanding at the end of the year	85,64,750	85,64,750
	iii) Weighted Average no. of equity shares outstanding during the year (based on calls in arrears)	85,37,024	85,37,024
(b)	Net Profit after tax available for equity shareholders	6,21,64,644	65,55,020
(c)	Basic and diluted earning per share	7.28	0.77

NOTE 38 : RAW MATERIAL CONSUMED

Indigenous	71,19,66,984	5,82,556,021
(percentage)	90.65%	87.45%
Imported	7,34,34,536	83,643,214
(percentage)	9.35%	12.55%
Total	78,54,01,520	66,61,99,235

NOTE 39 : STORES & SPARES CONSUMED

Indigenous	95,76,750	58,58,363
(Percentage)	100%	100%
Imported	Nil	Nil
(Percentage)	0 %	0 %
Total	95,76,750	58,58,363

NOTE 40 : EXPENDITURE IN FOREIGN CURRENCY

(Amount in ₹)

Particulars	2011-12	2010-11
Raw Material	4,17,71,754	8,19,32,501
Capital Goods	4,87,92,162	54,60,150
Stores & spares	10,57,929	6,44,437
Foreign Travelling	9,69,838	17,84,636

NOTE 41 : The Company has not made any remittance in foreign currency on account of dividend.
NOTE 42 : Figures of the previous year have been regrouped / reclassified / rearranged wherever necessary.

Notes : 1 to 42 forms integral part of the Financial Statements.

As per our report of even date attached.

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

CA Hardeep Singhal
 (Partner)
 M. No. 505618

 New Delhi
 August 27, 2012

For and on behalf of the Board of Directors

Kulbir Singh
 (Director)

Chy. Runveer Krishanan
 (Company Secretary)

Bhupinder Kumar Sekhri
 (Whole time Director)

Ravindra Chhabra
 (CFO & G. M Accounts)

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

We have audited the attached Consolidated Balance Sheet of M/S Tinna Overseas Limited (Parent Co.) and its 100 % subsidiary M/s BGK Infrastructure Developers Pvt. Limited as at 31st March, 2012 and the Consolidated Statement of Profit and Loss and also the Consolidated Cash Flow Statement of the group for the period ended on that date annexed thereto. These financial statements are the responsibility of the group's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion **except the contravention of AS-6 issued by the Institute of Chartered Accountants of India and non- availability of documents as mentioned below in point A and B respectively.**

A. In our opinion, the said consolidated Balance Sheet and consolidated Statement of Profit & Loss subject to :

Note no. 13 (a) regarding non- provision of higher depreciation on the basis of limits on the use of the assets upto 05.07.2014 and accordingly non-provision of ₹1,06,36,540/- due to diminution in value of Assets at MRPL unit

Effect of the above point on statement of profit and Loss and balance sheet is that:

- i) **Total profits for the year are overstated to the extent of:**
- a) **Non-provision of diminution in value of plant of ₹ 10,78,851/-**

ii) **Total fixed assets and reserves & surplus are overstated to the extent of:**

- (a) **Non-provision of diminution in value of plant of ₹ 1,06,36,540/-**

B. B. Note No. 15 (iv) regarding non- availability of documents in support of fair value of the sale of shares. The effect of the same cannot be commented.

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

On the basis of the information and explanation given to us and on the consideration of the separate audit report, we are of the opinion that the said financial statements give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view except the impact of Note A & B above, in conformity with the accounting principles generally accepted in India:

- a) in the case of the consolidated balance sheet, of the state of affairs of the group as at 31st March, 2012;
- b) in the case of the consolidated statement of profit and loss, of the profit of the group for the year ended on that date; &
- c) in the case of the consolidated cash flow statement, of the cash flows of the group for the period ended on that date.

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

CA Hardeep Singhal
(Partner)
M. No. 505618

New Delhi
August 27, 2012

Consolidated Balance Sheet as at 31st March 2012

	Note No.	As at 31-03-2012	Amount (₹) As at 31-03-2011
I EQUITY & LIABILITIES :			
(1) SHAREHOLDERS' FUNDS			
(a) Share capital	4	85,370,333	85,370,333
(b) Reserve & surplus	5	336,122,729	287,816,526
		421,493,062	373,186,859
(2) NON-CURRENT LIABILITIES			
(a) Long term borrowings	6	3,640,657	9,456,557
(b) Deferred tax liabilities	7	19,951,650	24,471,145
(c) Other long term liabilities	8	13,772,056	300,000
(d) Long term provisions	9	6,159,046	5,648,011
		43,523,409	39,875,713
(3) CURRENT LIABILITIES			
(a) Short term borrowings	10	159,358,278	120,601,326
(b) Trade payables	11	30,990,840	38,186,583
(c) Other current liabilities	12	38,562,741	37,771,322
(d) Short term provisions	13	10,044,355	3,552,209
		238,956,214	200,111,440
		703,972,685	613,174,012
II ASSETS :			
(1) NON-CURRENT ASSETS			
(a) Fixed assets	14		
(i) Tangible assets		230,923,202	245,123,727
(ii) Intangible assets		44,149	19,701
(iii) Capital work-in-progress		83,998,429	14,101,045
(b) Non-current investments	15	33,401,070	60,609,430
(c) Long-term loans and advances	16	25,017,046	13,062,839
(d) Other non-current assets	17	37,984,479	38,653,005
		411,368,375	371,569,747
(2) CURRENT ASSETS			
(a) Inventories	18	64,000,584	86,589,856
(b) Trade receivables	19	157,258,314	116,271,932
(c) Cash and bank balances	20	18,389,213	13,387,760
(d) Short-term loans and advances	21	38,537,205	17,991,686
(e) Other current assets	22	14,418,994	7,363,031
		292,604,310	241,604,265
		703,972,685	613,174,012

SIGNIFICANT ACCOUNTING POLICIES 3

OTHER NOTES ON THE FINANCIAL STATEMENTS 33-44

As per our report of even date attached.

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

For and on behalf of the Board of Directors

CA Hardeep Singhal
(Partner)
M. No. 505618

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

New Delhi
August 27, 2012

Chy. Runveer Krishanan
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Consolidated Statement of Profit & Loss for the year ended 31.03.12

	Note No.	2011-12	Amount (₹) 2010-11
INCOME			
Revenue From Operations		1,168,788,919	1,276,657,896
Less: Excise Duty		112,798,314	103,887,094
	23	1,055,990,605	1,172,770,802
Other Income	24	5,846,853	6,776,125
		1,061,837,458	1,179,546,927
EXPENSES			
Cost of materials consumed	25	794,978,270	672,057,598
Purchases stock-in-trade	26	24,711,966	297,604,669
Changes in inventories of finished goods & work-in- Progress	27	11,144,487	(20,974,144)
Employee benefits expenses	28	67,335,216	58,661,704
Finance costs	29	21,286,923	22,233,752
Depreciation & Amortisation	30	12,039,978	11,383,811
Other expenses	31	103,521,962	121,463,096
		1,035,018,802	1,162,430,486
Profit Before Exceptional Items and Tax		26,818,656	17,116,441
Exceptional Items	32	47,376,932	-
Profit Before Tax		74,195,588	17,116,441
TAX EXPENSES:			
Current tax		16,636,824	3,817,583
Deferred tax		(4,519,495)	6,946,189
Profit / (Loss) for the year		62,078,259	6,352,669
Earnings per equity share:			
(1) Basic		7.27	0.74
(2) Diluted		7.27	0.74
SIGNIFICANT ACCOUNTING POLICIES	3		
OTHER NOTES ON THE FINANCIAL STATEMENTS	33-44		

As per our report of even date attached.

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

For and on behalf of the Board of Directors

CA Hardeep Singhal
(Partner)
M. No. 505618

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole time Director)

New Delhi
August 27, 2012

Chy. Runveer Krishanan
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

Consolidated Cash Flow Statement for the year ended 31st March, 2012

	(Amount ₹)		(Amount ₹)	
	01.04.2011 to 31.03.2012		01.04.2010-31.03.2011	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit(Loss) After Tax and Extra ordinary items		62,078,259		6,352,669
Add / (Less) : Adjustment for :				
Prior Period				
Provision for Income Tax & Interest on Income Tax (or remove interest from add back as well as payment of IT)	17,763,455		4,028,802	
Provision for Wealth Tax	138,568		107,139	
Provision for Deferred Tax	(4,519,495)	13,382,528	6,946,189	11,082,130
Net Profit before tax		75,460,787		17,434,799
Exceptional & Extraordinary items Loss(Profit)	(47,376,932)			
Depreciation & Amortisation	12,039,978		11,383,811	
Interest Paid	19,077,692		19,299,412	
Bad Debts	599,864		4,281,915	
Provision for Doubtful Debts	(579,846)		665,389	
Loss on Sale of Assets	1,850,995		652,389	
Profit on Sale of Assets	(64,642)		(1,597,841)	
Interest Received	(4,450,032)		(1,795,444)	
Rent Received	(1,280,000)		(1,480,312)	
Profit on Sale of Investments	-		-	
Loss on Sale of Investment	6,500		-	
Misc. Income	(52,179)	(20,228,602)	(2,093,528)	29,315,791
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGE		55,232,185		46,750,590
Adjustment for :				
Decrease/(Increase) in Trade and other Receivables	(41,069,425)		61,659,899	
Decrease/(Increase) in Inventories	22,589,272		(48,673,779)	
Increase/(Decrease) in Trade Payables/Other Liabilities	(4,786,102)		(48,955,098)	
Decrease/(Increase) in Other Assets	(14,598,887)	(37,865,142)	(5,268,083)	(41,237,061)
CASH GENERATED FROM OPERATIONS		17,367,043		5,513,529
Direct Tax Paid	(12,705,674)		(7,289,085)	
Rent Received	1,280,000		1,480,312	
Misc. Income	52,179	(11,373,495)	2,093,528	(3,715,245)
Cash Flow before Extraordinary items		5,993,548		1,798,284
Extraordinary items (Freight on Shifting of Mumbai unit)		(1,251,418)		-
NET CASH FROM OPERATING ACTIVITIES (A)		4,742,130		1,798,284
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(113,855,246)		(46,128,587)	
Sale of Fixed Assets	92,940,388		7,091,000	
Purchase of Investment	(21,298,140)		(6,072,000)	
Sale of Investment	48,400,000		63,061,000	
Interest Received	4,450,032		1,795,444	
Loan/Advances given to others	(50,597,795)		(11,431,000)	
Loan/Advances refund received	26,365,757		10,683,000	
NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES (B)		(13,595,004)		18,998,857
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Issue of Share Capital			-	
Proceeds from Long term Borrowings	5,483,000		12,849,000	
Repayment of Long term Borrowings	(12,681,225)		(11,530,000)	
Proceeds from Unsecured Loan	85,834,609		57,850,000	
Repayment of Unsecured Loan	(45,704,365)		(60,005,000)	
Interest Paid	(19,077,692)		(19,299,412)	
NET CASH USED IN FINANCING ACTIVITIES (C)		13,854,327		(20,135,412.00)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		5,001,453		661,729
OPENING CASH AND CASH EQUIVALENTS		13,387,760		12,726,031
CLOSING CASH AND CASH EQUIVALENTS		18,389,213		13,387,760

As per our report of even date attached.

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

CA Hardeep Singh
(Partner)
M. No. 505618

New Delhi
August 27, 2012

For and on behalf of the Board of Directors

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole Time Director)

Chy. Runveer Krishanan
(Company Secretary)

Ravindra Chhabra
(CFO & G.M. Accounts)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

NOTE 1 : PROFILE OF COMPANY

Tinna Overseas Limited (the company) was incorporated on 4th March 1987. The Company is primarily engaged in the business of manufacturing of 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 BGK Infrastructure Developers Private Limited (the subsidiary) was incorporated on 27 December, 2007. The subsidiary is primarily engaged in the business of construction, development, acquisition, establishment and maintenance of warehouse, godown etc.

NOTE 2 : PRINCIPLES OF CONSOLIDATION

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

NOTE 3 : SIGNIFICANT ACCOUNTING POLICIES:

I GENERAL

The financial statements are prepared under historical cost convention using the accrual system of accounting in accordance with the accounting principles generally accepted in India and the requirements of the Companies Act, 1956, including the mandatory Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.

II. USE OF ESTIMATES :

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

III. FIXED ASSETS:

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

- b) Capital work in progress are carried at cost, comprising direct costs and related incidental expenses.
- c) Expenses of revenue nature, which are related to project setup are transferred to capital work in progress pending capitalization. These expenses are to be allocated to fixed assets in the year of commencement of the related projects.
- d) Intangible assets are stated at cost of acquisition less accumulated amortization.

IV. DEPRECIATION:

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

V. INVESTMENTS:

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

VI. INVENTORIES:

- a) The raw materials, stores & spare parts are valued at cost. The raw material, stores & spares & raw material contents of work in progress are valued by using the first in first out (FIFO) method while the finished goods are valued by using weighted average cost method. Cost relating to finished goods means direct raw material, labour cost & allocable overhead manufacturing expenses.
- b) Work in progress and material in progress are valued at raw material cost & additionally any specific cost attributable to such WIP.
- c) Finished goods are valued at cost plus excise duty or net realizable value whichever is lower. The policy of valuation of inventories is in accordance with Accounting Standard-2 (Revised) of the Institute of Chartered Accountants of India.
- d) Damaged goods / scrap stocks are valued at net realizable value.

VII. TAXES:

a) DIRECT TAXES:

i) CURRENT TAX :

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

ii) DEFERRED TAX :

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

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

iii) **WEALTH TAX :**

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

b) **INDIRECT TAXES:**

i) **EXCISE DUTY:**

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

ii) **SERVICE TAX:**

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

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

Final sales tax / 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.

VIII. REVENUE RECOGNITION:

a) **SALE :**

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

b) **INTEREST INCOME:**

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

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

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

IX. GRATUITY/RETIREMENTS BENEFITS:

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

X. RESEARCH AND DEVELOPMENT:

Net of revenue expenditure on research and development is charged to profit and loss account in the year in which it is incurred. Capital expenditure on research and development is shown as fixed assets and depreciation is considered as per Schedule XIV of the Companies Act, 1956.

XI. FOREIGN EXCHANGE TRANSACTIONS:

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

XII. BORROWING COST:

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

XIII. IMPAIRMENT OF ASSETS:

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

XIV. LEASES:

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

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

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

(b) Secondary segment: Geographical Segment

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

(c) Unallocated items:

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

XVI. OPERATING EXPENSES:

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

XVII. PRIOR PERIOD ITEMS:

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

XVIII. PRELIMINARY EXPENSES:

Preliminary expenses are written off over 5 years.

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



Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 4 : SHARE CAPITAL		
AUTHORISED		
(Previous year 1,00,00,000) Equity Shares of ₹ 10/- each)	100,000,000	100,000,000
ISSUED CAPITAL		
(Previous year 85,64,750) Equity Shares of ₹ 10/- each fully paid up	85,647,500	85,647,500
SUBSCRIBED AND PAID UP CAPITAL		
85,64,750 (Previous year 85,64,750) Equity Shares of ₹ 10/- each fully paid up	85,647,500	85,647,500
Less : Calls in arrears		
a) From directors & officers	-	-
b) From others 114,100 shares (Previous Year 114,100 Shares)	(277,167)	(277,167)
	85,370,333	85,370,333
a) The Company has only one class of equity shares having a par value of ₹ 10/-. Each holder of Equity share is entitled to one vote per share.		
b) The company's public issue of 21,63,600 equity shares of ₹ 10/- each for cash at a premium of ₹ 85/- per share aggregating to ₹ 2,055.42 lacs and firm allotment of 1,50,000 equity shares of ₹ 10/- each for cash at a premium of ₹ 100/- per share aggregating to ₹ 165.00 lacs to NRI's/OCB's opened for subscription on 20th March, 1995 was oversubscribed. Allotment was made on 23rd May, 1995 and allotment money / final call was made on 27.05.95. Amount of ₹ 24,94,500/- receivable on account of calls in arrears have been apportioned between share capital (₹ 2,77,167/-) and share premium account (₹ 22,17,333/-) in the ratio of one to eight.		
c) Calls in arrears from 554 shareholders and their amounts are subject to reconciliation and confirmation, however, no interest has been provided thereon.		
d) Reconciliation of the number of shares		
Equity shares as on 31.03.2011	8,564,750	8,564,750
Add: Equity shares issued/ subscribed during the year	-	-
Less: Reduction in equity shares	-	-
Equity shares as on 31.03.2012	8,564,750	8,564,750
e) List of Shareholders who holds more than 5% holding	No of shares (% to total capital)	No of shares (% to total capital)
i) Mrs. Puja Sekhri	17,49,160 (20.42%)	17,20,160 (20.08%)
ii) Mrs. Shobha Sekhri	16,36,343 (19.11%)	16,07,343 (18.77%)
iii) Mrs. Aarti Sekhri	15,10,947 (17.64%)	14,81,947 (17.30%)
f) No. of shares for the period of five years immediately preceding the date as at which the Balance Sheet is prepared:		
Equity shares:		
i) Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
ii) Fully paid up by way of bonus shares	Nil	Nil
iii) Shares bought back	Nil	Nil

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 5 : RESERVE & SURPLUS		
i) <u>GENERAL RESERVE</u>		
As per last Balance Sheet	11,704,929	11,704,929
	<u>11,704,929</u>	<u>11,704,929</u>
ii) <u>SECURITIES PREMIUM ACCOUNT</u>		
As per last Balance Sheet *	176,857,853	176,857,853
	<u>176,857,853</u>	<u>176,857,853</u>
* Refer Note No. 3 (b)		
iii) <u>SURPLUS</u>		
As per last Balance Sheet	99,253,744	92,799,833
Less: Adjustment as per CLB Order (Refer Note no 16)	(13,772,056)	-
Add: Reversal of Depreciation of earlier year	-	101,242
Add :As per Statement of Profit & Loss	62,078,259	6,352,669
	<u>147,559,947</u>	<u>99,253,744</u>
Total	<u>336,122,729</u>	<u>287,816,526</u>
NOTE 6 : LONG TERM BORROWINGS		
<u>TERM LOANS- SECURED</u>		
i) Syndicate Bank		
	-	6,585,669
ii) Car Loans		
	3,640,657	2,870,888
	<u>3,640,657</u>	<u>9,456,557</u>
a) The term loan from Syndicate Bank of ₹ Nil (PY ₹ 65,85,669/-) and ₹ 65,85,669/- (PY ₹ 82,90,995/-) shown under current maturities of long term debts under current liabilities carry interest @ PLR + 1.25% is secured against Plant & Machinery & collaterally secured by all the fixed assets of the company.		
b) The loan is further secured by the personal guarantee of Sh. Bhupinder Kumar (Director), Sh. Kapil Sekhri (Director) & Sh. Gaurav Sekhri (Relative of director)		
c) Terms of repayment in respect of car loans are as under:		
Lender:	UP to 12 months	More than 12 months
HDFC Bank	118,317	-
Axis Bank	930,624	2,350,894
Tata Capital	3,039,703	1,289,763
Total Vehicle loan	<u>4,088,644</u>	<u>3,640,657</u>

The loans are secured against respective vehicles financed and repayable in various equal monthly installments.

d) The Company has not defaulted in repayment of loans and interest.

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 7 : DEFERRED TAX LIABILITIES		
DEFERRED TAX LIABILITY:		
Related to Fixed Assets	24,155,979	27,870,929
DEFERRED TAX ASSETS:		
Disallowances under the Income Tax Act	4,204,329	3,399,784
Net Deferred Tax Liabilities	19,951,650	24,471,145
NOTE 8 : OTHER LONG TERM LIABILITIES		
Claim Payable (Refer Note No. 16)	13,772,056	-
Deposits from others	-	300,000
	13,772,056	300,000
NOTE 9 : LONG TERM PROVISIONS		
Provision for employee benefits		
a) For leave encashment	638,247	350,266
b) For gratuity	5,520,799	5,297,745
	6,159,046	5,648,011
a) Disclosure required by AS-15 (Revised) on employee benefits has been given in Note No.27.		
NOTE 10 : SHORT TERM BORROWINGS		
a) SECURED:		
Working Capital from Syndicate Bank	110,612,363	111,077,288
Cash Credit	110,612,363	111,077,288
b) UNSECURED		
Loans & advances		
i) From related parties	48,745,915	7,024,038
ii) From others	-	2,500,000
	48,745,915	9,524,038
	159,358,278	120,601,326
i) (a) The Company is having cash credit limit of ₹ 1100 lacs from Syndicate bank payable on demand and secured by stock and book debts of the Company both present and future and are collaterlly secured by all the Fixed Assets of the company.		
(b) The cash credit limit is further secured by the personal gurantee of Sh.Bhupinder Kumar (Director), Sh.Kapil Sekhri (Director) and Sh.Gaurav Sekhri (Relative of Director)		
ii) Unsecured loans are repayable on demand.		

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 11 : TRADE PAYABLES		
Due to Micro, Small & Medium Enterprises	18,866,019	16,125,857
Others	12,124,821	22,060,726
	30,990,840	38,186,583

The details of the amount outstanding to "The Micro, Small and Medium Enterprises" are based on available information with the Company and the outstanding balance beyond 45 days is ₹ Nil (Previous ₹ Nil).

NOTE 12 : OTHER CURRENT LIABILITIES

a) Current Maturities of long term debt (Refer to Note No. 5)	10,674,312	12,056,638
b) Interest Accrued but not due on borrowings	29,742	38,075
c) Security Deposit	300,000	-
d) Creditors for Capital Expenditure	5,858,856	565,354
e) Other Liabilities:		
i) Employee dues	3,870,108	3,477,099
ii) Statutory dues	6,929,043	9,406,697
iii) Others	10,900,680	12,227,459
	38,562,741	37,771,322

NOTE 13 : SHORT TERM PROVISIONS

a) Provision For employee benefits	3,766,451	2,238,096
	3,766,451	2,238,096
b) Provision for Taxation:		
Provision	19,121,503	11,754,216
Less: Paid	(12,843,599)	(10,440,103)
Closing Balance	6,277,904	1,314,113
	10,044,355	3,552,209

Notes on Consolidated Financial Statements for the year ended 31st March 2012

NOTE 14 : FIXED ASSETS - AS AT 31.03.2012

S. No.	DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Balance as at 01.04.2011	Additions	Sale/ Adjustments	Balance as at 31.03.2012	Upto 31.03.11	For the period Balance as at Adjustment	31.03.2012 As at	31.03.2011
A	Tangible Assets								
1	Land:								
1(i)	Leasehold Land	12,173,261	-	(12,173,261)	-	-	-	-	12,173,261
1(ii)	Freehold Land	37,095,659	6,925,651	-	44,021,310	-	-	44,021,310	37,095,659
	Total Land	49,268,920	6,925,651	(12,173,261)	44,021,310	-	-	44,021,310	49,268,920
2	Building								
2(i)	Leasehold Building	20,137,847	-	(20,137,847)	-	50,219	(100,438)	-	20,087,628
2(ii)	Freehold Building	50,077,560	1,390,887	-	51,468,447	10,184,765	1,915,031	12,099,796	39,368,651
	Total Building	70,215,407	1,390,887	(20,137,847)	51,468,447	10,234,984	1,965,250	(100,438)	39,368,651
3	Plant & Equipment	116,274,869	22,457,394	(4,210,330)	134,521,873	19,833,023	6,098,216	25,188,972	109,332,901
4	Electric Fittings	6,261,576	372,592	(446,766)	6,187,402	3,165,944	186,099	3,301,377	2,886,025
5	Generator	5,780,549	-	(130,156)	5,650,393	2,026,719	271,766	2,199,633	3,450,760
6	Furniture & Fixtures	6,233,841	116,351	(877,662)	5,472,530	5,263,388	160,574	4,604,204	868,326
7	Vehicles	27,620,563	11,772,534	(2,638,640)	36,754,457	7,497,551	2,806,718	9,326,626	27,427,831
8	Office Equipments	5,384,270	709,234	(911,411)	5,182,093	3,676,959	171,125	2,998,194	2,183,899
9	Computer	3,026,617	174,066	(12,412)	3,188,271	1,410,657	397,819	1,804,772	1,383,499
10	Agricultural Division Assets:								
10(i)	Leasehold Building	47,703	-	(47,703)	-	8,659	39,044	(47,703)	-
10(ii)	Agriculture Plantation (Jatropha)	6,512,579	-	(6,512,579)	-	471,077	6,041,502	(6,512,579)	-
10(iii)	Plant & Machinery	2,065,116	-	(2,065,116)	-	261,578	1,695,361	(1,956,939)	-
10(iv)	Office Equipments	15,000	-	(15,000)	-	2,152	12,848	(15,000)	-
10(v)	Computer	31,000	-	(31,000)	-	13,423	17,577	(31,000)	-
10(vi)	Vehicle-Tractor	374,000	-	(374,000)	-	122,170	24,675	(146,845)	-
10(vii)	100% DEPRICIABLE Assets	32,077	-	(32,077)	-	32,077	-	(32,077)	-
	Total tangible Assets	299,144,087	43,918,649	(50,615,960)	292,446,776	54,020,361	19,888,574	(12,385,361)	245,123,727
B	Intangible Assets:								
1	Goodwill	957,619	-	-	957,619	937,919	-	937,919	19,700
2	Software	4,000,000	27,198	-	4,027,198	3,999,999	2,750	4,002,749	24,449
	Total Intangible Assets	4,957,619	27,198	-	4,984,817	4,937,918	2,750	4,940,668	19,701
C	Capital Work-in-Progress								
	CWIP/Pre Operative Expenses	14,101,045	98,933,665	(29,036,281)	83,998,429	-	-	-	83,998,429
	TOTAL (A+B+C)	318,202,751	142,879,512	(79,652,241)	381,430,021	58,958,279	19,891,324	(12,385,361)	66,464,242
	Previous Year	291,940,155	80,163,520	(49,435,799)	322,667,876	53,280,049	11,302,759	(5,624,529)	58,958,279

Depreciation of current year debited to Statement of Profit & Loss Account as per Note no. 3012.035.548

Assets written off as per Note no 30-exceptional items

Depreciation Capitalised

Total

7,831,008

24,768

19,891,324

- (a) Company was awarded Work Order No. WQA074A dtd.20.07.2009 by Mangalore Refinery & Petro chemical Ltd. (MRPL) for making modified bitumen. As per work order company shall transfer plant of gross block ₹ 2,35,34,811/- & (WDV ₹ 74,87,797)- in complex of MRPL at nominal amount of ₹ 1/- on 05.07.2014. The work order prescribed quantity of 3,55,000 mts. to be processed during work order period 05.07.2009 to 05.07.2014, but till 31.03.2012 only 115,231(32.46%) mts. has been processed. As the quantity specified order is not processed fully, so the company has not amortized the plant as per aforesaid period & has depreciated as per rates provided in Schedule-XIV as the company proposes to hold the plant upto actual modification work completion.
- (b) The company had an agriculture business segment(Jatropha Plantation) located at Tuljapur (Maharashtra).The company's policy was to capitalize all the expenditures including depreciation till the period of completion of first phase of the unit ie 31 May 2010. The company had lease upto 31/03/2022.Considering the no potential and on basis of staff & Director survey Company has surrendered the lease and the capitalized expenses on the plantation and related structure ₹ 78,31,007 has been charged to Profit & Loss account as extraordinary item.
- (c) Company has a plant at Village Rajapur,Refinery Road Panipat since 2001.Haryana government has notified Industrial Area and the plant would now fall in the HSIDC(Haryana State Industrial Development Corporation).The procedural implementation for the acquisition/subsequent release are in progress.The total Project WDV of the Panipat Unit is '15,16,07,381'-.

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 15 : NON CURRENT INVESTMENT		
NON-TRADE INVESTMENT:		
a) INVESTMENT IN PREFERENCE SHARES :		
a. M/S. INDO ENTERPRISES (P) LTD. (unquoted)	12,000,000	12,000,000
1,20,000 (P.Y 1,20,000) 9% Non-Cumulative Preference Shares of ₹ 10/- each at a premium of ₹ 90/- each.		
Total	12,000,000	12,000,000
b) INVESTMENT IN EQUITY SHARES OF ASSOCIATES		
1) Shiv Ratna Agro Product Pvt. Ltd. (unquoted)	-	2,306,500
Nil (PY 2,30,000) Equity share of ₹ 10/- each fully paid up		
2) Tinna Viterra Trade (P) Ltd.		
(Earlier known as Maple Newgen Trade P Ltd.) (unquoted)		
19,96,000 (PY 11,96,186) equity shares of ₹ 10/- each fully paid up	19,960,000	11,961,860
4,000 (PY 4,000) equity shares of ₹ 10/- each at a premium of ₹ 75/08 each Full Paid Up	340,320	340,320
3) Nova Cements Ltd.(unquoted)	-	7,500,000
Nil (PY 1,50,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up		
4) Fratelli Wines (P) Ltd. (unquoted)	-	9,300,000
Nil (PY 9,30,000) equity shares of ₹ 10/- each fully paid up		
5) B.S Farms & Properties (P) Ltd. (unquoted)	-	3,000,000
Nil (PY 1,00,000) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up		
6) Puja Infratech (P) Ltd. (unquoted)	-	5,700,000
NIL (PY 1,90,000) equity shares of ₹ 10/- each at a premium of ₹ 20/- each fully paid up		
7) Space Age Tech. (P) Ltd. (unquoted)	-	2,000,000
NIL (PY 40,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up		
8) S.S Horticultures (P) Ltd. (unquoted)	-	4,900,000
NIL (PY 98,000) equity shares of ₹ 10/- each at a premium of ₹ 40/- each fully paid up		
9) Shiv Ratna Udyog (P) Ltd. (unquoted)	-	500,000
NIL (PY 50,000) equity shares of ₹ 10/- each fully paid up		
	20,300,320	47,508,680
c) OTHER INVESTMENT IN EQUITY SHARES		
Keerthi International Agro Pvt. Ltd. (unquoted)	1,100,750	1,100,750
11,000 (PY 11,000) equity shares of ₹ 100/- each fully paid up		
	1,100,750	1,100,750
Total Investment	33,401,070	60,609,430

- i) Company had entered into agreement to sell 89,983 equity shares of ₹ 100/- each of Gautam Overseas Ltd. during 2009-10 for ₹ 90,00,000/- (Rupees ninety lacs). The Company Law Board (CLB) earlier granted stay order dated 28.06.2010 restraining the company to transfer the shares. The company had filed appeal in the Hon'ble High Court of Delhi against the matter and the same was restored to the CLB for reconsideration. The CLB vide Order dated 12.01.2012 gave option to petitioners (Mr.Vijay K. Sekhri group) to sell their shares at fair valuation of their shares done by a valuer & same was sustained by Hon'ble High Court of Delhi vide Order dated 02.07.2012. The Company is contemplating for future legal recourse to be adopted based on legal advice.
- ii) M/s. B.G.K. infrastructure Developers (P) Ltd. has become 100% subsidiary of Company during the financial year 2010-2011 & one share is held by Sh. Bhupinder Kumar, whole time director as nominee of Company.

iii) NOTES:

1) Aggregate Amount of :

(a) Quoted Investments	-	-
(b) Unquoted Investments	33,401,070	60,609,430
	<u>33,401,070</u>	<u>60,609,430</u>

2) Aggregate Market value of :

(a) Quoted Investments	-	-
(b) Unquoted Investments		
Book Value*	37,210,707	44,140,838
	<u>37,210,707</u>	<u>44,140,838</u>

* The companies are closely held companies. No market / stock exchange value can be determined. Book value has been considered on the basis of latest available balance sheet as on 31.3.2011.

- iv) Investments sold during the year as per book value and is more than intrinsic value of shares based on Balance Sheet of respective companies dated 31.03.2011 except in case of Space Age Technologies (P) Ltd (SATPL). The intrinsic value of the each equity share of SATPL at the time of purchase & sale was ₹317 & ₹286 respectively (as per year ending Balance Sheet). Company do not possess any valuation report certifying the value of shares as on the date of sale / transfer of shares of such companies.

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 16 : LONG TERM LOANS & ADVANCES		
Unsecured but considered good		
a) Capital Advance	21,174,999	11,120,477
b) Security deposit	3,339,850	1,449,892
c) Other loans & advances	502,197	492,470
	<u>25,017,046</u>	<u>13,062,839</u>
1. Capital Advance includes ₹ 352,075/- given to Kerala Industrial Infrastructure Development Ltd for the industrial plot on long term lease basis. As per terms of the agreement, company was to construct factory building by October 2011. However company is yet to take any step for construction and has applied for extension.		
2. Other advance include advance to ex- employee ₹ 50,000/- refer note no. 33 (iii) contingent liability.		
NOTE 17 : OTHER NON CURRENT ASSETS		
Other receivable	37,984,479	38,653,005
Total	<u>37,984,479</u>	<u>38,653,005</u>
Long term trade receivable include claim receivable of ₹ 2,75,44,112/- from M/s. F.C.I and M/s P.E.C for which the company has filed suits for recovery and is hopeful of recovery. However, as per order of Company Law Board dated 9th June, 2009 with effect from 5th January, 2009, if any amount is received, the amount to the extent of 50% will be paid to seperated group. A provision of ₹ 137,72,056 has been made as per CLB order vide Note no 4.		
NOTE 18 : INVENTORIES		
a) Raw Material	47,153,137	58,510,617
b) Raw Materials-in-Transit	-	1,565,781
c) Work in Process	5,361,527	2,202,786
d) Finished Goods	8,302,737	22,605,965
e) Stores & spares	3,183,183	1,704,707
	<u>64,000,584</u>	<u>86,589,856</u>
NOTE 19 : TRADE RECEIVABLE		
(Unsecured, unconfirmed & considered Good)		
Due over six months	5,774,474	1,467,253
Less :Provision for doubtful debts	-	(596,313)
Others	151,483,840	115,400,992
Total	<u>157,258,314</u>	<u>116,271,932</u>
NOTE 20 : CASH & BANK BALANCES		
a) Cash & cash equivalents		
Balance with banks in current accounts	6,429,785	2,079,792
Cash on Hand	480,316	721,142
b) Other bank balances		
Margin money for bank guarantee / commitments	11,479,112	10,586,826
Total	<u>18,389,213</u>	<u>13,387,760</u>

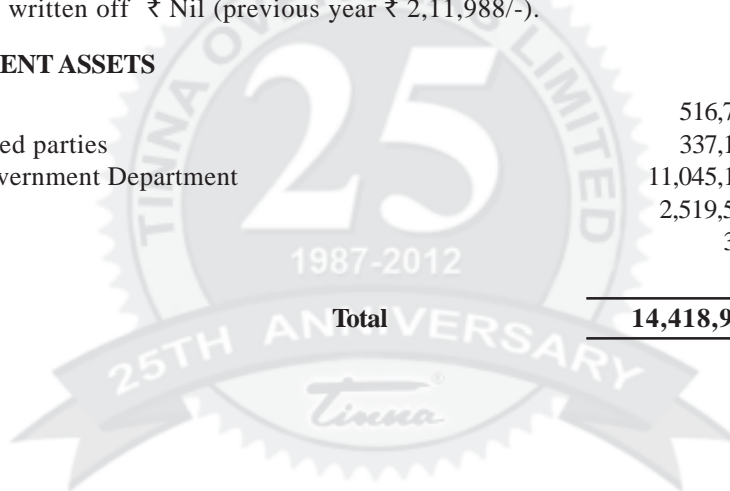
Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 21 : SHORT TERM LOANS & ADVANCES		
Unsecured, considered good		
a) Loans to related Parties	-	6,365,757
b) Others:	-	
i) Security deposit	1,234,363	843,203
ii) Loans to Company	30,697,795	112,362
iii) Loans to Employees	273,400	1,285,184
iv) Other advances	6,467,190	9,500,705
Less : Provision for doubtful debts	(135,543)	(115,525)
Total	38,537,205	17,991,686

Advance to supplier includes ₹ 1,75,000/- (Previous year ₹ 190,000/- recoverable from KRM International (Shoe) for which the company has succeeded in the High court vide order dated 28.05.2010 against the order of lower court regarding dismissing of appeal on limitation of period. The account has been settled for ₹ 240,000/- before the Hon'ble court and the company has written off ₹ Nil (previous year ₹ 2,11,988/-).

NOTE 22 : OTHER CURRENT ASSETS

a) Unbilled Revenue	516,733	646,408
b) Receivable from related parties	337,191	2,090,534
c) Recoverable from Government Department	11,045,123	2,924,320
d) Prepaid Expenses	2,519,585	1,696,977
e) Others	362	362
f) Preliminary Expenses	---	4,430
Total	14,418,994	7,363,031



Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 23 : REVENUE FROM OPERATIONS		
Sale of Products	1,021,844,444	1,140,757,563
Income from Services	26,718,625	25,094,761
Other operating revenues	7,427,536	6,918,478
	<u>1,055,990,605</u>	<u>1,172,770,802</u>
NOTE 23.1 : REVENUE FROM OPERATIONS		
a) Sale of Products:		
Bitumen for Modifier(TBM)	350,123,095	362,249,160
CRMB/PMB	518,298,450	442,705,837
Emulsion	40,265,807	---
CTCR	---	3,063,750
PTSA Crumb Rubber 40# Mesh	---	18,548,750
Fine Crumb Rubber	42,069,873	44,883,087
Fine Crumb Rubber(Packed)	68,759,474	---
Soya Doc Yellow	---	269,151,549
Natural Asphalt/Bitumen VG-10	4,800	155,430
Aqaloc-HW-4	2,322,945	---
	<u>1,021,844,444</u>	<u>1,140,757,563</u>
b) Sale of Services:		
Modification Charges	19,988,902	24,229,721
Equipment Rental/ Income (Mobile Unit)	6,729,723 865,040	
	<u>26,718,625</u>	<u>25,094,761</u>
c) Other operating revenues:		
Freight on Sales Recovered	7,427,536	6,918,478
	<u>7,427,536</u>	<u>6,918,478</u>
NOTE 24 : OTHER INCOME		
Interest Income	4,450,032	1,795,444
Rental Income	1,280,000	1,480,312
Net gain/loss on foreign currency transactions	14,345	(191,824)
Profit on Sale of Fixed Assets	64,642	1,597,841
Misc.Income	37,834	2,094,352
Total	<u>5,846,853</u>	<u>6,776,125</u>

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	2011-12	Amount (₹) 2010-11
NOTE 25 : COST OF MATERIALS CONSUMED		
Raw Material Consumption		
Opening Stock	59,807,801	32,827,046
Add : Purchase	772,746,856	693,448,587
Add : Inter-Unit	-	-
Less : Closing Stock	(47,153,137)	(60,076,398)
	785,401,520	666,199,235
Packing Material Consumption		
Opening Stock	916,017	465,734
Add : Purchase	10,492,336	6,081,475
Less : Closing Stocks	(1,831,603)	(688,846)
Total Packing Material Consumed	9,576,750	5,858,363
	794,978,270	672,057,598
Interunit goods transfer are ₹ 290,26,305 ,transfer by one unit and received by others and the net amount is ₹ Nil.		
NOTE 25.1 : COST OF MATERIALS CONSUMED		
Natural Asphalt	69,224,913	83,643,214
Rubber Crumb	223,530,555	206,318,725
Bitumen	452,350,677	343,493,224
Others	40,295,375	32,744,072
	785,401,520	666,199,235
NOTE 26 : PURCHASE STOCK IN TRADE		
a) Purchase Fine Crumb Rubber	22,704,077	29,174,083
b) Purchase of Aqualoc HW-4	2,007,889	-
c) Purchase Soya Doc Yellow	-	268,430,586
	24,711,966	297,604,669
NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS		
A) Closing Stock		
Semi-Finished Goods	5,361,527	2,202,786
Finished Goods	8,302,737	22,605,965
	(A) 13,664,264	24,808,751
B) Opening stock		
Semi-Finished Goods	2,202,786	55,389
Finished Goods	22,605,965	3,779,218
	(B) 24,808,751	3,834,607
C) Variation in Stock	(A-B) (11,144,487)	20,974,144
NOTE 28 : EMPLOYEES BENEFIT EXPENSES		
a) Salary & Wages	52,906,138	43,974,854
b) Contribution to PF & ESI	4,917,621	5,222,814
c) Gratuity, Leave encashment, Bonus & Ex-gratia	5,883,026	6,069,327
d) Staff welfare expense	3,628,431	3,394,709
	67,335,216	58,661,704

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

	2011-12	Amount (₹) 2010-11
Defined Contribution Plan		
Contribution to Defined Contribution Plan, paid during the year is as under:-		
Particulars		
Employer's Contribution to Provident Fund	1,225,254	1,301,280
Employer's Contribution to Family Pension Fund	2,781,027	2,953,586
Defined Benefit Plan		
Gratuity		
The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
a) Change in Present Value of Defined Benefit Obligations	2011-12	2010-11
(i) Defined Benefit obligation as on 01.04.2011	6,034,934	3,020,930
(ii) Current Service cost	1,047,984	1,031,997
(iii) Interest cost	528,057	248,544
(iv) Actuarial (Gain)/ Loss	853,983	1,765,771
(v) Benefits paid	(740,304)	(32,308)
(vi) Defined benefits obligation as on 31.03.2012	7,724,654	6,034,934
b) Change in fair value of plan assets		
(i) Fair value of plan assets as on 01.04.2011	-	-
(ii) Expected return on plan assets actuarial (Gain/Loss)	-	-
(iii) Employer Contribution	-	-
(iv) Benefits paid	-	-
(v) Fair value of plan assets as on 31.03.2012	-	-
(vi) Actual return on plan assets	-	-
c) Reconciliation of fair value of assets and obligations		
(i) Fair value of plan assets as at 31st March, 2011	-	-
(ii) Present value of obligations as at 31st March, 2012	7,724,654	6,034,934
(iii) Amount recognized in the balance sheet		
d) Expenses recognized in profit & loss account		
(i) Current service cost	1,047,984	1,031,977
(ii) Interest cost	528,057	248,544
(iii) Expected return on plan assets	-	-
(iv) Actuarial (Gain)/Loss	853,983	1,765,771
(v) Net cost	2,430,025	3,046,312
e) Investment details		
(i) LIC.group gratuity policy	-	-
f) Actuarial assumption	LIC	LIC
Mortality table	(1994-96)	(1994-96)
Discount rate (per annum)	8.75%	8.25%
Expected rate of return on plan assets (per annum)	0%	0%
Rate of escalation in salary (per annum)	5%	5%

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.

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	2011-12	Amount (₹) 2010-11
NOTE 29 : FINANCE COST		
Interest Expenses	19,077,692	22,022,533
Interest on Income Tax	1,126,631	211,219
Other Borrowing Costs	1,082,600	-
Total	21,286,923	22,233,752
NOTE 30 : DEPRECIATION & AMORTISATION		
Depreciation	12,035,548	11,379,381
Preliminary Expenses	4,430	4,430
Total	12,039,978	11,383,811
NOTE 31 : OTHER EXPENSES		
Electricity, Fuel, Generator & Water Charges	14,327,801	11,614,998
Consumable Stores Consumed	3,369,677	4,425,744
Repairs to Machinery	3,916,277	5,884,842
Rent	3,000,708	2,583,346
Rates & Taxes	1,536,930	4,899,649
Insurance Charges	1,145,040	926,121
Repairs to Buildings	358,320	1,193,960
Repairs to Others	2,079,457	2,098,996
Professional and Consultancy charges	4,360,318	4,275,885
Bank charges	2,581,401	2,637,397
Commuting Expenses (Travel, Conveyance & Vehicle Maintenance)	17,939,553	22,476,713
Communication Expenses (Telephone, Internet, Postage & Courier)	2,690,016	2,591,006
Provision for doubtful debts & receivables	(579,846)	665,389
Bad Debts	599,864	4,281,915
Loss on Sale of Fixed Assets	1,850,995	652,389
Loss on Sale of Investments	6,500	-
Payment to Auditor*	761,030	764,530
Commission	4,829,303	7,222,233
Transportation Expenses	25,055,347	23,871,566
Business Promotion and marketing Expenses	4,962,124	7,897,306
Lab Exp./Research & Development	776,356	1,110,119
Shortage in Transit	929,437	691,622
Excise Duty #	(1,041,650)	1,482,724
Miscellaneous Expenses	8,067,004	7,214,646
Grand total	103,521,962	121,463,096
* Payment to Auditor		
Audit Fees	561,030	416,107
Tax Audit Fees	150,000	2,174,899
Other Services	50,000	2,591,006
Total	761,030	5,182,012

Variation in Excise Duty on Opening & Closing Stock of Finished Goods

Notes on Consolidated Financial Statements for the year ended 31st March, 2012

	2011-12	Amount (₹) 2010-11
NOTE 32 : EXCEPTIONAL ITEMS		
Gain on sale of property at Mumbai	56,459,358	-
Jatropha Plantation and other assets written off *	(7,831,008)	-
Freight on Machinery & Stock Transferred from Mumbai plant **	(1,251,418)	-
Total	47,376,932	-

* As per Board meeting dated 24/08/2011 based on survey the input costs over five years(approximate) could not give any output and continuing efforts and further inputs/investment was waste. The company surrendered lease hold land to lessor.

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



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2012**

Other Notes on the Financial Statements:

NOTE 33 : CONTINGENT LIABILITIES AND COMMITMENTS

1. Contingent liabilities:-

(A) Claims against the company not acknowledged as debt:

(Amount in ₹)

Particulars	As at 31.03.2012	As at 31.3.2011
i) Income Tax Matters, Pending decision on various appeals made by the Company and by the Department (excluding interest)	73,50,358	73,50,358
ii) Value Added Tax Matter under dispute	6,69,560	8,58,635
iii) Compensation claimed filed by Ex-Directors / Ex-Employees under dispute	1,33,33,658	1,20,83,658
iv) Other matters under dispute	17,76,558	17,76,558

(B) Guarantees:

Bank Guarantees in normal course of business activity (Margin money held in form of FDR ₹ 1,08,52,924) (Previous Year ₹ 1,00,00,000/-)	8,34,72,241	8,94,72,633
--	-------------	-------------

(C) Others money for which company is contingently liable:

Surety with Sale Tax / Vat (Margin money held in form of FDR of ₹ 73,320/- (Previous Year ₹ 69,840/-)	55,000	55,000
---	--------	--------

(D) Commitments:

- (i) Capital Commitment : Estimated amount of contracts remaining to be executed on capital account and not provided net of advances for ₹ 4,72,89,396 (Previous Year ₹ 3,23,92,497)
- (ii) Foreign Letter of Credit : ₹ Nil (Previous Year ₹ 61,54,390)
- (iii) Revenue Commitment : Figures could not be determined on account of open agreed order with various customers.

NOTE 34 : REMUNERATION TO DIRECTORS

(Amount in ₹)

Particulars	2011-12	2010-11
a) Remuneration/ commission paid to directors	71,20,800	29,20,800
b) Perquisites (valued as per Income Tax Act)	79,200	79,200
c) Provident Fund	3,88,800	5,76,000

The company paid remuneration as per Schedule XIII of the Companies Act, 1956. The excess payment of ₹ Nil (Previous year ₹ 18,79,200 was lying under trust). The directors have reimbursed the same.

Note 35 : Related Party Disclosure:

Tinna Overseas Limited	(Amount in ₹)																	Total	
	2011-12	2010-11	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		16
Transaction	T/P/L	F/P/L	M/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	S/P/L	
Loan Received		85,000																	85,000
Loan Repaid				14,500															14,500
Loan Given			32,095																32,095
Loan Repayment Received								6,59,527											6,59,527
Receipt of Loan (Contract) Generator	1,40,738																		1,40,738
Mortgage Charges	45,427																		45,427
Business Promotion Expenses									5,000,000										5,000,000
Purchase of Vehicle																			
Sale of Vehicle																			
Sale of Generator										108,175									108,175
Advance Given for Shares	8,000,000	13,70,000																	21,70,000
Share Advance Received	7,988,540	13,70,000																	19,68,540
Balance of Advance for Share	1,186																		1,186
Purchase of Shares of B & K Infrastructure Developers P Ltd																			
Sale of Shares of B & K Infrastructure Developers P Ltd																			
Sale of Shares of S & P Holdings P Ltd																			
Sale of Shares of S & P Infrastructure P Ltd																			
Sale of Shares of S & P Infrastructure P Ltd																			
Sale of Shares of S & P Infrastructure P Ltd																			
Sale of Shares of S & P Infrastructure P Ltd																			
Sale of Shares of S & P Infrastructure P Ltd																			
Dividend Income from the end of year																			
Payable																			

(C) Key management personnel and their relatives :

- Sh. Bhupinder Kumar Sekhri Whole Time Director
- Sh. Kapil Sekhri Whole Time Director
- Mr Gaurav Sekhri Director
- Smt. Shobha Sekhri Executive
- Smt. Aarti Sekhri Executive

(Amount in ₹)

Nature of Transaction	2011-12	2010-11
Remuneration / Salary	89,32,800	52,00,000

i. Mr. Bhupinder Kumar Sekhri

Imprest given	---	15,60,000
Refund of Imprest received	---	15,60,000
Loan Received	3,86,60,000	1,45,00,000
Loan Repaid	1,65,60,000	1,45,00,000
Interest Expenses (Gross)	12,92,402	98,877
Purchase of shares of BGK Infrastructure Developers P Ltd	--	50,000
Outstanding balance at the beginning of the year: Receivable by Company	850,611	---
Outstanding balance at the end of year: Receivable by Company	---	8,50,611
Outstanding balance at the end of year: Payable by Company	2,32,63,161	--
Outstanding balance at the beginning of the year Payable : Share Application Money Payable by the Subsidiary	9,00,000	9,00,000
Refund of Share Application Money	9,00,000	
Outstanding balance at the end of the year Payable : Share Application Money Payable by the Subsidiary	---	9,00,000

ii. Mr. Kapil Sekhri

Imprest given	--	2,60,000
Refund of Imprest received	--	2,60,000
Loan Received	2,07,75,000	2,00,00,000
Loan Repaid	1,25,40,072	2,00,00,000
Interest Expenses (Gross)	6,35,820	3,59,548
Outstanding balance at the end of year: Receivable by Company	--	12,23,492
Outstanding balance at the end of year: Payable by Company	88,07,166	---

iii. Gaurav Sekhri

Purchase of shares of BGK Infrastructure Developers (P) Ltd	---	50,000
Sale of shares of Nova Cement Ltd. & Puja Infratech Ltd.	36,80,000	---
Advance Received against sale of shares	95,00,000	
Refund of the advance	95,00,000	
Balance of loan at the beginning of year payable by subsidiary	---	5,000
Loan Received	5,000	---
Refund of Loan	5,000	5,000
Balance at the end of year payable by subsidiary	---	---

iv. Mrs. Puja Sekhri

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

NOTE 36

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

NOTE 37 : SEGMENT INFORMATION

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

CONSOLIDATED SEGMENT INFORMATION AS PER AS-17 ISSUED BY ICAI												
	BITUMEN DIVN.		TULJAPUR DIVN.		TRADING ACTIVITY		WAREHOUSING & INFRASTRUCTURE		UNALLOCABLE		TOTAL	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Turnover	1,053,567,660	903,619,253	-	-	2,422,945	269,151,549	-	-	1,055,990,605		1,172,770,802	
Other Income	762,126	3,474,620	-	-	147	-	824	5,084,580	3,300,681	5,846,853	6,776,125	
Total Revenue	1,054,329,786	907,093,873	-	-	2,423,092	269,151,549	824	5,084,580	3,300,681	1,061,837,458	1,179,546,927	
Segment Result Net Profit(Loss)	104,050,709	111,473,232	(7,847,603)	(725,535)	(432,320)	720,963	(86,385)	(202,351)	(33,606,143)	(104,913,640)	62,078,258	6,352,669
Segment Assets	510,805,057	414,413,460	335,331	8,167,239	2,975,833	-	32,838,629	32,806,099	157,017,835	157,787,214	703,972,685	613,174,012
Segment Liabilities	55,686,891	56,571,146	-	384,305	105,874	-	4,046,733.00	7,077,818	222,640,125	175,953,884	282,479,623	239,987,153
Depreciation/Assets Written off/Amortisation	8,861,679	8,031,426	7,831,008	597,002	-	-	4,503	4,503	3,173,796	2,750,880	19,870,986	11,383,811
Capital Expenditure/ Assets/CWIP	101,814,890	33,142,614	-	-	-	-	-	8,952,992	12,040,356	4,032,981	113,855,246	46,128,587

NOTE 38

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

(a) Finance Lease:

The company does not have any finance lease arrangements.

(b) Operating Lease:

- i. Lease rentals recognized as expenses in the profit and loss account for the period ₹ 30,00,708 (Previous year ₹ 25, 83,346)
- ii. The company has entered into operating leases for factory buildings and leasehold lands that are renewable on a periodic basis and cancelable at company's option. The company has not entered into sub-lease agreements in respect of these leases.
- iii. The total of future minimum lease payments under non cancelable leases are as follows:

(Amount in ₹)

Particulars	31.3.2012	31.3.2011
Not later than one year*	18,71,820	24,95,354
Later than one year but not later than five year*	--	27,09,547
Later than five years* (2016 to 2022)	--	7,59,998

* The above future minimum lease payments do not include rent paid of ₹ 6,88,888 (Previous year ₹ 5,39,826) for residence of employees of the company for which no formal written lease arrangements exist under cancelable at the option of the company. Company had long term lease of Agriculture land at Tuljapur, Dist. Osmanabad (Maharashtra) for the period of 15 years (from 01/04/2007 to 31/03/2022). Company had used the same for Jatropa Plantation. Considering no potential company has surrendered the lease and the agreement has been cancelled during the year 2011-12.

NOTE 39 : EARNING PER SHARE

(Amount in ₹)

Particulars	2010-12	2009-11
(a) Calculation of weighted average number of Equity Shares of ₹ 10 each		
i) Equity shares outstanding at the beginning of the year	85,64,750	85,64,750
ii) Equity shares outstanding at the end of the year	85,64,750	85,64,750
iii) Weighted Average no. of equity shares outstanding during the year (based on calls in arrears)	85,37,024	85,37,024
(b) Net Profit after tax available for equity shareholders	6,20,78,259	63,52,669
(c) Basic and diluted earning per share	7.27	0.74

NOTE 40 : RAW MATERIAL CONSUMED

Indigenous	71,19,66,984	5,82,556,021
(percentage)	90.65%	87.45%
Imported	7,34,34,536	83,643,214
(percentage)	9.35%	12.55%
Total 78,54,01,520	66,61,99,235	

NOTE 41 : STORES & SPARES CONSUMED

Indigenous	95,76,750	58,58,363
(Percentage)	100%	100%
Imported	Nil	Nil
(Percentage)	0 %	0 %
Total 95,76,750	58,58,363	

NOTE 42 : EXPENDITURE IN FOREIGN CURRENCY

(Amount in ₹)

Particulars	2011-12	2010-11
Raw Material	4,17,71,754	8,19,32,501
Capital Goods	4,87,92,162	54,60,150
Stores & spares	10,57,929	6.44,437
Foreign Travelling	9,69,838	17,84,636

NOTE 43 : The Company has not made any remittance in foreign currency on account of dividend.**NOTE 44 : Figures of the previous year have been regrouped / reclassified / rearranged wherever necessary.**

Notes : 1 to 44 forms integral part of the Financial Statements.

As per our report of even date attached.

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

For and on behalf of the Board of Directors

CA Hardeep Singhal
(Partner)
M. No. 505618

Kulbir Singh
(Director)

Bhupinder Kumar Sekhri
(Whole Time Director)

New Delhi
August 27, 2012

Chy. Runveer Krishanan
(Company Secretary)

Ravindra Chhabra
(CFO & G. M Accounts)

AUDITORS' REPORT

To
The Members of,
M/s. B G K INFRASTRUCTURE DEVELOPERS PVT. LTD.

1. We have audited the attached balance sheet of M/s B G K Infrastructure Developers Pvt. Ltd. as on 31st March, 2012 and the statement of profit and loss of the company for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement, on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further, we report that:
 - a) We have obtained all the information and explanations, which to best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of these books;

- c) The balance sheet and the statement of profit and loss dealt with by this report are in agreement with books of account;
- d) In our opinion, the said balance sheet and the statement of profit and loss comply with the Accounting Standards referred in sub-section (3C) of the section 211 of the Companies Act, 1956;
- e) On the basis of written representation received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2012 from being appointed as a director of the company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and notes on accounts, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - i. in so far as it relates to balance sheet, of the state of affairs of the company as at 31st March, 2012; and
 - ii. in so far as it relates to statement of profit and loss, of the loss of the company for the year ended on that date.

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

New Delhi
August 27, 2012

CA Hardeep Singhal
(Partner)
M. No. 505618

**ANNEXURE TO THE AUDITOR'S REPORT FOR THE FINANCIAL
YEAR ENDING ON 31ST MARCH, 2012**

Referred to in Paragraph 3 of our report of even date

1.
 - a) As per explanations given to us, inventories have been physically verified by the management at reasonable intervals. In our opinion, the frequency of the verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the company has maintained proper records of inventories. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.
2. The company is engaged in business activity of warehouses and does not own any stock. Therefore, the provisions of clause (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company
3.
 - a) According to information and explanations given to us, the company has not granted loan to any person, covered in the register maintained under section 301 of the Companies Act, 1956, during the year. Thus clause 4 (iii) (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company
 - b) The company has taken loan of ₹ 31.50 lacs from one party during the year covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 87.10 lacs and the year-end balance of loans taken from four parties was ₹ 71.75 lacs.
 - c) The company has not paid any interest on loans taken and there are no other terms and conditions which is prima facie prejudicial to the interest of company.
 - d) There is no stipulation for payment of loans.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed asset. As the Company is yet to start the construction stage, therefore this clause relating to inventory and sale of goods is not applicable. During the course of our audit, we have not observed any major weaknesses in internal control.
5. In the opinion of the Management and according to the information and explanations given to us, we are of the opinion that, there are no transactions exceeding ₹ 5 lacs that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956. Accordingly the provisions of clause 4 (v) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public under section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and rules made there under. Accordingly, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable.
7. In view of the size and nature of its business, the company has no internal audit system
8. Cost records under section 209(1) of the Companies Act, 1956 are not required to be maintained by the company.
9.
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the company, no statutory dues were applicable during the year. Accordingly the provisions of clause 4 (x) (a), (b) & (c) of the Companies (Auditor's Report) Order, 2003 are not applicable.

10. The Company was incorporated on 27th December, 2007. Accordingly the provisions of clause 4 (x) of the Companies (Auditor's Report) Order, 2003 are not applicable.
11. The company has not taken any loans from any financial institution or bank. Accordingly the provisions of clause 4 (xi) of the Companies (Auditor's Report) Order, 2003 are not applicable.
12. According to the information and explanations given to us and based on the information available, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
16. According to the information and explanations given to us, the company has not obtained any term loans during the year. Accordingly the provisions of clause 4 (xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that funds raised on short-term basis prima facie have been utilized during the year for long-term investments.
18. According to the information and explanation to us, the Company has not made any preferential allotment, accordingly the provisions of clause 4 (xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
19. According to the information and explanations given to us, the company has not issued any debenture during the period covered by the audit report. Accordingly the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. During the period covered by our audit report the company has not raised any money by public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

New Delhi
August 27, 2012

CA Hardeep Singhal
(Partner)
M. No. 505618

Balance Sheet as at 31st March, 2012

	Note No.	As at 31-03-2012	Amount (₹) As at 31-03-2011
I EQUITY & LIABILITIES :			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	3	26,175,000	26,175,000
(b) Reserve & surplus	4	(533,104)	(446,719)
		25,641,896	25,728,281
(2) CURRENT LIABILITIES			
(a) Short term borrowings	5	7,174,673	6,124,038
(b) Other current liabilities	6	22,060	953,780
		7,196,733	7,077,818
		32,838,629	32,806,099
II ASSETS :			
(1) NON-CURRENT ASSETS			
(a) Fixed assets	7		
(i) Tangible assets		31,118,014	31,118,087
(ii) Intangible assets		1,668,663	1,668,663
		32,786,677	32,786,750
(2) CURRENT ASSETS			
(a) Cash and cash equivalents	8	51,952	10,957
(b) Other Current Assets	9	-	8,392
		51,952	19,349
		32,838,629	32,806,099

SIGNIFICANT ACCOUNTING POLICIES

2

OTHER NOTES ON THE FINANCIAL STATEMENTS

13-19

As per our report of even date attached.

For Rawla & Company
Chartered Accountants
Firm Regn. No. 001661N

For and on behalf of the Board of Directors

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

Bhupinder Kumar Sekhri
(Director)

Gaurav Sekhri
(Director)

New Delhi
August 27, 2012

Statement of Profit & Loss for the year ended 31.03.12

	Note No.	2011-12	Amount (₹) 2010-11
INCOME			
Revenue From Operations		-	-
Other Income		-	824
		-	824
EXPENSES			
Finance cost	10	-	58,067
Depreciation & amortisation expense	11	4,503	4,503
Other expenses	12	81,882	140,605
		86,385	203,175
PROFIT / (LOSS) BEFORE TAX		(86,385)	(202,351)
TAX EXPENSES			
Current tax		-	-
PROFIT / (LOSS) FOR THE YEAR		(86,385)	(202,351)
Earnings per equity share:			
(1) Basic		(0.03)	(0.08)
(2) Diluted		(0.03)	(0.08)

SIGNIFICANT ACCOUNTING POLICIES 2

OTHER NOTES ON THE FINANCIAL STATEMENTS 13-19

As per our report of even date attached.

For Rawla & Company
Chartered Accountants
Firm Regn. No. 001661N

For and on behalf of the Board of Directors

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

Bhupinder Kumar Sekhri
(Director)

Gaurav Sekhri
(Director)

New Delhi
August 27, 2012

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2012

NOTE 1 : PROFILE OF COMPANY

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

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES:

I GENERAL

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

II. REVENUE RECOGNITION

Revenue from lease rentals will accrue from the tenant on completion of the project and to be recognized on a time proportion basis.

III. USE OF ESTIMATES

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

IV. FIXED ASSETS:

- a) Fixed assets are stated at cost of acquisition, including financial and incidental expenses attributable to acquisition or construction of fixed assets less accumulated depreciation.
- b) Capital work in progress is carried at cost, comprising direct costs and related incidental expenses.

V. DEPRECIATION

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

VI. BORROWING COST

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

VII. TAXATION

a) CURRENT TAX:

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

ii) DEFERRED TAX:

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

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

VIII. PRIOR PERIOD ITEMS:

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

IX. PROVISIONS AND CONTINGENT LIABILITIES

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

X. IMPAIRMENT OF ASSETS

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

XI. PRELIMINARY EXPENSES

Preliminary expenses are written off over 5 years.

Notes on Financial Statements for the year ended on 31st March, 2012

PARTICULARS	As at 31-03-2012	Amount (₹) As at 31-03-2011
NOTE 3 : SHARE CAPITAL		
<u>AUTHORISED</u>		
26,50,000 (Previous year 26,50,000)		
Equity Shares of ₹ 10/- each	26,500,000	26,500,000
<u>ISSUED CAPITAL</u>		
26,17,500 (Previous year 26,17,500)		
Equity Shares of ₹ 10/- each	26,175,000	26,175,000
<u>SUBSCRIBED AND PAID UP CAPITAL</u>		
26,17,500 (Previous year 26,17,500)		
Equity Shares of ₹ 10/- each fully paid up	26,175,000	26,175,000
	26,175,000	26,175,000
a) The Company has only one class of equity shares having face value of ₹ 10 per equity share. Each holder of equity share is entitled to one vote per share.		
b) Reconciliation of the number of shares :		
Equity shares as at beginning of the year	2,617,500	787,500
Add: Equity shares issued/ subscribed during the year	-	1,830,000
Less: Reduction in equity shares	-	-
Equity shares as at close of the year	2,617,500	2,617,500
c) List of Shareholders who holds more than 5% holding:		
Tinna Overseas Limited	26,17,500 (100%)	26,17,500 (100%)
d) No. of shares for the period of five years immediately preceding the date as at which the Balance Sheet is prepared:		
Equity shares :		
i) Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
ii) Fully paid up by way of bonus shares	Nil	Nil
iii) Shares bought back	Nil	Nil
NOTE 4 : RESERVE & SURPLUS		
<u>SURPLUS / (DEFICIT):</u>		
As per last Balance Sheet	(446,719)	(244,368)
Add :As per Statement of Profit & Loss	(86,385)	(202,351)
	(533,104)	(446,719)
NOTE 5 : SHORT TERM BORROWINGS		
<u>UN-SECURED LOANS:</u>		
From Related Parties	7,174,673	6,124,038
	7,174,673	6,124,038
NOTE 6 : OTHER CURRENT LIABILITIES		
Share application money	-	900,000
Statutory dues	-	42,750
Other liabilities	22,060	11,030
	22,060	953,780

Notes on Financial Statements for the year ended as at 31st March, 2012

DESCRIPTION	Amount (₹)	
	As at 31-03-2012	As at 31-03-2011

NOTE 7 : FIXED ASSETS

S. No.	Description	Rate of Dep.	Gross Block			Depreciation			Net Block			
			Balance As at 01.04.2011	Additions	Sale / Adjustments	Balance As at 31.03.2012	Upto 31.03.2011	For the Period	Adjustment	Balance As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
1.	Lease hold Land		31,117,080		-	31,117,080			-	-	31,117,080	31,117,080
2.	Furniture & Fixtures	6.33%	1,150	-	-	1,150	143	73	-	216	934	1,007
			31,118,230	-	-	31,118,230	143	73	-	216	31,118,014	31,118,087
	Capital Work in Progress / Pre-operative Expenses		1,668,663	-	-	1,668,663	-	-	-	-	1,668,663	1,668,663
			32,786,893	-	-	32,786,893	143	73	-	216	32,786,677	32,786,750

NOTE 8 : CASH & BANK BALANCES

a) Cash & cash equivalents		
Balance with Syndicate Bank in Current Account	40,551	5,204
Cash on Hand	11,401	5,753
	51,952	10,957

NOTE 9 : OTHER CURRENT ASSETS

Prepaid Expenses	-	3,962
Preliminary Expenses	-	4,430
	-	8,392
	2011-12	2010-11

NOTE 10 : FINANCE COST

Interest on late deposit of TDS	-	58,067
	-	58,067

NOTE 11 : DEPRECIATION & AMORTISATION

Depreciation	73	73
Preliminary expenses written off	4,430	4,430
	4,503	4,503

NOTE 12 : OTHER EXPENSES

Rates & Taxes	49,564	118,450
Professional and Consultancy charges	13,000	-
Bank charges	1,153	1,806
Commuting Expenses (Travel, Conveyance & Vehicle Maintenance)	797	-
Communication Expenses (Telephone, Internet, Postage & Courier)	36	-
Payment to Auditor*	11,030	11,030
Miscellaneous Expenses	6,302	9,319
	81,882	140,605

* Payment to Auditor		
Statutory Audit Fees	11,030	11,030
	11,030	11,030

**OTHER NOTES ON FINANCIAL STATEMENTS FOR THE
YEAR ENDING 31ST MARCH, 2012**

NOTE 13

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

NOTE 14

	2012-12	2010-11
Remuneration to Directors	Nil	Nil

NOTE 15 : RELATED PARTY DISCLOSURE

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

(A) Enterprises that are under common control :

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

1) Tinna Overseas Limited (Holding Company)

Transaction	2011-12	2010-11
Outstanding balance payable at the beginning of the year		17,200,000
Advance received for shares		1,700,000
Share allotment made		18,300,000
Refund of Advance for shares		600,000
Loan Received	3,150,000	
Outstanding balance payable at the beginning of the year	3,150,000	

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

● Chin Min Developers Pvt. Ltd.

Transaction	2011-12	2010-11
Outstanding balance payable at the beginning of the year	564,365	564,365
Loan Received	NIL	NIL
Loan Repaid	564,365	NIL
Outstanding balance payable at the end of the year	NIL	564,365

● Adi Farms & Land Developers Pvt. Ltd.

Outstanding balance payable at the beginning of the year	350,000	-
Loan Received	NIL	350,000
Loan Repaid	120,000	NIL
Outstanding balance payable at the end of the year	230,000	350,000

- Space Age Technical Services Pvt. Ltd.

Outstanding balance payable at the beginning of the year	5,088,583	5,088,583
Loan Repaid	1,415,000	---
Outstanding balance payable at the end of the year	3,673,583	5,088,583

- S. S. Horticultures Pvt. Ltd.

Outstanding balance payable at the beginning of the year	121,090	121,090
Loan Received	NIL	NIL
Loan Repaid	NIL	NIL
Outstanding balance payable at the end of the year	121,090	121,090

(C) Key Management personnel and their relatives: -

- Mr. Gaurav Sekhri - Director

Transaction		
Outstanding balance payable at the beginning of the year	NIL	5,000
Loan Received	5,000	NIL
Loan Repaid	5,000	5,000
Outstanding balance payable at the end of the year	NIL	NIL

- Mr. Bhupinder Kumar - Director

Transaction		
Share Application Money outstanding payable at the beginning of the year	900,000	900,000
Refund of Share Application Money	900,000	NIL
Loan Repaid	NIL	NIL
Share Application Money outstanding payable at the end of the year	NIL	900,000

NOTE 16 : SEGMENT REPORTING

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

NOTE 17

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

NOTE 18

- (i) There is no earning and payment of dividend in foreign currency during the year.
- (ii) There is no expenditure/ remittances in foreign currency during the previous year

NOTE 19

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

Note no 1 to 19 forms integral part of the Financial Statement.

As per our report of even date attached.

For B.G.K. Infrastructure Development Pvt. Ltd.

For Rawla & Company
Chartered Accountants
Firm Regn. No. 001661N

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

New Delhi
August 27, 2012

Bhupinder Kumar Sekhri
(Director)

Gaurav Sekhri
(Director)



TINNA OVERSEAS LIMITED

REGD. OFFICE

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

ATTENDANCE SLIP

25TH ANNUAL GENERAL MEETING - SEPTEMBER 29, 2012, 9.00 A.M.

Regd. Folio No./Client Id No. _____

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

I hereby record my presence at the 25th Annual General Meeting of the Company at 18, South Drive way, DLF Farms, Chhattarpur, New Delhi-110074.

Member's/Proxy's name in BLOCK Letters _____

No. of Shares held _____

Member's/proxy's Signature _____

Note : Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL.

(TEAR HERE)

TINNA OVERSEAS LIMITED

REGD. OFFICE

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

FORM OF PROXY

I/We _____

of _____ in the district of _____

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

or failing him _____ of _____ in the district of _____

as my/our proxy to vote for me/us on my/our behalf at the 25th Annual General Meeting of the Company to be held on 29th September, 2012 and at any adjournment thereof.

Signed this _____ day _____ 2012

Signature _____

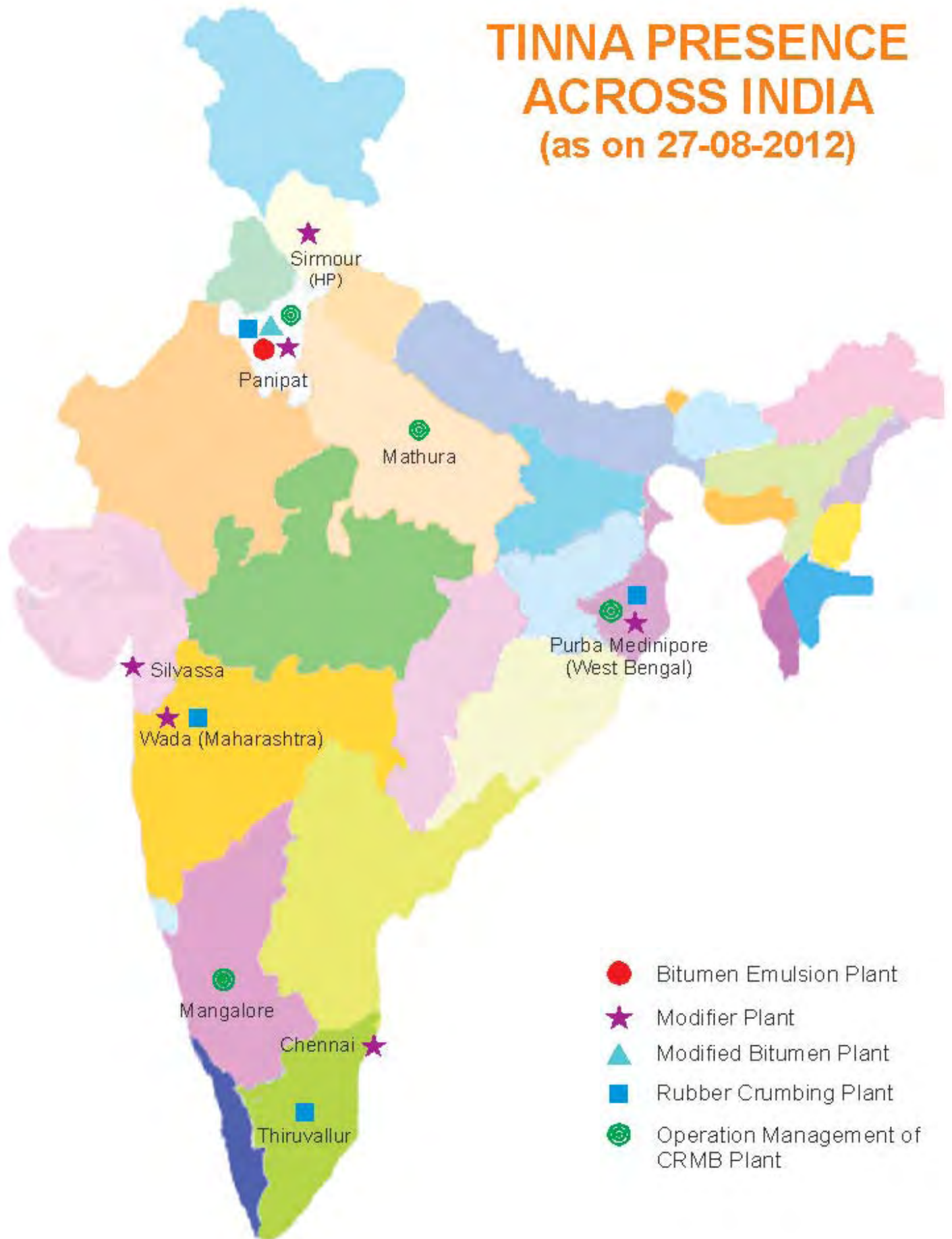
Affix a
₹ 1
Revenue
Stamp

Regd. Folio No./Client Id No. _____ No. of Shares held _____

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

(TEAR HERE)

TINNA PRESENCE ACROSS INDIA (as on 27-08-2012)



BOOK POST



If undelivered, please return to:

TINNA OVERSEAS LIMITED

Regd. Office :

No.-8, Sultanpur (Mandi Road), Mehrauli, New Delhi-110030 (India)

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