



TINNA OVERSEAS LIMITED

**TWENTY SECOND
ANNUAL REPORT
2008-2009**

TWENTY SECOND ANNUAL REPORT 2008-2009 **TINNA OVERSEAS LIMITED**

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		SH. RAVINDRA CHHABRA*	Director
		(resigned w.e.f. 28.8.2009)	
		SH. RAHUL GARG	Company Secretary

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

AUDITORS
 RAWLA & COMPANY
 Chartered Accountants

BANKERS
 SYNDICATE BANK
 HDFC BANK

WORKS

A-185, Industrial Area
 MIDC, Kherne
 Navi Mumbai 400705

Refinery Road
 Rajapur
 Panipat 132103

No.42-43, Manali
 Oil Refinery Road
 Ernavoor, Chennai

Survey No166/3&4
 Village Naroli, Silvassa
 UT of Dadra Nagar Haveli

Village Mavza Rampur Jattan
 Near IIT Engg. College
 Kalamb, Distt. Sirmaur, H. P.

CRMB Unit
 BDF Plnt
 Mathura Oil Refinery
 Mathura-281006

Kuthethoor Bala Post
 Via Katipalla
 Mangalore-575026

CRMB Plant
 Haldia Oil Refinery
 (IOCL) Campus, Haldia
 Purba Medinipore-721606
 West Bengal

Taluka - Tuljapur
 Distt-osmanabad
 Maharashtra

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Shareholders of **Tinna Overseas Ltd.** will be held on Friday, the 11th December, 2009 at 10:00 A.M. at 18 South Drive Way, 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, 2009, 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 D.P.L. Nanda 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 Madan Kukreja 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 Rajesh Garg 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 **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, consent of the Company be and is hereby accorded for revision in the remuneration of Shri Bhupinder Kumar, Whole Time Director in the following manner :

1. **Revision in Remuneration:** Shri Bhupinder Kumar shall be entitled for/given overall remuneration of 5% of net profits of the Company calculated in terms of the applicable provisions of the Companies Act, 1956 for the financial year ending 31st March, 2009 and for subsequent financial years.

Further Shri Bhupinder Kumar, Whole Time Director may be paid remuneration either by way of a specified monthly remuneration or in lump sum at year end or partly by one way and partly by the other.

2. **Telephone :** Provision of mobile phone/telephone at the residence will not be considered as perquisite, subject to the provisions of the Income Tax Rules, but personal long distance calls shall be billed by the Company.
3. **Conveyance:** Provision of conveyance for official purpose and the same shall not be considered as perquisite as permissible under the Income Tax Act.

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

Resolved Further That in case there are no profits or profits are inadequate in the Company during the currency of the tenure of Shri Bhupinder Kumar then his remuneration shall be governed by Schedule XIII of the Act as amended from time to time or he shall be given remuneration as sanctioned/approved by the Central Government as applicable at that point of time."

Resolved Further That the terms of conditions of the appointment/re-appointment / remuneration may be altered and varied so as not to exceed the limits specified herein above or in terms of Schedule XIII of the Companies Act, 1956 or any amendments hereto or by other concerned authorities and as may be agreed to between the Board of Directors and Shri Bhupinder Kumar."

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

Resolved That pursuant to the provisions of Section 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 appointed as Whole Time Director w.e.f. 01st April, 2009 for a period of three years on the following terms and conditions :

1. **Period of Appointment** : Three Years w.e.f. 01st April, 2009
2. **Remuneration**: Shri Kapil Sekhri shall be entitled for/given overall remuneration of 5% of net profits of the Company calculated in terms of the applicable provisions of the Companies Act, 1956 for the financial year ending 31st March, 2010 and for subsequent financial years.

Further Shri Kapil Sekhri, Whole Time Director may be paid remuneration either by way of a specified monthly remuneration or in lump sum at year end or partly by one way and partly by the other.

3. **Telephone** : Provision of mobile phone/telephone at the residence will not be considered as perquisite, subject to the provisions of the Income Tax Rules, but personal long distance calls shall be billed by the Company.
4. **Conveyance**: Provision of conveyance for official purpose and the same shall not be considered as perquisite as permissible under the Income Tax Act.

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

Resolved Further That in case there are no profits or profits are inadequate in the Company during the currency of the tenure of Shri Kapil Sekhri then his remuneration shall be governed by Schedule XIII of the Act as amended from time to time or he shall be

given remuneration as sanctioned/approved by the Central Government as applicable at that point of time."

Resolved Further That the terms of conditions of the appointment/re-appointment/ remuneration may be altered and varied so as not to exceed the limits specified herein above or in terms of Schedule XIII of the Companies Act, 1956 or any amendments hereto or by other concerned authorities and as may be agreed between Board of Directors & Shri Kapil Sekhri."

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

Place: New Delhi
Dated: 14th November, 2009

Rahul Garg
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.
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. Members are requested to bring their copies of the Annual Report to the meeting.
4. The Register of Members and Share Transfer Books of the Company remained close from Saturday the 26th September, 2009 to Wednesday the 30th September, 2009- (both days inclusive).
5. Members who are holding Company's shares in dematerialization form are requested to bring details of their depository A/c Number for identifications.
6. Members holding equity shares in physical form are hereby requested to notify change of their address, if any, quoting folio number.

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

Item No. 4.

The Board of Directors of the Company at its meeting held on 15th April, 2009 appointed Shri Madan Kukreja as an Additional Director w.e.f. 15th April, 2009. 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 Madan Kukreja aged 57 years having wide & varied experience of production, export, import, marketing, administration and other commercial activities of more than 35 years. He is a graduate. He was holding nil equity shares of the Company as on 31.03.2009. He is not a member/chairman in any other board committees.

Item No. 5.

The Board of Directors of the Company at its meeting held on 28th August, 2009 appointed Shri Rajesh Garg as an Additional Director w.e.f. 28th August, 2009. 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 Rajesh Garg aged 32 years having wide & varied experience of accounting, finance & related activities of more than 8 years. He is a qualified Chartered Accountant. He was holding nil equity shares of the Company as on 31.03.2009. He is not a member/chairman in any other board committees.

Item No. 6.

Shri Bhupinder Kumar is the principal promoter of your Company. He is a graduate. He is also Director/ Chairman of other group companies. He is visionary leader. Under his leadership, the Company has achieved enviable growth. He has been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 58 years old having vast and varied experience of the industry over 38 years. Your Directors consider that he be suitably rewarded in terms of profitability of the Company in terms of the provisions of the Companies Act, 1956 and accordingly proposed for revision in his remuneration as provided in the resolution.

The principal terms of appointment/ remuneration / revision in remuneration of Shri Bhupinder Kumar are as under :

- (i) **Revision in Remuneration:** Shri Bhupinder Kumar shall be entitled for/given overall remuneration of

5% of net profits of the Company calculated in terms of the applicable provisions of the Companies Act, 1956 for the financial year ending 31st March, 2009 and for subsequent financial years.

- (ii) Shri Bhupinder Kumar may be remuneration either by either by way of specified monthly remuneration or in lump sum in year end or partly by one way and partly by the other way.
- (iii) **Telephone :** Provision of mobile phone/telephone at residence will not be considered as perquisite, subject to the provisions of the Income Tax, but personal long distance calls shall be billed by the Company.
- (iv) **Conveyance :** Provision of conveyance for official purposes and the same shall not be considered as perquisite subject to the provisions of the Income Tax.
- (v) Shri Bhupinder Kumar Shall be entitled to other benefits/perquisites like expenditure on gas, electricity, water, re-imbursement of medical benefits for self & family, LTA for self & family, club fee, personal accident insurance & medi-claim insurance & other benefits in terms of the rules of the Company and these benefits/ perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. However, the overall remuneration shall not exceed the limits as stated the resolution.
- (vi) In case there are no profits or profits are inadequate in the Company during the currency of the tenure of Shri Bhupinder Kumar then his remuneration shall be governed by Schedule XIII of the Act as amended from time to time or he shall be given remuneration as sanctioned/approved by the Central Government as applicable at that point of time
- (vii) Shri Bhupinder Kumar shall be liable to retire by rotation.
- (viii) Shri Bhupinder Kumar shall not be paid sitting fees for attending the meetings of the Board of Directors and/ or committees thereof.

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

This may also be treated as an abstract of the terms of appointment of Shri Bhupinder Kumar in terms of Section 302 of the Companies Act, 1956.

Item No. 7

Shri Kapil Sekhri is also one of the principal promoter of your Company. He is a BBA from Richmond College London (U.K). He is also a visionary leader. He is young, energetic & is also one of the leading force for the Company to achieve enviable growth. He has also been the driving force in successful implementation of various initiatives and strategies, which positioned the Company to this level. He is 34 years old having vast and varied experience of the industry over 14 years. Your Directors consider that his appointment as Whole Time Director shall be of immense help to the Company and accordingly proposed for his appointment as provided in the resolution.

The principal terms of appointment/ remuneration of Shri Kapil Sekhri are as under :

- (i) **Period of appointment** : Three years w.e.f. 01st April, 2009.
- (ii) **Remuneration**: Shri Kapil Kumar shall be entitled for/given overall remuneration of 5% of net profits of the Company calculated in terms of the applicable provisions of the Companies Act, 1956 for the financial year ending 31st March, 2010 and for subsequent financial years.
- (iii) Shri Kapil Kumar may be remuneration either by either by way of specified monthly remuneration or in lump sum in year end or partly by one way and partly by the other way.
- (iv) **Telephone** : Provision of mobile phone/telephone at residence will not be considered as perquisite, subject to the provisions of the Income Tax, but personal long distance calls shall be billed by the Company.
- (v) **Conveyance** : Provision of conveyance for official purposes and the same shall not be considered as perquisite subject to the provisions of the Income Tax.
- (vi) Shri Kapil Sekhri shall be entitled to other benefits/ perquisites like expenditure on gas, electricity, water, re-imbursement of medical benefits for self & family, LTA for self & family, club fee, personal accident insurance & medi-claim insurance & other benefits in terms of the rules of the Company and these benefits/ perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. However, the overall remuneration shall not exceed the limits as stated the resolution.
- (vii) In case there are no profits or profits are inadequate in the Company during the currency of the tenure of Shri Kapil Sekhri then his remuneration shall be governed by Schedule XIII of the Act as amended from time to time or he shall be given remuneration as sanctioned/approved by the Central Government as applicable at that point of time
- (viii) Shri Kapil Sekhri shall be liable to retire by rotation.
- (ix) Shri Kapil Sekhri shall not be paid sitting fees for attending the meetings of the Board of Directors and/ or committees thereof.

None of the Directors except, S/ShriKapil Sekhri, Bhupinder Kumar & Gaurav Sekhri, is directly or indirectly interested in the proposed Special Resolution at Item No. 7 of the Notice and the Board recommends your acceptance thereof in the interest of the Company.

This may also be treated as an abstract of the terms of appointment of Shri Kapil Sekhri in terms of Section 302 of the Companies Act, 1956.

DIRECTORS' REPORT

The Members

Your Directors are pleased to present the 22nd Annual Report and the Audited Statement of Accounts of the Company for the financial year ended on 31st March, 2009 (01-04-2008 to 31-03-2009)

FINANCIAL RESULTS

	(Rs. in lacs)	
	2008-2009 (12months)	2007-2008 (9months)
Total Income	5376.27	3298.26
Profit before Interest,	1190.12	(132.91)
Depreciation & Taxation		
Interest	64.22	93.73
Depreciation	96.01	102.73
Tax	157.43	(56.56)
Profit/(loss) after interest,	872.46	(272.81)
Depreciation & taxation		
Reserves & Surplus	2480.46	4156.26

REVIEW OF OPERATIONS

During the year under review, the Company achieved a level of total income to the tune of Rs. 5376.27(12months) as against Rs.3298.26 lacs (9 months) in the previous year. This year the Company earned a profit of Rs. 872.46 lacs as against a loss of Rs. 272.81 in the previous year. The Company is hopeful to maintain the tempo in future & even perform better in the coming years.

The plantation of Jatropha activity in early stages but the Company believes it has a great potential in the coming years.

The main thrust of the Company is on bitumen related activities wherein the Company finds a great potential. The Company's 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 reputed Government/ other laboratory reports such as; Central Road Research Institute (CRRI), New Delhi, Highway Research Station, Chennai, Gujarat Engineering Research Institute, Vadodra, Indian Institute of Technology, Kharagpur & Bangalore University, Department of Civil Engineering, Bangalore etc., etc., after being test launched/ successful test tracks being undertaken by them at various places. Various tracks have been laid with the use of TBM at Delhi, Haryana, Border Roads at Rajasthan J&K, Mizoram, Leh, Arunachal Pradesh and many other places and they have been performing satisfactorily. National Highway Authority has been using our product after being satisfied

on number of successful trial runs. Various other Govt authorities/ bodies have/ have been recommending the use of TBM in their projects/proposed projects. The Company has also tied up with the refineries of Chennai Petroleum Corporation Ltd. (CPCL), Indian Oil Corporation Ltd. (IOCL) Hindustan Petroleum Corporation Ltd. (HPCL), Bharat Petroleum Corporation Ltd. (BPCL) & Mangalore Refinery & Petrochemicals Limited (MRPL) for supply of bitumen modifier to manufacture modified bitumen at their refineries level and in the process has already set up manufacturing facilities at Chennai, Mumbai & Panipat to cater the needs of IOCL, CPCL, HPCL & BPCL. The Company has also set up its manufacturing facilities at Silvassa (Dadra Nagar Haveli) and Kalamb (Himachal Pradesh). The Company has further setup/in the process of setting up its manufacturing facilities at Mangalore, Haldia & Mathura to meet their requirements. It is expected that the Company would be able to further improve its position in the coming years.

CLB MATTER/ ORDER

There arose a dispute/mis-understanding among the family directors/ promoters and the petitions were filed before the Hon'ble Company Law Board, New Delhi. After number of hearings the Hon'ble Company Law Board, New Delhi, vide its Order dated 09th June, 2009 (effective from 05th January, 2009) directed for division in group business/activities in the overall interest of the group and public at large. Effective steps have been taken/are being taken in order to comply with the Order.

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.

SUBSIDIARY COMPANIES

In terms of the effect of the CLB Order dated 09th June 2009 (effective from 05th January, 2009) Tinna Finex Limited & Duraflex Services & Construction Technologies Limited cease to be subsidiary companies of the Company.

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 retire 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. The Directors wish to further state that the Company is continuously making efforts for further streamlining the internal audit and other systems.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2009, 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, 2009, on a 'going concern basis'.

CONSOLIDATED FINANCIAL STATEMENTS

In terms of CLB Order dated 09th June, 2009 (effective from 05th January, 2009) Tinna Finex Limited & Duraflex Services & Construction Technologies Limited cease to be subsidiary companies of the Company, therefore consolidated financial statements as per Accounting Standards are not required/applicable.

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 D.P.L. Nanda retires by rotation and being eligible offers himself for re-appointment.

S/Shri Madan Kukreja & Rajesh Garg appointed as additional directors on 15th April, 2009 & 28th August, 2009 respectively. They hold the office up to the date of ensuing annual general meeting and are eligible for appointment. The Company has received from some members notices under section 257 of the Companies Act, 1956 proposing their appointment.

S/Shri Vijay K. Sekhri, Anil Kumar Sekhri & Jagat Mohan Pushkarna resigned from directorship w.e.f. 27th March, 2009 in terms of understanding at CLB & CLB Order dated 05th January, 2009.

Shri Raj Krishan Gupta who was appointed as additional director on 27th March, 2009 resigned w.e.f. 15th April, 2009.

The resignation of Shri Ravindra Chhabra from directorship has been accepted w.e.f. 28th August, 2009. The Board places on record its appreciation for the valuable contribution made by him during his tenure as Director of the Company.

DELISTING

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

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

Place : New Delhi

Dated: 14th Nov., 2009

Bhupinder Kumar **Kapil Sekhri**
Chairman 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, 2009.

A. CONSERVATION OF ENERGY

- (a) Energy conservation measures taken: The imported and indigenous machinery is of latest technology and conserving energy to the maximum.
- (b) Additional investments & proposals, if any, being implemented for reduction of consumption of energy: During the period the Company has made additions in the machinery to the extent of Rs. 17.05 lacs.
- (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 efficient 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.2.98 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
(Rs. in lacs)

(a) Total Foreign Exchange Used	775.75
(b) Total Foreign Exchange Earned	98.42

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

Place : New Delhi
Dated : 14th Nov.,2009

Bhupinder Kumar **Kapil Sekhri**
Chairman **Director**

REPORT ON CORPORATE GOVERNANCE

A) Company's Philosophy

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

B) Board of Directors

The Board of Directors consisted of six directors as on 31st March, 2009 out of which five were Non – Executive Directors and one was Executive (paid) Directors. Out of the six Directors three Directors were independent Directors and three from promoters group.

Six Board Meetings were held during the financial year 2008-2009 (01-04-2008 to 31-03-2009) on 03.04.2008, 30.04.2008, 31.01.2009, 24.02.2009, 28.02.2009 & 27.03.2009. In view of the family dispute as mentioned elsewhere in the Report the required Board Meetings could not be held. The composition of Board of Directors and the related information as on 31st March, 2009 was as follows:

Name of Director	Attendance At last AGM	No. of Board Meetings Attended	Category of Director	Other directorships	Other Board's Committees	
					Member	Chairman
Sh. Bhupinder Kumar	Yes	6	WTD/PG	2	-	-
Sh. Anil Kr. Sekhri*	Yes	2	WTD/PG			
Sh. Vijay K. Sekhri*	Yes	1	NED/PG			
Sh. Ravindra Chhabra@	Yes	4	NED/ID	-	-	-
Sh. J.M. Pushkarna*	Yes	2	NED/ID			
Sh. Anil Kr. Grover	Yes	5	NED/ID	1	-	-
Sh. D.P.L.Nanda	NA	4	NED/ID	1	-	-
Sh. Gaurav Sekhri	NA	2	NED/PG	1	-	-
Sh. Raj Kishan Gupta#	NA	1	NED/ID	-	-	-
Sh. Kapil Sekhri	NA	1	NED/PG	2	-	-
Sh. Madan Kukreja**	NA	NA	NED/ID	-	-	-
Sh. Rajesh Garg***	NA	NA	NED/ID	-	-	-

PG – Promoter Group NED – Non Executive Director

ID Independent Director

WTD – Whole Time Director

* resigned w.e.f. 27.03.2009

resigned w.e.f. 15.04.2009

@ resigned w.e.f. 28.08.2009

** appointed w.e.f. 15.04.2009

*** appointed w.e.f. 28.08.2009

% 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. But in view of family dispute as mentioned elsewhere in the report the committee could not meet and review in the desired manner.

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 meetings was as follows:

Name of the Member	Status	No. of meetings Attended	Remarks
Sh. Ravinder Chhabra	Chairman	3	
Sh. J.M.Pushkarna	Member	1	
Sh. Anil Kumar Grover	Member	3	

2. Remuneration Committee

I Terms of reference

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

II Composition

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

Name of the Member	Status	No. of meetings Attended	Remarks
Sh.Ravindra Chhabra	Chairman	1	
Sh. J. M. Pushkarna*	Member	-	
Sh. Anil Kumar Grover	Member	1	

* resigned w.e.f. 27.03.2009 from directorship.

III Details of remuneration paid to Directors

i Executive Directors

Name of Director	Salary (Rs. in lacs)	Other perquisites
Sh. Bhupinder Kumar	53.69	
Sh. Anil Kr. Sekhri	09.90	
	<u>63.59</u>	

ii Non- Executive Directors

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

Remuneration Policy

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

Shareholding of Directors as on 31st March, 2009

Sr. No.	Name	No. of Shares Held
1.	Shri Bhupinder Kumar	10,000
2.	Shri Gaurav Sekhri	10000
3.	Shri Kapil Sekhri	10000

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 could not meet any time in view of the family dispute during the year.

The Company had 5956 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 31-03-2009

C. General Body Meetings

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

Financial Year	Date	Time	Location	Remarks
2007-2008	11 th December, 2009	9:30 a.m.	18 South Drive Way, DLF Farms Chhattarpur, New Delhi-110074.	(TO BE HELD)
2006-2007	28 th March., 2008	9:00 a.m.	No. 6, Sultanpur (Mandi Road) Mehrauli, New Delhi-110030	
2005-2006	30 th Sept., 2006	9:00 a.m.	No. 6, Sultanpur (Mandi Road) Mehrauli, New Delhi-110030	

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

D. Disclosures

- (i) There are no materially significant transactions with the related parties viz. promoters, directors or the management, their subsidiaries or relatives etc. that may have a conflicting potential conflict with the interest of the Company at large, except non provision of interest on advances to subsidiary company (TFL).
- (ii) No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital market for non compliance by the Company. However, the Company is not regular in paying listing fees to all the Stock Exchanges where its shares are listed, publishing notice/ results etc as required under listing agreements. Further, there has been almost no trading of Company's shares & the shares of the Company are under suspension. The Company has opted for voluntary delisting from DSE & ASE as mentioned elsewhere in the Directors' Report.

E. Means of Communication

The Company has been disclosing corporate financial performance/financial results to the stock exchange after being approved by the Board. But in view of family dispute the company could not make reporting in the desired manner.

F. General Shareholders' Information

i 22nd Annual General Meeting

Venue : 18 South Drive Way, DLF Farms, Chhattarpur, New Delhi 110074
 Time : 10:00 AM
 Date : 11th December, 2009

ii Tentative Financial Calendar

1st Quarter Results	-	end July 2009
2nd Quarter Results	-	end Oct 2009
3rd Quarter Results	-	end Jan 2009
4th Quarter Results	-	end April 2009

iii Book Closure

The register of members and share transfer books of the Company remained close from Saturday, the 26th September, 2009 to Wednesday, the 30th September, 2009 (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. The Calcutta Stock Ex. Association Ltd.
7, Lyons Range, Kolkata- 700001
3. BSE, Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street, Mumbai-400001
4. The Stock Exchange, Ahmedabad
Kamdhenu Complex, Panjara Pole, Ahmedabad 380015

*Regional Stock Exchange of the Company.

G. Market Price Data

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

H. Registrar & Transfer Agent and Share Transfer System

Physical shares of the Company being handled "In House" by the Company. The Company is availing the services of M/s Alankit Assignments Ltd. for the purpose of 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. In view of negligible trading and low volume of share transfer activities, the Company did not thought it appropriate to appoint separate Share Transfer Agent and therefore handling the activities In House.

I. Details/Distribution of Shareholding as on 31st March, 2009

S.No.	Category	No. of Shares held	% of Shareholding
1.	Promoters	6060850	70.77
2.	NRI's/ OCBs	109700	1.28
3.	Indian Public (Including Indian Cos)	2394200	27.95
	Total	8564750	100.00

J. Dematerialisation of Shares

The Company has arranged with both the Depositories i.e., NSDL & CDSL for dematerialisation of its shares. only 5% of the total equity capital is held in demat form as on 31-03-09

K. Locations of the Plants

- | | | |
|---|---|--|
| 1. A-185, Industrial Area
MIDC, Kherne
Navi Mumbai 400705 | 2. Refinery Road
Rajapur
Panipat 132103 | 3. No.42-43, Manali
Oil Refinery Road
Ernavoor, Chennai |
| 4. Survey No166/3&4
Village Naroli, Silvassa
UT of Dadra Nagar Haveli | 5. Village Mavza Rampur Jattan
Near IIT Engg. College
Kalamb, Distt. Sirmaur, H. P. | 6. CRMB Unit
BDF Plnt
Mathura Oil Refinery
Mathura-281006 |
| 7. Kuthethoor Bala Post
Via Katipalla
Mangalore-575026 | 8. CRMB Plant
Haldia Oil Refinery
(IOCL) Campus, Haldia
Purba Medinipore-721606
West Bengal | 9. Taluka - Tuljapur
Distt-osmanabad
Maharashtra |

L. Address for Correspondence

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

M. Non- Mandatory Requirements

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

N. Re-appointment of the Directors

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

Shri D.P.L. Nanda aged 72 years having wide & varied experience of export, import, marketing, administration and other commercial activities of over 50 years. He is a Graduate. He was holding nil equity shares of the Company as on 31.03.2009 . He is also a member/chairman in other board committees as given below :

Sr.No.	Name of Companies in which Director	Audit Committee	Shareholders' Committee	Remuneration Committee]
i.	Pratham Road * Technologies & Construction Ltd.	-	-	-

* resigned from directorship w.e.f. 15.04.2009

O. Code of Conduct and Ethics

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

P. CEO/CFO Certification

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

Business Organisation/ Review

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

Presently, the Company is mainly focusing on bitumen related activities wherein the Company finds a great potential. The Company'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 Government/other laboratory reports, as mentioned in the Directors' Report, after being test launched/ successful test tracks being undertaken by them at various places. Various tracks have been laid with the use of TBM at various places in India and they have been performing better. National Highway Authority has been using our product after being satisfied on number of successful trial runs. Various other Govt authorities/ bodies have/ have been recommending the use of TBM in their projects/proposed projects. The Company has also tied up with the refineries of Chennai Petroleum Corporation Ltd. (CPCL), Indian Oil Corporation Ltd. (IOCL) Hindustan Petroleum Corporation Ltd. (HPCL), Bharat Petroleum Corporation Ltd. (BPCL) & Mangalore Refinery & Petrochemicals Limited (MRPL) for supply of bitumen modifier to manufacture modified bitumen at their refineries level and in the process has already set up manufacturing facilities at Chennai, Mumbai & Panipat to cater the needs of IOCL, CPCL, HPCL & BPCL. The Company has also set up its manufacturing facilities at Silvassa (Dadra Nagar Haveli) and Kalamb (Himachal Pradesh). The Company has further setup/in the process of setting up its manufacturing facilities at Mangalore, Haldia & Mathura to meet their requirements. The Company foresees a great potential in this business.

The plantation of Jatropha activities in early stages & the Company believes it has a great potential in the coming years.

Industry Structure and Development

I. Bitumen Modifier

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.

II. Jatropha Plantation

The Company has also undertaken the plantation of Jatropha which the Company believes has a great potential in the coming years. Oil from the seeds of jatropha could be a source of alternative fuel i.e., bio-diesel. This industry has great potential in the country & world over.

Opportunities – Bitumen Modifier

- The outlook for demand of bitumen modifier. is encouraging.
- Only 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.

Threats/ Challenges

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

Outlook

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

Risks & Concerns

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

Opportunities – Jatropha Plantation

- The outlook for demand of jatropha seeds is encouraging.
- Effective source for alternative fuel i.e., bio-diesel
- Cost effective product.

Threats/ Challenges

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

Outlook

- Alternative fuel i.e., bio- diesel has great potential in the country as well as world over. The Government has positive attitude towards this industry/source.

Risks & Concerns

- The performance of agriculture in the country largely depend upon the weather conditions.
- 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.
- Any economic slowdown may adversely impact the business.
- Any change in Govt policies may adversely affect the demand/profitability of the product.

Segment wise Performance

During the year under review the Company was broadly divided into two segments Viz; Bitumen Modifier& Jatropha Division. A detailed note on the segment wise performance is given at point no. 15 under the notes on accounts forming part of the annual accounts of the Company. As explained elsewhere, the Company is mainly focusing on bitumen related activities.

III 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 Member 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, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

As per the information and explanations given to us the Company could not meet the requirements of the conditions of the corporate Governance in a proper manner as stipulated in clause 49 of the listing agreement in view of the family / promoter directors dispute and reference of the dispute before the Hon'ble Company Law Board, New Delhi.

We state that generally no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

New Delhi
28th August, 2009

For Ajay Baroota & Associates
Company Secretaries

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, 2009 and the profit and loss account of the company and also the cash flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the companies (Auditor's Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5, to the extent applicable to the company, of the said order.

Further to our comments in the annexure referred to in the above paragraph, we report that;

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b) In our opinion, proper books of account, as required by law, have been kept by the company so far as appears from our examination of these books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us ;

- c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account ;
- d) In our opinion, the balance sheet, profit & loss account and cash flow statement, dealt with by this report, comply with the accounting standards referred to in sub-section 3(C) of section 211 of the Companies Act, 1956,;
- e) On the basis of written representation received from the directors, as on 31st March 2009 and taken on record by the board of directors, we report that none of the directors are disqualified as on 31st March 2009 from being appointed as a director in terms of 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 explanations given to us, the said balance sheet, profit & loss account and cash flow statement read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:-
 - i) in the case of the balance sheet, of the state of affairs of the company for the period ended 31st March, 2009;
 - ii) in the case of the profit and loss account of the profit of the company for the period ended on that date; and
 - iii) in the case of cash flow statement, of the cash flows of the company for the period ended on that date.

For Rawla & Company
Chartered Accountants

New Delhi
August 28, 2009

CAY P Rawla
(Partner)
M. No. 10475.

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 1 of our report to the members of M/S TINNA OVERSEAS LIMITED on the accounts as at and for the period ended 31st March, 2009 that ;

1. The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets. 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.
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 not taken any loan from companies covered in the register maintained under section 301 of the Companies Act, 1956. The company had granted loans to three companies, (including two subsidiaries) covered in the register maintained under section 301 of Companies Act, 1956. The maximum amount involved during the year was Rs. 12,41,03,137/- and the year end balance of loans granted to such companies was Nil.
(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 interest on loans and advances given to two companies, which are subsidiaries of the company, were not provided in view of the Accounting Policy No. 9 (b) and Note No. 2.
(c) Based on our examination, amounts given to two subsidiaries of the company were settled vide Order of Company Law Board, New Delhi dated 09/06/2009 effective from 05/01/2009 with reference to Petition No. 17/2008 dated 14.05.2008. (Refer Note No. 2)
- (d) There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956
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. In our opinion:
(a) All the transactions that are required to be entered in the register maintained u/s 301 of the Companies Act, 1956 are so entered; and
(b) The transactions made in pursuance of such contracts or arrangements have been made at prices, which are reasonable, having regard to the prevailing market prices.
6. In our opinion and according to the information given to us, the company has not accepted any deposits from the public under section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company has 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 regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it, except at few occasions of provident fund & employees state insurance.

- (ii) According to the information and explanations given to us, no undisputed amount outstanding payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess, at the end of the period ending 31st March, 2009 for a period more than six months from the date they become payable except wealth tax of Rs. 5,63,987/-
- (iii) According to the information and explanations given to us there are no dues of sales 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:

Name of Statute	Nature of dues	Amount	Fin. Year	Forum where dispute is pending
1. Sales Tax	Additional demand	154310	2002-2003	Assessing Officer Ward-106, New Delhi
2. ESI Corporation	Additional demand	396629	1999-2000	Regional Director Faridabad,

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

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

For **RAWLA & COMPANY**
Chartered Accountants

New Delhi
August 28, 2009

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

BALANCE SHEET AS AT 31st MARCH, 2009

DESCRIPTION	SCHEDULES	Amount (Rs.) As at 31-03-2009	Amount (Rs.) As at 31-03-2008
I. SOURCES OF FUNDS :			
(1) SHAREHOLDERS' FUNDS			
Share Capital	A	85,370,333	86,246,833
Reserve & Surplus	B	248,045,996	415,625,983
Total		333,416,329	501,872,816
(2) LOAN FUNDS			
Secured Loans	C	43,386,134	110,155,692
Total		43,386,134	110,155,692
(3) DEFERRED TAX LIABILITIES		14,724,319	16,943,127
Grand Total		391,526,782	628,971,635
II. APPLICATION OF FUNDS :			
(1) FIXED ASSETS	D		
Gross Block		198,276,780	189,355,750
Less : Depreciation		46,215,763	40,443,278
Net Block		152,061,017	148,912,472
Capital work in progress		5,158,794	22,701,054
Total		157,219,811	171,613,526
(2) INVESTMENTS	E	56,165,231	215,076,739
(3) CURRENT ASSETS, LOANS & ADVANCES	F		
(a) Inventories		55,589,042	54,262,291
(b) Sundry Debtors		98,923,825	69,073,431
(c) Cash & Bank Balance		36,078,847	27,609,706
(d) Other Current Assets		37,839,319	36,048,135
(e) Loans and Advances		24,046,969	144,286,022
Total (F)		252,478,002	331,279,585
LESS : CURRENT LIABILITIES & PROVISIONS	G		
Current Liabilities		61,435,804	34,935,396
Provisions		12,900,458	54,062,819
Total (G)		74,336,262	88,998,215
NET CURRENT ASSETS (F-G)		178,141,740	242,281,370
Grand Total		391,526,782	628,971,635
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	O	-	-

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

As per our report of even date attached.

For Rawla & Company
Chartered Accountants

For and on behalf of the Board of Directors of

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

Kapil Sekhri
(Director)

Bhupinder Kumar
(Director)

New Delhi
August 28, 2009

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2009

DESCRIPTION	SCHEDULES	Amount (Rs)	
		01-04-08 to 31-03-09	01-07-2007 to 31.03.2008
(I) INCOME			
Sale	H	656,999,636	374,823,695
Less: Vat/ CST		(57,500,892)	(9,803,181)
Less: Excise Duty		(53,937,212)	(32,874,694)
		545,561,532	332,145,820
Other Income	I	1,655,571	9,169,463
Variation in Stock	J	(9,590,349)	(13,132,761)
Total		537,626,754	328,182,522
(II) EXPENDITURE			
Manufacturing / Trading Expenses	K	349,629,689	235,254,740
Office & Administrative Expenses	L	33,288,859	26,652,989
Selling & Distribution Expenses	M	32,715,489	16,075,980
Financial Charges	N	9,225,537	11,420,040
Depreciation		9,600,760	10,272,804
Loss on Sale of Fixed Assets (Net)		176,991	11,322,322
Provision for demuntion in investment		-	49,394,409
Less: Excess Provision for Expenses of Earlier year written back		-	(14,472)
Total		434,637,325	360,378,812
(III) PROFIT / (LOSS) BEFORE TAXATION (I-II)		102,989,429	(32,196,290)
Provision for Income Tax (inclusive of MAT adjustment)		11,199,436	-
Provision (Reversal) for Deferred Tax		(2,218,808)	(4,995,746)
Provision for Fringe Benefit Tax		1,673,500	1,799,197
Provision for Wealth Tax		8,378	89,644
Income Tax related to Earlier year		5,038,600	2,548,880
Prior Period Expenses		42,339	740,103
(IV) PROFIT / (LOSS) AFTER TAXATION		87,245,984	(27,280,608)
ADD: BALANCE BROUGHT FORWARD FROM LAST YEAR		227,063,201	254,343,809
BALANCE CARRIED TO BALANCE SHEET		314,309,185	227,063,201
BASIC/DILUTED EARNING PER SHARE		10.11	(3.15)
*SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	O		

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

As per our report of even date attached.

For Rawla & Company
Chartered Accountants

For and on behalf of the Board of Directors of

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

Kapil Sekhri
(Director)

Bhupinder Kumar
(Director)

New Delhi
August 28, 2009

Schedules Forming Part of the Balance Sheet as at 31st March, 2009

DESCRIPTION	Amount (Rs) As at 31.03.2009	Amount (Rs) As at 31.03.2008
SCHEDULE 'A' SHARE CAPITAL		
AUTHORISED		
100,00,000 Equity Shares of Rs.10/- EACH (Previous year 1,00,00,000/- Shares of Rs.10/- Each)	100,000,000	10,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
85,64,750 Equity Shares of Rs.10/- each fully paid up (Previous year 86,52,400 Equity Shares), Refer Note No. 2	85,647,500	86,524,000
Less : Calls in arrears (From Others on 114100 Shares) (Previous Year 114100 Shares)	277,167	277,167
Total	85,370,333	86,246,833
SCHEDULE 'B' RESERVES & SURPLUS		
i) GENERAL RESERVE	11,704,929	11,704,929
ii) Share Premium		
Balance	179,075,186	179,075,186
Less : Outstanding	2,217,333	2,217,333
	176,857,853	176,857,853
iii) Profit and Loss A/c		
As per last Balance Sheet	227,063,201	254,343,809
Add : Transfer from P&L	87,245,985	(27,280,608)
Less : Adjustment as per CLB Order, Refer Note No. 2	(254,825,973)	-
Total	59,483,214	227,063,201
Total	248,045,996	415,625,983
SCHEDULE 'C' (i) SECURED LOANS		
LOANS FROM BANKS :		
From Syndicate Bank, Mayapuri, New Delhi against Stock & Book Debts	27,159,716	78,167,042
Term Loan against plant & machinery, land & building	-	24,747,369
LOANS FROM OTHERS :		
From National Small Industries Corp. Ltd. New Delhi	14,184,883	393,503
LOANS AGAINST HYPOTHECATION OF VEHICLES :		
From ICICI Bank LIMITED, New Delhi	2,041,535	6,017,839
From SBI Latur	-	251,680
From HDFC Bank Limited, New Delhi (Refer Note No. 2)	-	578,259
Total	43,386,134	110,155,692

NOTES:

- i) Working capital limits are secured by fixed assets of the Company.
 - ii) Loan from National Small Industries corporation Ltd. is secured against bank guarantee extended by syndicate bank and bank has security of assets on the limits sanctioned
 - iii) Loan from Syndicate Bank is collaterally secured by corporate guarantee by Duraflex Services & Construction Tech. Ltd.
 - iv) * The bank borrowings are collaterally secured by the personal guarantee of Shri Bhupinder Kumar, Shri Vijay Sekhri & Shri Anil K.Sekhri.
 - v) * Secured loans include Rs. 13.39 lacs repayable within one year (Previous Year Rs. 294.57 Lacs).
 - vi) Term loan of Rs. 20.42 lacs is secured against Vehicles (Previous Year Rs. 68.48 lacs)
- * Note: Sh. Vijay Sekhri, Sh. Anil Sekhri and M/s Duraflex Services & Construction Technologies Limited had submitted letter to banker for withdrawing guarantee, since they submitted their resignation as Directors, whereas Sh. Gaurav Sekhri and Sh. Kapil Sekhri opted themselves as guarantors being new appointed Directors of the company.

SCHEDULE OF FIXED ASSETS ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31.03.09

Sl. No.	DEPRECIATION	Rate of Dep.	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			Balance as at 1.04.2008	Additions	Sale/ Adjustments	Balance as at 31-3-2009	Upto 31.3.2008	For the Period	Adjustment	Balance as at 31.3.2009	as at 31-3-2009	as at 31-3-2008
			1	2	3	4	5	6	7	8	9	10
1	Land	-	18,151,840	-	-	18,151,840	-	-	-	-	18,151,840	18,151,840
2	Building	3.34%	49,721,080	16,940,703	384,000	66,277,783	5,156,633	1,788,925	19,608	6,925,950	59,351,833	44,564,447
3	Plant & Machinery	4.75%	61,491,749	1,705,048	282,745	62,914,052	7,545,004	2,943,727	18,353	10,470,378	52,443,674	53,946,745
4	Furniture & Fixtures	6.33%	5,250,565	6,950	39,993	5,217,522	4,161,869	329,564	3,614	4,487,819	729,703	1,088,696
5	Electric Fittings	4.75%	4,524,309	396,101	-	4,920,410	2,146,243	574,097	-	2,720,341	2,200,069	2,378,066
6	Office Equipments	4.75%	3,355,859	92,105	32,080	3,415,884	3,044,140	72,705	1,960	3,114,885	300,999	311,719
7	Vehicles	9.50%	28,941,505	4,140,797	13,722,038	19,360,264	9,673,460	2,322,459	3,612,956	8,382,964	10,977,300	19,268,045
8	Computer	16.21%	6,879,294	374,752	41,000	7,213,046	4,543,244	958,397	11,945	5,489,696	1,723,350	2,336,050
9	Generator	4.75%	4,734,804	-	-	4,734,804	1,443,201	224,902	-	1,668,103	3,066,701	3,291,603
10	Goodwill	10.00%	-	-	-	-	-	-	-	-	-	-
11	Testing Equipment	4.75%	2,026,477	167,745	-	2,194,222	308,346	100,879	-	409,225	1,784,997	1,718,131
12	Air Conditioner	4.75%	765,766	69,886	94,350	741,302	500,502	105,419	57,324	548,597	192,705	265,264
13	Weighing Machine	4.75%	1,357,420	-	-	1,357,420	367,229	188,817	-	556,046	801,374	990,191
14	Vehicle - Truck	11.31%	746,000	374,000	746,000	374,000	144,371	37,571	144,371	37,572	336,428	601,629
15	100% DEPRICIABLE Assets		471,163	79,709	84,560	466,312	471,114	79,702	84,549	466,267	45	49
	INTANGIBLE ASSETS	10.00%	937,919	-	-	937,919	937,919	-	-	937,919	-	-
	TOTAL-Current Year		189,355,750	24,347,796	15,426,766	198,276,780	40,443,277	9,727,164	3,954,680	46,215,763	152,061,017	148,912,476
	CWIP/Pre Operative Exps.		22,810,510	8,732,270	26,383,986	5,158,794	-	-	-	-	5,158,794	22,810,510
	TOTAL-Current Year		212,166,260	33,080,066	41,810,752	203,435,574	40,443,277	9,727,164	3,954,680	46,215,763	157,219,811	171,722,986
The Depreciation amount of Rs.1,26,404/- related toTuljapur Unit is not considered in Profit & Loss Account and is capitalised								(126,404)	9,600,760			

Schedule forming part of the Balance Sheet as at 31st March, 2009

Schedule forming part of the Balance Sheet as at 31st March, 2009		Amount (Rs.)	Amount (Rs.)
SCHEDULE-E	DESCRIPTION	As at 31.03.2009	As at 31.03.2008
INVESTMENTS :			
1. INVESTMENT IN PREFERENCE SHARES :			
a.	M/S.INDO ENTERPRISES (P) LTD. (UNQUOTED)	12,000,000	15,000,000
	1,20,000 (P.Y 1,50,000) 9% Non-Cumulative Preference Shares		
	of Rs.10/- each at a premium of Rs.90/- each. Refer Note No. 2	12,000,000	15,000,000
2. INVESTMENT IN EQUITY SHARES :			
(A) SUBSIDIARY COMPANIES			
(1)	Tinna Finex Limited (Quoted)	-	94,907,974
	Nil (P.Y 91.02,713) equity shares of Rs.10/- each fully paid up		
	(28,52,267 equity shares of Rs.10/- each fully paid up have been allotted /		
	issued to the Co. in lieu of its holding of 28,52,267 equity shares of		
	Rs.10/- each fully paid up (in the ratio of 1 : 1) in Tinna Oils &		
	Chemicals Limited, in terms of Scheme of Arrangement between		
	Tinna Oils & Chemicals Ltd. and Tinna Finex Ltd., as approved by the		
	Delhi High Court vide its Order dt. 07.11.1997. Refer Note No. 2		
(2)	Duraflex Services & Construction Technologies Ltd. (Unquoted)		
	Nil (P.Y 7,43,250) equity shares of Rs.10/- each fully paid up	-	7,432,500
	Refer Note No. 2	-	102,340,474
(B) OTHERS			
1)	Indo Solutions (P) Ltd. (unquoted)	806,000	1,007,500
	80,000 (P.Y 1,00,000) equity shares of Rs.10/-each		
	fully paid up. Refer Note No. 2		
2)	Gautam Overseas Ltd. (Unquoted)	8,998,300	18,005,000
	89,983 (P.Y 1,80,050) equity shares of Rs.100/-each		
	fully paid up. Refer Note No. 2		
3)	Shiv Ratna Agro Product P.Ltd. (Unquoted)	1,000,000	-
	1,00,000 (P.Y Nil) Equity share of Rs. 10/- each fully paid up		
4)	Tinna Agro Industries Ltd. (unquoted)	-	70,723,015
	Nil (P.Y 70,71,925) equity shares of Rs.10/- each		
	fully paid up. Refer Note No. 2		
5)	Keerthi International Agro Pvt. Ltd. (unquoted)	1,100,750	1,100,750
	11,000 (P.Y 11,000) equity shares of Rs.100/-each fully paid up		
7)	Advance for Shares		
(i)	Hydramech Engineers Pvt.Ltd.	2,000,000	2,000,000
(ii)	Gee Ess Pee Land Developers Pvt. Ltd.	3,500,000	-
(iii)	Nova Cements Ltd.	25,260,181	-
(iv)	Sky Mercants Pvt. Ltd.	1,500,000	1,500,000
(v)	Keerthi International Agro Pvt. Ltd.	-	2,400,000
(vi)	Shiv Ratna Agro Product P.Ltd.	-	1,000,000
Total		44,165,231	97,736,265
Total Investment		56,165,231	215,076,739

NOTES:

1) Aggregate Amount of :		
Quoted Investments	-	94,907,974
Unquoted Investments	-	120,168,765
Total	-	215,076,739
2) Aggregate Market value of :		
Quoted Investments		
(Estimated market value @Rs.5/-per share provision held of Rs.49394405/-		
Refer Schedule 'G')	-	45,513,569
Unquoted Investments		
Book Value	-	120,168,765
Total	-	165,682,334

Schedule forming part of the Balance Sheet as at 31st March, 2009

Amount (Rs.)

DESCRIPTION	As at 31.03.2009	As at 31.03.2008
SCHEDULE 'F' CURRENT ASSETS, LOANS AND ADVANCES :		
a) INVENTORIES (As taken valued & certified by the management)		
Stores, Spares & Others	2,081,243	2,008,800
Raw Material	41,698,923	28,764,351
Work in Progress	3,523,535	1,288,794
Finished Goods	7,577,415	19,402,505
Add: Excise duty on finished goods	707,926	2,797,841
Total	55,589,042	54,262,291
b) SUNDRY DEBTORS (Unsecured, unconfirmed but considered good)		
More than Six Months	4,904,517	6,899,604
Less : Provision for doubtful debts	(312,358)	(327,906)
Others	94,546,864	62,501,733
Less : Provision for doubtful debts	(215,198)	
Total	98,923,825	69,073,431
c) CASH AND BANK BALANCES		
Cash in hand	164,897	241,666
Balance with Scheduled Banks :		
In Current Accounts	25,660,539	8,921,581
In Fixed Deposit Account	10,253,411	18,446,459
Total	36,078,847	27,609,706
d) OTHER CURRENT ASSETS		
Claims Receivable	32,153,662	34,561,430
Less : Provision for Doubtful debts	-	(2,585,177)
Security Deposits	3,717,313	3,337,783
Less : Provision for Doubtful debts	-	(74,400)
Excise Duty P.L.A / Modvat / Service Tax / Vat	1,968,344	808,499
Total	37,839,319	36,048,135
e) LOANS & ADVANCES		
Advance to Subsidiaries. (Refer Note No.2)	-	94,399,801
Other Advances	3,833,140	27,665,039
Advance Recoverable in Cash or kind or for value to be received	16,135,649	13,104,402
Tax deducted at source	4,078,180	9,116,780
Total	24,046,969	144,286,022
Grand Total	252,478,002	331,279,585
SCHEDULE 'G' CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Sundry Creditors for Goods Services & Expenses	46,379,798	20,834,205
Other Liabilities	15,056,006	14,101,191
Total (A)	61,435,804	34,935,396
Provisions		
Income Tax	8,179,111	-
Wealth Tax	626,353	707,619
F.B.T.	173,850	651,623
Demunition in value of investment	-	49,394,409
Bonus	692,534	658,933
Ex-gratia	347,056	171,134
Gratuity	2,568,301	2,244,738
Leave Encashment	313,253	234,363
Total (B)	12,900,458	54,062,819
Grand Total (A+B)	74,336,262	88,998,215

Schedule forming part of the Profit & Loss Account as on 31st March, 2009

DESCRIPTION	Amount (Rs.)	
	01-04-08 to 31-03-09	01-07-07 to 31-03-08
SCHEDULE 'H' SALES		
Exports Sale	9,966,177	5,490,275
Sales (Modifier)	492,719,005	326,104,765
Sales CTCR	26,265,269	-
High Sea Sale (Natural Asphalt)	12,903,081	-
Sale Natural Asphalt	3,708,000	-
Agriculture Produce	-	550,780
Total	545,561,532	332,145,820
SCHEDULE 'I' OTHER INCOME		
Misc Income	10,034	801,998
Interest Received	811,406	5,913,949
Rent Received	360,000	279,000
Profit on Sale of Assets	1,686	-
Profit on Sale of Investment	-	2,094,600
Foreign Exchange Fluctuation	472,445	79,916
Total	1,655,571	9,169,463
SCHEDULE 'J' VARIATION IN STOCK :		
Closing Stock		
Semi-Finished Goods	3,523,535	1,288,794
Finished Goods	8,285,341	22,200,346
Less: Excise Duty	(707,926)	(2,797,841)
Total (A)	11,100,950	20,691,299
OPENING STOCK:		
Semi-Finished Goods	1,288,794	26,818,349
Finished Goods	22,200,346	8,160,253
Less: Excise Duty	(2,797,841)	(1,154,542)
Total (B)	20,691,299	33,824,060
Variation in Stock (A-B)	(9,590,349)	(13,132,761)
SCHEDULE 'K' MANUFACTURING EXPENSES :		
Raw Material Consumed:-		
Opening Stock	28,764,351	30,037,591
Add : Purchase	300,975,594	198,555,819
Less : Closing Stock	(41,698,923)	(28,764,351)
High Sea Purchase (Natural Asphalt)	12,380,616	-
Electricity & Water Charges	3,636,208	3,224,137
Short in Process	43,292	-
Consumable Stores Consumed	3,411,830	5,930,972
Packing Material Consumed:-		
Opening Stock	291,893	313,843
Add : Purchase	4,349,463	1,810,833
Less : Closing Stocks	(364,336)	(291,893)
Repair to Machinery	2,241,308	2,322,587
Establishments	27,325,990	17,154,966
Contribution to PF & ESI	3,503,263	2,099,331
Staff Welfare	1,359,011	834,327
Duties & Taxes	8,032	-
Security Expenses	125,759	172,975
Rent - Factory	1,049,143	869,082
Freight & Cartage Others	2,227,195	836,287
Agriculture Expenses	-	148,234
Total	349,629,689	235,254,740

Schedule forming part of the Profit & Loss Account as on 31st March, 2009

Amount (Rs.)

DESCRIPTION	01-04-08 to 31-03-09	01-07-07 to 31-03-08
SCH-'L' OFFICE & ADMINISTRATIVE EXPENSES		
Rent	376,806	231,614
Printing & Stationery	715,341	519,161
Tour & Travelling Expenses	7,172,190	5,754,951
Conveyance	1,997,590	1,513,680
Festival Expenses	797,420	1,524,918
Telephone, Telex & Fax	2,088,718	1,919,933
Postage & Courier	189,456	325,260
Vehicle Maintenance	4,740,097	3,486,099
Repairs & Maintenance	2,150,657	2,108,953
General Expenses	256,392	320,947
Insurance Charges (Others)	828,422	626,831
Legal & Consultancy	3,694,854	1,291,487
Donation	218,138	269,171
Director's Remuneration	6,359,017	2,250,000
Short & Excess Recovery	3,996	54,470
Rates & Taxes	247,480	269,512
AGM Expenses	-	274,511
Difference in Foreign Exchange Fluctuation	352,679	203,121
Provision for doubtful Debts	(2,459,927)	2,987,483
Bad Debts	2,987,483	-
Interest Others	15,400	159,087
Auditor's Remuneration :		
-Audit Fees	400,000	300,000
-Tax Audit Fees	55,000	50,000
-Other Capacities	49,669	150,000
-Service Tax	51,981	61,800
Total	33,288,859	26,652,989
SCH-'M' SELLING & DISTRIBUTION EXPENSES		
Advertisement	73,542	273,389
Membership & Subscription	469,141	194,722
Freight & Clearing Charges	21,304,625	8,334,994
Export Expenses	1,585,300	782,160
Research & Development	297,600	491,807
Commission, & Brokerage	3,899,122	1,945,653
Discount	967,958	-
Business Promotion	4,110,539	4,048,230
Sales Tax	7,662	5,025
Total	32,715,489	16,075,980
SCH-'N' FINANCIAL CHARGES		
Bank Charges	2,800,567	2,045,069
Cash Transaction Tax	2,627	2,097
Interest Paid	6,422,343	9,372,874
Total	9,225,537	11,420,040

SCHEDULE 'O'

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS FOR THE YEAR ENDING 31.03.2009

(A) SIGNIFICANT ACCOUNTING POLICIES :

1. GENERAL :

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

2. USE OF ESTIMATES:

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

3. FIXED ASSETS:

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

4. DEPRECIATION:

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

5. INVESTMENTS:

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

6. INVENTORIES

- a) The raw materials, stores & spare parts are valued at cost. The raw material, stores & spares & raw material contents of work in progress are valued by using the first in first out (FIFO) method while the finished goods are valued by using weighted average cost method. Cost relating to finished goods mean direct raw material, labour cost & allocable overhead manufacturing expenses.
- b) Work in progress and material in progress are valued at raw material cost plus 20% of raw material cost or 50 % of conversion cost whichever is lower.
- c) Finished goods are valued at cost plus excise duty or realizable value whichever is lower. The policy of valuation of inventories is in accordance with Accounting Standard-2 (Revised) of the Institute of Chartered Accountants of India.
- d) Damaged goods / scrap stocks are valued at expected realizable value.

7. 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

8. SERVICE TAX

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

9. REVENUE RECOGNITION

a) SALE:

- i) Export sale is recognized as on the date of shipment and accounted on the rates prevailing on the date of negotiations of documents. The revenue in respect of export benefit is recognized on post exports basis, at the rate at which the entitlement accrues

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- ii) Domestic sales are inclusive of sales tax / vat and inclusive of excise duty.
 - iii) In case of Job works at Mumbai unit 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.
- b) **INTEREST INCOME:**
Interest income is recognised on accrual basis, except on doubtful or sticky loans and advances.
- c) **DIVIDEND FROM INVESTMENT IN SHARES:**
Dividend income is recognized when the right to receive the payment is established.
- d) **EXPORTS BENEFITS:**
Export benefits are recognized on accrual basis. In the case of licenses, premium is accounted for at the estimated market rate prevailing on the balance sheet date and finally adjusted in the year of transfer or utilization.
10. **GRATUITY/RETIREMENTS BENEFITS:**
- i) Company's contribution to provident fund are charged to profit & loss account.
 - ii) 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.
11. **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.
12. **FOREIGN EXCHANGE TRANSACTIONS:**
- a) Foreign currency transactions are accounted for at equivalent rupee value converted at the rates prevailing at the time of such transaction.
 - b) Export on collection / import on payment basis, as on the close of the year are finally adjusted on the basis of exchange rates prevailing as on that date through exchange fluctuation account to the respective accounts as per the guidance issued by The Institute of Chartered Accountants of India.
 - c) Short / excess payment received for export on account of difference in foreign exchange are accounted through exchange fluctuation account.
 - d) Bank guarantee and letter of credits are recognized at the point of negotiation with banks and converted at the rates prevailing on the date of negotiation, however, outstanding at the period end are recognized at the rate prevailing as on that date and total sum is considered as contingent liability.
 - e) Short / excess payment for import of assets on account of difference in foreign exchange are accounted for as the cost of respective asset.
 - f) Short / excess payment for import of raw material and consumable expenses on account of difference in foreign exchange are accounted for as the cost of respective material.
13. **DIRECT TAXES:**
- a) **INCOME TAX / WEALTH TAX / FRINGE BENEFIT TAX:**
Provision for income tax, if any, is based on assessable / assessed profits / losses computed in accordance with the provisions of the Income Tax Act, 1961. Wealth tax and fringe benefit tax is ascertained in accordance with the provisions of the Wealth Tax Act and Fringe benefit tax respectively.
 - b) **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 period. 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.
 - c) **SALES TAX / VALUE ADDED TAX:**
Final sales tax liability / Value added tax liability is ascertained on the finalisation of assessments in accordance to provisions of sales tax laws / value added tax laws of respective states where the company is having offices/works.
14. **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.
15. **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.

16. 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.

17. 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, commissioning of plants, and agricultural activity division.

(b) Secondary Segment: Geographical Segment

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

(c) Unallocated items

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

18. OPERATING EXPENSES:

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

19. 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 nominal account.

(B) NOTES ON ACCOUNTS:

1 Contingent liabilities :-

	31.03.2009	31.3.2008
	Rs.	Rs.
i) Bond executed in favour of Asstt. Commissioner of Central Excise, New Delhi. Shoes division.	* 1, 25,00,000/-	1,25,00,000/-
ii) Bank guarantee (Margin money held at Rs.1,01,85,332/-) (Previous Year Rs.1,83,83,518/-)	7,91,41,320/-	7,56,80,895/-
iii) Claim against the company / disputed liability not acknowledged as debts (Jai Bharat Tanners)	17,76,558/-	17,76,558/-

* The footwear unit situated at A - 151, Mayapuri Industrial Area, Phase – II, New Delhi is closed and disposed off; hence the company has applied for release of the bond.

- iv) As per Company Law Board (CLB) Order dated 9th June, 2009 effective from 5th January, 2009 company is liable to pay 50% of USD 8,19,983.16 together with interest @ 7% p.a. from 01.10.1995 to 19.11.1998 which works out to be USD 1,80,059.32 relating to claim of M/s National Ability filed against M/s Tinna Finex Limited and also in lien of taxation cost in the same matter, company is liable to pay GBP 2,05,805.31 together with interest @ 7% p.a. from 19.11.1998 until the day of final payment to M/s National Ability.

The claimant has filed a petition dt. 07/08/1998 in the High Court of Delhi to make Arbitration Award as a rule of this court. The other company (TFL) has contested the same & the matter is under consideration of High Court of Delhi.

2. As per order dated 09.06.2009 effective from 05/01/09 of Company Law Board, New Delhi with Reference to Petition No. 17/2008 dated 14.05.2008 filed under sec. 397, 398, 402 & 403 of Companies Act 1956, the under mentioned Assets & Liabilities are to be allocated / assigned to petitioners and respondents and the manner in which to be dealt with in the financial statements of the company

S	SCHEDULE	Particulars	Value	Remarks
	SCHEDULE "A"	Reduction of Share Capital as per Para 4.9 & 4.7 of CLB Order (87650 Equity Shares @ Rs.10/ Each Fully Paid UP) (Mr. Vijay Kumar Sekhri held as a Nominee)	876,500	Mr. Vijay Kumar Sekhri earlier held as a Nominee of Tinna Overseas Limited.
			876,500	
	SCHEDULE "C" (i)	ICICI Car Loan Transfer to Mr. Vijay Kumar Sekhri or others & Mr. Anil Kumar Sekhri or others as per para 4.4 of CLB Order :- ICICI Car Loan DL-2CM-7700 Mercedes (2003) ICICI Car Loan DL-2CM-7096 Mercedes (2003) ICICI Car Loan DL-3CY-4580 BMW (2007)	504,145 604,607 1,619,699	
			2,728,451	
	(ii)	ICICI Car Loan Transfer from Duraflex Services & Construction Technologies Limited as per Para 6:- ICICI CAR LOAN DL 7CF 5033 Honda Accord (2007)	1,013,874	
			1,013,874	
	SCHEDULE "D"	Vehicles/ Car Transfer to Mr. Vijay Kumar Sekhri or others & Mr. Anil Kumar Sekhri or others as per 4.4:- DL-2CM-7700 Mercedes(2003) DL-2CM-7096 Mercedes(2003) DL-3CY-4580 BMW (2007) DL-2FER-7000 Honda Accord (2004) DL2FGD-0030 Honda CRV (2005)	2,184,920 2,056,146 2,486,614 1,073,861 1,088,309	Assets Reduced to Nil as per Balance Sheet.
			8,889,850	
		Less Loans vide Schedule "C"-(i)	2,728,451	
			6,161,399	
		Vehicle/Car transfer from Duraflex Services & Construction Tech. Ltd. As per Para 6:- DL 7CF 5033 Honda Accord (2007) DL30AA 7508 Honda Accord (2004)	1,623,958 924,622	Assets Incorporated and depicted of value in balance Sheet.
			2,548,580	
		Less Loans vide Schedule "C"-(ii)	1,013,874	
			1,534,706	
	SCHEDULE "E"	Investment Transfer as per Para 4.1.1 to 4.1.6 (As per Para 4.8):- Tinna Finex Ltd. (Effected Rs.4,93,94,409/-) Tinna Agro Industries Ltd. Duraflex Services & Construction Technologies Ltd.	45,513,565 70,723,015 7,432,500	(100%) (Qty. 9102713 @ Rs.10 Each) (100%) (Qty.7071925 @ Rs.10 Each) (100%) (Qty. 743250 @ Rs.10 Each)

	Gautam Overseas Ltd.	9,006,700	(50%) Qty.90067 @ Rs. 100 Each)
	Indo Solutions P. Ltd	201,500	(20%) (Qty.20000 @ Rs.10 Each)
	Indo Enterprises P. Ltd.	3,000,000	(20%) (Qty.30000 @ Rs.10 Each+ 90 Premium)
	Total	135,877,280	
SCHEDULE "F(-e)	Loans & Advances as per Para 4.2.1:- Advances / Loans to Subsidiaries:- Tinna Finex Limited (Loan A/c) Duraflex Services Construction Technologies Ltd. Other Advances:- Vedant Overseas Ltd. Advance Recoverable in Kind of Cash:- Mr. Anil Kumar Sekhri Imprest A/c Mr. Vijay Kumar Sekhri Imprest A/c Mrs. Raman Sekhri	56,449,861 42,239,179 2,018,517 100,707,557 922,439 43,100 325,404 101,998,500	Loans & Advances written off and be adjusted with Reserve & Surplus.
SCHEDULE	Tol Jatropha Nanded Unit transferred (As Per Para 4.8 Under Detail 4.3)	13,200,000 13,200,000	Deemed to be transferred in VOL (Vedant Overseas Limited).
SCHEDULE "B"	Net adjusted amount as per CLB Order	254,825,973	

3. Investments include :

i) Advance for Shares include :

a) M/s Sky Merchants (P) Ltd.	Rs.15,00,000/-	(Advanced & applied during Financial year.2004-05)
b) M/s Hydramech Engineers (P) Ltd.	Rs. 20,00,000/-	(Advanced & applied during Financial year 2004-05)
c) Gee Ess Pee Land Developers P. Ltd.	Rs.35,00,000/-	(Advanced & applied during Financial year 2008-09)
d) M/s. Nova Cements Ltd.	Rs.2,52,60,181/-	(Advanced & applied during Financial year 2008-09)

All aforesaid investments are confirmed except (a) & (b) pending allotment. Such advances are considered as unquoted investments.

4. Loan and advances include interest free advance of Rs.35 lacs given to M/s. Amazone Exports (P) Ltd. since 31st May, 2004 and Rs.10 lacs to M/s. P.I Industries Limited since 1st November, 2007.
5. The company's public issue of 21,63,600 equity shares of Rs. 10/- each for cash at a premium of Rs. 85/- per share aggregating to Rs.2,055.42 lacs and firm allotment of 1,50,000 equity shares of Rs.10/- each for cash at a premium of Rs.100/- per share aggregating to Rs. 165.00 lacs to NRI's/OCB's opened for subscription on 20th March, 1995 was oversubscribed. Allotment was made on 23rd May,1995 and allotment money / final

call was made on 27.05.95.Amount receivable on account of calls in arrears have been apportioned between share capital and share premium account in the ratio of one to eight.

6. Calls in arrears are subject to reconciliation and confirmation, however no interest has been provided thereon.
 7. FDR's include Rs 1,01,85,332/- (Previous Year Rs.1,83,83,518/-) including accrued interest, are charged against bank guarantees and same are under the lien of various bankers.
 8. The company has deposited Rs. 14,47,200/- (Rs. 14,47,200/-) with HSIDC towards external development charges (E D C) for the property at DP-189, Udyog Vihar, Gurgaon, Haryana. Udyog Vihar Industries Association, Gurgaon, of which the company is a member, however association has filed a suit for its waiver.
 9. The company had a policy to account for revenue expenses of Jatropa (Tuljapur) unit as miscellaneous expenses pending capitalisation and to be capitalised on completion of project. However, company has opted to consider the same as part of fixed assets and considered the same capital expenditure pending allocation in the financial statements.
- | | <u>31.03.2009</u> | <u>31.03.2008</u> |
|---|-------------------|-------------------|
| 10. i) Remuneration/ commission paid to directors | Rs.63,59,017/- | Rs. 22,50,000/- |
| Provident Fund | Rs. 2,77,200/- | Rs. 2,70,000/- |
| ii) The company has adequate profits to pay remuneration by way of salary, bonus, perquisites, commission and other allowances to managing director and chairman, therefore computation of net profit in accordance with Section 349 of the Companies Act, 1956 is not applicable to the company. | | |
11. Company's main business is with various units of M/s. Indian Oil Corporation Ltd., M/s. Chennai Petroleum Corporation Ltd., Chennai and M/s. Bharat Petroleum Corporation Ltd., Mumbai. Company has neither received account statements ever since its business started with them, nor has reconciled.
 12. (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) Sundry debtors include:-
Rs. 45.92 lacs receivable from ONT Ltd., Ontario. The suit for recovery was decreed for and in favour of company by way of judgment dated 10.08.2005 for Rs.46,82,457.40 along with interest and costs. The decree is under execution process.
 - (c) Other current assets:-
 - i) Claim receivable Rs. 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 (Rs.2,75,44,112/-) and is hopeful of recovery. However, as per order of Company Law Board dated 9th June, 2009 with effect from 5th January, 2009, if any amount is received, the amount to the extent of 50% will be paid to petitioner viz. Sh Vijay Kumar Sekhri & others and Sh. Anil Kumar Sekhri & others.
 - ii) Loan and advances Rs. 4,51,988/- Lacs from party KRM International (Shoe) for which company has filed appeal in the High court against the order of lower court and the company is hopeful of recovery
 13. Balance of debtors / creditors, loans & advances are subject to reconciliation and confirmation.

Tinna Overseas Limited

14. Advances to others:

31.03.2009

31.03.2008

under same management: -

Nova Cements Ltd.

Outstanding

Maximum Outstanding

Nil

2,52,60,181/-

2,52,60,181/-

(2,52,60,181/-)

15. Segment Information:

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

(Figure in Lacs)

	BITUMEN DIVN.		TULJAPUR DIVN.		OTHER		TOTAL	
	CURRENT PERIOD	PREVIOUS YEAR	CURRENT PERIOD	PREVIOUS YEAR	CURRENT PERIOD	PREVIOUS YEAR	CURRENT PERIOD	PREVIOUS YEAR
SALES INCOME	5455.62	3137.95	-	5.51	-	178.00	5455.62	3321.46
OTHER INCOME	16.55	91.31	-	-	-	0.38	16.55	91.69
TOTAL REVENUE	5472.17	3229.26	-	5.51	-	178.38	5472.17	3413.15
SEGMENT RESULT / NET Profit/loss	872.60	(172.30)	(0.14)	1.29	-	(101.80)	872.46	(272.81)
SEGMENT ASSETS	3002.01	2598.81	76.05	143.48	-	42.62	3079.04	2784.91
UNALLOCATED ASSETS (H.O)	1018.92	2244.03	-	-	-	-	1018.92	2244.03
TOTAL ASSETS	4020.93	4842.84	76.05	143.48	-	42.62	4096.98	5028.94
SEGMENT LIABILITIES	474.67	287.17	3.92	12.94	-	1.62	474.67	301.73
UNALLOCATED LABILITIES	698.63	1689.81	-	-	-	-	698.63	1689.81
TOTAL LIABILITIES	1173.30	1976.98	3.92	12.94	-	1.62	1177.22	1991.54
DEPRECIATION	96.01	102.20	-	-	-	0.53	96.01	102.73
CAPITAL/ASSETS/ EXPENDITURE (W.I.P)	22.76	109.33	44.20	58.17	-	-	66.96	167.50

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

17. Related Party Disclosure:

As per AS – 18 issued by ICAI, the Company's related parties and transactions with them are disclosed as under

(A) Enterprises that control or are under common control

Under same management u/s 370 of the Companies Act 1956

M/s Chin Min Impex Ltd.	(Amount in Rs.)	(Amount in Rs.)
Nature of Transaction	Current period	Previous year
Other Income / Rent	-	58,184/-
Outstanding balance at the end of the year:		
Receivables	-	13,68,470/-

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

(C) Key management personnel and their relatives :

Sh. Bhupinder Sekhri	whole time Director	
Sh. Kapil Sekhri	whole time Director	
Sh. Gaurav Sekhri	Director	
Sh. Anil Kumar Sekhri	Director's Brother	
Sh. Vijay Kumar Sekhri	Director's Brother	
Smt. Rooma Sekhri	Ex-Director's Wife	
Smt. Shobha Sekhri	Executive	
Smt. Pooja Sekhri	Executive	
Smt. Aarti Sekhri	Executive	
Smt. Raman sekhri	Ex-Director's Wife	
Sh. Karan Sekhri	Son of Ex- director	
Sh. Ronak Sekhri	Son of Ex- director	
Nature of Transaction	Current Year	Previous year
Remuneration / Salary	Rs. 1,17,76,217/-	Rs. 45,00,000/-

(D) Enterprises over which key management personnel is able to exercise significant influence:

- M/s Tinna Oils & Chemicals Ltd.
- M/s Gautam Overseas Ltd.

	(Amount in Rs.)	(Amount in Rs.)
Nature of Transaction	Current period	Previous year
Other Income (Rent)	Rs. 3,60,000/-	Rs. 2,70,900/-
Outstanding at the end of the year:		
Receivables	Rs. 2,22,035/-	Rs. 2,52,630/-
Payable	-	Rs. 12,440/-

18. 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:

- Lease rentals recognized as expenses in the profit and loss account for the period Rs.14,25,949/- (Rs.11,00,696/-).
- The company has entered into operating leases for factory buildings 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 no cancelable leases are as follows:

Particulars	(Amount in Rs.) 31.3.2009	(Amount in Rs.) 31.3.2008
Not later than one year	10,95,144 /-	8,38,242/-
Later than one year but not later than five year	9,77,056/-	9,95,144/-

19. EARNING PER SHARE:

Particulars	Current Year	Previous Year
(a) Calculation of weighted average No. of Equity Shares of Rs.10/- each		
Equity shares outstanding at the beginning of the year	86,52,400	86,52,400
Equity shares outstanding at the end of the year	85,64,750	86,52,400
Weighted Average no. of equity shares outstanding during the year	86,31,988	86,52,400
(b) Net Profit after tax available for equity shareholders	8,72,45,984	(2,72,80,608)
(c) Basic and diluted earning per share	10.11	(3.15)

20. In accordance with the accounting standard 22 issued by the ICAI, the company is having a deferred tax liability of Rs.155.12 lacs (.Rs.169.43 lacs) on timing difference as on 31st March, 2009.

Particulars	As at 31.03.2009	As at 31.03.2008
<u>Deferred tax calculation</u>		
<u>Deferred tax liabilities on account of: -</u>		
Difference of depreciation as per Companies and Income Tax Act.	(1,65,00,300/-)	(1,80,79,292/-)
<u>Deferred tax assets on account of: -</u>		
Leave Encashment	98,466/-	79,660/-
Gratuity	8,01,178/-	7,62,986/-
Bonus & Ex-gratia	3,12,012/-	2,93,519/-
Disallowance U/S 40(a) (ia)	5,64,325/-	Nil
Total deferred assets/(liabilities)	(1,47,24,319/-)	(1,69,43,127/-)
Less: Provision made till last year	(1,69,43,127/-)	(2,19,38,873/-)
Deferred tax asset (liability) accounted In profit and loss account	22,18,808/-	49,95,746/-

21. Computation of net profits in accordance with Section 198 of the Companies Act, 1956 in respect of commission/ remuneration payable to Chairman:

	(Amount in Rs.) 31.03.2009
Profit before Tax	10,29,89,429/-
Add: Depreciation as per Books	96,00,760/-
Managerial remuneration to Chairman & Directors	66,36,217/-
Loss on sale of Fixed Assets (Net)	1,76,991/-
Donation	2,18,138/-
Provision for doubtful debts	5,27,556/-
	12,01,49,091/-

Less: Depreciation as per Section 350 of the Companies Act, 1956		96,00,760/-	
Net profit for the year		11,05,48,331/-	
Remuneration – maximum as per terms of appointment		25,87,200/-	
Remuneration/ Comm. to Chairman as determined by Board of Directors		40,49,017/-	
22.	Auditors Remuneration:	(Amount in Rs.)	(Amount in Rs.)
		<u>31.03.2009</u>	<u>31.03.2008</u>
	Audit fees	4,00,000/-	3,00,000/-
	Tax audit fees	55,000/-	50,000/-
	Other capacities	49,669/-	1, 50,000/-
	Service tax	51,981/-	61,800/-
	Total	<u>5,56,650/-</u>	<u>5,61,800/-</u>
23.	All financial adjustments and effect of CLB order was implemented and incorporate in the financial statement for the year ending 31 st March,2009, where as the documentation such as transfer of shares/ vehicles etc. are pending execution company is in the process of completion of legal documentation		
24.	Additional information pursuant to paragraphs 3, 4C & 4D of the part II of Schedule VI of the Companies Act, 1956. (as certified by the management).		
I)	<u>TURNOVER:</u>	<u>31.03.2009</u>	<u>31.03.2008</u>
	Unit Qty.	Amount (Rs.)	Qty. Amount (Rs.)
	Bitumen Modifier kg	1,75,28,987	42,48,76,200 1,12,18,592 27,78,50,667
	Others (Plants)	—	— 5,50,780
	Modification Charges	—	— 3,59,44,373
	Capital Equipment No.	—	1 1,78,00,000
	Others Kg	—	—
		<u>4,49,57,890</u>	<u>—</u>
		<u>54,55,61,532</u>	<u>33,21,45,820</u>
II)	<u>RAW MATERIAL CONSUMED:</u>	<u>31.03.2009</u>	<u>31.03.2008</u>
	Unit Qty.	Amount (Rs.)	Qty. Amount (Rs.)
	Natural Asphalt Kgs	48,91,578	7,22,05,833 52,90,480 7,64,43,063
	Rubber Crumb Kgs.	12,122,240	15,87,06,895 60,37,932 7,69,45,842
	Rubber Chemicals Kgs.	90,279	86,80,627 2,67,459 3,02,25,224
	P.T.S.A Kgs.	1,40,243	80,42,318 1, 12,708 55, 02,049
	Others Kgs.	14,48,445	3,59,70,558 — 1,07,12,881
		<u>2,88,041,022</u>	<u>19,98,29,059</u>
III)	<u>Purchase of Trading Material</u>		
	Natural Asphalt MTS.	1426.051	1,60,21,839 Nil Nil
IV)	<u>DETAIL OF OPENING AND CLOSING STOCKS</u>		
a)	<u>OPENING STOCK:</u>	<u>31.03.2009</u>	<u>31.03.2008</u>
	Unit Qty.	Amount (Rs.)	Qty. Amount (Rs.)
i)	<u>FINISHED GOODS:</u>		
	Bitumen Modifier KGS	9,85,523	2,20,00,346 3,63,555 81,60,253
		<u>2,20,00,346</u>	<u>81,60,253</u>
ii)	<u>WORK IN PROGRESS:</u>		
	Bitumen Modifier KGS	64,474	12,88,794 23,995 5,79,407
	(Chemical Treated Crumb Rubber)		
	Sun flower Crop	Nil	1,33,869
	Plant at Mathura	Nil	2,61,05,073
		<u>12,88,794</u>	<u>2,68,18,349</u>

b) CLOSING STOCKS:						
i) FINISHED GOODS:						
Bitumen Modifier	Kgs.	4,56,973	<u>82,85,341</u>	9,85,523	<u>2,20,00,346</u>	
			<u>82,85,341</u>		<u>2,20,00,346</u>	
ii) WORK IN PROGRESS:						
Bitumen Modifier	Kgs.	1,72,221	<u>35,23,535</u>	64,474	<u>12,88,794</u>	
(Chemically treated Crumb Rubber)			<u>35,23,535</u>		<u>12,88,794</u>	
iii) LICENCED CAPACITY, INSTALLED CAPACITY AND PRODUCTION:-						
INSTALLED CAPACITY (ANNUAL):			<u>31.03.2009</u>	<u>31.03.2008</u>		
Bitumen Modifier	MTS.	18,000.000		18,000.000		
ACTUAL PRODUCTION: (Period of financial statement)						
Bitumen Modifier	MTS.	16,307.300		11,967.926		
IV) EXPENDITURES IN FOREIGN CURRENCY:						
Raw Material	Rs.	7,73,75,083		5,20,61,817		
Foreign Traveling	Rs.	2,00,666		4,82,313		
V) EARNING IN FOREIGN CURRENCY:						
Export	Rs.	98,42,482		38,64,202		
VI) VALUE OF IMPORTS AND INDIGENOUS OF RAW MATERIAL AND STORES CONSUMED:						
A) RAW MATERIALS CONSUMED:						
Indigenous	Rs.	21,49,29,358		12,27,98,435		
(Percentage)		75.78%		61.45%		
Imported	Rs.	6,86,76,873		7,70,30,624		
(Percentage)		24.22%		38.55%		
B) STORES, SPARES & COMPONENTS CONSUMED:						
Indigenous	Rs.	42,77,020		18,32,783		
(Percentage)		100%		100%		
Imported	Rs.	Nil		Nil		

25. The company has not made any remittance in foreign currencies on account of dividend

26. a) Figures for the current period are for the year and for the previous period are of nine months hence the same are not comparable with each other. Figures for the previous period have been regrouped / reclassified / rearranged wherever necessary.

b) Figures have been rounded off to the nearest rupee.

27. Schedule A to O form integral part of the Balance sheet as at 31st March, 2009.

As per our report of even date attached.

For Rawla & Company
Chartered Accountants

For and on behalf of the Board of Directors of

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

Kapil Sekhri
(Director)

Bhupinder Kumar
(Director)

New Delhi
August 28, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDING ON 31-03-2009

(Rs. in Lacs)

A. CASH FLOW FROM OPERATING ACTIVITIES	01.04.2008-31.03-2009		01.07.2007 - 31.03.2008	
NET PROFIT/(LOSS) AFTER TAX AND EXTRAORDINARY ITEMS		872.46		(272.81)
ADJUSTMENT FOR:				
DEPRECIATION	96.01		102.74	
INTEREST PAID	64.22		93.85	
PROVISION FOR INCOME TAX	162.38		-	
PROVISION FOR FBT	16.74		18.00	
PROVISION FOR WEALTH TAX	0.08		0.90	
PROVISION FOR DEFERRED TAX WRITTEN BACK	(22.19)		(49.95)	
LOSS ON SALE OF ASSETS	1.77		113.23	
PROFIT ON SALE OF ASSETS	(0.02)		-	
INTEREST RECEIVED	(8.11)		(59.12)	
RENT RECEIVED	(3.60)		-	
PROFIT ON SALE OF INVESTMENT	-		(20.95)	
MISC.INCOME	(0.10)	307.18	(10.83)	187.87
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGE		1,179.64		(84.94)
ADJUSTMENT FOR:-				
TRADE AND OTHER RECEIVABLES	(298.50)		55.61	
INVENTORIES	(13.27)		110.68	
TRADE PAYABLES/CURRENT LIABILITIES	257.53		83.18	
OTHER CURRENT ASSETS	(50.02)	(104.26)	52.59	302.06
CASH GENERATED FROM OPERATIONS		1,075.38		217.12
DIRECT TAXES PAID	(103.00)		(33.77)	
INCREASE IN INTANGIBLE ASSETS	-		-	
CASH FLOW BEFORE EXTRAORDINARY ITEMS	-		-	
EXTRAORDINARY ITEMS	-		-	
DEFERRED EXPENDITURE	-		-	
RENT RECEIVED	3.60		-	
MISC.INCOME	0.10		10.83	
PREVIOUS YEAR EXP.	-	(99.30)	-	(22.94)
NET CASH FROM OPERATING ACTIVITIES (A)		976.08		194.18
B CASH FLOW FROM INVESTING ACTIVITIES:				
PURCHASE OF FIXED ASSETS	(108.56)		(162.75)	
SALE OF FIXED ASSETS	5.02		181.77	
ACQUISITION OF COMPANIES	-		-	
PURCHASE OF INVESTMENTS	(287.60)		(10.57)	
SALE OF INVESTMENTS	24.00		22.66	
INTEREST RECEIVED	8.11		59.12	
LOAN GIVEN TO OTHERS	182.41		52.53	
NET CASH USED IN INVESTING ACTIVITIES (B)		(176.62)		142.76
C CASH FLOW FROM FINANCING ACTIVITIES:				
PROCEEDS FROM ISSUE OF SHARE CAPITAL	-		-	
PROCEEDS FROM LONG TERM BORROWINGS	-		-	
UNSECURED LOAN	-		(10.00)	
INTEREST PAID	(64.22)		(93.85)	
REPAYMENT OF FINANCE/LEASE LIABILITIES	-		124.84	
DIVIDEND PAID	-		-	
REPAYMENT OF LONG TERM BORROWINGS	(650.55)		(164.26)	
NET CASH USED IN FINANCING ACTIVITIES (C)		(714.77)		(143.27)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		84.69		193.67
OPENING CASH AND CASH EQUIVALENTS		276.10		82.43
CLOSING CASH AND CASH EQUIVALENTS		360.79		276.10

As per our report of even date attached.

For Rawla & Company
Chartered Accountants

For and on behalf of the Board of Directors of

CA. Y.P. Rawla
(Partner)
M. No. 10475
New Delhi
August 28, 2009Kapil Sekhri
(Director)Bhupinder Kumar
(Director)

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

1. Name of the Subsidiary	TINNA FINEX LIMITED	DURAFLEX SERVICES & CONSTRUCTION TECHNOLOGIES LTD.
2. Financial period of the Subsidiary Companies ended on	30-06-2007	30-06-2007
3. Date from which it became Subsidiary	13-06-1994	13-06-1994
4. (a) No. of shares held by Tinna Overseas Limited. (Holding Company) with its nominees in the subsidiary	90,91,313 equity shares of Rs.10/- each fully paid	7,43,250 equity shares of Rs.10/- each fully paid
(b) Extent of interest of Holding Company at the end of the financial period of Subsidiary	69.50%	78.14%
5. The net aggregate amount of the subsidiary companies Profit/(Losses) so far as it concerns the members of the Holding Company:		
(a) Not dealt with in the Holding Company's accounts.		
(i) For the Financial period ended 30th June, 2007.	(Rs. 2,38,152)	(Rs. 53,06,101)
(ii) For the previous financial years of the subsidiary companies since they became the Holding Company's subsidiaries.	(Rs. 1,47,93,485)	Rs. 52,70,690
(b) Dealt with in Holding Company's account :		
(i) For the financial period ended 30th June, 2007	Nil	Nil
(ii) For the previous financial years of the subsidiary companies since they became the Holding Company's subsidiaries.	Nil	Nil
6. Material change between the end of the Financial Year of the Subsidiary and the Holding Company's Financial Year.	Equity Share purchased 27100 @ Rs. 5/- each	N.A.

As per our report of even date
For **RAWLA & COMPANY**
Chartered Accountants

For and on behalf of the Board of Director of
Tinna Overseas Limited

(Y. P. Rawla)
Partner
Membership No. 10475

(Bhupinder Kumar)
Director

(Anil Kumar Sekhri)
Director

New Delhi
Dated : 28th February 2009

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**I. Registration Details**

Registration No. X 2 7 1 8 6

State Code : 5 5

Balance Sheet Date 31 03 2009
Date Month Year**II. Capital raised during the year (Amount in Rs. Thousands)**

Public Issue

N I L

Right Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

**III. Position of Mobilisation and Deployment of Funds
(Amount in Rs. Thousands)**

Total Liabilities

3 9 1 5 2 7

Total Assets

3 9 1 5 2 7

Sources of Funds

Paid-up Capital

X 8 5 3 7 0

Reserves & Surplus

2 4 8 0 4 6

Secured Loans

4 3 3 8 6

Unsecured Loans

X X 0 0 0 0

Deferred Tax

1 4 7 2 4

Application of Funds

Net Fixed Assets

1 5 7 2 2 0

Investments

5 6 1 6 5

Net Current Assets

1 7 8 1 4 2

Misc. Expenditure

X X X X X X

IV. Performance of Company (Amount in Rs. Thousands)

Turnover

X 5 4 5 5 6 2

Total Expenditure

X 4 3 4 6 3 7

+ - Profit/(Loss) Before Tax

1 0 2 9 8 9

+ - Profit/(Loss) After Tax

X X 8 7 2 4 6

Earning per Share (in Rs.)

X 1 0 1 1

Dividend Rate %

N I L

V. Generic Name of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC) Code) 4 0 0 4 9 0 0 0

Product Description B I T U M E N M O D I F I E R

Item Code No. (ITC) Code) N I L

Product Description M E R C H A N D I S E I T E M S

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

New Delhi
Date : August, 28, 2009(KAPIL SEKHRI)
Director(BHUPINDER KUMAR)
Director

TINNA OVERSEAS LIMITED

REGD. OFFICE

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

ATTENDANCE SLIP

22ND ANNUAL GENERAL MEETING - DECEMBER 11, 2009, 10.00 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 22nd 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 22nd Annual General Meeting of the Company to be held on 11th December, 2009 and at any adjournment thereof.

Signed this _____ day _____ 2009

Signature _____

Affix a
Rupee 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)

BOOK POST/U.P.C.

If undelivered, please return to :

TINNA OVERSEAS LIMITED

REGD. OFFICE :

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