



# **TINNA OVERSEAS LIMITED**

**TWENTY SECOND  
ANNUAL REPORT  
2008-2009**

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

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		SH. RAJESH GARG	Director
		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

Tinna Overseas Limited

## 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 11<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 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 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. 01<sup>st</sup> April, 2009 for a period of three years on the following terms and conditions :

1. **Period of Appointment** : Three Years w.e.f. 01<sup>st</sup> 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 31<sup>st</sup> 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: 14<sup>th</sup> 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 26<sup>th</sup> September, 2009 to Wednesday the 30<sup>th</sup> 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.

Tinna Overseas Limited

**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 15<sup>th</sup> April, 2009 appointed Shri Madan Kukreja as an Additional Director w.e.f. 15<sup>th</sup> 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 28<sup>th</sup> August, 2009 appointed Shri Rajesh Garg as an Additional Director w.e.f. 28<sup>th</sup> 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 31<sup>st</sup> 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. 01<sup>st</sup> 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 31<sup>st</sup> 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/Shri Kapil 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.



Tinna Overseas Limited

## DIRECTORS' REPORT

### The Members

Your Directors are pleased to present the 22<sup>nd</sup> Annual Report and the Audited Statement of Accounts of the Company for the financial year ended on 31<sup>st</sup> 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 09<sup>th</sup> June, 2009 (effective from 05<sup>th</sup> 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 05<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2009, on a 'going concern basis'.

**CONSOLIDATED FINANCIAL STATEMENTS**

In terms of CLB Order dated 09<sup>th</sup> June, 2009 (effective from 05<sup>th</sup> 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 15<sup>th</sup> April, 2009 & 28<sup>th</sup> 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. 27<sup>th</sup> March, 2009 in terms of understanding at CLB & CLB Order dated 05<sup>th</sup> January, 2009.

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

The resignation of Shri Ravindra Chhabra from directorship has been accepted w.e.f. 28<sup>th</sup> 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: 14<sup>th</sup> Nov., 2009

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



Tinna Overseas Limited

## 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 31<sup>st</sup> 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 : 14<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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: