

# 31<sup>st</sup> Annual Report 2017-18

*Tinna*<sup>®</sup>  
Caring for Environment



**TINNA RUBBER AND INFRASTRUCTURE LIMITED**

*“The human race is challenged more than ever before  
to demonstrate our mastery – not over nature but of ourselves.”  
– Rachel Louise Carson*

- *Recycling of materials has a history going back to the times of Plato BC 400.*
- *21st century's major driving forces for recycling waste are:*
  - *Limited Natural resources.*
  - *Lowering carbon dioxide emissions.*
  - *Increasing demand for energy production.*
  - *Dealing with larger amounts of waste.*

*End of life / Waste tyres are among the most problematic source of waste in the world.  
Incorrect disposal of old tyres can create all kinds of environmental and health hazards.*

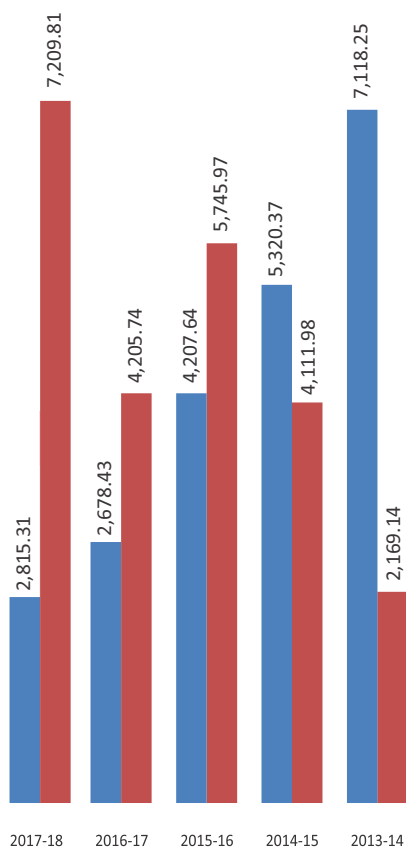


## BUILDING PRODUCTS

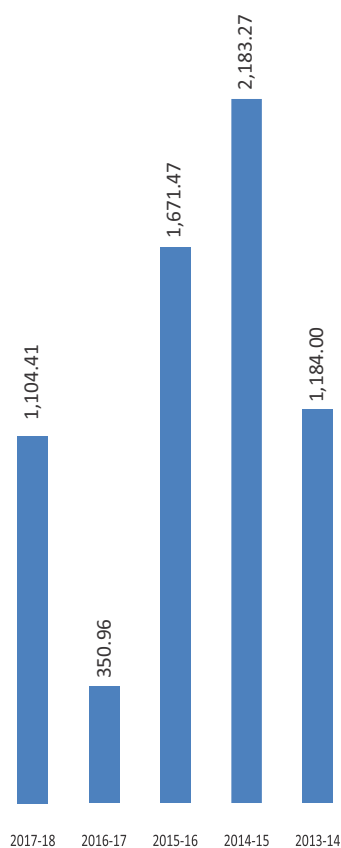
(₹ in lakhs)

Sales related to Infrastructure (Road) Sector	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Crumb Rubber Modifier	2099.86	1,864.43	3,173.48	3,364.23	4,334.67	3,849.96	4,609.52
Modified Bitumen		405.32	251.29	828.45	1,523.74	3,022.62	5,182.98
Emulsion	382.94	423.52	607.09	907.87	870.33	1,159.24	402.66
Job work Charges / Service Income	424.52	251.57	174.23	219.81	389.49	339.96	267.19
	<b>2,907.32</b>	<b>2,944.84</b>	<b>4,206.09</b>	<b>5,320.36</b>	<b>7,118.23</b>	<b>8,371.78</b>	<b>10,462.35</b>
	<b>28.46%</b>	<b>39.97%</b>	<b>42.26%</b>	<b>56.41%</b>	<b>76.64%</b>	<b>94.22%</b>	<b>99.08%</b>
<b>Sales related to non Road Sector</b>							
Crumb Rubber	2,565.88	1,845.17	2,585.60	2,498.37	1,202.64	77.20	
Steel Scrap	845.06	499.59	1,351.80	1,163.78	729.47	250.94	
Steel Abrasives	1,205.49	1,009.92	282.58	98.75			
Reclaim Rubber	2,534.63	862.13	89.18	7.32			
	<b>7,151.06</b>	<b>4,216.81</b>	<b>4,309.16</b>	<b>3,768.22</b>	<b>1,932.11</b>	<b>328.14</b>	<b>-</b>
	<b>69.99%</b>	<b>57.23%</b>	<b>43.29%</b>	<b>39.95%</b>	<b>20.80%</b>	<b>3.69%</b>	<b>0.00%</b>
<b>Others Sales</b>	158.60	206.00	1,438.36	343.77	237.04	185.58	97.56
	<b>1.55%</b>	<b>2.80%</b>	<b>14.45%</b>	<b>3.64%</b>	<b>2.55%</b>	<b>2.09%</b>	<b>0.92%</b>
<b>Total</b>	<b>10,216.98</b>	<b>7,367.65</b>	<b>9,953.61</b>	<b>9,432.35</b>	<b>9,287.38</b>	<b>8,885.50</b>	<b>10,559.91</b>

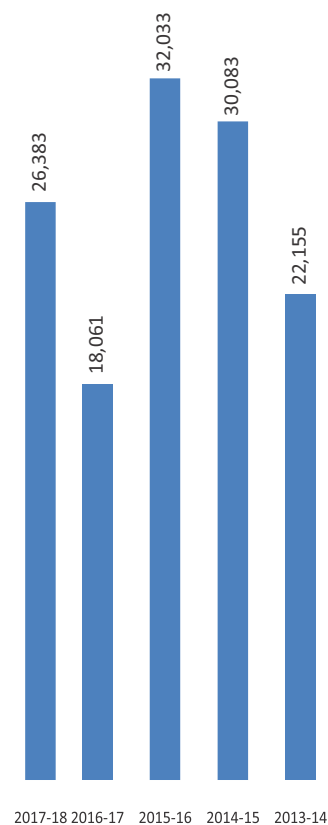




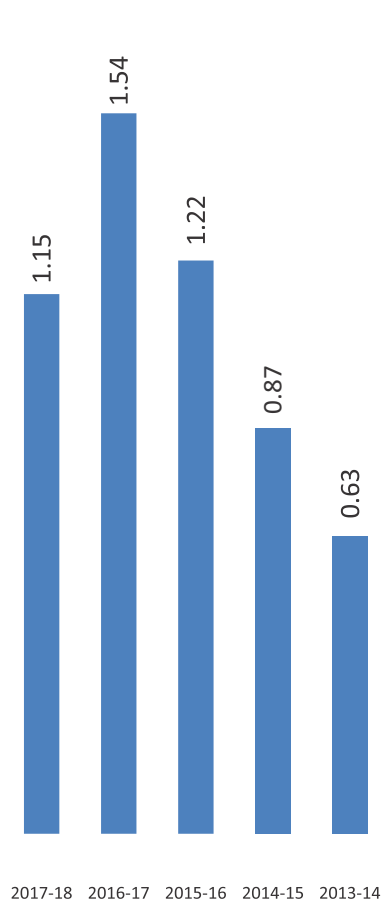
**Net Sales - Road Sector**  
**Net Sales - Non Road Sector**  
 (₹ in lakhs)



**EBITDA**  
 (₹ in lakhs)

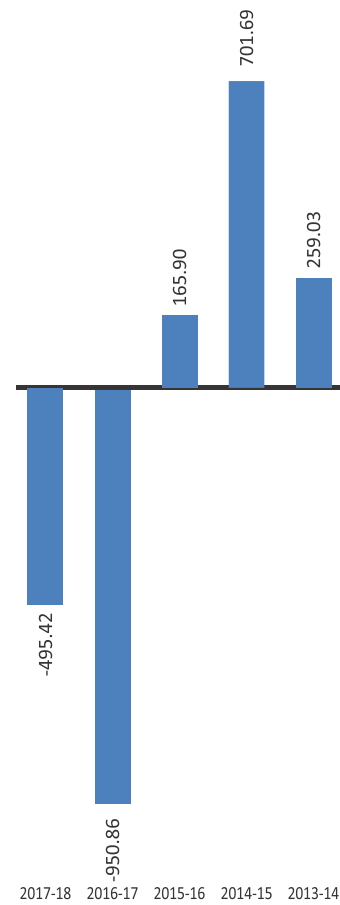


**Waste Tyres Crushed**  
 (Qty. in MT)



Total Debt/Equity Ratio

( - )



PAT

(₹ in lakhs)

## CHAIRMAN'S MESSAGE



Dear Stakeholders,

The year 2017 has been a very exciting year with some significant milestones for our Business. It gives me immense pleasure to inform you that TRIL'S net revenues grew by an enviable 46% in spite of facing tremendous headwinds caused due to GST Implementation, demonetization and general tightness of credit flow from banks.

### **The Period under review**

In 2014, the Company embarked upon a mission to diversify its revenue streams and reduce dependency on income from the road/infrastructure sector.

During the year your company made a significant improvement in the marketing of its products to the Non Road sector and we continue to develop new applications for our materials. Encouraged by positive response from its customers your company increased production of Reclaim Rubber at Panipat Plant(Haryana).

Further Your Company is also delighted to inform its stakeholders, that we have also restarted our Emulsion production at Panipat Plant (Haryana) and Crumb Rubber production at Kala-amb Plant (Himachal Pradesh). I also take this opportunity to congratulate our Hon'ble Prime Minister and Finance Minister in steering the introduction of Goods and Services Tax (GST). We expect that these Structural Reforms would further boost transparency which will benefit your company as it will level the Competitive landscape and remove unfair competition from players who have survived by evading taxes.

Tinna has been in Business since 1987 and has been a part of the societal, economic and other changes, the Country has witnessed. Your Company is the only company in India which is fully integrated in sourcing of waste/ELT tyres processing & manufacturing value added products from Rubber and Steel and the only manufacturer in India, possibly in the world to make 120 mesh grade ultra-fine crumb in ambient conditions.

The Company has stabilized its steel wire processing plant to make value added Hi Carbon Steel Abrasives from the scrap wire segregated from end of life (waste) tyres. These are extensively used for shot blasting, shot peening and other surface treatment applications. The most notable accomplishment, is our ability to successfully diversify the Company's revenue verticals and as a result, reducing the Company's dependency on the road and infrastructure sector. In earlier years Crumb Rubber Modifier (CRM) and other road related products having application in the infrastructure sector has been the mainstay of the Company's sales mix. The management consciously decided to reduce its dependence on this sector. During the financial year 2017-18, the contribution of non-road sector rose to approximately 70% compared to 40% in the financial year 2014-15. This was achieved by management vision, extensive research & development and qualitative improvements to Crumb Rubber and commencement of manufacturing of Hi carbon steel abrasives & Hi Tensile Reclaim Rubber.

Your Company's efforts have resulted in successful execution of export contract for supply of Crumb Rubber to Dubai (U.A.E), South Africa, Australia and Sri Lanka. We expect to see a significant rise in Company Export during the year 2018-19. Globally demand for REACH (Registration, Evaluation, Authorisation and Restrictions of Chemicals) compliant products is increasing, we are well placed to benefit from it. Further efforts are being made to improve the exports business and increase our market share.

### **Statistics on Indian and Global Economy**

The Global Trade growth has been sluggish from the past couple of years, mainly due to slow and uneven economic recovery in major developed economies and moderate growth in developing economies. The GDP growth for the fiscal year 2017-18 is at a four-year low of 6.7% in the current fiscal, ,mainly due to the poor performance of agriculture and manufacturing sector, as against 7.1% in the last fiscal.

However the International Monetary Fund (IMF) has said that India could grow at 7.4% in the current year 2018, as against China's 6.8%, making it the fastest growing country among emerging economies. India continues to be one of the proverbial bright spots among large economies of the world and large infrastructure development and investments, is expected to further give an impetus to the Indian economy in the coming year. Your company is very optimistic for a strong performance in coming year and we are optimally positioned to grasp such opportunity.



During last year, Natural rubber consumption increased to 1110,660 tonnes in 2017-18 from 1044,075 tonnes in 2016-17. Import of Natural Rubber touched an all-time high of 469,433 tonnes in 2017-18, an increase of 10.1 percent as compared to 2016-17 and.. Your Company is a leading manufacturer of Crumb Rubber Powder and Reclaim Rubber which to an extent acts as a substitute to Natural Rubber. Higher consumption of natural rubber, favorably impacts demand for our product and they are much more competitive compared to natural rubber.

#### **Esteemed Customers: Our most valuable stakeholder**

I am delighted to inform you that our esteemed list of customers include leaders in tyre industry, where there is two to three years process to commence commercial supplies. This creates a time based entry barrier for others. **Our fine grade high quality crumb rubber as well as High Tensile Reclaim Rubber is being supplied to prestigious customers like APOLLO, CEAT, JK TYRES amongst others.** The auto components industry is also bound to grow as India consolidates its position as a manufacturing hub. This will result in higher demand for steel abrasives.

#### **Subsidiary information**

The Board of Directors of Tinna Rubber and Infrastructure Ltd. (TRIL) and Tinna Trade Ltd. (TTL) had approved the Scheme of Arrangement (Demerger). The Separate Meetings of Secured Creditors, Unsecured Creditors and Equity Shareholders of the Company were held at New Delhi on September 17, 2016, as per the directions of the Hon'ble High Court of Delhi and the Scheme of Arrangement was duly approved at the respective meeting. Hon'ble High Court has transferred the matter to National Company Law Tribunal (NCLT) and Hon'ble National Company law Tribunal Sanctioned the Scheme of Arrangement on 15<sup>th</sup> December, 2017. Further, we bring in to the Notice of Stakeholders that Tinna Trade Limited got the Trading approval from Bombay and Calcutta Stock exchange Limited respectively and became Listed Entity with effect from 20<sup>th</sup> August, 2018.

#### **Period of Promise:**

During the coming year 2018-2019 we hope to reap benefits of the hard work done over last three years. We expect to continue to grow at breakneck speed of 40% to 50% during coming year. This will be the year to exploit benefits from economics of scale and establish a formidable presence in the market for recycled rubber in the non-road sector. Over the last two to three years, we have made substantive investments to mitigate risks associated with our business and have laid the foundation for solid growth.

The year 2017-18 did not bring favorable outcome as expected in road sector due to fall in use of Crumb Rubber Modified Bitumen as a result of a change in government policies, but we hope that during the year 2018-19, Various initiative and new reforms of government is going to be implemented. Your company also introduced new technologies such as Micro Surfacing, Recycling grades Emulsion and Eco-Friendly cold mix emulsion for rural road and we hope that Your Company will witness accelerate growth from road sector in 2018-19.

**Our differentiator is that we “don't” shred waste tyres, we “de-construct” the tyre to derive maximum value from the rubber and steel present therein.** Tyres are built to last. However the very same properties that make them durable also make them difficult to break down. Disposing of tyres in landfills or stockpiles can cause severe environmental and health concerns. In many cases, tyres stockpiles end up being burned, releasing toxins and pollutants into the air, water and soil. Recycling tyres translates into reduction in emissions and most importantly, a reduction in the amount of raw rubber needed for manufacturing, which ultimately contributes to preserve natural resources like crude oil.

The Company has articulated its ambition in its Vision and Mission statements, which I would like to share with you:

- **Our Vision is 'To continuously innovate and apply environment friendly technologies for conversion of waste into value added products with the aim to maximize stakeholder value.'**
- **Our Mission is 'To become the largest fully integrated waste tyre recycling company in India and amongst the top 10 in the World by 2020'.**

Last but not least I feel strong sense of responsibility to sustain and strengthen relationship with our customers, partners and stakeholders. I would also like to thank all employees, partner, Stakeholders for unstinted trust, support and confidence in the Company

Thank you for your continued support.

Place: New Delhi

Date: 27<sup>th</sup> August, 2018

**CHAIRMAN**

## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS:</b>	<b>Mr. Bhupinder Kumar Sekhri</b>	Managing Director
	<b>Mrs. Shobha Sekhri#</b>	Whole Time Director
	<b>Mr. Anand Kumar Singh</b>	Director
	<b>Mr. Vivek Kohli</b>	Director
	<b>Mr. Ashish Madan</b>	Director
	<b>Mr. Ashok Kumar Sood</b>	Director
	<b>Mr. Rajender Parshad Indoria</b>	Director
	<b>Mrs. Promila Kumar*</b>	Director

#Mrs. Shobha Sekhri resigned w.e.f. 12th April, 2017, Mrs. Shobha Sekhri appointed as Director w.e.f 11th July, 2017 and resigned w.e.f. 28th August, 2017. \*Mrs. Promila Kumar appointed as a Director w.e.f. 24th November, 2017.

**CORPORATE IDENTITY NUMBER:** L51909DL1987PLC027186

**REGISTERED OFFICE:** Tinna House, No. 6, Sultanpur,  
Mandi Road, Mehrauli,  
New Delhi-110030.

**STATUTORY AUDITORS:** M/S V.R. Bansal & Associates,  
Chartered Accountants, New Delhi.

**BANKERS:** Syndicate Bank,  
Vasant Vihar, New Delhi.

**CHIEF FINANCIAL OFFICER:** Mr. Ravindra Chhabra  
**COMPANY SECRETARY & COMPLIANCE OFFICER:** Mr. Vaibhav Pandey  
**REGISTRAR & SHARE TRANSFER AGENT:** M/S Alankit Assignments Limited  
205-208, Anarkali Complex,  
Jhandewalan Extension, New Delhi-110055.

**E-MAIL & WEBSITE:** investor@tinna.in, www.tinna.in

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## NOTICE

Notice is hereby given that the Thirty First Annual General Meeting of the Members of Tinna Rubber and Infrastructure Limited (CIN: L51909DL1987PLC027186) will be held on **Friday, the 28<sup>th</sup> September, 2018 at 09.00 a.m. at 18<sup>th</sup> South Drive Way, DLF Farms, Chhattarpur, New Delhi –110074** to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the Financial Year ended 31<sup>st</sup> March, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anand Singh (DIN 00092354), who retires by rotation in terms of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To consider appointment of the Statutory Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and the resolution passed by the shareholders in the 29<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016, appointing the Statutory Auditors named herein, from the conclusion of that meeting till the conclusion of the 34<sup>th</sup> Annual General Meeting, the appointment of M/s. V. R. Bansal & Associates, Chartered Accountants, New Delhi (ICAI Registration No. 016534N), as Statutory Auditors of the Company, who being eligible have offered themselves for ratification of their appointment, be and is hereby ratified to hold office from the conclusion of this annual general meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors of the Company.”

### **SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and

Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Pant S. & Associates (Firm Registration Number No. 101402), Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year 2018-19, be paid a remuneration of Rs.65,000/- (Rupees Sixty Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses, as approved by the Board of Directors of the Company, be and is hereby ratified/confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take steps as may be necessary, proper or expedient to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), Mrs. Promila Kumar (DIN07998889) who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director be and is hereby appointed as a Non-Executive Director (Woman Director) of the Company and will be liable to retire by rotation.”

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

**Place: New Delhi  
Date: 27th August, 2018**

**Vaibhav Pandey  
Company Secretary  
Membership No. A-53653  
Regd. Office Address:  
Tinna House, No. 6, Sultanpur,  
Mandi Road, Mehrauli,  
New Delhi-110030**

## NOTES

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of the business under Item Nos. 4, set out above and also the details in respect of Director proposed to be re-appointed at the Annual General Meeting, are annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**THE INSTRUMENT(S) APPOINTING THE PROXY, IF ANY, SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT TINNA HOUSE, NO. 6 SULTANPUR, MANDI ROAD, MEHRAULI, NEW DELHI – 110030 NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND IN DEFAULT, THE INSTRUMENT OF PROXY SHALL BE TREATED AS INVALID. PROXIES SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 21<sup>st</sup> September, 2018 to Friday, 28<sup>th</sup> September, 2018 (both days inclusive), in connection with the 31<sup>st</sup> Annual General Meeting of the Company.
4. Members are requested to intimate the Registrar and Share Transfer Agent of the Company – M/s Alankit Assignments Ltd. immediately of any change in their address, email Id and phone no. in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialised form.

5. Electronic copy of the full version of the Annual Report for the year 2017-18 and the Notice of the 31<sup>st</sup> AGM are being sent to all the members, whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report, are being sent through permitted mode. These members are requested to register their e-mail ids with DP/Registrar and receive the Annual Report and other communications in electronic form, to contribute their mite to green initiative.
6. Full version of the Annual Report and Notice of the AGM for FY 2017-18, will also be available on the Company's website [www.tinna.in](http://www.tinna.in), for download. Members desirous of receiving printed copy of the complete annual report may send a request in writing to the Registrar or the Company by post/courier or e-mail with a scanned copy of the request.
7. Brief resume of the Director proposed to be re-appointed/confirmed namely Mr. Anand Kumar Singh, and Mrs. Promila Kumar nature of their expertise in specific functional areas and other required information is provided in the Statement attached hereto and forming part of this Notice of the Annual General Meeting. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors of the Company recommend their re-appointment/confirmation.  
  
Mr. Anand Kumar Singh is interested in the Ordinary Resolution, set out at Item Nos. 2, of the Notice with regard to his re-appointment and Mrs. Promila Kumar is interested in the Ordinary Resolution set out at Item No 5, of the Notice with regard to their re-appointment/confirmation
8. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent M/s Alankit Assignments Limited.
9. As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Shareholders holding shares in physical form may file nomination in