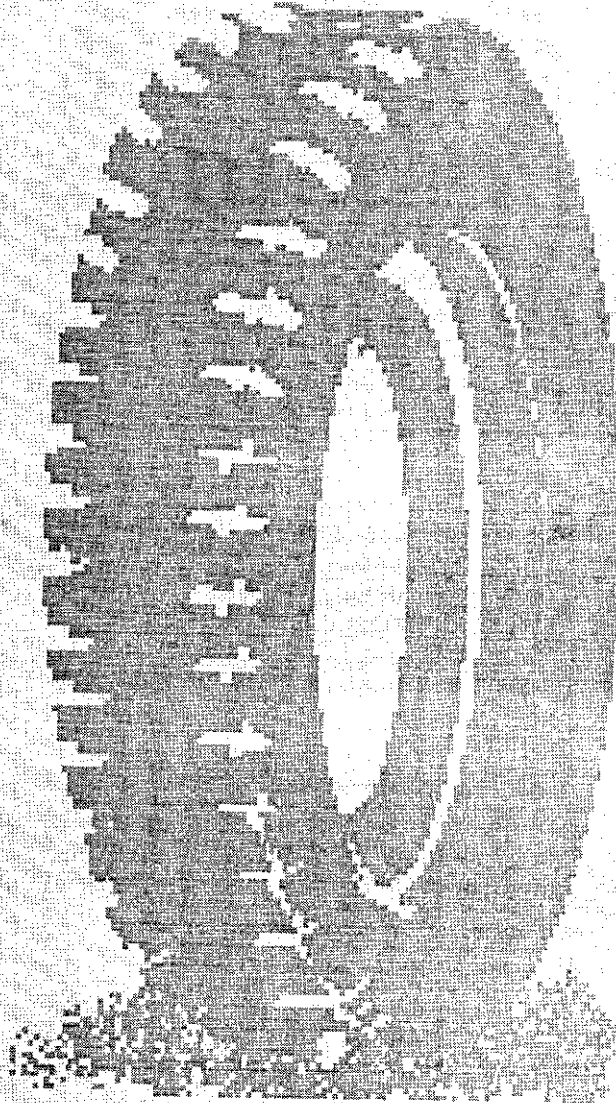


# **Audited Balance Sheet as at 31st March'2016**



*Innovative Tyres & Tubes Ltd.*

**PARIKH MEHTA & ASSOCIATES**  
**Chartered Accountants**

D.B.Parikh  
M.Com., F.C.A.

S.J.Mehta  
B.Com. F.C.A. Grad. C.W.A.

Ashish D Parikh  
B.Com. A.C.A.

Mrs. H.M.Desai  
B.Com., F.C.A., LL. B.  
Mrs Tejal A Parikh  
B.Com. F.C.A.

Happy Home Apt. No. 2, 10, Sampatrao Colony, R.C.Dutt Road, Vadodara – 390 007.

Tel. No. : (0265) 6581665/ 2338100 Fax No. : (0265) 3057834 Mobile – S.J.Mehta – 94260 19863

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Innovative Tyres & Tubes Limited**

**Report On the Financial Statement**

We have audited the accompanying financial statements of **Innovative Tyres & Tubes Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act 2013 ( the Act ) with respect to the preparation of these financial statements that give a true and fair view of the financial position, and financial performance of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies ( Accounts ) Rules, 2014. This responsibility includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities, selection and application of appropriate accounting policies , making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of internal finance control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements:**

As required by the Companies (Auditor's Report) Order 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.

### **As required by Section 143(3) of the Act, we report that:**

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure II.
- g. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us,
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts required to be transferred to the Investor education and protection fund.

**For Parikh Mehta & Associates  
Chartered Accountants**

  
**Sachin J. Mehta**

## **ANNEXURE I TO THE AUDITORS' REPORT**

**(Referred to in paragraph (9) of our report of even date on the financial statement of Innovative Tyres & Tubes Limited for the year ended March 31, 2016)**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

(b) We have been informed that substantial portion of fixed assets have been physically verified by the Management during the year, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

The Company has not disposed off any part of fixed assets during the year. However a fire broke out in the factory premises of the Company during the year. The disclosure related to fire broke out are given in point no. 13 of notes to accounts.

(c) The title deeds of immovable properties are held in the name of the company and mortgaged with secured loan from State Bank of India.

2. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business. The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of inventory as compared to the book records.
3. During the year the Company has granted unsecured loans to parties covered in the register maintained under section 189 of the Act. The yearend balance amounting Rs.38,614/- (Previous year Rs.1,01,928/-).
4. According to information and explanations given to us and to the best of our knowledge, the Company has complied with provisions of section 185 and 186 in respect of the loans and investment.
5. According to the information and explanations give to us, the Company has not accepted any deposits from the public during the year. Therefore, the provisions of Para (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148 (1) (d) of the Companies Act 2013 and are of the opinion that , prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to information and explanations given to us and the records of the Company examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, Income Tax, Sales Tax, Duty of Custom, Duty of Excise, Service tax, Professional Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities. According to information and explanations given to us no undisputed amounts payable in respect of such statutory dues are in arrears, as on March 31, 2016 for a period of more than six months from the date they became payable.  
According to information and explanations given to us, there are no amounts due to be

8. Based on our audit procedures and on the information and explanations given by management, we are of the opinion that the Company has not defaulted in repayments of dues to a financial institutions or banks. The Company has not raised money via debentures.
9. The company has not raised money by way of initial public offer or further public offer during the year and hence the provisions of para 3(ix) of the Order are not applicable to the Company. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
11. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. According to information and explanations given to us, the Company is not a Nidhi Company and hence, provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. According to information and explanations given to us, the related party transactions entered into by the Company are in accordance with the provisions of sections 177 and 188 of the Act. Related parties disclosures required by Accounting Standard -18 are given in point no 7 of notes to accounts.
14. According to information and explanations given to us and to the best of our knowledge and belief the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence para 3(xiv) of the Order is not applicable to the Company. However, the Company has issued 250000 equity shares and 3500000 preference shares having face value of Rs.10 each to the existing shareholders. The Company has also received amounting to Rs.2,28,00,000/- towards share application money from existing shareholder during the year.
15. According to information and explanations given to us and to the best of our knowledge and belief, the Company has not entered into any non-cash transactions with its directors or persons connected to them. Accordingly, the provisions of para 3(xv) of the Order are not applicable to the Company.
16. According to information and explanations given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

  
**For Parikh Mehta & Associates**  
**Chartered Accountants**

  
**Sachin J. Mehta**

**Partner**  
**Membership No. 039258**

**PARIKH MEHTA & ASSOCIATES**  
**Chartered Accountants**

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**ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE OF  
INNOVATIVE TYRES & TUBES LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of  
Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Innovative Tyres & Tubes Limited** ("the Company") as at 31<sup>st</sup> March, 2016 in conjunction with our audit of the financial statements of the Company for year ended on that date.

**Management's Responsibility for the Financial Statements:**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of the reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility:**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over

## **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**


Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Parikh Mehta & Associates  
Chartered Accountants**



  
**Sachin J Mehta**  
**M.No.039258**  
**FRN No.112832W**

**Vadodara**  
**September 05, 2016**

# INNOVATIVE TYRES & TUBES LIMITED

## AUDITED BALANCE SHEET AS AT 31ST MARCH, 2016

		AMOUNT IN(RS)	AMOUNT IN(RS)
Particulars	Notes No	As at 31st March,2016	As at 31st March,2015
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	3	130,931,370	93,431,370
(b) Reserves and Surplus	4	289,032,719	257,591,661
<b><u>(2) Share Application Money Pending Allocation</u></b>	5	22,800,000	37,500,000
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings	6	187,361,374	204,494,636
(b) Deferred Tax Liabilities (Net)	7	22,575,589	20,435,579
(c) Other Long Term Liabilities	8	43,760,038	63,969,534
(d) Long Term Provisions	9	6,268,224	12,864,490
<b><u>(4) Current Liabilities</u></b>			
(a) Short Term Borrowings	10	169,016,123	166,820,760
(b) Trade Payables	11	303,701,206	366,227,885
(c) Other Current Liabilities	12	53,586,326	87,963,912
(d) Short-Term Provisions	13	17,441,547	13,535,039
<b>TOTAL</b>		<b>1,246,474,517</b>	<b>1,324,834,865</b>
<b>II. ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Fixed Assets			
(i) Tangible Assets	14	599,995,621	597,537,968
(ii) Intangible Assets	14	56,817	72,717
(iii) Capital Work-in-progress	14	130,397,480	135,101,196
(b) Long term loans and advances	15	53,193,503	59,937,091
(c) Other non-current assets	16	33,400	33,400
<b><u>(2) Current Assets</u></b>			
(a) Inventories	17	202,907,078	264,327,715
(b) Trade receivables	18	156,896,355	200,531,613
(c) Cash and cash equivalents	19	38,710,377	33,860,153
(d) Short-term loans and advances	20	64,283,886	33,433,011
<b>TOTAL</b>		<b>1,246,474,517</b>	<b>1,324,834,865</b>

### Significant Accounting Policies Note No.2

The accompanying notes are an integral part of the financial statements

As per tax audit report u/s 44ab of the Income Tax Act' 1961.

For Parikh Mehta & Associates

Chartered Accountants

For Innovative Tyres & Tubes Limited

Sachin J. Mehta

Partner

Membership No. : 039258

Firm Reg. No.: 112832W

Nitin J. Markad  
(Director)

Mukesh G Desai  
(Director)



**INNOVATIVE TYRES & TUBES LIMITED**

**AUDITED BALANCE SHEET AS AT 31ST MARCH, 2016**

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Particulars	Notes No	As at 31st March,2016	As at 31st March,2015
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<b>TOTAL</b>		<b>1,246,474,517</b>	<b>1,324,834,865</b>

**Significant Accounting Policies Note No.2**

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

*As per tax audit report u/s 44ab of the Income Tax Act' 1961.*

**For Parikh Mehta & Associates**

**Chartered Accountants**

**Sachin J. Mehta**

**Partner**

**Membership No. : 039258**

**Firm Reg. No.: 112832W**

**For Innovative Tyres & Tubes Limited**

**Nitin J. Markad**  
**(Director)**

**Mukesh G Desai**  
**(Director)**

# INNOVATIVE TYRES & TUBES LIMITED

## AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

			AMOUNT IN(RS)	AMOUNT IN(RS)
Sr. No	Particulars	Notes No	Year Ended 31.03.2016	Year Ended 31.03.2015
I	Revenue from operations	21	1,239,616,721	1,298,599,078
II	Other Income	22	4,535,266	6,409,861
III	<i>III. Total Revenue (I +II)</i>		<b>1,244,151,988</b>	<b>1,305,008,939</b>
IV	<u>Expenses:</u>			
	Cost of materials consumed	23	655,453,971	839,116,727
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	57,420,984	56,433,645
	Employee Benefit Expense	25	46,650,008	42,045,370
	Financial Costs	26	51,882,750	45,072,225
	Depreciation and Amortization Expense	27	39,090,376	28,165,447
	Other Expenses	28	350,307,298	361,811,041
	<i>Total Expenses (IV)</i>		<b>1,200,805,387</b>	<b>1,259,777,165</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>43,346,600</b>	<b>45,231,775</b>
VI	Loss due to Fire		<b>9,678,771</b>	-
VII	Profit Before Tax	(V-VI)	<b>33,667,829</b>	<b>45,231,775</b>
VIII	<u>Tax expense:</u>			
	(1) Current tax		10,995,726	9,210,000
	(2) Deferred tax		2,140,010	7,536,292
	(3) Short Provision for Income Tax		620,738	
	(4) MAT Credit	-	11,075,299	
IX	Profit/(Loss) for the period (XI + XIV)	(VII-VIII)	<b>30,986,653</b>	<b>28,485,483</b>
X	Earning per equity share:			
	(1) Basic		3.23	3.05
	(2) Diluted		3.23	3.05

### Significant Accounting Policies Note No.2

The accompanying notes are an integral part of the financial statements

As per tax audit report u/s 44ab of the Income Tax Act' 1961.

For Parikh Mehta & Associates  
Chartered Accountants

Sachin J. Mehta  
Partner

Membership No. : 039258

Firm Reg. No.: 112832W

Place : Vadodara

For Innovative Tyres & Tubes Limited

Nitin J. Manikad  
(Director)

Mukesh G Desai  
(Director)

Place : Vadodara

# INNOVATIVE TYRE & TUBES LIMITED

## Notes Forming Integral Part of Financial Statements

### Note : 3 Share Capital

Amount in Rs.

Sr. No	Particulars	As at 31st March, 2016	As at 31st March, 2015
	<b>AUTHORIZED CAPITAL</b>		
i)	130,00,000 Equity Shares of Rs. 10/- each. (Previous year 101,00,000 of Rs.10/- each)	130,000,000	101,000,000
ii)	40,00,000 Cumulative redeemable Preference shares of Rs. 10/- each (Previous Year 40,00,000 of Rs.10/- each )	40,000,000	40,000,000
		<b>170,000,000</b>	<b>141,000,000</b>
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
i)	95,93,137 Equity Shares of Rs. 10/- each fully paid up (Previous year 93,43,137 of Rs.10/- each)	95,931,370	93,431,370
ii)	35,00,000 Cumulative redeemable Preference shares of Rs. 10/- each (Previous Year Nil )	35,000,000	
	<b>Total in (Rs)...</b>	<b>130,931,370</b>	<b>93,431,370</b>

Note: During the year Company has increased Equity authorised share capital from 10100000 to 13000000 having face value of Rs.10 each. The Company has further issued 250000 equity shares and 3500000 Preference Shares having face value of Rs10 each to the existing shareholders.

#### (a) Reconciliation of number of equity shares and amount outstanding at the beginning & end of the reporting period

Sr. No	Particulars	No. of Shares as at 31st March, 2016	AS at 31st March, 2016	No. of Shares as at 31st March, 2015	As at 31st March'2015
1	At the beginning of the year	9,343,137	93,431,370	9,343,137	93,431,370
	-Addition/Substraction during the year	250000	2500000	-	-
	Closing Balance at the year end	<b>9,593,137</b>	<b>95,931,370</b>	<b>9,343,137</b>	<b>93,431,370</b>
	<b>At the end of the year</b>	<b>9,593,137</b>	<b>95,931,370</b>	<b>9,343,137</b>	<b>93,431,370</b>

#### (b) Terms/Rights attached to equity shares

- \* The Company has equity shares and redeemable preference share having a par value of Rs. 10 each.
- \* The equity shares have rights, preferences and restrictions which are in accordance with the provisions of the law, in particular the Companies Act, 2013.

#### (C ) Details of shareholders holding more than 5% shares in the Company.

Sr. No	Name of the shareholder	AS at 31st March, 2016		As at 31st March, 2015	
	<b>Equity shares of Rs. 10/- each fully paid</b>	<b>No. of Shares</b>	<b>% of holding</b>	<b>No. of Shares</b>	<b>% of holding</b>
1	Maxim Gold Development Limited	3,843,137	40.06	3,843,137	41.13
2	Goldmine Stocks Pvt Ltd.	956,790	9.97	956,790	10.24
3	Mani Market Creators Limited	-	-	-	-
4	Sharmistha C Shah	996,410	10.39	996,410	10.66
5	Pradeep R Kothari	1,531,020	15.96	756,620	8.10

# INNOVATIVE TYRE & TUBES LIMITED

Notes Forming Integral Part of Financial Statements

Note : 3 Share Capital

Amount in Rs.

Sr. No	Particulars	As at 31st March, 2016	As at 31st March, 2015
	<b>AUTHORIZED CAPITAL</b>		
i)	130,00,000 Equity Shares of Rs. 10/- each. (Previous year 101,00,000 of Rs.10/- each)	130,000,000	101,000,000
ii)	40,00,000 Cumulative redeemable Preference shares of Rs. 10/- each (Previous Year 40,00,000 of Rs.10/- each )	40,000,000	40,000,000
		<b>170,000,000</b>	<b>141,000,000</b>
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
i)	95,93,137 Equity Shares of Rs. 10/- each fully paid up (Previous year 93,43,137 of Rs.10/- each)	95,931,370	93,431,370
ii)	35,00,000 Cumulative redeemable Preference shares of Rs. 10/- each (Previous Year Nil )	35,000,000	
	<b>Total in (Rs)...</b>	<b>130,931,370</b>	<b>93,431,370</b>

**Note** During the year Company has increased Equity authorised share capital from 10100000 to 13000000 having face value of Rs 10 each. The Company has further issued 250000 equity shares and 3500000 Preference Shares having face value of Rs10 each to the existing shareholders.

(a) Reconciliation of number of equity shares and amount outstanding at the beginning & end of the reporting period

Sr. No	Particulars	No. of Shares as at 31st March, 2016	AS at 31st March, 2016	No. of Shares as at 31st March, 2015	As at 31st March, 2015
1	At the beginning of the year	9,343,137	93,431,370	9,343,137	93,431,370
	-Addition/Subtraction during the year	250000	2500000	-	-
	Closing Balance at the year end	<b>9,593,137</b>	<b>95,931,370</b>	<b>9,343,137</b>	<b>93,431,370</b>
	<b>At the end of the year</b>	<b>9,593,137</b>	<b>95,931,370</b>	<b>9,343,137</b>	<b>93,431,370</b>

(b) Terms/Rights attached to equity shares

- \* The Company has equity shares and redeemable preference share having a par value of Rs. 10 each.
- \* The equity shares have rights, preferences and restrictions which are in accordance with the provisions of the law, in particular the Companies Act, 2013.

(C) Details of shareholders holding more than 5% shares in the Company.

Sr. No	Name of the shareholder	AS at 31st March, 2016		As at 31st March, 2015	
	<b>Equity shares of Rs. 10/- each fully paid</b>	<b>No. of Shares</b>	<b>% of holding</b>	<b>No. of Shares</b>	<b>% of holding</b>
1	Maxim Gold Development Limited	3,843,137	40.06	3,843,137	41.13
2	Goldmine Stocks Pvt Ltd.	956,790	9.97	956,790	10.24
3	Mani Market Creators Limited	-	-	-	-
4	Sharmistha C Shah	996,410	10.39	996,410	10.66
5	Pradeep R Kothari	1,531,020	15.96	756,620	8.10

# INNOVATIVE TYRE & TUBES LIMITED

## Note : 4 Reserve & Surplus

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	<b>Securities Premium</b>		
	Balance as at the beginning & end of the year	92,645,383	92,645,383
2	<b>General Reserve</b>		
	Balance as at the beginning and at the end of the year	2,800,237	714,079
	Addition during the year	454,405	2,086,158
	Closing Balance at the year end	3,254,642	2,800,237
	<b>TOTAL</b>	<b>95,900,025</b>	<b>95,445,620</b>
3	<b>Surplus in the Statement of Profit &amp; Loss Account</b>		
	Balance as at the beginning of the year	162,146,041	133,660,558
	Add: Profit for the year	30,986,653	28,485,483
	Balance as at the end of the year	<b>193,132,694</b>	<b>162,146,041</b>
	<b>GRAND TOTAL</b>	<b>289,032,719</b>	<b>257,591,661</b>

## Note : 5 Share Application Money Pending Allocation

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
	Equity Share Application Money pending allocation	22800000	2500000
	Preference Share Application pending allocation	0	35000000
	<b>TOTAL</b>	<b>22,800,000</b>	<b>37,500,000</b>

## Note : 6 Long Term Borrowings

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	<b>Secured Loan</b>		
	- Term Loan Account from State Bank of India	23,065,924	52,321,254
	Less : Current Maturity of long terms borrowings	23,065,924	32,909,927
	<b>Total (a)</b>	<b>0</b>	<b>19,411,327</b>
	<b>(Refer Note No.11)</b>		
	(Secured by equitable mortgage of Land, Building, Plant & Machinery of the Company and personally guaranteed by Directors of the Company.)		
	(Interest Payable monthly @ 14.35%. Repayable in 60 monthly installments. First Installment starts from Feb.2012 & last installment will be payable in Nov.2016)		
	-Term Loans (Vehicle ) from Various Banks	2,536,201	3,491,661
	Less : Current Maturity of long terms borrowings	936,739	1,501,045
	<b>Total (b)</b>	<b>1,599,462</b>	<b>1,990,616</b>
2	<b>UnSecured Loan</b>		
	- From Directors	1,455,550	1,308,000
	- From Others	184,306,361	181,784,693
	<b>Total (C)</b>	<b>185,761,911</b>	<b>183,092,693</b>

**Note : 7 Deferred Tax Liabilities (Net)**

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	<b>Deferred Tax Liabilities</b>		
	Depreciation Allowance	20,435,579	12,899,287
	Add: Total DTL for the year	2,140,010	7,536,292
2	<b>Deferred Tax Assets</b>		
	Disallowance u/s 43B of the Income Tax Act, 1961		-
		22,575,589	20,435,579
	<b>Total in (Rs)...</b>	<b>22,575,589</b>	<b>20,435,579</b>

**Note : 8 Other Long Term Liabilities**

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	Trade Payables ( Other Than Micro, Small & Medium Enterprise )	10,999,039	26,394,717
2	Other Creditors	-	-
	- Security Deposit	32,394,330	35,213,700
	- For Capital Goods	366,669	2,361,117
	<b>Total</b>	<b>43,760,038</b>	<b>63,969,534</b>

**Note : 9 Long Term Provisions**

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	Gratuity (LIC)	6,268,224	5,605,547
2	Provision for Income Tax - 2012-13	0	4,790,663
3	Provision for Income Tax - 2013-14	0	2,468,280
		0	
		0	
		0	
	<b>Total</b>	<b>6,268,224</b>	<b>12,864,490</b>

**Note : 10 Short Term Borrowings**

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
	<b><u>Secured Loan</u></b>		
1	-Cash Credit Limit a/c 31563436900 Hypothecation of entire current assets of the company including raw material, stock in trade, finished goods and receivable of the company.	149,019,669	146,820,760
2	- PCFC / Buyers Credit / Stand by Line of Credit Hypothecation of entire current assets of the company including raw material, stock in trade, finished goods and receivable of the company.	19,996,454	20,000,000
	<b>Total</b>	<b>169,016,123</b>	<b>166,820,760</b>

Note:

(i) Cash Credit is repayable on demand and carries variable interest (average for the year 13.95% )

(ii) Buyer's Credits are generally due within 180 days and carry variable interest (average for the year 2%)

**Note : 11 Trade Payables**

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	Due to Micro & Small Enterprise. ( To the Extent Identified on the basis of information available with the company)	1,607,839	1,372,742
2	Due to Others	302,093,367	364,855,143
	<b>Total</b>	<b>303,701,206</b>	<b>366,227,885</b>

\*Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "Suppliers" regarding their status under the MicroSmall and medium Enterprises Development Act. 2006. The Company does not have any information regarding payment made to suppliers beyond the due dates during the year.

**Note : 12 Other Current Liabilities**

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	Current Maturity of long terms borrowings		
	- Term Loan from SBI	23,065,924	32,909,927
	- Term Loan (Vehicle)	936,739	1,501,045
	(Refer Note No. 5)	-	-
2	Advance received from Sundry Debtors	20,515,295	51,750,106
3	Professional Tax	-	31,070
4	Unpaid Salary & wages	6,894,125	1,030,489
5	TDS Payable	1,008,238	100,122
6	Interest on SLC payable	253,193	42,466
7	Other Liabilities	912,811	798,931
	<b>Total</b>	<b>53,586,326</b>	<b>87,963,912</b>

**Note : 13 Short Term Provisions**

Sr. No	Particulars	As at 31st March 2016	As at 31st March'2015
1	Provision for Employees Benefits		
	- Contribution to PF and ESIC	649,580	47,160
	- Leave Encashment	1,596,241	1,372,199
	- Bonus	4,200,000	3,000,000
2	Provision for Income Tax - 2014-15	-	9,210,000
	Provision for Income Tax - 2015-16	10,995,726	
	<b>Total</b>	<b>17,441,547</b>	<b>13,535,039</b>



**INNOVATIVE TYRES & TUBES LIMITED**

**Forming Integral Part of Financial Statements**  
**4 Fixed Asset**

Amount in Rs.

Particulars	Gross Block			Depreciation			Net Block				
	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Transferred to/from General Reserve	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
<b><u>Intangible Assets</u></b>											
Free Hold Land	5,216,886	-	-	5,216,886	-	-	-	-	-	5,216,886	5,216,886
Plant & Equipment	690,980,602	61,831,915	30,411,074	722,401,443	155,649,467	33,668,770	3,865,491	-	185,452,746	536,948,697	535,331,135
Electrical Installations	17,686,880	2,059,922	-	19,746,802	3,730,764	1,831,811	-	-	5,562,575	14,184,227	13,956,116
Laboratory Equipments	319,020	896,302	-	1,215,322	180,964	45,927	-	-	226,891	986,431	138,056
Building	50,479,328	-	-	50,479,328	16,411,973	1,600,195	-	-	18,012,168	32,467,160	34,067,355
Furniture & Fixtures	1,932,668	13,299	-	1,945,967	1,836,034	97,541	-	486	1,933,089	12,878	96,634
Ice Equipments	3,214,174	639,738	-	3,853,912	1,457,863	713,521	-	-	2,171,384	1,682,528	1,756,311
Vehicles	8,536,554	-	-	8,536,554	1,662,502	1,014,142	-	-	2,676,644	5,859,910	6,874,052
Computer & Peripherals	1,646,271	32,133	-	1,678,404	1,544,850	102,569	-	453,919	1,193,500	484,904	101,423
Wage F-270	-	2,150,000	-	2,150,000	-	-	-	-	-	2,150,000	-
<b>TOTAL (A)</b>	<b>780,042,383</b>	<b>67,623,309</b>	<b>30,411,074</b>	<b>817,224,618</b>	<b>182,474,417</b>	<b>39,074,476</b>	<b>3,865,491</b>	<b>454,405</b>	<b>217,228,997</b>	<b>599,995,621</b>	<b>597,537,968</b>
<b><u>Intangible Assets</u></b>											
Chemical Knowhow	12,618,561	-	-	12,618,561	12,618,561	-	-	-	12,618,561	-	-
Trade Mark	138,000	-	-	138,000	65,283	15,900	-	-	81,183	56,817	72,717
<b>TOTAL (B)</b>	<b>12,756,561</b>	<b>-</b>	<b>-</b>	<b>12,756,561</b>	<b>12,683,844</b>	<b>15,900</b>	<b>-</b>	<b>-</b>	<b>12,699,744</b>	<b>56,817</b>	<b>72,717</b>
<b>Total (A+B)(Current Year)</b>	<b>792,788,944</b>	<b>67,623,309</b>	<b>30,411,074</b>	<b>829,981,179</b>	<b>195,158,261</b>	<b>39,090,376</b>	<b>3,865,491</b>	<b>454,405</b>	<b>229,928,741</b>	<b>600,052,438</b>	<b>597,610,685</b>
<b>(Previous Year)</b>	<b>779,652,670</b>	<b>14,883,287</b>	<b>1,767,013</b>	<b>792,768,944</b>	<b>169,899,019</b>	<b>28,165,447</b>	<b>820,049</b>	<b>2,086,158</b>	<b>195,158,259</b>	<b>597,610,685</b>	<b>609,753,652</b>
<b>Capital work in progress</b>										<b>130,397,480</b>	<b>135,101,196</b>
<b>Total</b>										<b>730,449,918</b>	<b>732,711,881</b>

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**INNOVATIVE TYRES & TUBES LIMITED**

**Notes Forming Integral Part of Financial Statements**

**Note : 15 Long Term Loans and Advances**

		Amount in Rs	Amount in Rs
Sr. No	Particulars	As at 31st March 2016	As at 31st March, 2015
	<b>a) Unsecured, Considered Good :</b>		
1	<b>Security Deposit</b>		
	- Telephone Deposit 223480	10,146	10,146
	- Security Deposit with GEB/MGVCL	6,894,246	6,152,348
	- ITI Godhara Deposit	500	500
	- Internet Deposit - VSNL	1,000	1,000
	- Rent Deposit	70,000	70,000
	- Telephone Deposit	38,987	38,987
	- Cell Phone Deposit	-	5,000
	- Cell Phone Deposit- Birla A T & T	-	3,000
	- Cell Phone Deposit- Fascell	-	3,000
	- Infrastructure Deposit with HGIA	223,750	193,750
	- Gas Connection Deposit	7,650	7,650
	- Halol G.I.D.C. Industries Association	157,343	187,343
	- Mobile Phone Deposit -	-	2,000
	- Telephone Deposit Tata Tele. No. 223480	500	500
	- Rent Deposit Hasuben D. Patel	63,691	63,690
	- Earnest Money Deposit	228,238	228,238
	- Nandesari Environment Control Ltd	83,708	83,708
2	<b>Capital Advance</b>	1,049,064	1,288,704
3	<b>Other Advance for Purchase</b>	12,577,610	355,062
4	<b>Balance With Government Authorities</b>	11,245,801	27,867,255
5	FMS Receivable	11,285,412	14,119,354
6	DEPB Income Receivable	818,506	818,506
7	Duty Drawback Receivable	8,437,350	8,437,350
	<b>TOTAL</b>	<b>53,193,503</b>	<b>59,937,091</b>

**Note : 16 Non-Current Investment (Valued at Cost)**

Sr. No	Particulars	As at 31st March 2016	As at 31st March, 2015
	<b><u>Other Investments</u></b>		
1	<b>- Quoted:</b> 1100 shares of Rs. 10 each of Indian Overseas Bank at a premium of Rs. 14 (At the Beginning And at the End of the Year)	26,400	26,400
2	<b>- Unquoted:</b> 140 shares of Rs. 50 each, fully paid up of The Halol Mercantile Co-Operative Bank Ltd., Halol (At the Beginning And at the End of the Year.)	7,000	7,000
	<b>TOTAL</b>	<b>33,400</b>	<b>33,400</b>

**INNOVATIVE TYRES & TUBES LIMITED****Notes Forming Integral Part of Financial Statements****Note : 17 Inventories ( As Certified By the Management)**

Amount in Rs			
Sr. No	Particulars	As at 31st March 2016	As at 31st March,2015
	<b>At lower of Cost or Net Realisable Value</b>		
1	Consumables Stores and Spares	11,734,605	8,298,861
2	Raw Material	38,878,838	46,314,234
3	Packing Materials	0	0
4	Work In Progress	97,593,855	122,988,597
5	<b>Finished Goods</b>	0	0
	- Tyres	43,965,878	75,194,844
	- Tubes	8,642,878	8,395,300
	- Flaps	2,091,024	2,953,700
6	Scrap Material	0	182,179
	<b>TOTAL</b>	<b>202,907,078</b>	<b>264,327,715</b>

**Note : 18 Trade Receivables**

Sr. No	Particulars	As at 31st March 2016	As at 31st March,2015
1	<u>Trade receivables outstanding for a period exceeding Six Months from the date they were due for payment</u>		
	a) Unsecured , Considered Good:	12,887,321	13,255,278
2	<u>Other trade receivables</u>		
	a) Unsecured, Considered Good :	144,009,034	187,276,335
	<b>TOTAL</b>	<b>156,896,355</b>	<b>200,531,613</b>

**INNOVATIVE TYRES & TUBES LIMITED***Notes Forming Integral Part of Financial Statements***Note : 19 Cash & Cash Equivalent**

Sr. No	Particulars	Amount in	Amount in Rs
		As at 31st March 2016	As at 31st March, 2015
1	<b>Cash-in-Hand</b>		
	Cash Balance	2,551,792	30,488
	<b>Sub Total (A)</b>	<b>2,551,792</b>	<b>30,488</b>
2	<b>Balance with Banks</b>		
	Fixed Deposit with State Bank of India	31,066,076	38,659,336
3	<b>In Current Account</b>		
	State Bank of India -C/A No. 30094419858	3,865,309	526,996
	State Bank of India -C/A No. 10184845681	1,137,688	4,848,889
	State Bank of India -C/A No. 30050608062	- 2	- 2
	State Bank of India, Halol -C/A No. 10462017606	11,361	12,776
	State Bank of India, Halol -C/A No. 10462017617	13,654	132,502
	State Bank of India -C/A No. 3004803240	39,475	678,078
	Uco Bank A/c No. 20310210001363	6,841	6,841
	The Halol Mercantile Co-Op. Bank Ltd.	450	450
		-	-
4	State Bank of India EEFC a/c No. 30536291123	17,733	17,733
	<b>Sub Total (B)</b>	<b>36,158,586</b>	<b>33,829,665</b>
	<b>Total [ A + B ]</b>	<b>38,710,377</b>	<b>33,860,153</b>
	Of the above, the balances that meets the definition		
	of cash and cash equivalents as per AS 3 is	<b>7,644,301</b>	<b>4,799,183</b>

**Note : 20 Short Terms Loans and Advances**

Sr. No	Particulars	As at 31st March 2016	As at 31st March, 2015
1	<b>(a) Unsecured, Considered Good :</b>		
	- Capital Advance	939,423	452,110
	- Advance to Sundry Creditors	4,201,750	12,893,706
	- Advance To Employees	150,500	247,847
	- Advance To Directors	38,614	101,928
	- Balance with Revenue Authorities	18,553,359	13,976,406
	- Advance Others	40,064,530	5,649,383
	- Prepaid Expenses	335,711	111,632
	<b>TOTAL</b>	<b>64,283,886</b>	<b>33,433,011</b>

# INNOVATIVE TYRES & TUBES LIMITED

## Notes Forming Integral Part of Financial Statements

<b>Note : 21 Revenue from Operations</b>		<b>Amount in Rs</b>	<b>Amount in Rs</b>
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31.03.2016</b>	<b>Year Ended 31.03.2015</b>
1	Sale of Products.		
	- Export Sale	557,758,495	634,219,341
	- Domestic Sale	388,841,650	316,463,728
		<b>946,600,145</b>	<b>950,683,069</b>
	Less : Excise Duty on Domestic Sale	37,987,375	26,501,975
		<b>908,612,770</b>	<b>924,181,094</b>
2	Sale of Services		
	- Job Work Charges CEAT Ltd	169,546,511	175,369,845
	- Job Work Charges Export Division	141,656,401	149,744,776
3	Other Operating Revenue		
	- Scarp Sale	3,204,085	1,760,647
	- FMS Income	1,331,988	16,020,965
	- Duty Drawback Income	-	12,435,834
	- Exchange Rate Difference-Debtors	6,914,778	3,442,782
	- Exchange Rate Difference-Creditors	3,494,860	7,509,268
	-Unadusted foreign gain /Loss	757,786	
	- Profit on Sale of Assets	-	
	- Sundry Balance W/o	4,095,552	8,131,150
	- Other Income	1,991	2,717
		-	
	<b>Total</b>	<b>1,239,616,721</b>	<b>1,298,599,078</b>

<b>Note : 22 Other Income</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31.03.2016</b>	<b>Year Ended 31.03.2015</b>
1	Interest on VAT Refund	0	1,395,525
2	Interest on Income Tax Refund	0	10,890
3	Interest on MGVCCL	556,012	
4	Interest on Fixed Deposit Gross	2,601,510	5,002,896
5	Prior Period Adjstment (Net)	1,377,744	
6	Dividend	0	550
	<b>Total</b>	<b>4,535,266</b>	<b>6,409,861</b>

<b>Note : 23 Cost of Material Consumed</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year Ended 31.03.2016</b>	<b>Year Ended 31.03.2015</b>
1	Opening Stock of Raw Material	46,314,234	11,939,498
	Add: Purchases	648,018,575	873,491,463
	<b>Total</b>	<b>694,332,809</b>	<b>885,430,961</b>
	Less: Closing Stock of Raw Material	38,878,838	46,314,234
	<b>Total</b>	<b>655,453,971</b>	<b>839,116,727</b>

# **INNOVATIVE TYRES & TUBES LIMITED**

## **Notes Forming Integral Part of Financial Statements**

### **Note: 23.1 Details of Raw Material Consumed**

1	- Carbon Black	108,631,454	166,778,760
2	- Rubber Process Oil	17,883,372	31,108,372
3	- Chemicals	43,593,470	49,265,410
4	- Bead Wire	21,413,697	19,808,596
5	- Fabrics	151,205,858	167,290,131
6	- Rubber	300,048,851	371,921,764
7	- Bladder	6,597,316	4,963,202
8	- Zinc Oxide	14,225,541	22,380,187
9	- Valve , Nuts, Washers and Other	8,091,994	5,600,306
	<b>Total</b>	<b>671,691,553</b>	<b>839,116,728</b>
10	- Less: Sale of Raw Material - Rubber and Bladder		-
11	- Less: Insurance Claim for Raw Material and WIP	16,237,582	-
	<b>Total</b>	<b>16,237,582</b>	-
	<b>Total</b>	<b>655,453,971</b>	<b>839,116,728</b>

### **Note : 24 Change in Inventories of Finished Goods, Work-in-Progress & Scrap**

Sr. No	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
1	Opening Stock		
	Finished Goods	86,543,844	81,873,515
	Work In Process	122,988,596	70,838,096
	Scrap	182,179	569,364
		209,714,619	153,280,975
2	Closing Stock		
	Finished Goods	54,699,780	86,543,844
	Work In Process	97,593,855	122,988,597
	Scrap		182,179
		152,293,635	209,714,620
	<b>Total</b>	<b>57,420,984</b>	<b>- 56,433,645</b>

### **Note : 25 Employment Benefit Expenses**

Sr. No	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
1	Salary Expenses	36,180,526	31,637,471
2	Directors Remuneration	4,800,000	4,980,834
3	Bonus Expenses	1,200,000	1,200,000
4	Employer's Contribution to ESIC Fund	1,245,194	1,407,327
5	Employer's Contribution to Provident Fund	2,695,433	2,712,475
6	Employer's Labour Welfare Fund	3,807	4,008
7	Staff Welfare Expenses	525,048	103,255
	<b>Total</b>	<b>46,650,008</b>	<b>42,045,370</b>

# INNOVATIVE TYRES & TUBES LIMITED

## Notes Forming Integral Part of Financial Statements

<b>Note :26 Financial Cost</b>			
Sr. No	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
1	<b><u>Interest on Borrowings</u></b>		
	Interest on Term loan	5,715,047	10,478,942
	Less: Interest on Term Loan Capitalised	-	-
		<b>5,715,047</b>	<b>10,478,942</b>
	Interest on Unsecured Loan	632,254	391,225
	Interest on C.C. Limit	20,866,545	12,691,288
	Interest on Working Capital Demand Loan (SLC)	2,967,283	1,884,421
	Interest to Financial Institutions	372,154	670,273
	Interest on L.C.	10,388,540	8,822,815
2	<b><u>Interest Others</u></b>	-	-
	Interest to Creditors (LC Opening Charges)	6,004,334	6,213,152
	Interest on delayed payment of Statutory Liabilities	1,344,005	289,507
		-	-
3	<b><u>Other Borrowing Costs</u></b>	-	-
	Bank Charges on Foreign Currency	377,832	574,031
	Cancellation charges for Forward Contract	-	-
	Bank Charges	3,214,756	3,056,571
	Exchange Rate Fluctuation on L.C.	-	-
	<b>Total</b>	<b>51,882,750</b>	<b>45,072,225</b>

<b>Note : 27 Depreciation &amp; Amortised Cost</b>			
Sr. No	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
1	Depreciation of Tangible Asset	39,074,476	26,857,091
2	Depreciation of InTangible Asset	15,900	1,308,356
	<b>Total</b>	<b>39,090,376</b>	<b>28,165,447</b>
	Less : Charged to Revaluation Reserve		-
	<b>Total</b>	<b>39,090,376</b>	<b>28,165,447</b>

<b>Note : 28 Other Expenses</b>			
Sr. No	Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
1	Manufacturing Expenses		
	Consumption of Stores and Spareparts (Including Packing Material & Repairs & Maintainance)	42,703,384	55,189,635
	Less: Boiler Fuel	<b>25,361,012</b>	<b>32,316,622</b>
	<b>Total</b>	<b>17,342,372</b>	<b>22,873,013</b>
	{ Refer 23 (i) Below}		
	Excess Material Consumption	1,313,410	1,237,161
	Rejection Tube/Tyre claims	1,008,486	1,001,958

# INNOVATIVE TYRES & TUBES LIMITED

## Notes Forming Integral Part of Financial Statements

	Labour Charges	13,283,467	17,501,839
	Conversion Charges TTF	174,573,675	160,035,551
	Conversion/Mixing charges	782,287	152,066
	Power & Fuel	90,174,563	91,967,270
	Water Charges	2,376,587	2,463,427
	Weighing Charges	138,340	154,780
	Factory Expenses	90,729	116,635
	Freight Inward	22,667,817	29,272,582
		-	
	Administrative, Selling & Distribution Expenses, and Other		
2	Misc Expenses	-	
	Payment to Auditors as	-	
	Auditor	114,500	154,420
	- For Company Law Matters	-	462,784
	- For Reimbursement of Expenses	-	4,011
	Sundry Balances written off	726,163	3,016,536
	Conveyance	1,270	78,415
	Donation & Charity	46,000	1,500
	Cash Discount	915,094	
	Insurance Expenses	1,540,710	2,460,870
	Membership fees and Subscription	195,804	164,822
	Legal & Professional Expenses	3,348,097	2,081,767
	Loss on Sale of Assets	-	281,964
	Miscellaneous Expenses	23,142	3,434,869
	Office Expenses	70,614	76,823
	Repairs and Maintenance to others	-	68,956
	Repairs to Building	32,280	2,398
	Repairs to Computer	19,751	
	Postage & Courier Expenses	193,232	266,150
	Printing & Stationery	105,582	182,364
	Rates & Taxes	569,448	423,997
	Security Expenses	1,480,416	1,304,665
	Telephone Expenses	713,953	658,545
	Travelling Expenses	440,145	133,831
	Vehicle Expenses	447,064	856,610
	Vat Assessment Exps	2,692,495	
	Advertisement Expenses	-	165,294
	Sales/Business Promotion Expenses	322,379	3,436,799
	Freight and Forwarding Expense	12,557,428	15,286,625
	Prior Period Adjstment (Net)	-	29,744
		-	
	<b>Total</b>	<b>350,307,298</b>	<b>361,811,041</b>



# **INNOVATIVE TYRES & TUBES LIMITED**

## **Notes Forming Integral Part of Financial Statements**

<b>Note No. 28 (i) Consumption of Stores &amp; Spare Parts</b>			
<b>A</b>	<b>Consumables</b>	<b>Year Ended 31.03.2016</b>	<b>Year Ended 31.03.2015</b>
	Opening Stock	6,324,471	9,655,054
	Add : Purchases	-	
	Lignite/Imported Coal	11,192,099	32,721,653
	Freight and Handling Charges For Purchase of Coal	4,312,055	
	Fuel, Fire Wood	6,691,091	
	Other Misc. Consumable stores and spare parts	16,984,381	14,770,004
		<b>45,504,096</b>	<b>57,146,711</b>
	Less : Closing Stock	7,075,935	6,324,471
	<b>TOTAL (A)</b>	<b>38,428,161</b>	<b>50,822,240</b>
<b>B</b>	<b>Packing Materials</b>	<b>Year Ended 31.03.2016</b>	<b>Year Ended 31.03.2015</b>
	Opening Stock		130,438
	Add : Purchases		210,193
			340,631
	Less : Closing Stock		-
	<b>TOTAL (B)</b>		<b>340,631</b>
<b>C</b>	<b>Repairs and Maintenance</b>	<b>Year Ended 31.03.2016</b>	<b>Year Ended 31.03.2015</b>
	Opening Stock	1,974,390	3,059,418
	Add : Purchases	6,959,502	2,941,736
		<b>8,933,892</b>	<b>6,001,154</b>
	Less : Closing Stock	4,658,670	1,974,390
	<b>TOTAL (C)</b>	<b>4,275,222</b>	<b>4,026,764</b>
	<b>TOTAL (A) + (B) + (C) =</b>	<b>42,703,384</b>	<b>55,189,635</b>

	<b>Exceptional and Extraordinary Items</b>	<b>Year Ended 31.03.2016</b>	<b>Year Ended 31.03.2015</b>
	Loss due to Fire F-270	5,189,373	
	Loss due to Fire Raw Material and WIP	4,489,398	
	<b>TOTAL</b>	<b>9,678,771</b>	<b>-</b>

**INNOVATIVE TYRES & TUBES LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2016**

Sr. No.	Particulars	Year Ended 31st March 2016		Year Ended 31st March 2015	
(A)	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit before tax and Extra Ordinary items		43,346,600		45,231,775
	Adjustment for Non-cash items / items required to be disclosed Separately				
	Add :				
	Depreciation (Net)	39,090,376		28,165,447	
	Deferred Revenue Expenditure written off			-	
	Sundry Balance Written Off	726,163		3,016,536	
	Interest expenses	51,882,750		45,072,225	
	Unrealised Foreign Exchange Loss/Gain	-		-	
	Loss on sale of fixed assets	-		281,964	
	Total Addition	91,699,289		76,536,172	
	Less :				
	Short term Investment Income	3,157,522		6,409,311	
	Dividend	-		550	
	Profit on Sale of Assets	-		-	
	Credit Balance written Back	4,095,552		8,131,150	
	Total Deduction	7,253,074		14,541,011	
	Operating Profit before change in working capital	127,792,816		107,226,936	
	Adjustment for change in working capital and provisions :				
	Sundry Debtors	42,909,096		- 124,856,329	
	Inventories	61,420,637		- 86,262,333	
	Loans and Advances	- 43,313,497		- 18,980,796	
	Current Liabilities	- 86,284,251		- 189,539,539	
	Provisions	- 2,689,758		- 6,125,966	
	Cash Generated from operations	99,835,042		72,792,984	
	Net Cash Generated from operating activities		99,835,042		72,792,984
(B)	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Purchase of Fixed Assets	- 67,623,309		- 14,883,287	
	Increase in Capital WIP	4,703,716		- 50,605,838	
	Sale of Fixed Assets	19,206,210		1,767,013	
	Short term Investment Income	3,157,522		6,409,311	
	Dividend Received	-		550	
	Net Cash used in Investing Activities		40,555,861		57,312,251
(C)	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Increase in Share Application Money/Share Capital	22,800,000		37,500,000	
	Increase in Share premium			-	
	Increase / (Decrease) in Working Capital	2,195,363		17,157,719	

Sr No.	Particulars	Year Ended 31st March 2016		Year Ended 31st March 2015	
	Increase / (Decrease) in Secured Term loans	-	29,255,330	-	29,638,987
	Increase / (Decrease) in Vehicle Loan	-	955,460	-	771,057
	Increase / (Decrease) in Unsecured Loans from members	-	147,550	-	241,760
	Increase / (Decrease) in Unsecured Loans / Others	-	2,521,668	-	2,415,547
	Interest Payments	-	51,882,750	-	45,072,225
	Net Cash used in financing activities	-	54,428,958	-	21,939,743
	Net Change in Cash and Cash equivalents (A+B+C)	-	4,850,224	-	6,459,010
	Cash and Cash equivalents (Opening Balance )	-	33,860,153	-	40,319,164
	Net Change in Cash and Cash equivalents	-	4,850,224	-	6,459,010
	Cash and Cash equivalents (Closing Balance )	-	38,710,377	-	33,860,153
	<b>Net Change in Cash and Cash equivalents:</b>				
Notes					
1	Cash and Cash equivalents comprise of :				
	Cash On hand		2,551,792		30,488
	Balance in Current Accounts :				
	In Current Accounts		5,092,510	-	4,829,671
	Fixed Deposits (Margin Money)		31,066,076		38,659,336
	<b>Total</b>		<b>38,710,377</b>		<b>33,860,153</b>

2 Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statements"

As per our attached report of even date

For Parikh Mehta & Associates  
Chartered Accountants



Sachin J Mehta  
Partner

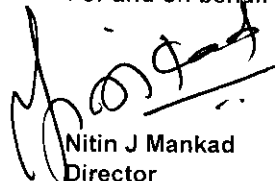
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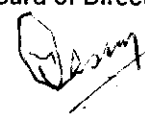
Place : Vadodara

Date: 10th August'2016

For and on behalf of the Board of Directors



Nitin J Mankad  
Director



Mukesh G Desai  
Director

Place : Vadodara

Date: 10th August'2016

## **INNOVATIVE TYRES & TUBES LIMITED**

### **NOTE No. 1**

#### **Brief of the Company:**

Innovative Tyres & Tubes Ltd was incorporated on 28-11-1995 with a view to set up Project for manufacturing of Butyl Rubber Tubes for 4 wheelers like Car, LCV, Truck, Bus etc for Ceat Ltd and made a dent in the supply market of butyl inner tubes during first few years of its operations with high standard of quality product which has helped to consolidate more co-operation and strong tie-up with Ceat Ltd.

Innovative Tyres & Tubes Ltd., part of the Innovative Group, is a leading manufacturer of automotive and industrial tyres and tubes based in Gujarat, India.

Innovative Tyres offers a wide range of products in the Truck / Bus, Agricultural & OTR and Motorcycle / 3-wheeler segments. Our full range of products along with our tubes/flaps manufacturing facility allows us to offer you un-paralleled flexibility of products and delivery.

Quality at Innovative is not an act, but a habit. Our manufacturing facility maintains the highest standards of quality and strict in-process controls so that you are assured of a superior quality product. Our tyre testing centre includes compound testing, testing of chemical and physical properties and product performance testing like plunger tests and pulley-wheel testing.

Our manufacturing plants are located at Halol, Gujarat in India in the industrial friendly state of Gujarat. Our location on the upcoming Delhi-Mumbai Industrial Corridor ensures that we are in the middle of strong industrial belt with good base infrastructure and access to all key market areas.

Over a period of time, Innovative has established in-process controls that control quality and ensure that end-products are defect free. We routinely are subjected to audit by third-party certification authorities and key customers.

At Innovative, we believe in a business ethics and values and LIVE BY IT. Innovative stands for the values we believe in – that only socially responsible and ethical businesses would prosper in the long run. Most of all, we pride ourselves in putting PEOPLE FIRST – our employees, our business partners and the stakeholders at large.



**INNOVATIVE TYRES & TUBES LIMITED**  
**NOTES ON FORMING PART OF THE ACCOUNTS**

**NOTE No.2**

**(A) Significant Accounting Policies**

**1. Basis of preparation of financial statements**

The financial statements are prepared on accrual basis under the historical cost convention in accordance with the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

**2. Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

**3. Revenue Recognition**

**(i) Sales**

Sales are recognized on the basis of dispatch to customer and are net of Sales Tax, VAT, Trade discount, rebates and returns but inclusive of excise duty.

**Conversion Charges**

Conversion Charges are recognized on Warehousing of the goods and are shown net of claims.

**(ii) Other Income**

Other income is recognized on accrual basis except when realization of such income is uncertain.




**(iii) Insurance Claims**

Claims lodged with the Insurance Company in respect of risks covered are accounted for as and when received from the Insurance Company.

**4. Fixed Assets**

Fixed Assets other than re-valued during the year 1995-96 are stated at cost, net of CENVAT credit, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Direct cost are capitalized until the assets are ready for use and include financing costs relating to any borrowing attributable to acquisition. Capital work - in- progress includes the cost of fixed assets that are not yet ready for the intended use, advances paid to acquire fixed assets and the cost of assets not put to use before the balance sheet date.

The company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 (AS-11) as notified by Government of India on March 31, 2009. Accordingly the effect of exchange differences on long term monetary liabilities of the company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets.



## 5. Depreciation

- (i) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. except in respect of assets, where useful life is different than those prescribed in Schedule II.
- (ii) In case of re-valued assets the additional charge of depreciation on account of revaluation is withdrawn from the revaluation reserve and credited to Profit and Loss Account.
- (iii) As per AS 26 Accounting for Intangible Assets, Intangible Asset has been written off over useful the life of the underlying assets.

## 6. Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows -

- |  |   |
|--|---|
| 1. Raw materials                                       | First-In-First-Out basis.   |
| 2. Work in process                                     | For Conversion: At Cost of Conversion<br>For Export: At Cost (Cost of Materials and overhead up to the Completed Stage of Production)     |
| 3. Consumables, Stores and spares and Packing Material | First-In-First-Out basis.   |
| 4. Finished Goods                                      | At Cost or Net realizable value, whichever is lower. (Cost represents Material, Labour and Manufacturing expenses including depreciation) |

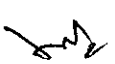


## 7. Investments

Long term Investments are shown at cost. However, when there is decline, other than temporary in the value of a long term investment, the carrying amount is reduced to recognize the decline.

## 8. Borrowing Costs

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

## 9. Employee Benefits

- (i) Short term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
  - (ii) Payment to defined contribution retirement benefit schemes are charged as an expense as they fall due.
- 
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- 

(iii) For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses comprised experience adjustments and the effect of changes in the actuarial assumptions and are recognized immediately in the profit and loss account.

(iv) Termination Benefits are recognized as an expense as and when incurred.

#### **10. Taxes on Income**

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax assets on timing differences are recognised only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### **11. Provisions and Contingent Liabilities**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **12. Prior Period Adjustments**

All identifiable items of income and expenditure pertaining to prior period are accounted through "Prior Period Adjustments Account".

#### **13. Impairment of Assets**

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss Account. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

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## B) NOTES TO ACCOUNTS

### 1. Contingent Liabilities not provided for in respect of :-

There is no any Contingent liabilities not provided for.

The Company has given guarantees aggregating Rs.84,60,600/- on behalf of others. As at 31<sup>st</sup> March'2016, the contingent liabilities under these guarantees amounts to Rs.84,60,600/-.

### 2. Auditors' remuneration\* (including service tax, wherever applicable):

(Amount in Rs.)		
Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
Audit fees	74425	49,635
Tax Audit	40075	27,575

### 3. Managerial Remuneration

(Amount in Rs)

Particulars	Year ended ( 31 <sup>st</sup> March, A 2016 m	Year ended 31 <sup>st</sup> March, 2015
Director	48,00,000 o	49,80,834

### 4. Borrowing Cost

The amount of borrowing cost during the year amounts Rs.57,15,047/- (Previous Year Rs. 1,04,78,942/-).

### 5. Employee Benefits.

#### (i) Defined contribution plans

The Company has recognized an amount of Rs. 78,64,465/- (Previous Year Rs.69,77,746/- as expenses under the Defined Contribution Plan in the Profit & Loss account for the period ended 31<sup>st</sup> March, 2016.

#### (ii) Defined benefit plan

The Company makes annual contributions to the Employees' Group Gratuity of the LIC, a funded defined benefit plan for employees. The scheme provides for payment to vested employees as under:

##### a) Normal retirement/ early retirement/ withdrawal/resignation:

As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.



b) On death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity and leave encashment were carried out at March 31, 2016 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan and leave encashment and the amounts recognized in the Company's financial statements as at March 31, 2016.

(Amount in Rs.)

Sr. No	Particulars	Gratuity (Funded) As on 31 <sup>st</sup> March, 16	Gratuity (Funded) As on 31 <sup>st</sup> March, 15
I	<b><u>Reconciliation in present value of obligations (PVO) – defined benefit obligation :</u></b>		
	Current Service Cost	14,14,884	7,76,059
	Interest Cost	5,17,298	3,33,276
	Actuarial (gain) / losses	11,46,396	23,49,156
	Expected Return on Plan	--	(1,02,695)
	Benefits paid	--	(4,02,973)
	Past service cost	--	--
	PVO at the beginning of the year	68,41,374	37,86,509
	PVO at end of the year	76,27,160	68,41,374
II	<b><u>Change in fair value of plan assets :</u></b>		
	Expected return on plan assets	(1,23,109)	1,02,695
	Actuarial gain/(losses)	(19,917)	12,26,846
	Contributions by the employer	--	--
	Benefits paid	--	--
	Fair value of plan assets at beginning of the year	12,35,827	11,33,786
	Fair value of plan assets at end of the year	13,39,019	12,35,827
III	<b><u>Reconciliation of PVO and fair value of plan assets:</u></b>		
	PVO at end of period	--	--

	Fair Value of planned assets at end of year	13,39,019	12,35,827
	Net asset/ (liability) recognized in the balance sheet	65,68,224	56,05,547
IV	<b><u>Net cost for the year ended March 31, 2016 :</u></b>		
	Current Service cost	14,14,884	7,76,059
	Interest cost	5,17,298	3,33,276
	Adjustment to Fund	--	--
	Expected return on plan assets	(1,23,109)	(1,02,695)
	Actuarial (gain) / losses	5,16,163	23,49,156
	Net cost	23,25,236	33,55,796
V	<b><u>Category of assets as at 31<sup>st</sup> March'2016:</u></b>		
	Insurer Managed Funds (100%)	100%	100%
VI	<b><u>Actual return on the plan assets</u></b>	--	--
VI I	<b><u>Assumption used in accounting for the gratuity plan:</u></b>	--	--
	Discount rate (%)	7.80%	7.75%
	Salary escalation rate (%)	7.00%	7.00 %
	Annual Increase in Salary Cost		--

**6. Earning per Share has been calculated as follows:**

(Amount in Rs)

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Profit/(Loss) after tax	3,09,86,653	2,84,85,483
Weighted average number of Equity Shares :	95,93,137	93,43,137
Basic and diluted Earnings per Share (in Rs.)	3.23	3.05

## 7. Related Party Disclosures :

Disclosures as required by Accounting Standard -18 are given below:-

Name of Related Parties	Nature of Relationship
Nitin J. Mankad	Key Management Personal
Mukesh G. Desai	Key Management Personal
Pradeep R Kothari	Key Management Personal
Nihar Muesh Desai	Relative of Key Management (Dir)
Sanjay J Mankad	Brother of Director
Bipin C Mankad	Cousin Brother of Nitin Mankad (Dir)

(Amount in Rs.)

Nature of Transaction	Associates	Key Mgt. personnel	Relatives of Key Mgt. Personnel	Total
<b><u>Transaction during the year</u></b>				
Remuneration	Nil (Nil)	48,00,000 (49,80,834)	17,50,000 (16,56,666 )	65,50,000 (66,37,500)
Reimbursement of expense	Nil (Nil)	1,36,974 (49,491)	50,553 (47,028)	1,86,777 (96,616)
Interest on Deposit	Nil (1,72,625)	Nil (49,591)	Nil (47,025)	Nil (2,69,241)
Loan Taken	Nil (Nil)	Nil (Nil)	Nil (26,00,000 )	Nil (26,00,000)
Loan Repaid	Nil (Nil)	Nil (Nil)	Nil (26,00,000 )	Nil (26,00,000)
Purchase	21,42,36,354( 31,52,08,108)	Nil (Nil)	Nil (Nil)	21,42,36,354 (31,52,08,108)
Sales	2,66,29,585 (7,44,86,363)	Nil (Nil)	Nil (Nil)	2,66,29,585 (7,44,86,363)
<b><u>Balances as on 31<sup>st</sup> March'2016</u></b>				

Balance Payables				
Unsecured Loan	Nil (Nil)	Nil (13,08,000)	Nil (1,95,000)	Nil (15,03,000)
Managerial Remuneration Payable	Nil (Nil)	6,44,266 (14,45,340)	7,73,200 (1,87,300)	13,99,076 (16,32,640)

(Figures for the previous year are indicated in brackets)

## 8. Deferred Taxation

The deferred tax (assets)/liabilities arising out of significant timing differences are as under  
(Amount in Rs)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Deferred Tax Liability</b>		
Difference between book depreciation and tax depreciation	2,04,35,579	1,28,99,287
<b>Deferred Tax Asset</b>	--	--
Gratuity and Leave encashment		
<b>Deferred Tax Liability</b>	21,40,010	75,36,292
Unabsorbed depreciation and Losses	Nil	Nil
Net Deferred Tax Liability / (Asset)	2,25,75,589	2,04,35,579

## 9. Additional information pursuant to the Provisions of Paragraphs 3, 4C, and 4D of part II of -

### a) Consumption of Raw Materials:

(Amount in Rs.)					
Particulars		2015-2016		2014-2015	
Item	Unit	Quantity	(Rs.)	Quantity	(Rs.)
Carbon Black	M.T.	20,64,080	10,86,31,454	20,62,012	16,67,78,760
Process Oil	M.T.	4,77,749	1,78,83,372	5,36,290	3,11,08,372
Chemicals	M.T.	3,58,509	4,35,93,470	3,62,817	4,92,65,410
Bead Wire	M.T.	3,31,230	2,14,13,697	2,83,429	1,98,08,596
Rubber	M.T.	31,74,240	30,00,48,851	33,41,934	37,19,21,764
Fabrics	M.T.	7,51,682	15,12,05,858	7,00,965	16,72,90,131
Bladders	NOS	2366	65,97,315	1457	49,63,202
Zinc Oxide	M.T.	1,13,604	1,42,25,541	1,59,055	2,23,80,187
Valves, Nuts, washers, and others	NOS	12,66,658	80,91,995	9,75,506	56,00,306
<b>TOTAL</b>		--	<b>67,16,91,553</b>		<b>83,91,16,727</b>
Less: Raw Material and WIP	Kgs	1,59,858	1,62,37,582	--	--
<b>Consumption of Raw Materials</b>		--	<b>65,54,53,971</b>	--	--

- b) Value of Imported and Indigenous consumption of Raw Material and Stores, Spares and tools.  
(Amount in Rs.)

Particulars		2015-2016		2014-2015
<b>Raw Materials</b>	%	Amount in Rs.	%	Amount in Rs.
Imported	53.48	35,05,18,902	39.54	33,17,30,270
Indigenous	46.52	30,49,35,069	60.46	50,73,86,457
<b>TOTAL</b>	100	65,54,53,971	100	83,91,16,727
<b>Stores, Spares and Tools</b>				
Imported	--	--	---	--
Indigenous	100	4,27,03,384	100	5,48,49,004
<b>TOTAL</b>	100	4,27,03,384	100	5,48,49,004

- c) CIF Value of Imports:

(Amount in Rs)

Particulars	2015-2016	2014-2015
i) Raw Materials	36,09,74,624	33,10,18,927
ii) Consumable, Stores and Spares	--	--
iii) Capital Goods	8,46,063	--
<b>TOTAL</b>	36,18,20,687	33,10,18,927

- d) Expenditure in Foreign currencies on account of:

(Amount in Rs)

Particulars	2015-2016	2014-2015
i) Travelling	2,70,025	--
ii) Testing Charges (GSC)	4,51,602	6,43,541
ii) Others	3,77,832	5,74,031
<b>TOTAL</b>	10,99,459	12,17,572

- e) Earnings in Foreign exchange on account of:


(Amount in Rs)

	2015-2016	2014-2015
i) FOB value of Exports	55,77,58,495	63,42,91,704
<b>TOTAL</b>	55,77,58,495	63,42,91,704

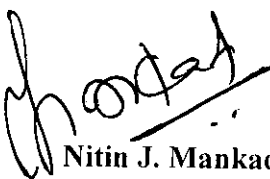
- f) Additional information pursuant to para 4C of Part II of schedule VI to the Companies Act, 2013.

10. The value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.
11. The balances of Debtors, Creditors are subject to adjustments, if any, on reconciliation / settlement.
12. Share application money against Equity Shares pending allocation as on 31<sup>st</sup> March, 2016 is Rs.2,28,00,000/- which has been received from its existing shareholders in the month of March 2016.
13. On 18<sup>th</sup> March, 2016 a fire broke out in the factory premises of the Company. Because of fire, the Company suffered heavy loss of machineries, raw material and process stock. The Company lodged the claim with SBI General Insurance Co Ltd for Rs.2,65,45,583/- in respect of loss of machineries and for Rs.1,62,37,582/- in respect of raw material and process stock. Against the said claim, SBI General Insurance Co Ltd has passed claim of Rs.1,92,06,210/- for the machineries and Rs.1,17,48,184/- for raw material and process stock. The Insurance Company has also estimated salvage value of Rs.21,50,000/- for the machineries. Accordingly, the Company has incurred loss on both amount of Rs.96,78,771/-.
14. Figures of the previous year have been regrouped / reclassified wherever necessary.

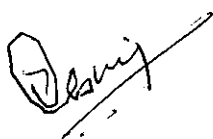
**For Parikh Mehta & Associates.**  
**Chartered Accountants**

  
**Sachin J Mehta**  
**Partner**  
**Membership No. 039258**  
**Firm Reg. No.112832W**  
**Place: Vadodara**  
**Date: 10th August 2016**

**For Innovative Tyres & Tubes Limited**

  
**Nitin J. Mankad**  
**Director**

**Place: Vadodara**  
**Date: 10th August 2016**

  
**Mukesh G Desai**  
**Director**

**Place: Vadodara**  
**Date: 10th August 2016**