

RADO TYRES LIMITED

BLDG NO. 39/3B & 39/3B1, OPP. KRISHNA HOSPITAL, CHITTOOR ROAD, COCHIN-682011.

BALANCE SHEET AS AT 31st MARCH 2016

Sl. No:	PARTICULARS	Notes	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
I EQUITY AND LIABILITIES				
1 Shareholder's Funds				
	a. Share Capital	3	99,316,200	64,316,200
	b. Reserves and Surplus	4	(45,035,907)	(32,589,842)
			54,280,293	31,726,358
2 Non-Current Liabilities				
	a. Long-term borrowings	5	-	5,017,001
	b. Long-term Provisions	6	16,071,474	11,745,749
			16,071,474	16,762,750
3 Current Liabilities				
	a. Trade Payables	7		
	Total outstanding dues of micro and small enterprises		242,622	2,614,143
	Total outstanding dues of creditors other than micro and small enterprises		12,425,735	20,069,445
	b. Other Current Liabilities	8	1,017,249	10,848,252
	c. Short Term Provisions	9	262,272	-
			13,947,878	33,531,840
	TOTAL		84,299,645	82,020,948
II ASSETS				
1 Non-Current Assets				
	a. Fixed Assets			
	i. Property, Plant and Equipment	10A	60,712,750	62,522,909
	ii. Capital work in progress	10B	-	5,029,135
	b. Non-current investments	11	25,000	25,000
	c. Long-term loans and advances	12	1,725,736	1,593,604
			62,463,486	69,170,648
2 Current Assets				
	a. Inventories	13	3,344,054	3,273,145
	b. Trade receivables	14	8,686,180	861,181
	c. Cash and Bank Balances	15	2,647,877	3,007,329
	d. Short-term loans and advances	12	6,789,763	5,532,499
	e. Other current assets	16	368,240	176,146
			21,836,159	12,850,300
	Summary of Significant Accounting Policies	2.1		
	TOTAL		84,299,645	82,020,948

For and on behalf of Board of Directors of Rado Tyres Ltd.

Significant Accounting Policies and notes on Accounts. 1-28

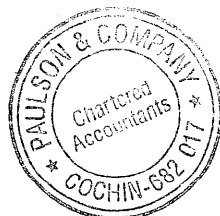
The notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

For PAULSON & COMPANY
Chartered Accountants

CA. K.P. PAULSON
LL.B., FCA, DISA, CISA (USA), CA (UK)
Membership No. 21855; FR No. 002620S
PARTNER

Cochin-17
21-Apr-16



[Signature]
H N Singh Rajgopal
Director

[Signature]
Fawan Kumar Singh
Manager

[Signature]
John M John
Director

Cochin-11
21-Apr-16



RADO TYRES LIMITED

BLDG NO. 39/3B & 39/3B1, OPP. KRISHNA HOSPITAL, CHITTOOR ROAD, COCHIN-682011.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

Sl. No:	PARTICULARS	Notes	For the Year ended 31-03-2016 (₹)	For the Year ended 31-03-2015 (₹)
I	Revenue			
	Revenue from Operations	17	119,230,711	114,775,941
	Other Income	18	909,064	1,046,580
	Total Revenue		120,139,775	115,822,521
II	Expenses			
	Conversion / Job work Expenses	19	67,019,871	61,679,895
	Employee Benefits Expense	20	55,028,438	47,388,278
	Finance Costs	21	420,954	1,583,005
	Depreciation and amortization expense	22	3,861,063	3,222,545
	Other expenses	23	6,255,514	4,226,293
	Total Expenses		132,585,840	118,100,016
III	Loss before exceptional and extraordinary items and tax		(12,446,065)	(2,277,495)
IV	Exceptional and extraordinary item		-	-
V	Loss before tax		(12,446,065)	(2,277,495)
VI	Tax expense:			
	1. Current tax		-	-
	2. Deferred tax		-	-
VII	Loss for the period from continuing operations		(12,446,065)	(2,277,495)
VIII	Loss for the period		(12,446,065)	(2,277,495)
IX	Earnings per equity share:	24		
	1. Basic		(0.77)	(0.14)
	2. Diluted		(0.77)	(0.14)
	Summary of Significant Accounting Policies	2.1		

Significant Accounting Policies and Notes on Accounts.

1 - 28

The notes referred to above form an integral part of the Financial Statements.

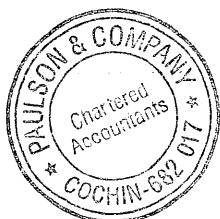
As per our report of even date.

For and on behalf of Board of Directors of Rado Tyres Ltd.

For PAULSON & COMPANY
Chartered Accountants

CA. K.P. PAULSON
LL.B., FCA, DISA, CISA (USA), CA (UK)
Membership No. 21855; FR No. 002620S
PARTNER

Cochin-17
21-Apr-16



(Signature)
H.V. Singh Rajpoot
Director

(Signature)
John M John
Director

(Signature)
Pawan Kumar Singh
Manager

Cochin-17
21-Apr-16



RADO TYRES LIMITED

Cash flow statement for the year ended 31st March 2016

(All amount are Indian rupees, except share data and where otherwise stated)

Particulars	For the year ended 31-03-2016 (₹)	For the year ended 31-03-2015 (₹)
Cash flows from operating activities		
Loss before taxation	(12,446,065)	(2,277,495)
Adjustments:		
Depreciation and amortisation	3,861,063	3,222,545
Interest income	(329,428)	(377,987)
Interest charges	420,954	1,583,005
Loss on sales of fixed assets	1,104,259	-
Provision no-longer required written-back	(78,620)	(499,486)
Operating cash flows before working capital changes	(7,467,837)	1,650,582
(Increase)/decrease in trade receivables	(7,824,999)	3,036,953
(Increase)/decrease in inventories	(70,954)	(38,814)
(Increase)/decrease in loans and advances	(1,676,927)	(1,787,664)
Cash from operations	(23,488,646)	12,399,768
Net cash from operating activities (A)	(23,488,646)	12,399,768
Cash flows from investing activities		
Purchase of fixed assets	(1,373,156)	(2,615,468)
Proceeds from sale of fixed assets, net	3,850,000	-
Interest received	137,334	356,569
Net cash used in investing activities (B)	2,614,178	(2,258,899)
Cash flows from financing activities		
12.5% Redeemable Cumulative Preference Shares	35,000,000	-
Repayment of borrowings, net	(11,750,004)	(7,166,664)
Interest paid	(3,022,511)	(2,344,026)
Net cash used in financing activities (C)	20,227,485	(9,510,690)
Net increase /(Decrease) in cash and cash equivalents (A+B+C)	(646,983)	630,179
Cash and cash equivalents at beginning of period	1,141,595	511,416
Cash and cash equivalents at end of the period (refer note 14)	494,612	1,141,595

1 - 28

For and on behalf of Board of Directors of Rado Tyres Ltd.

Significant Accounting Policies and Notes on Accounts.

The notes referred to above form an integral part of the Financial Statements.

As per our report of even date.

For PAULSON & COMPANY
Chartered Accountants

CA. K.P. PAULSON
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PARTNER

Cochin-17
21-Apr-16



Pawan Kumar Singh
Manager

Cochin-11
21-Apr-16

H N Singh Rajpoot
Director

John M John
Director



RADO TYRES LIMITED

**REG. OFFICE: Bldg. No. 39/3B & 39/3BL, Opp. Krishna Nursing Home,
Chittoor Road, Cochin - 682 011**

**NOTES FORMING PART TO FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st MARCH 2016**

1. CORPORATE INFORMATION

Rado Tyres Limited is a public company incorporated in India under the provisions of the Companies Act. The Company is engaged in the business of an Automobile Tyre manufacturing based in Nellikuzhy near Kothamangalam. The company is manufacturing tyres for Ceat Limited.

As of 31st March 2016, CEAT Limited holding 58.6%, Instant Holding Ltd holding 17% and Swallo Associates LLP (formerly RPG Cellular investments) holding 9.6% of Company's equity share capitals are the major Shareholders. The Registered office of Company is situated in Cochin, Kerala.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

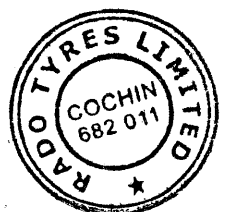
1. Basis of preparation:

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Valuation of Inventories:



Consumable stores and Spares are valued at cost or Net Realizable Value whichever is lower. The cost is determined on Weighted Average Basis.

4. Depreciation accounting:

Depreciation on Property, Plant and Equipment is provided on the straight-line method over the useful lives of assets, the Company has adopted useful lives of Property, Plant and Equipment based on management estimate or those prescribed under Part C of Schedule II of the Companies Act 2013, whichever is lower. Depreciation for assets purchased/sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

5. Revenue recognition:

The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

6. Property, Plant and Equipment and Intangible assets:

a. Property, Plant and Equipment

- i. Property, Plant and Equipment are stated at cost of acquisition or construction or revalued amount whichever is applicable, net of accumulated depreciation / amortization and impairment losses, if any.
- ii. The cost comprises, cost of acquisition, borrowing cost and any attributable cost of bringing the asset to the condition for its intended use. Cost also includes direct expenses incurred Up to the date of capitalisation / commissioning.
- iii. Machinery spares procured along with the plant and machinery or subsequently and whose use is expected to be irregular are capitalised separately, if cost of such spares is known and depreciated fully over the residual useful life of the related plant and machinery. If the cost of such spares is not known particularly when procured along with the mother plant, these are capitalised and depreciated along with the mother plant. The written down value (WDV) of the spares is charged as revenue expenditure in the period in which such spares are consumed. Similarly, the value of such spares, procured and consumed in a particular period is charged as revenue expenditure in that period itself.
- iv. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance.
- v. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.



- vi. Gains and losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- vii. Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".
- viii. In case of revaluation of fixed assets, any revaluation surplus is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the statement of profit and loss, in which case the increase is recognized in the statement of profit and loss. A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

b. Intangible Assets

Intangible Assets are stated at cost of acquisition or construction less accumulated amortization and impairment, if any.

7. Accounting for Government grants:

The Company has not received any Government Grant during the period.

8. Accounting for investments:

Long term unquoted Non-trade investments are valued at cost.

9. Employee benefits:

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value obligation is determined based on actuarial valuation using projected unit credit method.

10. Borrowing costs:

Borrowing cost includes interest, fees and other ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs that are directly attributable to the acquisition of or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized in the Statement of Profit and Loss.

11. Segment reporting:

Considering the organization structure, nature of products and risk and return profile based on geographical distribution, the production of tyre on contract basis is considered as a single segment.



12. Related party transactions:

Related Party: CEAT LIMITED (As certified by the Management) Refer Note 25

13. Earnings per share:

Basic and diluted earnings per share are computed in accordance with the Accounting Standard 20 – Earnings per share. Basic Earnings Per Share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period.

Diluted earnings per share reflect the potential dilution that could occur if securities or contracts to issue equity shares were exercised or converted during the period. Diluted Earnings Per Share is computed using the weighted average number of equity shares outstanding during the period and dilutive potential equity shares outstanding at period end.

14. Accounting for taxes on income:

Current tax is determined as the amount of tax payable in respect of taxable income for the period as per the provisions of the Income Tax Act, 1961.

The company has adopted Accounting Standard 22 on accounting for taxes on income issued by the Institute of Chartered Accountants of India. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

The Company has not provided the effect of AS –22, accounting for taxes on income/losses as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realized.

15. Impairment of assets:

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value, based on an appropriate discount factor. Reversal of impairment loss is recognized as income in the profit and loss account.

16. Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.



17. Cash flow statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

18. Provisions, Contingent liabilities and Contingent assets:

A provision is recognized, in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets' notified by the Company's (Accounting Standards) Rules, 2006, when there is a present obligation as the result of the past event and it is probable that an outflow of resources will be required to settle obligation which can be reliably estimated. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the balance sheet date.

Provisions are reviewed at each balance sheet date and adjusted to reflect the best current estimate.

Contingent Liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made.

See Note: 27

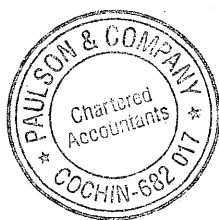
Contingent Assets are not recognized in the financial statements.



NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2016

NOTE - 3 SHARE CAPITAL

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Authorised Shares 2,25,00,000 Equity Shares of Rs.4/= each 5,00,000, 12.5% Redeemable Cumulative Preference Shares of Rs. 100 each	90,000,000 50,000,000 140,000,000	90,000,000.00 50,000,000.00 140,000,000
b.	Issued, Subscribed and fully Paid up shares 1,60,79,050 Equity Shares of Rs.4/= each, fully paid up 3,50,000, 12.5% Redeemable Cumulative Preference Shares of Rs. 100 each, fully paid up	64,316,200 35,000,000 99,316,200.00	64,316,200 - 64,316,200.00
c.	Reconciliation of Equity shares outstanding at the beginning and at the end of the reporting period		
		As at 31-03-2016	As at 31-03-2015
		No. of shares	Amount (₹)
	At the beginning of the period	16,079,050	64,316,200
	<u>During the period:</u>		
	Add: Shares issued / Shares bought	-	-
	Outstanding at the end of the period	16,079,050	64,316,200
d.	Reconciliation of 12.5% Redeemable Cumulative Preference Shares outstanding at the beginning and at the end of the reporting period		
		As at 31-03-2016	As at 31-03-2015
		No. of shares	Amount (₹)
	At the beginning of the period	-	-
	<u>During the period:</u>		
	Add: Shares issued / Shares bought	350,000	35,000,000
	Outstanding at the end of the period	350,000	35,000,000
e.	Terms/rights attached to equity shares.		
	*Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company.		
	* The Company has only one class of shares referred to as equity shares having a par value of Rs.4. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.		
	On the account liquidation of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.		

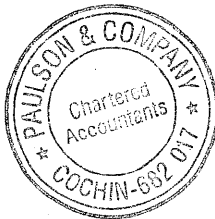


NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2016

f.	<p>Terms/rights attached to 12.5% Redeemable Cumulative Preference Shares</p> <ul style="list-style-type: none"> * Preference Shares carry preferential (cumulative) right to dividend, at the coupon rate (i.e. the rate of dividend) 12.50%, when declared. * The dividend shall be calculated pro rata i.e. from the date of allotment(s) of such Preference Shares. * The Preference Shares do not carry any voting rights except in case of any resolution placed before the Company which directly affects the rights attached to such shares or otherwise provided in the Companies Act, 2013. * The Preference Shares have a maximum redemption period of 20 years. However, the same may be redeemed fully or in such tranches, before the aforesaid period, at discretion of the Board. Only fully paid up Preference Shares shall be redeemed. * The Preference Shares shall be redeemed at par as per applicable and available mode of redemption. * The Preference Shares shall not be listed in any Stock Exchange in India or outside India 																								
g.	<p>(i) The Company has not issued shares for consideration other than cash during the period of five years immediately preceding the reporting date.</p> <p>(ii) The Company has not reserved shares for issue under options and contracts/commitments for the sale of shares/ disinvestment.</p> <p>(iii) During the year ended 31st March 2016 the Company has not declared dividend to its equity shareholders.</p>																								
h.	Details of shareholder's holding more than 5% Equity shares in the company																								
	<table border="1"> <thead> <tr> <th rowspan="2">Shareholders</th> <th colspan="2">As at 31-03-2016</th> <th colspan="2">As at 31-03-2015</th> </tr> <tr> <th>No. of shares</th> <th>% of holdings</th> <th>No. of shares</th> <th>% of holdings</th> </tr> </thead> <tbody> <tr> <td>1 Shares held by CEAT LTD</td> <td>9,416,350</td> <td>58.56%</td> <td>9,416,350</td> <td>58.56%</td> </tr> <tr> <td>2 Shares held by Instant Holdings LTD</td> <td>2,745,310</td> <td>17.07%</td> <td>2,745,310</td> <td>17.07%</td> </tr> <tr> <td>3 Shares held by Swallo Associates LLP (formerly RPG Cellular investments)</td> <td>1,544,240</td> <td>9.60%</td> <td>1,544,240</td> <td>9.60%</td> </tr> </tbody> </table>	Shareholders	As at 31-03-2016		As at 31-03-2015		No. of shares	% of holdings	No. of shares	% of holdings	1 Shares held by CEAT LTD	9,416,350	58.56%	9,416,350	58.56%	2 Shares held by Instant Holdings LTD	2,745,310	17.07%	2,745,310	17.07%	3 Shares held by Swallo Associates LLP (formerly RPG Cellular investments)	1,544,240	9.60%	1,544,240	9.60%
Shareholders	As at 31-03-2016		As at 31-03-2015																						
	No. of shares	% of holdings	No. of shares	% of holdings																					
1 Shares held by CEAT LTD	9,416,350	58.56%	9,416,350	58.56%																					
2 Shares held by Instant Holdings LTD	2,745,310	17.07%	2,745,310	17.07%																					
3 Shares held by Swallo Associates LLP (formerly RPG Cellular investments)	1,544,240	9.60%	1,544,240	9.60%																					

NOTE - 4 RESERVES AND SURPLUS

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Capital Reserve		
	Balance in Central & State Investment Subsidy Reserve,		
	At the beginning of the period	1,318,432	1,318,432
	During the period	-	-
		1,318,432	1,318,432
b.	Deficit in the statement of Profit and Loss		
	Balance at the beginning of the period	(33,908,274)	(30,387,015)
	Add: Net Loss transferred from the Statement of Profit & Loss.	(12,446,065)	(2,277,495)
	Less: Adjustment on account of change in useful life of fixed assets (As stipulated in transitional provisions of Companies Act,2013)	-	(1,243,764)
	Net Deficit in the Statement of Profit and loss	(46,354,339)	(33,908,274)
	Total Reserves and Surplus	(45,035,907)	(32,589,842)



NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2016

NOTE - 5 LONG TERM BORROWINGS

Sl. No:	PARTICULARS	Non-current portion		Current maturities	
		As at 31-03-2016 (₹)	As at 31-03-2015 (₹)	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Loans and advances from related parties				
	Unsecured Loan from CEAT Limited- Project 2	-	3,583,340	-	7,166,664
	Unsecured Loan from CEAT Limited- Project 3	-	1,000,000	-	-
		-	4,583,340	-	7,166,664
b.	Deferred payment Liabilities				
	Deferred interest on loan - Project 2	-	318,018	-	2,167,896
	Deferred interest on loan - Project 3	-	115,643	-	-
		-	433,661	-	2,167,896
		-	5,017,001	-	9,334,560

1	Project -2 Unsecured loan of Rs. 215 Lakhs from CEAT LTD was sanctioned on 25th Jan, 2011 with 10% rate of interest. The loan including deferred interest on the said loan was repaid on 24 August 2015.
2	Project -3 Unsecured loan from CEAT LTD amounting to Rs.10 lakhs , received on 17.12.2013, at 10% rate of interest. The loan including deferred interest on the said loan was repaid on 24 August 2015.

NOTE - 6 PROVISIONS

Sl. No:	PARTICULARS	LONG TERM	
		As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Provision for Employee Benefits		
	Provision for gratuity (net) (Refer Note 2c) .	14,137,415	11,745,749
	Provision for compensated absences	1,934,059	-
	TOTAL	16,071,474	11,745,749

NOTE - 7 TRADE PAYABLES

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Trade payables:-		
i	Out standing due to Micro, Small and Medium Enterprises	242,622	2,614,143
		242,622	2,614,143
ii	Others	5,575,922	10,429,621
iii	Staff Expense Payable	4,109,617	3,089,070
iv	Other Expenses Payable	2,740,196	6,550,754
		12,425,735	20,069,445
	TOTAL	12,668,357	22,683,588



NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2016

7.1	The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:		
Sl. No:	Particulars	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a	Principal amount due and remaining unpaid	242,622	2,614,143
b	Interest due on above and the unpaid interest	-	19,810
c	Interest paid	19,810	-
d	Payment made beyond the appointed day during the year	-	-
e	Interest due and payable for the period of delay	-	19,810
f	Interest accrued and remaining unpaid	-	19,810
g	Amount of further interest remaining unpaid due and payable in succeeding years	-	-

NOTE - 8 OTHER CURRENT LIABILITIES

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a	Current maturities from Long Term Debt, refer note 5	-	9,334,560
b	Other Payables:		
i.	Statutory Payable	976,255	774,496
ii.	Payables on purchase of fixed assets	40,994	739,196.00
	TOTAL	1,017,249	10,848,252

NOTE - 9 SHORT TERM PROVISIONS

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Provision for compensated absences	262,272	-
	TOTAL	262,272	-



RADO TYRES LIMITED

BLDG NO. 39/3B & 39/3B1, OPP. KRISHNA HOSPITAL, CHITTOOR ROAD, KOCHI - 682 011

NOTES FORMING PART OF THE BALANCE SHEET AS AT 31.03.2016

NOTE - 10 FIXED ASSETS

Sl. No.	Nature of Assets	Gross Block			Depreciation			Net Block	
		As at 01-04-2015 (₹)	Additions (₹)	Deletions (₹)	As at 31-03-2016 (₹)	As at 01-04-2015 (₹)	For the year (₹)	As at 31-03-2016 (₹)	As at 31-3-2015 (₹)
A	<u>Property, Plant and Equipment</u>								
1	Freehold Land	9,189,561	-	-	9,189,561	-	-	9,189,561	9,189,561
2	Buildings	26,562,808	-	-	26,562,808	-	833,297	14,303,999	15,137,296
3	Plant & Machinery	135,023,975	2,046,054	-	137,070,029	2,046,054	2,923,392	36,910,782	37,788,120
4	Electrical Installation	7,896,446	-	-	7,896,446	-	82,777	268,378	351,155
5	Furniture and Fixtures	825,336	-	-	825,336	-	-	1	1
6	Office Equipments	830,412	4,850	-	835,262	4,850	21,597	40,029	56,776
7	Vehicle	1,647	-	-	1,647	-	-	-	-
	TOTAL	180,430,185	2,050,904	-	182,481,089	2,050,904	3,851,063	60,712,750	62,522,909
	Previous period (31-03-15)	(178,492,465)	(1,937,720)	-	(180,430,185)	(1,937,720)	(4,466,309)	(62,522,909)	(65,051,498)
B	<u>CAPITAL WORK IN PROGRESS</u>								
	Capital Work in Progress								5,029,135
	Previous period (31-03-15)							(5,029,135)	(4,351,387)
	TOTAL (A+B)							60,712,750	67,552,044
	Previous Year (A+B)							(67,552,044)	(69,402,885)



NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2016

NOTE - 11 NON CURRENT INVESTMENTS

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Unquoted Non - Trade Investments (at Cost) National Saving Certificates VIII issue (Pledged as security for Sales Tax purpose)	15,000	15,000
b.	1,000 Shares of Rs.10 each in Rado Employees Cooperative Society Less: Provision for diminution in value of investment	10,000 -	10,000 -
	TOTAL	25,000	25,000

NOTE - 12 LOANS AND ADVANCES

Sl. No:	PARTICULARS	NON CURRENT		CURRENT	
		As at 31-03-2016 (₹)	As at 31-03-2015 (₹)	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Capital advances (Unsecured, considered good)	22,272	216,000	-	-
b.	Security Deposit (Unsecured, considered good)	22,272	216,000	-	-
i.	Rent deposit - Factory Rest Room	10,000	10,000	-	-
ii.	Canteen Gas Cylinder Deposit	31,000	31,000	-	-
iii.	Excise duty deposit	1,172	1,172	-	-
iv.	KSEB security deposit	1,642,620	1,316,760	-	-
v.	L.P.G.Cylinder Deposit	17,022	17,022	-	-
vi.	Sales tax security deposit	1,650	1,650	-	-
		1,703,464	1,377,604	-	-
c.	Prepaid Expenses (Unsecured, considered good)	-	-	92,986	225,489
		-	-	92,986	225,489
d.	Other Advances (Unsecured, considered good)				
i.	Advance for supply of goods and services	-	-	105,270	122,429
ii.	Loans and advances to employees	-	-	661,056	626,160
iii.	Balance with Statutory and Government authorities	-	-	5,930,451	4,558,421
		-	-	6,696,777	5,307,010
	TOTAL	1,725,736	1,593,604	6,789,763	5,532,499



NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2016

NOTE - 13 INVENTORIES (Valued at cost or net realizable value whichever is lower.)

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Diesel stock	33,446	35,924
b.	Briquetted solid Fuel	104,107	111,521
c.	Furnace Oil	230,724	282,498
d.	Stores & spares	2,972,383	2,843,202
e.	Firewood Stock	3,439	-
	TOTAL	3,344,099	3,273,145

NOTE - 14 TRADE RECEIVABLES

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Debts outstanding for exceeding six months from the date they are due for payment	-	-
b.	Other Debts (Unsecured, Considered Good) (Related party, CEAT Ltd)	8,686,180	861,181
	TOTAL	8,686,180	861,181

NOTE - 15 CASH AND BANK BALANCES

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
1	Cash and cash equivalents		
a.	Balance with Banks		
	On current accounts		
	<i>Federal Bank Ltd, Kothamangalam</i>	18,179	28,509
	<i>Federal Bank Ltd, M.G.Road-Ernakulam</i>	175,568	162,743
	<i>State Bank of India, Ekm</i>	11,919	18,348
	<i>Union Bank of India, M.G.Road, Ekm</i>	278,553	924,625
	<i>Federal Bank-Share Money</i>	5,000	-
b.	Cash on Hand	5,393	7,370
		494,612	1,141,595
2	Other Bank Balances (Including Bank deposit maturing after 12 months)		
	Held as Security for Bank Guarantee	836,505	548,974
	Held as Security for Bank Guarantee - KSEE	1,316,760	1,316,760
		2,153,265	1,865,734
	TOTAL	2,647,877	3,007,329

NOTE - 16 OTHER CURRENT ASSETS

Sl. No:	PARTICULARS	As at 31-03-2016 (₹)	As at 31-03-2015 (₹)
a.	Interest accrued on Investments/Deposits	368,240	176,146
	TOTAL	368,240	176,146



**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH, 2016**

NOTE - 17 REVENUE FROM OPERATIONS

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Sale of Services		
	Conversion Charges	119,230,711	111,644,188
	Other conversion income	-	3,131,753
	TOTAL	119,230,711	114,775,941

NOTE - 18 OTHER INCOME

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Interest Income		
i.	Bank Deposits		
	Interest on Bank and Security Deposit	329,428	377,987
		329,428	377,987
b.	Other non- operating income		
	Income from Sale of Scrap	155,540	15,502
	Provision no Longer Required	78,620	499,486
	Other income	70,976	917
	Training Fees Received	274,500	152,688
		579,636	668,593
	TOTAL	909,064	1,046,580



NOTE - 19 CONVERSION / JOB WORK EXPENSES

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a	Stores and Spares Consumed	3,173,556	3,232,278
b	Outside Mixing Charges	1,869,004	4,379,506
c	Power and Fuel	42,261,065	38,514,056
d	Repairs to Machinery	5,335,274	3,819,719
e	Factory Expenses	12,154,702	9,232,148
f	Material usage variance	2,226,270	2,502,188
	TOTAL	67,019,871	61,679,895

NOTE - 20 EMPLOYEES BENEFITS EXPENSE

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Salaries, Wages and Bonus#	43,821,955	38,289,858
b.	Contribution to Provident and other Funds#	3,007,309	3,578,926
c.	Gratuity Expenses	2,523,793	826,319
d.	Staff Welfare Expenses	5,675,381	4,693,175
	TOTAL	55,028,438	47,388,278

Includes wage arrears paid as part of long term settlement scheme of 2014-15 and corresponding contribution to provident and other Funds amounting to Rs. 10,57,982 and Rs. 113,633 respectively. (Prior Period item)



NOTE - 21 FINANCE COSTS

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Interest Expenses - Interest on CEAT Loan	420,954	1,563,195
b.	Others	-	19,810
	TOTAL	420,954	1,583,005

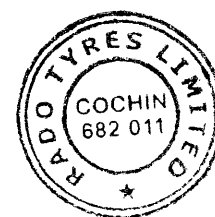
NOTE - 22 DEPRECIATION AND AMORTIZATION EXPENSE

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Depreciation on Property, Plant and Equipment	3,861,063	3,222,545
	TOTAL	3,861,063	3,222,545



NOTE - 23 OTHER EXPENSES

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a	Rent Paid	117,600	116,800
b	Travelling and Conveyance Expenses	357,600	323,838
c	Fees, Rates & Taxes	351,567	225,051
d	Insurance Charges	73,140	83,162
e	Postage, Telephone and stationery	422,901	569,843
f	Audit Fees/Expenses		
	Statutory Audit fees	50,000	50,000
	Tax Audit fees	20,000	20,000
g	Consultancy & Legal expenses	1,276,914	532,054
h	Security Charges	940,937	783,501
I	Registered Office Expenses	58,387	70,418
j	Water Charges	955,112	866,842
k	AGM, Meetings & Directors Sitting Fees	156,945	218,602
l	Food Expenses	78,841	79,427
m	Bank Charges	24,405	18,844
n	Repairs and maintenance - Buildings	154,420	190,081
o	Loss on Sale of Fixed Assets/CWIP	1,104,259	-
p	Miscellaneous Expenses	112,486	77,830
	TOTAL	6,255,514	4,226,293



NOTE - 24 EARNINGS PER SHARE

Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Net Loss as per Statement of Profit and Loss	(12,446,065)	(2,277,495)
b.	Loss available to Equity Share holders	(12,446,065)	(2,277,495)
c.	No. of equity Shares at year end	16,079,050	16,079,050
d.	Basic Earning Per Share	(0.77)	(0.14)
e.	Diluted Earning Per Share	(0.77)	(0.14)
f.	Face Value per Equity Share	4.00	4.00

NOTE - 25 RELATED PARTY DISCLOSURE

(₹ In Lakhs)

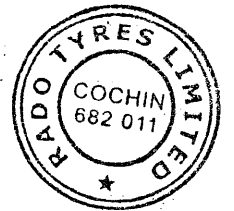
Sl. No:	PARTICULARS	Name of Related Party	For the Year ended 31-03-2016	For the Year ended 31-03-2015
			(₹)	(₹)
a.	Transactions			
	Conversion charges received	CEAT Limited	1,192.31	1,147.76
	Interest Paid	CEAT Limited	4.21	15.63
			1,196.52	1,163.39
b.	Amount due to / from related parties			
	Unsecured loan	CEAT Limited	-	117.50
	Interest Payable	CEAT Limited	-	26.02
	Debtors / Receivables	CEAT Limited	86.86	8.61
	Creditors/Advance	CEAT Limited	-	-
	TOTAL		86.86	152.13



NOTE - 26 POST RETIREMENT BENEFITS

The following table sets out the status of the gratuity plan as required under AS15

i. Change in present value of the defined benefit obligation are as follows.			
Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Opening present value of Defined Benefit obligation	15,549,228	14,185,831
b.	Current Service Cost	666,221	630,079
c.	Interest Cost	999,638	1,147,741
d.	Benefits paid	554,760	(469,149)
e.	Actuarial (Gain) / Loss on obligation	(988,079)	54,726
r.	Closing present value of obligation	16,781,768	15,549,228
ii. Changes in Fair value of Plan Assets during the year ended March 31, 2016			
Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Fair Value of plan assets as at April 1,2015	3,803,479	3,064,300
b.	Expected return on plan assets	240,323	1,006,227
c.	Contributions made	300,000	-
d.	Benefits paid	(554,760)	(469,149)
e.	Actuarial gain / (Loss) on plan assets	(1,144,689)	202,101
f.	Fair Value of plan assets as at 31st March 2016	2,644,353	3,803,479
iii. Net employee benefits expenses recognized in the employee cost			
Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Current Service Cost	666,221	630,079
b.	Interest Cost on benefit obligation	999,638	1,147,741
c.	Actuarial (gains) and losses (Net)	1,098,257	54,726
d.	Expected return on plan assets	(240,323)	(1,006,227)
e.	Net benefit expense	2,523,793	826,319



iv Net Assets / (Liability) as at March 31, 2016			
Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Present value of the defined benefit obligation	(16,781,768)	(15,549,228)
b.	Fair value of plan Assets	2,644,353	3,803,479
c.	Net Assets/(Liability) recognized in the Balance Sheet	(14,137,415)	(11,745,749)
v Actual return on plan assets for the year ended March 31, 2016			
Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Expected return on plan assets	240,323	1,006,227
b.	Actuarial gain / (loss) on plan assets	(11,464)	202,101
c.	Actual return on plan assets	228,859	1,208,328
vi The principal assumptions used in determining gratuity and leave encashment for the Company's plan are shown below:			
Sl. No:	PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
		(₹)	(₹)
a.	Discount Rates	7.65%	8%
b.	Expected rate of return on assets	9.00%	9.45%
c.	Annual increase in salary	7.00%	7%
d.	Employee turnover	1%-3%	1%-3%
e.	Mortality Rate	Indian Assured Lives Mortality (IALA) (2006-08) Modified ULI	LIC(1994-1996)- Ultimate



The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority and other relevant factors, such as supply and demand in then employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

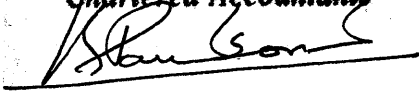
NOTE - 27 Capital commitments / contingent liabilities

Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for as at 31st March 2016 – Rs Nil (Previous Year: Nil) and contingent liabilities not provided for as at 31st March 2016 – Rs Nil (Previous Year: Nil). There are no material changes in Capital commitments and contingent liabilities from 31 March 2016.

NOTE - 28

Previous period's figures have been reclassified to confirm to this period's classification, wherever applicable.

For PAULSON & COMPANY
Chartered Accountants



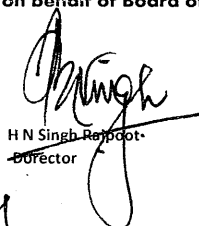
CA. K.P. PAULSON
LL.B, FCA, DISA, CISA (USA), CA (UK)
Membership No. 21855; FR No. 0026205
PARTNER

Cochin-17

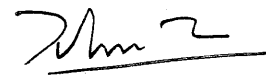
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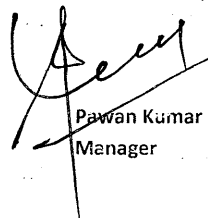
For and on behalf of Board of Directors of Rado Tyres Ltd.



H N Singh
Director



John M John
Director



Pawan Kumar Singh
Manager

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21-Apr-16

