

Tantia
CONSTRUCTIONS
LIMITED



TM

Annual Report 2013-14

SAILING against the wind



Corporate Information



BOARD OF DIRECTORS

Sri Ishwari Prasad Tantia
Chairman and Managing Director

Sri Banwari Lal Ajitsaria
Director (Business Development)

Sri Rahul Tantia
Director (Operations)

Sri Murare Lal Agarwala
Director (Projects)

Sri Sandip Bose
Whole-time Director

Sri Umashankar Agarwal
Independent, Non-Executive Director

Sri Tarun Chaturvedi
Independent, Non-Executive Director

Sri Bajrang Lal Tulsian
Independent, Non-Executive Director

Mrs. Madhuchhanda Chatterjee
Independent, Non-Executive Director

Sri Shaleen Khemani
Independent, Non-Executive Director

COMPANY SECRETARY

Md. Jamshed Alam

ADVOCATES

S. K. Baid & Co.
8, Old Post Office Street, 2nd Floor
Kolkata - 700 001

STATUTORY AUDITORS

Konar Mustaphi and Associates
Chartered Accountants
ICAI FRN-314125E
P-113, CIT Road, Kolkata - 700 014

INTERNAL AUDITORS

L. B. Jha & Co.
S. S. Kothari & Co.
ARSK & Associates

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

Maheshwari Datamatics Private Limited
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Phone : +91 33 2243 5029/5809/2248 2248
Fax : +91 33 2248 4787
E-mail : mdpl@cal.vsnl.net.in

PRINCIPAL BANKERS

State Bank of India
Allahabad Bank
Andhra Bank
Axis Bank Ltd
IDBI Bank Ltd
Oriental Bank of Commerce
Standard Chartered Bank
Punjab National Bank
Indian Overseas Bank
State Bank of Travancore

REGISTERED OFFICE

25-27, Netaji Subhas Road
Kolkata - 700 001
Phone : +91 33 2230 1896/6284
Fax : +91 33 2230 7403
E-mail : cs@tantiagroup.com

CORPORATE OFFICE

DD 30, Sector-1, Salt Lake City
Kolkata - 700 064
Phone : +91 33 4019 0000
Fax : +91 33 4019 0001
E-mail : info@tantiagroup.com

Between the Covers

Corporate Overview **01-09**

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Standalone Financials **42- 76**

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Cautionary Statements

The statements made in this Annual Report including the Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "Forward Looking Statements" within the meaning of applicable Securities Laws & Regulations and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed and implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. Several factors could make a significant difference to the Company's operations which includes climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamities, raw material price changes, domestic supply and prices conditions, Company's success in attracting and retaining Key Personnel, integration and re-structuring activities, general business and economic conditions over which the Company does not have any direct control. Because such statements deal with the future events they are subject to various risks and uncertainties. You are cautioned not to place undue relies on these forward looking statements.

The Company undertakes no obligations to revise or update the forward looking statements, whether as a result of new information, future events or otherwise.



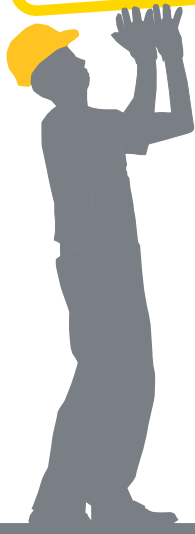
THE MACRO-ECONOMIC
ENVIRONMENT
CONTINUED TO POSE
TOUGH CHALLENGES.

At Tantia Constructions, we encountered these challenges with a brave face. We sustained ourselves despite adversities. We continued to build on our strong fundamentals and managed to sail out with a satisfactory performance.

GROWTH AMIDST DIVERSITY



A COMPANY WITH
A FOCUS-ORIENTED
MINDSET



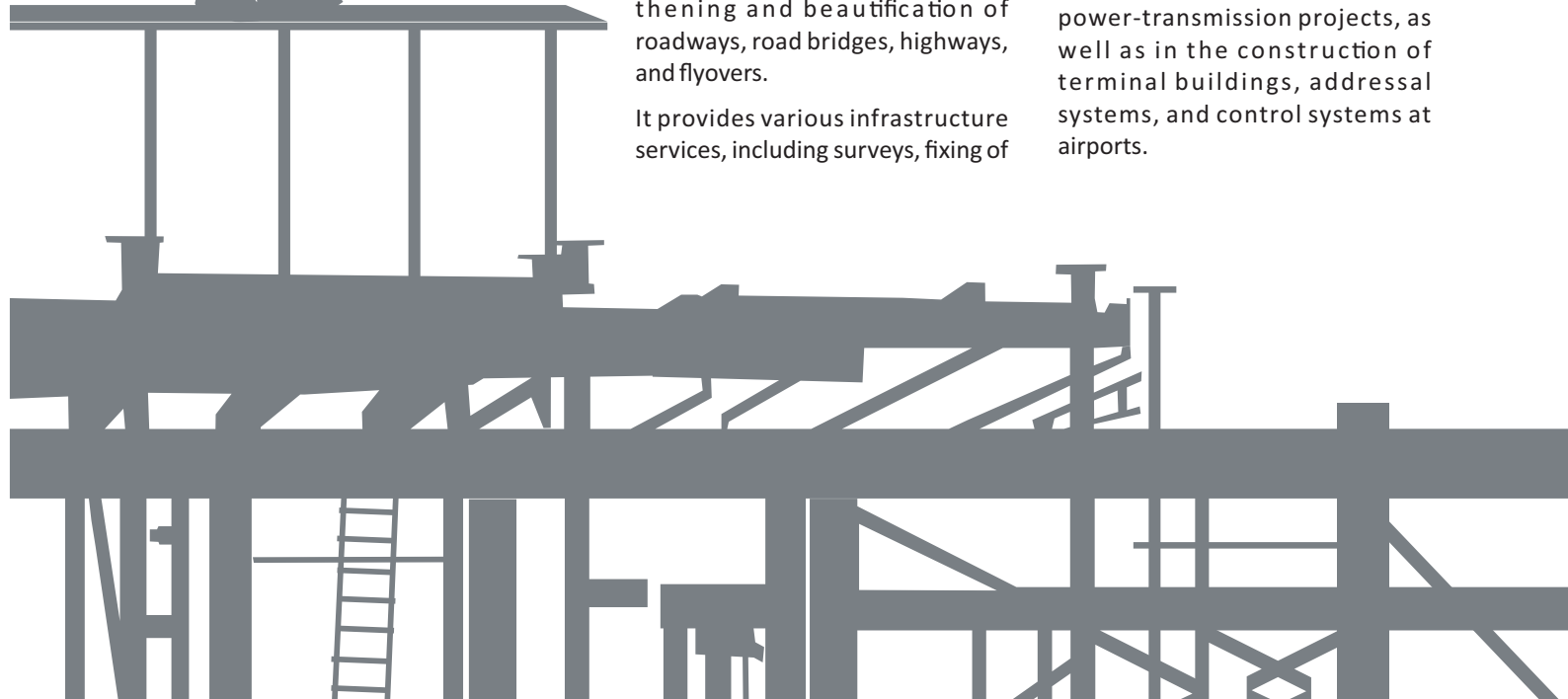
Tantia Constructions is amongst the leading infrastructure and construction companies in India. Incorporated in 1964, the Company has emerged a long way and made a strong mark by way of efficient execution of projects across the nation.

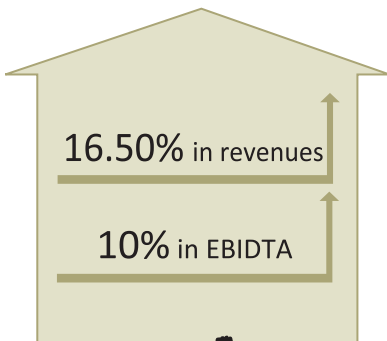
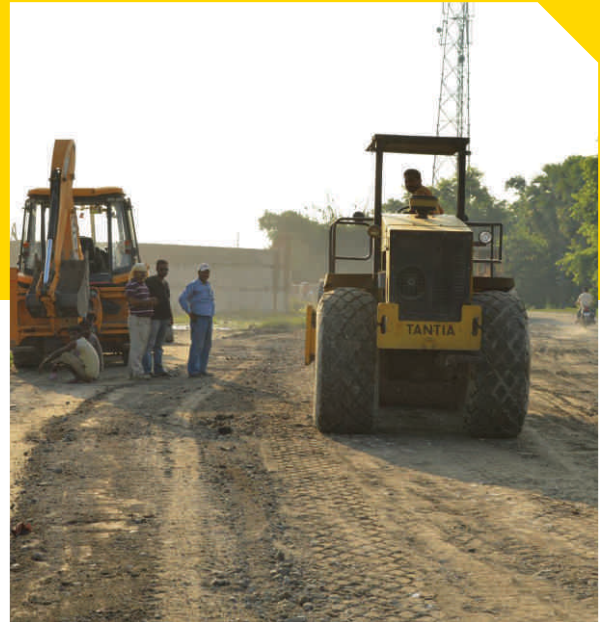
The Company engages in host of civil construction activities involving construction, widening, conversion, maintenance, strengthening and beautification of roadways, road bridges, highways, and flyovers.

It provides various infrastructure services, including surveys, fixing of

alignment and designing of track embankment and cuttings; steel girder fabrication and erection; construction of bridges, tunnels, buildings, railway stations, terminals and light rail and mass rapid transport system infrastructure.

It also provides soil re-engineering, mechanized earthwork, hauling for large scale land development, allied works for roads and pipelines, electrification, and lighting system services; and infrastructure solutions for residential, commercial, and public utility buildings, as well as for mass rapid transport systems. Additionally, the company involves in building tunnels, jetties, and steel girders along rivers; and beam foundation, lattice structure erection, conductor stringing, and cable-laying system operations for power-transmission projects, as well as in the construction of terminal buildings, addressal systems, and control systems at airports.





We are driven by

- Consistent performance
- Execution diversity
- Efficient project management capability
- Strong asset base
- Technology
- Experienced and dynamic team



EXECUTION EXCELLENCE

Projects completed

Some projects substantially completed

Improvement and widening of Aizawl City Road, Phase – I under **JNNURM** at a contracted value of **₹ 19.61** crores

Construction of **37.37** kms of **RCC NP3** (modified) Gravity Sewer pipeline of varying diameters for KEIP, Kolkata at a contracted value of **₹ 115.67** crores

Construction of foundation and sub-structure of bridge over river Matla, and other ancillary works in connection with Extension of New B G line beyond Canning to Bhangankhali worth **₹ 50.35** crores

Construction of 1.8 km long tunnel on a realigned path in connection with Udampur Srinagar Baramulla Rail Link Project at a contracted value of **₹ 100** crores

Construction of bridge across river Paglachandi in between stations Debogram and Paglachandi worth **₹ 21.83** crores

Construction of Sewerage & Drainage for Borough XV including House Connection for KEIP, Kolkata at a contracted value of **₹ 106.09** crores

Construction of inland Water Transport Terminal High Level Permanent RCC jetty over River Hooghly Khidirpore, Kolkata worth

₹ 34.98 crores





Execution Excellence has been our unique strength in our journey to success. We treat each project with equal importance and pay attention to each and every detail. Right from planning to execution, we do not leave any stone unturned. Besides, we also counter in any unforeseen changes in planning, to avoid any unnecessary delay in completion. Focus, discipline, speed and robust project management ensure successful long-term planning and timely execution across our projects.

Income from operation

₹ 639.20[★]

Crores
to

₹ 745.97⁺

Crores

EBDITA

₹ 100.04[★]

Crores
to

₹ 110.90⁺

Crores

Gross Block

₹ 178.74[★]

Crores
to

₹ 183.58⁺

Crores

Order book

₹ 3,694.14[★]

Crores
to

₹ 3752.86⁺

Crores



Details of projects

Business Segment	Number of new Projects bagged	Revenue (₹ in Crores)	Proportion of total revenue (%)
Urban Development	5	355.69	47.68
Railway Road Marine	2	232.82	31.21
RMC	--	75.07	10.06
Other	--	82.38	11.04
Total		745.96	100.00

RISK-FOCUSSED BUSINESS MODEL

At Tantia Construction, our strategic risk management involves proactive identification and mitigation strategies of relevant industry risks. The Company ensures that it is adequately estimated and controlled to enhance shareholder value. Risk is pertinent to virtually all business activities though in varying degrees and forms. It is the constant endeavor of the Company to identify, assess, prioritise and manage existing as well as emerging risks in a planned and cohesive manner. As a result, the Company is proactive enough to encounter the unforeseen challenges. Some of the key risks identified by the Company include:

Industry

The Company laid out efficient strategies to mitigate any risks arising out of industrial and other macro-economic forces. Moreover, the Company has positioned favourably to take the advantage of the infrastructural growth strategies planned in the Twelfth Five Year Plan.

Dependency

Diversified business portfolio has enabled the Company to achieve well-spread revenue break-up among different sectors. This has led the Company to mitigate itself against the un-anticipated slowdown from any of the sectors, thus, reducing the dependency factor.

Reputation

The Company has built strong reputation for itself in the infra-construction space, which is very essential to bag



prestigious projects. Vertical integration and forming competitive alliances has further enabled the Company to undertake challenging and margin-accretive projects.

Business Operations

The Company ensures an end-to-end coordination of its business operations. Right from forecasting raw materials pricing and its availability, procuring necessary equipment and man power to delivering quality and timely execution of projects.

Health and Safety

It is necessary for any infrastructure Company to have well-planned health & safety systems at the project sites to ensure worker well-being and smooth execution. The Company has built a strong disaster management framework policy to implement the best practices across various construction phases. Moreover, the workers are mandatorily made to wear necessary safety equipments under the guidance of the dedicated safety team.

CMD'S MESSAGE



'Our proactive approach and ability to foresee challenges has allowed us to sail against the tide. We managed the macro-economic shocks with maturity and monitored each projects at a micro level'

Dear Shareholders,

Let me admit, the year gone by has been one of the most challenging over the years. It has been the second consecutive year that our economy was in a stressed shape. After recovering in 2009-10 and 2010-11, GDP growth slowed down to decade's low of 4.5% in 2012-13. It picked up marginally to 4.7% in 2013-14. Construction continued to register another year of low growth at 1.6%, owing to low levels of infrastructure activity. As we all are aware, there is a strong link between infrastructure and economic development. Hence, it becomes equally challenging for the companies in the infra-construction space to maintain its growth momentum.

How well are we placed?

Our proactive approach and ability to foresee challenges has allowed us to sail against the tide. We managed the macro-economic shocks with maturity and monitored each project at a micro level. As a result, we survived and sustained. We could manage our growth momentum. I am happy to share that our revenues and EBIDTA increased by 16% and 10% respectively, over the previous year.

Order Book

We procured contracts worth ₹ 341 cores during the year 2013-14. The orders comprised construction of water distribution system, university building, road project, sewerage network, water supply scheme and arsenic-cum-iron removal plant. These projects are funded by ADB and JNNURM. Our experience of working on similar projects allowed us to bag these projects.

Execution Challenges

Maturity comes with challenges. While we bagged prestigious projects, we also faced execution challenges owing to the complex requirement of the projects. The biggest of them was installing higher capacity water and sewage treatment plants. To develop our expertise further, we are in the process of establishing MoU with few of the domestic and overseas companies having extensive experience in the installation of such plants. This will allow us to further enhance our market potential and build further inroads this sector.

Industry Outlook

Whilst the need for greater infrastructure investment is clear, equally important is the need to sustainably manage such investments. Indian Government's success in infrastructure provision will be measured not by the quantum of funds invested, but on how infrastructure contributes to the achievement of India's socio-economic development and environmental objectives. Importantly, infrastructure investment should be considered as a means to an end, not an end in itself.

The policies of the Indian Government, which have been evolving very rapidly in recent years, continue to encourage the private sector in taking on a larger and more

diverse role – from being an infrastructure builder (under a publicly financed arrangement) to an infrastructure developer (under PPP structures which include private finance). These developments have led to a large number of infrastructure projects open up as opportunities for the companies like us.

The Human Eye

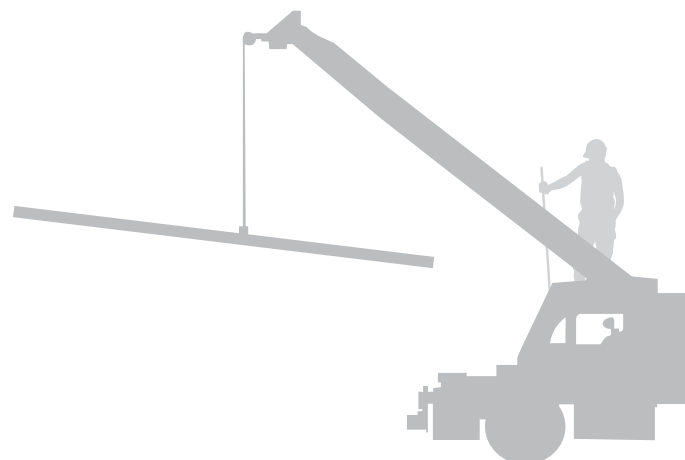
We regularly donate for the well being of the community in and around us. We donated to small committees present at various site locations and working for the society. One such recognized unit is Nanritam, a welfare organization with a dream to serve humanity. They are engaged in activities like child development, rural eye hospital development and other social activities. Besides, we also donate to various trusts that provide aid to schools, colleges and educational training institutions thereby contributing to rural development.

On behalf of the entire Board, I would like to thank and acknowledge the entire Leadership Team for putting up a brave face during hard times. I would like to express my gratitude to all the stakeholders for staying committed to us and believing in our capability. We look forward to your continued support towards strengthening our pursuit of excellence.

Best Wishes,

Ishwari Prasad Tantia

Chairman and Managing Director





Report of the Board of Directors

Dear Shareholders,

Your Directors have pleasure in presenting their report as a part of 49th Annual Report of your Company along with the standalone and consolidated Audited Accounts for the financial year ended March 31, 2014.

FINANCIAL RESULTS

The salient features of the Company's financial results for the year ended March 31, 2014 on standalone and consolidated basis have been as follows : (₹ in Lakhs)

Performance for the year ended March 31, 2014	Standalone		Consolidated	
	2014	2013	2014	2013
Revenue from Operations	74,597	63,920	70,833	63,284
Operating Profit (Before Interest, Depreciation and Taxation)	11,090	10,004	10,506	10,117
Less : Financial Cost	9,684	7,605	8,907	7,625
Profit Before Depreciation and Taxation	1,406	2,399	1,599	2,492
Less : Depreciation	1,259	1,261	1,156	1,263
Less : Diminution in value of investment	–	–	(49)	1
Profit Before Taxation (PBT)	147	1,138	492	1,228
Add : Profit from Joint Venture	65	92	–	–
Less : Provision for Taxation	(462)	291	(452)	306
Add : Pre-acquisition profit/ loss	–	–	–	–
Profit After Taxation (PAT)	674	939	944	922
Profit Brought Forward	8,953	8,014	8,471	7,549
Profit Available for Appropriation				
Appropriation				
Transfer to General Reserve	–	–	–	–
Dividend on Cumulative Preference Shares	–	–	–	–
Proposed Dividend on Equity Shares	–	–	–	–
Dividend Tax on Proposed Dividend	–	–	–	–
Balance Carried Forward	9,627	8,953	9,415	8,471

Report of the **Board of Directors**

OPERATIONAL PERFORMANCE

Detailed discussion in relation to the Company's Operations given in the Management Discussion and Analysis Report under the heading Financial Performance, is enclosed with the Directors' Report.

ORDER BOOK POSITION AS ON MARCH 31, 2014

The total order book position as on March 31, 2014 was ₹ 3,752.86 Crore.

FIXED DEPOSIT

The Company did not accept any Fixed Deposit under Section 58A of the Companies Act, 1956, from the public during the Financial Year ended March 31, 2014.

DIVIDEND

During the year under review, the Board of Directors of the Company at their Meeting held on May 30, 2014 did not recommend payment of dividend with a view to conserve the resources for future development of the Company.

FUTURE OUTLOOK

In the face of a global financial crisis and economic downturn, infrastructure sector plays an important role to counterbalance the slowing economic activity and lower consumption. It is believed that the policy support from the Government will help somewhat the beleaguered sector recover from the issues affecting the most.

The recent months have witnessed key investments and developments in India's infrastructure sector. The Union Cabinet in February, 2014 gave its approval for declaration of around 7,200 kms. of State Roads as new National Highways. Other road development projects in the pipeline include existing National Highways network totaling 21,271 kms., which are not covered under any programmes/schemes as of now.

Industry growth is expected to remain strong over the forecast period (2014–2018), as a result of Government's commitment to making infrastructural improvements and the implementation of the 12th Five-Year Plan (2012–2017), under which the Government expressed plans to invest INR 56.3 trillion (US\$ 1.0 trillion) in various long-term development plans.

India's economy slowed to 4.7% for the fiscal year 2013–14 in contrast to higher economic growth rates in 2000s. IMF projects India's GDP to grow at 5.4% over 2014-15. However, the construction industry growth is expected to improve over the next few years, as a result of the Government's commitment to improving the Country's infrastructure. Our order books continue to be strong, we are very optimistic about future growth of the Company.

SUBSIDIARY COMPANIES

During the year under review, your Company is having four (4) Subsidiary Companies namely - Tantia Sanjauliparkings Private Limited, Tantia Infrastructure Private Limited, Tantia Batala-Beas Tollway Private Limited and Tantia Raxaultollway Private Limited, out of which the first three are Wholly-Owned Subsidiary (ies).

In Compliance with General Circular No. 2/2011 dated February 8, 2011, issued by the Ministry of Corporate Affairs (MCA), the Balance Sheet, Statement of Profit and Loss and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. The Annual Reports of the Company's Subsidiary Company(ies) will be available for inspection by Members/Investors at the Registered Office of the Company and that of concerned Subsidiary (ies) and the hard copy of the same would be provided to any Member on demand.

In Compliance with General Circular No. 2/2011 dated February 8, 2011, a detailed statement related to Subsidiary Company (ies) is annexed herewith in the later part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Accounting Standards 21 and 23 of the Companies (Accounting Standards) Rules, 2006 (as amended) read with General Circular No. 2/2011 dated February 8, 2011 of the MCA and Clause 32 of the Listing Agreement with Stock Exchange(s), the Company has prepared its Consolidated Financial Statements and the same have been duly audited by the

Report of the **Board of Directors**

Statutory Auditors of the Company, M/s Konar Mustaphi & Associates, Chartered Accountants. The Consolidated Financial Statements and Auditors' Report on the same are enclosed with the accounts and form part of this Annual Report.

PARTICULARS OF EMPLOYEES

The information as required in accordance with Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are required to be set-out in the Directors' Report. Having regard to the provisions of Section 219(1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Any Member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company at 25-27, Netaji Subhas Road, Kolkata - 700 001.

EMPLOYEE RELATION

During the year under review, a cordial relation was maintained with the employees. The Directors wish to place on record their sincere appreciation in respect of the services rendered by all the employees of the Company.

AUDITORS

The Company's Auditors M/s Konar Mustaphi & Associates, Chartered Accountants, Kolkata, retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to be re-appointed.

Pursuant to provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, and Rules made thereunder, M/s Konar Mustaphi & Associates, Chartered Accountants, Kolkata (ICAI Firm Registration No. 314125E) are proposed to be appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 50th Annual General Meeting of the Company.

The Company has obtained a letter from the Auditors to the effect that re-appointment, if made, shall be in accordance with the provisions of Section 139 and also satisfies the criteria provided in Section 141 of the Companies Act, 2013.

AUDITORS' OBSERVATION

The Reports of the Auditor including references made therein to the Notes forming part of the Statement of Accounts are self explanatory and do not call for any further explanation.

BOARD OF DIRECTORS

Pursuant to the provisions of Section 149 read with Section 152 and other applicable provisions of the Companies Act, 2013, with respect to appointment and tenure of Independent Directors which came into effect from 1st April, 2014, the Independent Directors shall be appointed for not more than two terms of five consecutive years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement.

Accordingly, Sri Shaleen Khemani, the existing Independent Director (DIN : 00049743), Sri Umashankar Agarwal (DIN : 00124546), Sri Tarun Chaturvedi (DIN : 02309045), Sri Bajrang Lal Tulsian (DIN : 06885029) and Mrs. Madhuchhanda Chatterjee (DIN : 02510507), Additional Directors (Independent Category) are proposed to be appointed as Independent Directors of the Company by the shareholders of the Company at the AGM of the Company for a term upto March 31, 2019 and whose office shall not, henceforth, be liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Sri Ishwari Prasad Tantia, Chairman and Managing Director (DIN : 00057004) and Sri Banwari Lal Ajitsaria, Director (Business Development) (DIN : 00053981) of the Company, retire by rotation at the ensuing AGM and being eligible offer themselves for re-appointment.

Report of the **Board of Directors**

Brief resume of the Directors seeking appointment, re-appointment, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s), are provided as annexure to the Notice calling the Annual General Meeting forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board of Directors hereby state that :

- a) in the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently as stated in the accounts and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014, and of the profit or loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities; and
- d) the Directors have prepared the accounts for the year ended March 31, 2014 on a going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with Stock Exchange(s), the Corporate Governance Report and Management Discussion and Analysis Report form part of this Annual Report. The Auditors' Certificate confirming compliance with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to this Annual Report.

CODE OF CONDUCT

The Code of Conduct for the Directors and Senior Management Personnel has been made applicable to all the Directors whether executive or non-executive including all Senior Management Personnel of the Company. The Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct during the year and no violation of the same was reported. The Code of Conduct is also posted on the Company's website : www.tantiagroup.com.

DISCLOSURES

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is appended as Annexure A and forms part of this Report.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors at its meeting held on May 30, 2014, has approved the appointment of M/s MR & Associates, Company Secretaries, Kolkata as the Secretarial Auditor of the Company for the financial year 2014-15 to conduct the secretarial audit of the Company.

CORPORATE SOCIAL RESPONSIBILITY

In Compliance with the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, your Directors have constituted the Corporate Social Responsibility (CSR) Committee comprising Mrs. Madhuchhanda Chatterjee, Independent, Non-Executive Director as the Chairperson, Sri Bajrang Lal Tulsian, Independent, Non-Executive Director and Sri Sandip Bose, Executive Director as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

Report of the **Board of Directors**

VIGIL MECHANISM / WHISTLE BLOWER POLICY OF THE COMPANY

Pursuant to the SEBI's Circular dated April 17, 2014, all listed companies shall establish a Vigil Mechanism/Whistle Blower Policy w.e.f. October 1, 2014. Hence, in Compliance with the provisions of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement with the Stock Exchange(s), the Board of Directors of the Company at its meeting held on May 30, 2014, has approved and adopted Vigil Mechanism / Whistle Blower Policy for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct.

The Whistle Blower policy encourages Directors and employees to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Company's Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is the Company's policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company. The practice of the Whistle Blower policy is overseen by the Audit Committee of the Board.

STEPS TAKEN TO PREVENT SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Considering that sexual harassment of women at the workplace is still rampant in India, Parliament has enacted the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Act provides for protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and also for the matters incidental thereto. The Act came into force with effect from December 9, 2013.

The Company has accordingly adopted the policy against Sexual Harassment of Women at Workplace, for the purpose of preventing, prohibiting and redressing sexual harassment of female employees including permanent, temporary, on training and on contract basis at all the workplace within the Company which are based on fundamental principles of justice and fair play.

Further, an Internal Complaints Committee (ICC) has been constituted which shall be responsible for redressal of complaints related to sexual harassment. The Company has put in place suitable processes and mechanisms to ensure that issues of sexual harassment, if any, are effectively addressed. During the year, no complaints of sexual harassment were received by the Company.

CLIENT RELATIONSHIP

Your Company believes in long-term relationship with its clients, which results in repetition of orders, extension of projects of a higher value on a regular basis and preference above other market players. Your Company enjoys excellent business relationship with its clients. The Company is making its presence felt in different parts of the Country through different infrastructural and development work.

APPRECIATION

Your Board of Directors wish to place on record their sincere appreciation for the valuable and continued support received from the Shareholders, Company's Bankers, Central and State Government Authorities, Clients, Consultants, Suppliers, Stock Exchange(s) and all other Business Associates for the growth of the organization.

The Board of Directors also wish to place on record its deep appreciation for the services of the devoted executives, staff members and workers whose hard work, solidarity, cooperation and support contributed to its efficient and successful management and in arriving at this years' results.

For and on behalf of the Board

Ishwari Prasad Tantia

Chairman and Managing Director

Dated : May 30, 2014

Registered Office :

25-27, Netaji Subhas Road,
Kolkata – 700 001

Report of the Board of Directors

ANNEXURE- A

DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A) Conservation of Energy :

Your Company is into civil construction business and is not included in the list of industries under Schedule to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Therefore, Form A and the disclosures contained therein are not applicable to the Company. However, the Company is making every possible effort to conserve the use of power. Scarce natural resources are consumed efficiently to ensure proper energy utilization and conservation. The impact, if any, of such measures are not identifiable.

B) Technology Absorption :

FORM B : DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION

Research & Development (R & D)

Specific areas in which R & D is carried out by the company	The Company has not undertaken any activity relating to research and development during the year under review.		
Benefits derived as a result of the above R & D			
Future plan of action			
		(₹ in Lakhs)	
Sl. No.	Expenditure on R & D	2013-14	2012-13
1.	Capital Expenditure	NIL	NIL
2.	Recurring Expenditure	NIL	NIL
	Total	NIL	NIL
	Total R & D expenditure as a percentage of total turnover	N.A.	N.A.

Technology, absorption, adaptation and innovation

Efforts, in brief, made towards technology absorption, adaptation and innovation	Not Applicable
Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	
In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :	Not Applicable
(a) Technology imported	
(b) Year of import	
(c) Has technology been fully absorbed?	
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	

C) Foreign Exchange Earnings and Outgo :

	(₹ in Lakhs)	
	2013-14	2012-13
Foreign Exchange Earnings	-	314
Foreign Exchange Outgo	897	845



Management Discussion and Analysis Report

(Annexure to the Directors' Report)

ECONOMY REVIEW

The Economic Survey reviews the developments in the Indian economy over the previous 12 months, summarizes the performance on major development programmes and highlights the prospects of the economy in short to medium term. The Indian economy weathered the global financial crisis rather well and quickly recovered from the decline in growth rate in 2008-09 to a healthy growth that averaged around 9 per cent annually in 2009-10 and 2010-11. The slowdown in real GDP growth in India during 2011-12 and 2012-13 is in sync with trends in similar emerging economies. The downturn has been more pronounced in the Indian case, owing to domestic and structural factors. However, this recovery was short-lived and growth rate declined to 6.2 per cent in 2011-12 and 5.0 per cent in 2012-13, on account of both domestic and external factors. In fact, in terms of market price GDP, India's growth exceeded that of China in 2010.

GDP Growth

India's economic growth remained below 5 percent mark second year in a row at 4.7 percent in 2013-14, but the industry is hopeful of a rebound with a stable Government. As per Government data, the economic growth remained below 5 percent for two consecutive years after a gap of almost 25 years. Earlier from 1984-85 to 1987-88, the economic growth rate remained below 5 percent.

The country's economy, or gross domestic product (GDP), had expanded at 4.5 percent in 2012-13, the slowest pace in the previous decade.

Foreign Direct Investment

According to UNCTAD's World Investment Prospects Survey 2012-2014, India is the third-most attractive destination for FDI (after China and the US) in the world. Indian markets have significant potential and offer prospects of high profitability and favorable regulatory regime for investors.

Foreign Direct Investment into India grew 8 percent year-on-year to US\$ 24.3 billion in 2013-14. Foreign investment inflows more than doubled to US\$ 3.53 billion in March this year from US\$ 1.52 in the same month last year.

The highest FDI came in services (US\$ 2.22 billion), followed by automobiles (US\$ 1.51 billion), telecommunications (US\$ 1.3 billion), pharmaceuticals (US\$ 1.27 billion) and construction development (US\$ 1.22 billion) in 2013-14.

Fiscal Deficit

The fiscal deficit for 2013-14 fiscal may finally turn out to be 4.5 percent of GDP. The fiscal deficit, which is the gap between expenditure and revenue, was 4.9 percent of GDP in 2012-13.

BUSINESS OVERVIEW

Tantia Constructions Limited is a world-class Infrastructure Services Company, operating across the infrastructure lifecycle with strong positions in major markets. As a pre-eminent Indian Infrastructure Company, established over four decades ago and over the years, strongly anchored itself to India's development effort. It started its operations through entry in the railways segment and over the years

Management Discussion and Analysis Report

extended its activities to other infrastructure segments along with production of Ready Mix Concrete (RMC).

INFRASTRUCTURE SECTOR REVIEW

In the face of a global financial crisis and economic downturn, infrastructure sector plays an important role to counterbalance the slowing economic activity and lower consumption. In India, the infrastructure sector currently accounts for 26.7% of India's industrial output and thus, remains a useful tool to balance the economy.

The value of total roads and bridges infrastructure in the country is projected to grow at a compound annual growth rate (CAGR) of 17.4 per cent over Financial Year 2012-2017. India's roads and bridges infrastructure, which was valued at US\$ 6.9 billion in 2009, is expected to reach US\$ 19.2 billion by 2017.

The total approximate earnings of the Indian Railways on originating basis during Financial Year 2013-2014 were ₹ 140,485.02 crore (US\$ 23.34 billion) as against ₹ 121,831.65 crore (US\$ 20.25 billion) during Financial Year 2012-2013.

The capacity of ports in India by the end of the 12th Five-Year Plan is targeted to touch 2,493.10 million tonnes per annum (MTPA) as compared to 1,245.30 MTPA at the end of the 11th Five-Year Plan (2007-2012).

The FDI inflows in construction (infrastructure) activities during the period April, 2000 – March, 2014 stood at US\$ 2,575.79 million, as per the data released by Department of Industrial Policy and Promotion (DIPP). The recent months have witnessed key investments and developments in India's infrastructure sector.

A total length of 21,787 kms. of National Highways has been completed till March, 2014 under various phases of the NHDP. In spite of several constraints due to the economic downturn, the NHAI constructed 2,844 kms. length in 2012-13, its highest ever annual achievement. During 2013-14, a total of 1,901 kms. of road construction was completed.

Government Initiatives

The Union Cabinet in February, 2014 gave its approval for declaration of around 7,200 kms. of State Roads as new National Highways. Other road development projects in the pipeline include existing National Highways network totaling 21,271 kms., which are not covered under any programmes/schemes as of now.

In another development, the Indian government has facilitated 100 per cent FDI under the automatic route for port development projects. A 10-year tax holiday has been accorded to enterprises that are engaged in the business of developing, maintaining and operating ports, inland waterways and inland ports.

The country is also looking to collaborate with foreign partners. India and Sudan have good potential for enhancing cooperation in promoting renewable energy.

With India's rapid urbanisation and an ever-increasing middle class, the need for sound infrastructure is paramount. About 590 million people (the figure was 377 million in 2011) will reside in cities by 2030, and could have a direct bearing on 70 per cent of the country's gross domestic product (GDP), as per a McKinsey report. Research from the Economist Intelligence Unit expects that infrastructure spending and the growth of the country's lower middle class will prop GDP growth over the coming years, achieving 4.5 percent in 2014 and 5.7 percent by 2017.

Moreover, infrastructure investment can lead to improved health, education and social outcomes. For instance, the same report states that upgrading water and sanitation systems in a slum in Ahmedabad reduced health insurance claims by more than 50%. In Assam, 1% increase in the electrification rate resulted in a 0.17% improvement in the literacy rate, strongly suggesting that complete rural electrification of the region could easily raise literacy rate to 74% from the current 63%.

Performance

Your Company has established its credentials in India, Nepal and Bangladesh through its presence across Railway, Road, Urban Infrastructure Sector and currently executing some of the key projects.

FUTURE OUTLOOK

In the face of a global financial crisis and economic downturn, infrastructure sector plays an important role to counterbalance the slowing economic activity and lower consumption. It is believed that the policy support from the Government will help somewhat the beleaguered sector recover from the issues affecting the most.

The recent months have witnessed key investments and developments in India's infrastructure sector. The Union Cabinet in February, 2014 gave its approval for declaration of around 7,200 kms. of State Roads as new National

Management Discussion and Analysis Report

Highways. Other road development projects in the pipeline include existing National Highways network totaling 21,271 kms., which are not covered under any programmes/schemes as of now.

Industry growth is expected to remain strong over the forecast period (2014–2018), as a result of Government's commitment to making infrastructural improvements and the implementation of the 12th Five-Year Plan (2012–2017), under which the government expressed plans to invest INR 56.3 trillion (US\$ 1.0 trillion) in various long-term development plans.

India's economy slowed to 4.7% for the fiscal year 2013–14 in contrast to higher economic growth rates in 2000s. IMF projects India's GDP to grow at 5.4% over 2014-15. However, the construction industry growth is expected to improve over the next few years, as a result of the Government's commitment to improving the country's infrastructure. Our order books continue to be strong, we are very optimistic about future growth of the Company.

QUALITY CONTROL

Your Company maintains a robust quality control system based on the result of the experience of its founders and the priorities placed by the management evolved to meet day-to-day needs as well as, size and operational necessities. The Company is among the first in India to be accredited with the ISO 9001:2000 from DNV, the Netherlands in 2001, which was further upgraded as ISO 9001:2008 in the year 2010. The Company renewed the Certificate TUV Nord Management System as per DIN EN ISO 9001:2008 awarded to our RMC units at Narayanpur and Taratala, in Kolkata.

RISKS AND CONCERNS

Your Company recognizes the need to control and limit risk, which it faces in day to day course of the business. The Company is exposed to certain financial risks, principally foreign exchange risk, interest rate risk, liquidity risk and credit risk, risks associated with the economy, regulations, competition among others. These risks are managed through risk management policies that are designed to minimize the potential adverse effects of these risks on financial performance of the Company. The risk management framework of the Company ensures, among others, compliance with the requirements of Clause 49 of the Listing Agreement. The framework establishes risk management across all service areas and functions of the

Company, and has in place, the procedures to inform the Board Members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the management of the Company controls risk and runs through a well-defined framework.

OPPORTUNITIES AND THREATS

Opportunities

India's Planning Commission has projected an investment of US\$ 1 trillion for the Infrastructure Sector during the 12th Five-Year Plan (2012–17), with 40 per cent of the funds coming from the Country's private sector. India's focus on infrastructure since the turn of the millennium has helped make it the second fastest growing economy in the world. The Country's constant growth gives investors, domestic and foreign, a tremendous opportunity for investment in its infrastructure sector (source www.ibef.org).

New and innovative financing infrastructure projects under the BOT/BOOT/DBFOT models will strengthen project viability.

Threats

- Cautious approach of Banks and low exposure in Infrastructure Sector;
- Rising input costs for cement, steel and other construction materials;
- Longer working capital cycle;
- Delays in obtaining environmental clearances, land acquisitions and rehabilitation;
- Shortage of skilled manpower;
- Stagnant and low construction margins.

INCOME ACCOUNTING METHOD

Your Company prepares its financial statements on accrual basis in compliance with the requirements of the Companies Act, 1956, the Listing Agreement with Stock Exchange(s) and Generally Accepted Accounting Principles as applicable in India (Indian GAAP). The Company's business operations fall under the purview of Civil Construction. Wherever the treatment of accounts requires interpretation, the Company has preferred to be cautious and conservative.

REVIEW OF FINANCIAL PERFORMANCE

The performance of the Company in the previous financial year was more satisfying considering the challenges faced

Management Discussion and Analysis Report

by the construction industry. A comparative study of the financial performance of the Company as compared to the previous financial year is given hereunder :

Particulars	₹ in crores)	
	2013-14	2012-13
Income from Operations	745.97	639.20
EBIDTA	110.90	100.04
Cash Profit	19.33	22.00
Net Profit	6.74	9.39
Earnings Per Share (₹)	3.57	5.29

Share Capital : The Company's paid-up share capital stood at ₹ 18.96 crores as on March 31, 2014.

Reserves and Surplus : The Company's reserves increased from ₹ 172.35 crores in 2012-13 to ₹ 179.09 crores in 2013-14 on account of profit plough backs to enhance the value of the business.

Income from Operations : The Company's financials reflect sustainable growth across market cycles, with a topline growth from ₹ 639.20 crores in 2012-13 to ₹ 745.97 crores in 2013-14.

EBIDTA : The Company's EBIDTA increased from ₹ 100.04 crores in 2012-13 to ₹ 110.90 crores in 2013-14.

Net Profit : The Company's net profit stood at ₹ 6.74 crores in 2013-14.

Gross Block : The Company's gross block increased from ₹ 178.74 crores as in 2012-13 to ₹ 183.58 crores in 2013-14 on account of incorporation of new plant and state-of-the-art machinery, in line with managing growing project volumes.

Current Assets : The Company's current assets increased from ₹ 810.34 crores in 2012-13 to ₹ 1011.68 crores in 2013-14.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls for safeguarding its assets from unauthorized access, to ensure proper authorization of financial transactions and to prevent possibilities of frauds or other irregularities. The Company is working to further strengthen the systems for internal audit and risk assessment and mitigation. The annual audit plan is reviewed by the Independent Audit Committee and major findings and actions are taken/proposed to be taken are also reported to the Audit Committee.

HUMAN RESOURCES

We deliver on the strength of our people and in a dynamic business environment, our people create and sustain our brand recall. Our HR team focuses on employee training, inculcation of values and enhancing functional expertise. The key HR objective is to ensure that our employees are aware of the role they are expected to play in the organization to be able to drive organizational momentum.

We have manpower strength of 520 members which comprises professionals from diverse backgrounds like engineering, finance, taxation, secretarial, legal, management, business, supervisors, operators and sub-staff, skilled and semi-skilled workers. The top management conducted several discussions with their employees to discuss multiple issues towards discussing leadership qualities, values, responsibilities, freedom to work and take decisions. Going ahead, the Company will continue to invest in its people to strengthen its delivery model.

CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis Report relating to projections, estimations, expectations or predictions are based on certain assumptions. The Company cannot guarantee that these assumptions are accurate or will be realized. The actual results, performance or achievements of the Company could thus differ materially from those projected or estimated.

Corporate Governance Report (Annexure to the Director's Report)



1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that Corporate Governance is a set of systems, processes and principles which ensure that a Company is governed in the best interest of all the stakeholders. It is the system by which Companies are directed and controlled. It is about promoting corporate fairness, transparency and accountability. We believe that good Corporate Governance is a continuous exercise and it ensures:

- Transparency in Business Transactions;
- Adequate disclosures and effective decision making to achieve corporate objectives;
- Statutory and Legal Compliances;
- Protection of Shareholders' Interest and
- Commitment to values and Ethical Conduct of Business.

Our objective is to enhance shareholders' value and protect the interests of other stakeholders by improving the corporate performance and accountability. A good Corporate Governance supports in building a sustainable value in business and society, it is not just about protecting stakeholders' interests or a compliance exercise to satisfy regulators.

Your Board of Directors possesses adequate skills and knowledge for the Company's business, sound financial knowledge to assess the financial direction of the Company and an understanding of the risks involved in the business and the level of risk being taken by the Company.

Compliance of the Listing Agreement with the Stock Exchange(s) related to Code on Corporate Governance :

Your Board of Directors are pleased to inform you that your Company has duly complied with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s) for the year ended March 31, 2014. The necessary disclosures as required under Clause 49 of the Listing Agreement have been provided in other part of this Report.

2. BOARD OF DIRECTORS

Composition & Size

In order to maintain the Independency of the Board, the Company has adopted the Policy to have appropriate mix of Executive and Independent, Non-Executive Directors on the Board. As on March 31, 2014, the Board of Directors of the Company comprised of 10 (Ten) Directors, who belong to different fields and have vast experience in Civil Engineering, Construction, Railways, Banking & Insurance, Finance & Accounts, Taxation, CSR, Business Management and other related fields. As on May 30, 2014, the Constitution of the Board is as follows :

Corporate Governance Report (Annexure to the Director's Report)

CATEGORY	NAME OF DIRECTORS
Promoter, Executive Director	Sri Ishwari Prasad Tantia
	Sri Rahul Tantia
Executive Director	Sri Banwari Lal Ajitsaria
	Sri Murare Lal Agarwala
	Sri Sandip Bose
Independent, Non-Executive Director	Sri Umashankar Agarwal
	Sri Tarun Chaturvedi
	Sri Bajrang Lal Tulsian
	Mrs. Madhuchhanda Chatterjee
	Sri Shaleen Khemani

The Composition of the Board and other provisions related to Board and Committee(s) are in Compliance with Clause 49 of the Listing Agreement with the Stock Exchange(s). All the Independent, Non-Executive Directors qualify the conditions for being Independent, Non-Executive Director as prescribed under Clause 49 of the Listing Agreement with the Stock Exchange(s). Independent, Non-Executive Directors do not have any material pecuniary relationship and/or transaction with your Company other than payment of sitting fees for attending meetings of Board/ Committee(s) of Directors which is well within the limit prescribed under the Act read with Articles of Association of the Company (the 'Articles').

Sri Rahul Tantia, Director (Operations) is son of Sri Ishwari Prasad Tantia, Chairman and Managing Director of the Company and falls under the meaning of relative as defined under Section 2(77) read with prescribed Rules of the Companies Act, 2013. No other director is related to any other director of the Company within the meaning of the Section 2(77) read with prescribed Rules of the Companies Act, 2013.

During the year ended March 31, 2014, the Board of Directors of the Company met 6 (six) times on May 30, 2013; August 10, 2013; September 25, 2013; November 1, 2013; November 14, 2013 and February 13, 2014. The composition of the Board of Directors as on March 31, 2014, attendance of each Directors at the Board Meetings and at the last Annual General Meeting, other Directorships and other Committee position held by them are given hereunder :

Name of the Directors	Category	No. of Board Meeting(s) Attended	Attendance at the Last AGM held on September 20, 2013	No of Directorship (s) held outside #	Total No. of Committee Membership(s) held in other companies ##	
					As Member	As Chairman
Sri Ishwari Prasad Tantia <i>Chairman and Managing Director</i> (DIN : 00057004)	Promoter, Executive Director	6	Yes	–	–	–
Sri Banwari Lal Ajitsaria <i>Director (Business Development)</i> (DIN : 00053981)	Executive Director	2	Yes	1	–	–
Sri Rahul Tantia <i>Director (Operations)</i> (DIN : 00056898)	Promoter, Executive Director	4	Yes	3	–	–
Sri Murare Lal Agarwala <i>Director (Projects)</i> (DIN : 02266069)	Executive Director	5	Yes	–	–	–

Corporate Governance Report (Annexure to the Director's Report)

Name of the Directors	Category	No. of Board Meeting(s) Attended	Attendance at the Last AGM held on September 20, 2013	No of Directorship (s) held outside #	Total No. of Committee Membership(s) held in other companies ##	
					As Member	As Chairman
Sri Sandip Bose <i>Whole-time Director</i> (DIN : 02129454)	Executive Director	4	Yes	–	–	–
Sri H. S. Sinha ¹ (DIN : 00946398)	Independent, Non-Executive Director	2	No	3	1	1
Sri Umashankar Agarwal ² (DIN : 00124546)	Independent, Non-Executive Director	2	No	1	–	1
Sri Uday Sankar Roy ³ (DIN : 00424332)	Independent, Non-Executive Director	2	No	3	–	–
Sri Mahabir Prasad Agrawal ⁴ (DIN : 00040364)	Independent, Non-Executive Director	0	No	22	–	–
Sri Parimal Kumar Chattaraj ⁵ (DIN : 00893963)	Independent, Non-Executive Director	2	Yes	7	1	1
Sri Shaleen Khemani (DIN : 00049743)	Independent, Non-Executive Director	6	Yes	12	–	–
Sri Tarun Chaturvedi ⁶ (DIN : 02309045)	Independent, Non-Executive Director	3	No	15	1	–
Mrs. Madhuchhanda Chatterjee ⁷ (DIN : 02510507)	Independent, Non-Executive Director	1	No	1	–	–
Sri Bajrang Lal Tulsian ⁸ (DIN : 06885029)	Independent, Non-Executive Director	0	No	–	–	–

This includes Directorship(s) held in Private Company (ies).

As per information received, none of the Directors of the Company's Board is Member of more than 10 Committee(s) or Chairman of 5 Committee(s). Membership/Chairmanship in Committee(s) of Directors includes Audit Committee and Shareholders/Investors Grievance Committee of Directors only.

1. Sri H. S. Sinha, Independent, Non-Executive Director resigned as a Director of the Company w.e.f. October 3, 2013.
2. Sri Umashankar Agarwal, Independent, Non-Executive Director resigned as a Director of the Company w.e.f. September 12, 2013 and was re-appointed as an Independent, Non-Executive Director (Additional Director) w.e.f. February 13, 2014. .
3. Sri Uday Sankar Roy, Independent, Non-Executive Director resigned as a Director of the Company w.e.f. September 25, 2013.
4. Sri Mahabir Prasad Agrawal, Independent, Non-Executive Director resigned as a Director of the Company w.e.f. September 25, 2013.
5. Sri Parimal Kumar Chattaraj, Independent, Non-Executive Director resigned as a Director of the Company w.e.f. September 25, 2013.
6. Sri Tarun Chaturvedi was appointed as an Independent, Non-Executive Director (Additional Director) of the Company w.e.f. September 25, 2013.
7. Mrs. Madhuchhanda Chatterjee was appointed as an Independent, Non-Executive Director (Additional Director) of the Company w.e.f. February 13, 2014.
8. Sri Bajrang Lal Tulsian was appointed as an Independent, Non-Executive Director (Additional Director) of the Company w.e.f. May 30, 2014.

Corporate Governance Report (Annexure to the Director's Report)

INFORMATION OF DIRECTOR(S) SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING AGM

In Compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s), the brief resume and other details relating to Director(s) seeking appointment/ re-appointment are given as a part of the Notice calling the 49th AGM.

3. BOARD MEETINGS

The Board Meetings of the Company are decided in advance and tentative dates of Board Meetings, in which quarterly/ annual results are to be discussed, are given in the General Shareholders' Information.

Preparation of Agenda and Schedules of Board Meetings

The Board Members, in consultation with the Chairman may bring up any matter for consideration of the Board. The Chairman of the Board in consultation with the Company Secretary draws the agenda for each Meeting along with explanatory notes and all agenda items are duly backed by comprehensive background information to enable the Board to take informed decisions. The Board meets at least once after closure of each quarter to review the financial performance of the Company. Additional Board Meetings are held as and when considered necessary to despatch the business of the company.

Information placed before the Board

Board Meetings of the Company are governed by the structured agenda and the Board has unfettered and complete access to any and all information within the Company and to any of the employees of the Company. The Board Meetings welcome the presence of the Vice-Presidents, General Manager and Managers, who can provide additional information and insight into the items being discussed.

The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement with the Stock Exchange(s) and the materials required to be placed before the Board as provided under the Act are made available to the Board Members for discussion, consideration and doing the needful at its Meetings.

Further, the Board periodically reviews compliance reports of all laws applicable to the Company and requisite steps are being taken to ensure compliance in law and spirit.

4. COMMITTEES OF THE BOARD

Currently, there are 5 (Five) Committees of the Board namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Finance Committee. The terms of reference of Committee(s) of the Board are determined by the Board of Directors from time to time.

Recommendations of the Committee(s), if any, are submitted to the Board for their approval. The quorum for the Meeting of the Committee(s) are either two Members or one-third of the Member(s) of the Committee, whichever is higher.

The Company Secretary acts as a Secretary to all the Committees of the Board.

A. AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee. The terms of reference, role, scope and composition of Audit Committee are in accordance with Clause 49 of the Listing Agreement with the Stock Exchange(s) read with Section 177 of the Companies Act, 2013. The Committee acts as a link between the management, the statutory and internal auditors and Board of Directors to oversee the financial reporting process.

The Board has noted the scope, role and composition of the Audit Committee pursuant to revised Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are given as hereunder:

Corporate Governance Report (Annexure to the Director's Report)

Role of Audit Committee

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report;
- e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h. Approval or any subsequent modification of transactions of the company with related parties;
- i. Scrutiny of inter-corporate loans and investments;
- j. Valuation of undertakings or assets of the company, wherever it is necessary;
- k. Evaluation of internal financial controls and risk management systems;
- l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. Discussion with internal auditors of any significant findings and follow up there on;
- o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

Corporate Governance Report (Annexure to the Director's Report)

- r. Review the functioning of the Whistle Blower mechanism;
- s. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- t. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- u. Approval or any subsequent modification of transactions of the company with related parties;
- v. Scrutiny of inter-corporate loans and investments;
- w. Valuation of undertakings or assets of the company, wherever it is necessary;
- x. Evaluation of internal financial controls and risk management systems;
- y. Monitoring the end use of funds raised through public offers and related matters;
- z. The Board's report under sub-section (3) of section 134 shall disclose the composition of an Audit committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefore.

Review of information by Audit Committee

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

Composition and Size

The Audit Committee of the Company comprises of 4 (Four) Directors - 3 (Three) of whom are Independent, Non-Executive Directors and 1 (One) is Promoter, Executive Director as on March 31, 2014. All of them are financially literate and having expertise in corporate finance, accounts, taxation, corporate laws and management. The Chairman of the Audit Committee is an Independent, Non-Executive Director. The composition of the Committee is in line with requirements of revised Clause 49 of the Listing Agreement with the Stock Exchange(s), Schedule V of the Companies Act, 2013 and other applicable laws in this respect.

The Chief Financial Officer (CFO) and GM (Accounts & Corporate) are regular invitees at the Audit Committee Meetings. Md. Jamshed Alam, the Company Secretary, is the Secretary to the Committee.

Composition and Meeting(s) held during the year

The Audit Committee met 4 (Four) times during the year on May 30, 2013; August 8, 2013; November 14, 2013 and February 13, 2014. Details of the composition of the Committee and attendance of its Member(s) are given hereunder :

Member(s)	Category	Meeting(s) attended
Sri Umashankar Agarwal*	Chairman, Independent, Non-Executive Director	2
Sri Tarun Chaturvedi**	Member, Independent, Non-Executive Director	2
Sri Shaleen Khemani***	Member, Independent, Non-Executive Director	2
Sri Rahul Tantia	Member, Promoter, Executive Director	3
Sri Uday Shankar Roy#	Member, Independent, Non-Executive Director	2
Sri Himangsu Sekhar Sinha#	Member, Independent, Non-Executive Director	2

Corporate Governance Report (Annexure to the Director's Report)

- * Sri Umashankar Agarwal, Independent, Non-Executive Director ceased to be Chairman & Member of the Audit Committee w.e.f. September 12, 2013. Further, he was inducted as Chairman & Member of the Audit Committee w.e.f. February 13, 2014.
- ** Sri Tarun Chaturvedi, Independent, Non-Executive Director was inducted as Chairman/Member of the Audit Committee w.e.f. November 1, 2013.
- *** Sri Shaleen Khemani, Independent, Non-Executive Director was inducted as Member of the Audit Committee w.e.f. November 1, 2013.
- # Sri Uday Shankar Roy and Sri Himangsu Sekhar Sinha, Independent, Non-Executive Director(s) ceased to be Member(s) of the Audit Committee w.e.f. September 25, 2013 & October 3, 2013 respectively.

Sri Rahul Tantia, member of the Audit Committee was present at the previous Annual General Meeting held on September 20, 2013.

B. REMUNERATION COMMITTEE

The Remuneration Committee has been renamed as Nomination and Remuneration Committee by the Board at its meeting held on May 30, 2014 to align with the requirements of Section 178 of the Companies Act, 2013 & revised Clause 49 of the Listing Agreement with the Stock Exchange(s).

In compliance with the provisions of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, Board has approved & adopted the terms of reference of the committee. Given below, inter alia, is a gist of the terms of reference of the Nomination and Remuneration Committee.

- Identification of persons who are qualified to become directors and/or who may be appointed in senior management;
- Formulation of criteria for evaluation of Independent Director and the Board.
- Formulation of criteria for determining qualifications, positive attributes and independence of a director;
- Recommend the Board size and composition including the proportion of promoter vs. independent directors.
- Recommendation to the Board, a remuneration policy for the directors, KMP and other employees;
- Recommending to the Board of Directors regarding the remuneration payable to Relative of Director(s) and evaluation of same from time to time.
- Ensuring the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors;
- Ensuring remuneration to directors, KMP and senior management involves a balance between fixed and incentive pay.
- Recommend and review succession plans for Managing Director/Chairman.
- Review and approve succession plans for Senior Management (all the Direct Reportees to the Managing Director).

The Committee is also assigned with the responsibility to consider the policy and the matters relating to the remuneration payable to its Managing Director/Whole-time Directors based on the performance and defined assessment criteria.

Remuneration Policy

The Board of the Directors of the Company at its meeting held on May 30, 2014, has adopted a policy for determining and accounting for the remuneration of the Board Members, Key Management Personnel (KMPs) & Senior Management Personnel (SMPs). This Remuneration Policy is being framed and formulated in adherence with the provisions of revised Clause 49 of the Listing Agreement with the Stock Exchange(s), Section 178 of the Companies Act, 2013 and Rules made there under.

Corporate Governance Report (Annexure to the Director's Report)

The Non-Executive Directors are being remunerated by way of sitting fees for the Meeting of Board and/or its Committees attended by them from time to time. Whereas, the Managing/Whole-time Director's remuneration is governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs is subject to the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors and Members in due compliance of the provisions of Companies Act, 2013. The Company does not pay any sitting fees to MD/WTD for attending the meeting of Board and/or its Committee.

Composition and Size

The Company has Remuneration Committee comprising of 3 (Three) Independent, Non-Executive Directors namely Sri Shaleen Khemani, Sri U. S. Agarwal and Sri Tarun Chaturvedi as on March 31, 2014. Md. Jamshed Alam, the Company Secretary, is the Secretary to the Committee.

Composition and Meeting(s) held during the year

Meeting of Nomination and Remuneration Committee was not required to be held during the year ended March 31, 2014. The Board of Directors of the Company at its meeting held on May 30, 2014 re-constituted the Nomination and Remuneration Committee. Details of composition of the Committee and attendance of its Member(s) are given hereunder :

Member(s)	Category	Meeting(s) held and attended
Sri Shaleen Khemani*	Chairman, Independent, Non-Executive Director	-
Sri Umashankar Agarwal **	Member, Independent, Non-Executive Director	-
Sri Parimal Kumar Chattaraj***	Member, Independent, Non-Executive Director	-
Sri Tarun Chaturvedi ****	Member, Independent, Non-Executive Director	-
Sri Bajrang Lal Tulsian*****	Member, Independent, Non-Executive Director	-

* Sri Shaleen Khemani, Independent, Non-Executive Director was designated as Chairman of the Nomination and Remuneration Committee w.e.f. November 1, 2013.

** Sri Umashankar Agarwal, Independent, Non-Executive Director was inducted as Member of the Nomination and Remuneration Committee w.e.f. February 13, 2014.

*** Sri Parimal Kumar Chattaraj, Independent, Non-Executive Director ceased to be Chairman & Member of the Nomination and Remuneration Committee w.e.f. September 25, 2013.

**** Sri Tarun Chaturvedi, Independent, Non-Executive Director was inducted as Member of the Nomination and Remuneration Committee w.e.f. November 1, 2013 and he ceased to be Member of the Committee w.e.f. May 30, 2014.

***** Sri Bajrang Lal Tulsian, Independent, Non-Executive Director was inducted as Member of the Nomination and Remuneration Committee w.e.f. May 30, 2014.

Corporate Governance Report (Annexure to the Director's Report)

Details of Remuneration paid to each of the Director(s) for the year ended March 31, 2014 is given in the table below

(₹ in Lakhs)

Name of Director(s)	Salary and other benefits				Sitting Fees	Stock Option, if any (No.)
	Salary (including House Rent Allowance)	Commission	Contribution to Provident Fund	Other Perquisites	Board Meeting(s)/ Committee Meeting(s)	
Sri I. P. Tantia	90.00	-	10.08	-	-	Nil
Sri B. L. Ajitsaria	48.00	-	0.09	-	-	Nil
Sri Rahul Tantia	48.00	-	-	-	-	Nil
Sri M. L. Agarwala	19.75	-	-	-	-	Nil
Sri Sandip Bose	18.00	-	2.16	-	-	Nil
Sri H. S. Sinha	-	-	-	-	0.30	Nil
Sri U. S. Agarwal	-	-	-	-	0.60	Nil
Sri U. S. Roy	-	-	-	-	0.30	Nil
Sri P. K. Chattaraj	-	-	-	-	0.20	Nil
Sri M. P. Agrawal	-	-	-	-	0.00	Nil
Sri Shaleen Khemani	-	-	-	-	1.00	Nil
Sri Tarun Chaturvedi	-	-	-	-	0.55	Nil
Mrs. M. Chatterjee	-	-	-	-	0.10	Nil
Sri B. L. Tulsian	-	-	-	-	-	Nil

- i. **Service Contract** : The service contract(s) of Sri I. P. Tantia, Sri Rahul Tantia and Sri B. L. Ajitsaria, the Executive Directors of the Company are for 3 years (w.e.f. April 1, 2013 to March 31, 2016), Sri Murare Lal Agarwala, Executive Director of the Company is for 3 years (w.e.f. December 16, 2013 to December 15, 2016). Whereas, service contract(s) of Sri Sandip Bose, the Executive Director of the Company is for 2 years (w.e.f. April 1, 2013 to March 31, 2015).
- ii. **Notice Period** : 6 months notice by either party.
- iii. **Severance Fees** : No fees payable by either party.

C. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors' Grievance Committee renamed as Stakeholders' Relationship Committee by the Board in its meeting held on May 30, 2014 to align with the requirements of Section 178 of the Companies Act, 2013 & revised Clause 49 of the Listing Agreement with the Stock Exchange(s).

Terms of Reference

In compliance with provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange (s), the object of the Stakeholders' Relationship Committee is to approve transfer/ transmission/ consolidation/split of shares/issue of duplicate shares, redress shareholders and investors complaints relating to non- receipt of Annual Report, non-receipt of declared Dividend Warrant(s), redressal of all other investor's grievance/complaints and other allied matters.

Corporate Governance Report (Annexure to the Director's Report)

In terms of Clause 47 (a) of the Listing Agreement with the Stock Exchange(s), Md. Jamshed Alam, the Company Secretary is the Compliance Officer of the Company.

Composition and Size

The Stakeholders' Relationship Committee was constituted to deal with various matters relating to shareholders. The Stakeholders' Relationship Committee comprises of 3 (Three) members, of which 2 (Two) are Independent, Non-Executive Directors namely Sri Shaleen Khemani and Sri Tarun Chaturvedi along with Sri Rahul Tantia, Promoter, Executive Director of the Company as on March 31, 2014. Md. Jamshed Alam, the Company Secretary, is the Secretary to the Committee.

Composition and Meeting(s) held during the year

The Stakeholders' Relationship Committee met 5 (Five) times during the year on May 30, 2013; August 10, 2013; November 14, 2013; December 26, 2013 and February 13, 2014. Details on the composition of the Committee and attendance of its Members are given hereunder:

Member(s)	Category	Meeting(s) attended
Sri Shaleen Khemani*	Chairman, Independent, Non- Executive Director	5
Sri Umashankar Agarwal**	Member, Independent, Non- Executive Director	2
Sri Rahul Tantia	Member, Promoter, Executive Director	3
Sri Tarun Chaturvedi***	Member, Independent, Non- Executive Director	3
Sri Bajrang Lal Tulsian ****	Member, Independent, Non- Executive Director	-

* Sri Shaleen Khemani, Independent, Non-Executive Director was designated as Chairman of the Stakeholders Relationship Committee w.e.f. November 1, 2013.

** Sri Umashankar Agarwal, Independent, Non-Executive Director ceased to be Member of the Stakeholders Relationship Committee w.e.f. September 12, 2013.

*** Sri Tarun Chaturvedi, Independent, Non-Executive Director was inducted as a Member of the Stakeholders' Relationship Committee w.e.f. November 1, 2013 and he ceased to be Member of the Committee w.e.f. May 30, 2014.

**** Sri Bajrang Lal Tulsian, Independent, Non-Executive Director was inducted as a Member of Stakeholders' Relationship Committee w.e.f. May 30, 2014.

The Company has a share department under the Company Secretary, who monitors the activities of Registrar and Share Transfer Agents and looks into the matters relating to the grievances of the Shareholders. Share transfer/transmission are approved by the Shareholders/Investors Grievance Committee at its Meeting(s). The Complaints received during the year were resolved within due time and no complaints remained pending for more than 15 days. Status of complaints of shareholders/investors is as under :

Number of Complaints pending on April 1, 2013	-
Number of Complaints received during the year	1
Number of Complaints redressed during the year	1
Number of Complaints pending on March 31, 2014	-

Corporate Governance Report (Annexure to the Director's Report)

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Considering requirements of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company at its meeting held on May 30, 2014, has constituted a Corporate Social Responsibility (CSR) Committee, comprising of 3 (three), out of which 2 (two) Directors are Independent, Non-Executive Directors.

The Board also empowered the Committee to look into matters related to sustainability and overall governance. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy', observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary. The Composition of the Committee is as hereunder :

Member(s)	Category
Mrs. Madhuchhanda Chatterjee	Chairperson, Independent, Non- Executive Director
Sri Bajrang Lal Tulsian	Member, Independent, Non- Executive Director
Sri Sandip Bose	Member, Executive Director

Md. Jamshed Alam, the Company Secretary, is the Secretary to the Committee.

E. TREASURY MANAGEMENT COMMITTEE

Composition and size

The Board of Directors of the Company renamed the Treasury Management Committee as Finance Committee at its meeting held on May 30, 2014. The Company has a Finance Committee comprising of 3 (Three) Directors namely Sri Shaleen Khemani, Independent, Non-Executive Director, Sri Rahul Tantia, Promoter, Executive Director and Sri Murare Lal Agarwala, Executive Director of the Company as on March 31, 2014. Md. Jamshed Alam, the Company Secretary, is the Secretary to the Committee.

Terms of Reference

The purpose of the Treasury Management Committee of the Board of Directors, inter alia, is to discharge the responsibilities on behalf of the Board of Directors relating to :

- Exercise all powers to borrow funds for the Company's requirements (otherwise than by issue of debentures) and taking necessary actions connected therewith.
- Review entire Banking arrangements from time to time.
- Approve Opening/Modifications/Closure of Bank Accounts from time to time.
- Creation of securities on the moveable and immoveable assets of the Company.
- Carry out any other function as may be delegated by the Board of Directors from time to time.
- Delegate authorities to the Executives and/or other Authorised Representatives to implement the decisions of the Committee from time to time.

Composition and Meeting(s) held during the year

The Treasury Management Committee met 7 (Seven) times on April 16, 2013; May 17, 2013; June 21, 2013; June 29, 2013; September 21, 2013; December 31, 2013 and March 14, 2014 for the year ended March 31, 2014. Details of the composition of the Committee and attendance are given hereunder :

Corporate Governance Report (Annexure to the Director's Report)

Member(s)	Category	Meeting(s) attended
Sri Shaleen Khemani*	Chairman, Independent, Non- Executive Director	2
Sri Umashankar Agarwal**	Member, Independent, Non- Executive Director	4
Sri Rahul Tantia	Member, Promoter, Executive Director	7
Sri Murare Lal Agarwala***	Member, Executive Director	7
Sri Tarun Chaturvedi ****	Member, Independent, Non- Executive Director	–
Sri Sandip Bose*****	Member, Executive Director	–

* Sri Shaleen Khemani, Independent, Non-Executive Director was inducted as Chairman of Finance Committee w.e.f. November 1, 2013 and he ceased to be Member of the Finance Committee w.e.f. May 30, 2014.

** Sri Umashankar Agarwal, Independent, Non-Executive Director ceased to be Chairman and Member of Finance Committee w.e.f. September 12, 2013.

*** Sri Murare Lal Agarwala, Executive Director ceased to be Member of Finance Committee w.e.f. May 30, 2014.

**** Sri Tarun Chaturvedi, Independent, Non-Executive Director has been inducted as Chairman of Finance Committee w.e.f. May 30, 2014.

***** Sri Sandip Bose, Executive Director has been inducted as Member of Finance Committee w.e.f. May 30, 2014.

5. GENERAL BODY MEETING(S)

i. Location and time of last 3 (Three) Annual General Meeting(s) held are given hereunder:

Financial Year	Venue	Day & Date	Time
2012-13	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, Kolkata – 700 017	Friday 20.09.2013	3.00 P.M.
2011-12	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, Kolkata – 700 017	Friday 21.09.2012	3.00 P.M.
2010-11	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, Kolkata – 700 017	Friday 16.09.2011	3.00 P.M.

No Extra-Ordinary General Meeting was held during the year 2013-14.

ii. Special Resolution(s) passed at last 3 (Three) Annual General Meeting(s)

The following Special Resolution(s) were passed by the Members during the last three Annual General Meeting(s) :

Financial Year	Special Resolution(s)
2012-13	1. Approval for re-appointment and payment of remuneration to Sri Ishwari Prasad Tantia, as Chairman & Managing Director for a period of three years w.e.f. April 1, 2013.
	2. Approval for re-appointment and payment of remuneration to Sri Banwari Lal Ajitsaria, as Director (Business Development) for a period of three years w.e.f. April 1, 2013.
	3. Approval for re-appointment and payment of remuneration to Sri Rahul Tantia, as Director (Operations) of the Company for a period of three years w.e.f. April 1, 2013.
	4. Approval for re-appointment and payment of remuneration to Sri Murare Lal Agarwala, as Director (Projects) of the Company for a period of three years w.e.f. December 16, 2013.
	5. Approval for Payment of revised remuneration to Sri Sandip Bose, as Whole-time Director of the Company for a period of two years w.e.f. April 1, 2013.

Corporate Governance Report (Annexure to the Director's Report)

Financial Year	Special Resolution(s)
	6. Approval for waiver of excess remuneration paid to Sri Ishwari Prasad Tantia.
	7. Approval of remuneration paid to Sri Banwari Lal Ajitsaria during the financial year 2012-13.
	8. Approval of remuneration paid to Sri Rahul Tantia during the financial year 2012-13.
	9. Approval of remuneration paid to Sri Murare Lal Agarwala during the financial year 2012-13.
	10. Approval of remuneration paid to Sri Sandip Bose during the financial year 2012-13.
2011-12	Approval for appointment and remuneration payable to Sri Sandip Bose as Whole-time Director for a period of 3 (Three) years w.e.f. August 3, 2012.
2010-11	No Special Resolution was passed at the Annual General Meeting held on September 16, 2011.

iii. Postal Ballot

During the previous Financial Year ended March 31, 2014, the Company did not pass any resolution through Postal Ballot Process.

None of the business proposed to be transacted at the ensuing Annual General Meeting require passing of special resolution through Postal Ballot. However, the Company has provided e-voting facility to its Shareholders.

In the past, the Company has followed the procedure for Postal Ballot Process as prescribed in Section 192A of the Companies Act, 1956 and Company (Passing of the Resolution by Postal Ballot) Rules, 2011 and other circular/notification/clarification issued by Ministry of Corporate Affairs (MCA) from time to time.

6. MEANS OF COMMUNICATION(S)

i.	Quarterly Results	The quarterly results of the Company are being announced within 45 days of the completion of the quarter and audited annual results are announced within 60 days from the end of the last quarter and Stock Exchange(s) are immediately intimated accordingly.
ii.	Newspapers where normally results are published	English Financial Express (All Editions) Business Standard (All Editions) Bengali Arthik Lipi (Kolkata Edition)
iii.	Name of websites where results are displayed	www.tantiagroup.com www.nseindia.com www.bseindia.com
iv.	Whether website also displays official news releases, if any	Yes
v.	Whether presentations made to the Institutional Investors or to the Analyst(s)	None

7. DISCLOSURES

- a. A Statement in summary form of transactions with related party in the ordinary course of business is placed periodically before the Audit Committee and Board of Directors. However, the particulars of transactions between the Company and the related parties as per Accounting Standard (AS-18 which deals with 'Related Party Disclosures') are disclosed by way of Notes to the Accounts {Note No B (41)} enclosed with accounts in this Annual Report.

Corporate Governance Report (Annexure to the Director's Report)

- b. The Company did not have any materially significant Related Party Transactions, which may have potential conflict with the interest of the Company.
- c. The Company has duly complied with the requirements of the regulatory authorities on Capital Markets. There were no strictures or penalties imposed by Securities and Exchange Board of India (SEBI), Stock Exchange(s) or any Statutory Authority for non-compliance of any matter related to Capital Markets during the last three years.
- d. In Compliance with the provisions of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement with the Stock Exchange(s), the Board of Directors of the Company at its meeting held on May 30, 2014, has approved and adopted Vigil Mechanism / Whistle Blower Policy.
- e. The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and while preparation of financial statements for the year ended March 31, 2014, the Company has not adopted a treatment different from those prescribed in any Accounting Standard [save as specified at the appropriate place(s)].
- f. Wherever applicable, the Board has received disclosures from senior management personnel relating to material financial and commercial transaction in which they and/or their relatives have personal interest and have entered into no transactions other than those reported in the Related Party Transactions are disclosed by way of Notes to the Accounts {Note No B (41)} enclosed to accounts in this Annual Report.
- g. All mandatory requirements under Clause 49 of the Listing Agreement with the Stock Exchange(s) have been appropriately complied by the Company and with regard to Non-Mandatory requirements; the Company has set up a Remuneration Committee. The Remuneration Committee has the overall responsibility of evaluating and approving performance appraisals for the Managing/Executive Directors/ Relative of Directors of the Company. The Company does not have any qualification of the Statutory Auditors pertaining to the Financial Statements of the year under review in their Audit Report.
- h. There was no pecuniary relationship or transactions between the Company and Independent, Non-Executive Directors other than payment of sitting fees for attending Meeting of Board of Directors or Committees thereof.
- i. No shares and/or Convertible instruments are held by Independent, Non-Executive Directors of the Company.
- j. Details related to Subsidiary Company (ies) are provided in Directors' Report and pursuant to Section 212 of the Companies Act, 1956, a separate statement is enclosed in this Annual Report.
- k. In accordance with the requirement of Corporate Governance, the Board of Directors has formulated a Code of Conduct for Directors and Senior Management Personnel of the Company and the compliance thereof has been confirmed by all concerned. The Code of Conduct has also been posted on the Company's website www.tantiagroup.com. In addition to this, as per requirement of SEBI (Prohibition of Insider Trading) Regulation, 1992 (as amended), the Board of Directors has formulated another Code of Conduct for prevention of Insider Trading in Equity Shares of the Company.
- l. The Company laid down Risk Assessment and Minimization Procedure and the same is periodically reviewed by Board Members. The Company has adequate Internal Control Systems to identify the risk at appropriate time and to ensure that the Executive Management controls the risk in properly defined framework in the best interest of the Company.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is given separately which forms part of this Annual Report.

9. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained Certificate from Statutory Auditors, M/s Konar Mustaphi & Associates, Chartered Accountants, Kolkata on compliance of Corporate Governance. Auditors' Certificate on Corporate Governance forms part of this Annual Report.



General Shareholder Information

1. AGM DETAILS

Date	: September 9, 2014
Time	: 3.00 P.M.
Venue	: Bharatiya Bhasha Parishad 36 A, Shakespeare Sarani, Kolkata - 700 017
Financial Year	: April 1, 2013 to March 31, 2014
Book Closure Dates	: September 1, 2014 to September 9, 2014 (Both days inclusive)
Dividend Payment Date	: No Dividend proposed by the Board of Directors

As required under Clause 49(IV) (G) (i) of the Listing Agreement with the Stock Exchange(s), particulars of Director(s) seeking appointment / re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on September 9, 2014.

2. FINANCIAL CALENDAR

Financial Reporting for the Year 2014-15 : (tentative and subject to change)

Particulars	Quarter/Half Year/ Year Ending	Tentative Schedule*
Unaudited Financial Results (1st Quarter)	Q.E. 30.06.2014	Second week of August, 2014
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2014	Second week of November, 2014
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2014	Second week of February, 2015
Audited Financial Results (4th Quarter/Annual)	Y.E. 31.03.2015	Fourth week of May, 2015

**Actual dates may vary.*

General Shareholder Information

3. LISTING ON STOCK EXCHANGE(S) AND STOCK CODES

Sl. No.	Name of Stock Exchange	Stock Codes
i.	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Phone : +91 22 2272 1234/33 Fax : +91 22 2272 3121 Website : www.bseindia.com	532738
ii.	National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Phone : +91 22 2659 8100 Fax : +91 22 2659 8120 Website : www.nseindia.com	TANTIACONS

The International Securities Identification Number (ISIN) allotted to our Equity Shares under the Depository System is INE388G01018.

4. DETAILS OF PRICE MOVEMENT ON STOCK EXCHANGE(S)

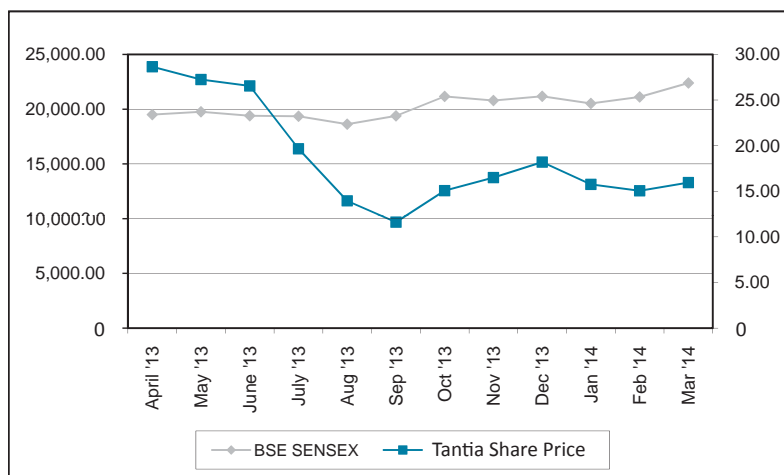
The monthly high and low quotations, as well as the volume of Equity Shares traded at the BSE and the NSE are provided in the following tables :

Sl. No.	Month	BSE			NSE		
		High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
1.	April, 2013	32.00	25.90	7,91,384	32.00	25.50	3,46,240
2.	May, 2013	31.40	25.60	12,88,629	31.70	25.80	2,94,205
3.	June, 2013	31.40	24.30	16,51,153	31.25	24.30	5,22,217
4.	July, 2013	26.95	18.25	17,93,266	27.00	18.25	5,02,659
5.	August, 2013	20.00	11.95	7,49,672	20.50	12.00	4,09,963
6.	September, 2013	14.85	11.00	3,82,598	14.50	11.40	5,27,386
7.	October, 2013	18.59	11.09	6,00,681	18.55	10.80	3,74,309
8.	November, 2013	21.00	15.00	3,32,081	19.50	14.60	2,41,977
9.	December, 2013	20.50	16.25	7,19,397	20.90	15.10	5,31,356
10.	January, 2014	23.00	15.60	1,54,859	21.80	15.30	1,59,705
11.	February, 2014	17.20	14.10	46,186	16.80	14.65	46,914
12.	March, 2014	17.70	14.50	1,59,215	18.25	14.55	1,01,961

General Shareholder Information

5. PERFORMANCE CHART IN COMPARISON TO BSE SENSEX

The graph is made on monthly closing price of Equity Shares of Tantia Constructions Limited and monthly closing value of SENSEX.



6. REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

M/s Maheshwari Datamatics Private Limited is Registrar and Share Transfer Agents (RTA) of the Company. Shareholders/ Investors are requested to send share transfer related documents directly to our RTA whose address is given under the heading 'Address for Correspondence' at item no. 16(b) of this General Shareholders' Information. The Company has a Shareholders/Investors Grievance Committee to look into various issues relating to the investors.

7. SHARE TRANSFER/ TRANSMISSION /CONSOLIDATION/ SPLIT SYSTEM

The exercises of share transfer/transmission/consolidation/split are handled by the Company's RTA and after completing the procedural formalities of share transfer/transmission/consolidation/split, the share certificates are returned to the transferees within a maximum period of 15 days from the date of lodgment of the same, in case the application is otherwise found in order. There are no pending share transfers as on March 31, 2014.

8. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2014

Range of Equity Shares held :

No. of Shares/ (Share Range)	Number of Shareholders	Percentage of Shareholders (%)	Number of Shares held	Percentage of Holding (%)
1 – 500	9464	87.7922	1186909	6.3056
501 – 1000	633	5.8720	516931	2.7463
1001 – 2000	353	3.2746	543099	2.8853
2001 – 3000	106	0.9833	269533	1.4319
3001 – 4000	51	0.4730	180987	0.9614
4001 – 5000	47	0.4360	223741	1.1887
5001 – 10000	65	0.6030	463624	2.4631
10000 & above	61	0.5659	15438242	82.0177
Total	10780	100.0000	18823066	100.0000

General Shareholder Information

Shareholding Pattern as on March 31, 2014 :

Shares held by	Number of Shares held	Percentage (%)
Indian Promoters	11028498	58.59
Foreign Promoters	–	–
Persons acting in concert	–	–
Total Shareholding of Promoter and Promoter Group (A)	11028498	58.59
Public Shareholding		
Mutual funds and UTI	–	–
Banks/Financial Institutions/Insurance Companies/Non-Government Institutions	332682	1.77
Qualified Foreign Investor	2200	0.0117
Private Corporate Bodies	2352151	12.50
Indian Public	4995504	26.54
NRI/Foreign National	98273	0.5221
Trusts /Clearing Member	13758	0.07
Grand Total	18823066	100.00

9. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Shares of the Company are compulsorily traded in dematerialized form on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The RTA are entrusted with the responsibility of dematerialization of Company's Shares. Shares held in demat and physical modes as on March 31, 2014 are as follows :

Category	Number of		% of Total Equity
	Shareholders	Shares	
Dematerialized Mode			
a) NSDL	6894	16301436	86.6035
b) CDSL	3859	2506171	13.3144
Sub Total	10753	18807607	99.9179
Physical Mode	27	15459	0.0821
Total	10780	18823066	100.0000

10. OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company did not issue any GDRs/ADRs or any Convertible Instruments during the year ended March 31, 2014 and no instruments are pending for conversion. As a result, there is no likely impact on Equity.

11. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT BY PRACTISING COMPANY SECRETARY

The Company has received quarterly 'Reconciliation of Share Capital Audit Report' from Sri Mohan Ram Goenka, a Practising Company Secretary, who has carried out 'Reconciliation of Share Capital Audit' to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit confirms that the total issued/ paid-up capital is equal to the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

General Shareholder Information

12. UNCLAIMED DIVIDEND

Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, all unclaimed/ unpaid Dividend pertaining to the Company remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Following table gives information relating to outstanding dividend accounts and dates when due for transfer to IEPF.

Financial Year	Date of Declaration of Dividend	Due date for transfer to IEPF
2006-07	03.09.2007	03.09.2014
2007-08	24.09.2008	24.09.2015
2008-09	09.09.2009	09.09.2016
2009-10	15.09.2010	15.09.2017
2010-11	16.09.2011	16.09.2018
2011-12	21.09.2012	21.09.2019

A request is made to all the shareholders who have not encashed their Dividend warrants and which are not yet transferred to the IEPF, to provide the details of the un-encashed warrants and request to comply with the procedure for seeking payment of the same.

However, in compliance with the provisions of Section 205A read with Section 205C of the Companies Act, 1956, the Company has transferred Unpaid Dividend relating to the Financial Year 2005-06 amounting to ₹ 88,421/- to the Investor Education and Protection Fund (IEPF) maintained by the Central Government.

13. DETAILS OF EQUITY SHARES LYING IN UNCLAIMED SHARES DEMAT SUSPENSE ACCOUNT

In Compliance with Clause 5A of the Listing Agreement with the Stock Exchange(s), the details of Unclaimed Equity Shares which was previously issued and allotted by the Company during its Public Issue of Equity Shares in the year 2006 are given as hereunder;

Aggregate number of Shareholder(s) and the outstanding shares in the suspense account lying at the beginning of the year (01-04-2013)	Number of Shareholder(s) who approached the Company for transfer of shares from suspense account during the year (2013-14)	Number of Shareholder(s) to whom shares were transferred from suspense account during the year (2013-14)	Aggregate number of Shareholder(s) and the outstanding shares in the suspense account lying at the end of the year (31-03-2014)
a. Aggregate no. of Shareholders- 2	None	None	a. Aggregate no. of Shareholders- 2
b. Outstanding Shares as on April 1, 2013 - 250 Equity Shares			b. Outstanding Shares as on March 31, 2014 - 250 Equity Shares

The voting rights on aforesaid shares shall remain frozen till the rightful owner of such shares claims the shares.

General Shareholder Information

14. Plant Locations

In view of the nature of the Company's business which is Infrastructural Development, the Construction Sites of the Company are spread across the Country. However, your Company produces Ready Mix Concrete (RMC) at the following plants:

i. RMC - 1 Narayanpur, Battala, Rajarhat Gopalpur, Kolkata - 700 136, West Bengal Email : rmc@tantiagroup.com	ii. RMC - 2 1261, Taratala Road, Near- Brace Bridge Rail Gate Kolkata - 700 088, West Bengal Email : rmc2@tantiagroup.com	iii. RMC - 3 Village : Pamohi, Plot No. 267 P.O. & P.S. : Garchuk Guwahati - 781 035, Assam Email : rmc3@tantiagroup.com
iv. RMC - 4 C/o- OCP India Pvt. Ltd. Cuttack-Puri Road, Bomikhal, P.O. - Rasulgarh, Bhubaneswar - 751 010, Odisha Email : rmc4@tantiagroup.com	v. RMC - 5 Khagaul Road, Mustafapur Near Lekhanagar More (Opp - DAV School) Danapur, Patna, Bihar - 801 103 Email : rmc5@tantiagroup.com	

15. DESIGNATED E-MAIL ADDRESS FOR INVESTOR RELATIONS

i. As per Clause 47(f) of the Listing Agreement with the Stock Exchange(s), the designated e-mail address for Investor Relations is : cs@tantiagroup.com	ii. In order to support the initiative of Ministry of Corporate Affairs (MCA) 'Green Initiative in Corporate Governance' allowing paperless compliances by the Companies through electronic mode, members desirous of receiving various documents including Notices, Reports and Accounts etc. in electronic mode may register their e-mail address with the Company at the designated e-mail address of the Company for this purpose. shareholders@tantiagroup.com
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16. ADDRESS FOR CORRESPONDENCE

a. Secretarial Department : Md. Jamshed Alam Company Secretary and Compliance Officer Tantia Constructions Limited 25-27, Netaji Subhas Road, Kolkata - 700 001 Phone : +91 33 2230 1896/6284 Fax : +91 33 2230 7403	b. Registrar and Share Transfer Agents (RTA) Maheshwari Datamatics Private Limited 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 Tel No. : + 91 33 2243 5029/5809, 2248 2248 Fax : + 91 33 2248 4787 E-mail : mdpl@cal.vsnl.net.in
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Auditors' Certification on Corporate Governance

To,
The Members of
Tantia Constructions Limited

We have examined the compliance of conditions of Corporate Governance by Tantia Constructions Limited ("the Company") for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange(s).

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

In our opinion and to the best of our knowledge and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange(s).

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

For and on behalf of
For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
ICAI FRN-314125E
S. K. MUSTAPHI
Partner
M. No. 51842

Place : Kolkata
Dated : May 30, 2014

ANNUAL CERTIFICATE UNDER CLAUSE 49(I) (D) OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE(S)

This is to certify that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Board and Senior Management Personnel for the financial year ended March 31, 2014.

For and on behalf of the Board

Place : Kolkata
Dated : May 30, 2014

ISHWARI PRASAD TANTIA
Chairman and Managing Director

CEO and CFO Certification to the Board of Directors

Certification by the Chairman and Managing Director and Chief Financial Officer

To,
The Board of Directors,
Tantia Constructions Limited

We, Ishwari Prasad Tantia, Chairman and Managing Director and Rohini Sureka, Chief Financial Officer, of Tantia Constructions Limited, certify that :

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2014 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions were entered into by the Company during the year ended March 31, 2014 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee;
 - i. Significant change in internal control, if any, over financial reporting during this year.
 - ii. Significant change in accounting policies, if any, during this year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata
Date : May 30, 2014

ISHWARI PRASAD TANTIA
Chairman and Managing Director

ROHINI SUREKA
Chief Financial Officer

Independent Auditors' Report

To the Members of
Tantia Constructions Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **TANTIA CONSTRUCTIONS LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") which shall continue to apply in respect of section 133 of the Companies Act, 2013 in terms of General circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is 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 control relevant

to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entities internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

1. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read with Notes 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 31st March, 2014;
 - b. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.
2. We did not Audit the financial statements of certain Joint ventures reflecting company's share in profit ₹ 66.55 lacs in these financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion, in so far as it relates to the amounts included in respect of the said joint ventures, is solely based on the financial statements provided by the Management. Our opinion is not qualified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003, (as amended) ("the Order") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure

Independent Auditors' Report

a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. As required by section 227(3) of the Act, we report that :

- i. we have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purpose of our audit ;
- ii. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;
- iii. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report

are in agreement with the books of account ;

- iv. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956 which shall continue to apply in respect of section 133 of the Companies Act, 2013 in terms of General circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs.
- v. On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Clause (g) of Sub-section (1) of Section 274 of the Act.

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Dated : 30th May, 2014

Place : Kolkata

Annexure to Independent Auditors' Report to the Members of Tantia Constructions Ltd.

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date).

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified on rotational basis over a period of three years which in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. Accordingly, the physical verification of the fixed assets has been carried out by the Management during the year and no material discrepancies were noticed on such verification.
- c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- ii. a. As explained to us, the inventories have been physically verified by the Management in phased manner during the year. In our opinion such verification is reasonable.
- b. The procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification of inventories as compared to book records.
- iii. a. The Company has not granted any loans to companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- b. The Company has taken unsecured loan from a Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year ₹ 1,546.10 lacs and the year end balance was ₹ 1,471.16 lacs.
- c. Based on the information and explanations given to us, we are of the opinion that the rate of interest and other terms and conditions of the loan taken from the said party was not prima facie prejudicial to the interest of the company.
- d. According to the information and explanations given to us, repayments of the principal and interest have been regularly made as stipulated.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services.
- v. a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956, have been so entered.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements to be entered in the Register maintained under Section 301 of the Companies Act, 1956, and exceeding the value of rupees five lakh in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975 apply. Therefore, the provisions of Clause (vi) of Paragraph 4 of the Order are not applicable to the Company.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. a. According to the records of the company Provident fund, Investor Education and Protection fund, Employees State insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Cess and other material statutory dues *have generally not been deposited with the appropriate authorities within the specified period.*

Annexure to Independent Auditors' Report to the Members of Tantia Constructions Ltd.

b. According to the information and explanations given to us, *undisputed amounts payable in respect of, Income Tax (TDS) was ₹ 264.28 lacs at the year end, for a period of more than six months from the date they became payable.*

c. According to the information and explanations given to us, details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues which has not been deposited on account of any dispute are given below :

Name of the Statute	Name of the State	Nature of Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Sales Tax	West Bengal	Appeal Demand	210.32	2005-06	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	343.31	2006-07	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	561.30	2007-08	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	853.13	2008-09	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	2235.63	2009-10	Appellate Authority
Sales Tax	West Bengal	Assessment Demand	706.11	2010-11	Appeal Under Process

- x. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xi. Based on our audit procedures and as per information, explanations and documents produced to by the management, we are of the opinion that the Company has not defaulted in repayment of dues to Banks or Financial Institutions. The Company has no outstanding dues of any debenture holders.
- xii. According to the information and explanations given to us and based on the documentary evidences made available to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of Clause (xiii) of Paragraph 4 of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of Clause (xiv) of Paragraph 4 of the Order are not applicable to the Company.

- xv. According to the information and explanations given to us, we are of the opinion that the terms and conditions on which the Company has given guarantee for loans taken by others from banks are not prima facie prejudicial to the interest of the Company.
- xvi. 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 obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have prima facie not been used during the year for long term investment.
- xviii. According to the information and explanations given to us, during the year covered by our audit, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- xix. According to the information and explanations given to us during the year covered by our report, the Company has not issued any secured debentures.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Dated : 30th May, 2014

Place : Kolkata

Balance Sheet as at 31st March, 2014

(₹ in Lakhs)

Particulars	Note	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES			
1. Shareholders' Fund :			
Share capital	2	1,896	1,896
Reserves & surplus	3	17,909	17,235
		19,805	19,131
2. Non-current liabilities			
Long-term borrowings	4	15,901	11,270
Deferred tax liabilities	5	724	776
Other long term liabilities	6	1,613	1,444
Long-term provisions	7	336	292
		18,574	13,782
3. Current liabilities			
Short-term borrowings	8	50,456	50,137
Trade payables	9	17,542	6,556
Other current liabilities	10	14,423	10,461
Short-term provisions	11	103	102
		82,524	67,256
Total		120,903	100,169
II. ASSETS			
Non current assets			
1. Fixed Assets :			
Tangible assets	12	10,769	11,539
Intangible assets		4	3
Capital work in progress		3	1
Non current investments	13	6,742	6,625
Long-term loans and advances	14	1,709	838
Other non-current assets	15	508	129
		19,735	19,135
2. Current assets			
Inventories	16	24,017	20,919
Trade receivables	17	28,808	16,053
Cash & Bank balances	18	3,361	3,677
Short-term loans and advances	19	11,441	9,037
Other current assets	20	33,541	31,348
		101,168	81,034
Total		120,903	100,169
Summary of significant accounting policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statements
In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

Statement of Profit & Loss for the year ended March 31, 2014

(₹ in Lakhs)

Particulars	Note	Year ended March 31, 2014	Year ended March 31, 2013
I. INCOME			
Revenue From operation	21	74,597	63,920
Other income	22	614	636
Total Revenue		75,211	64,556
II. EXPENSES			
Cost of material consumed	23	24,196	21,701
Contract operating expenses	24	40,014	24,829
(Increase)/decrease in work in progress	25	(4,043)	3,437
Employee benefits expenses	26	2,000	1,971
Finance cost	27	9,684	7,605
Depreciation and amortisation expenses	12	1,259	1,261
Other expenses	28	1,954	2,614
Total expenses		75,064	63,418
Profit before exceptional & extraordinary Items & Tax		147	1,138
Exceptional items		–	–
Profit before extraordinary items & tax		147	1,138
Extraordinary items		–	–
Profit before Tax		147	1,138
Tax expense :			
Current tax	29	29	228
Income Tax for earlier Year	29	(439)	38
Deferred tax	29	(52)	25
		609	847
Profit/(Loss) of joint venture (net of tax)		65	92
Profit/(Loss) for the year		674	939
Earning per Equity Share of ₹ 10/- each			
Basic (₹)	42	3.57	5.29
Diluted (₹)		3.57	5.29
Summary of significant accounting policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statements

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

Cash Flow Statement for the period ended March 31, 2014

(₹ in Lakhs)

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
A. Cash Flow from Operating Activities				
Net Profit before Tax		147		1,138
Add/(Less) Adjustment for :				
Depreciation	1,259		1,261	
(Profit)/Loss on sales of Fixed Assets (Net)	0		15	
Foreign Exchange Fluctuation	(3)		133	
Interest Income	(443)		(430)	
Interest on Borrowings	8,902		6,958	
Direct Tax Refund	462	10,177	1,449	9,386
Operating Profit before working Capital changes		10,324		10,524
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Debtors	(12,752)		782	
Loans & advances	(3,275)		(1,323)	
Earmarked Bank balances	4		11	
Other Current assets	(1,133)		(14,863)	
Inventories	(3,098)		3,957	
Trade payables, Liabilities & Provisions	13,358	(6,896)	3,209	(8,227)
Cash Generated from Operations		3,428		2,297
Direct Taxes paid		(1,510)		(848)
Cash Flow before extraordinary items		1,918		1,449
Extra-Ordinary items		-		-
Net Cash From Operating Activities		1,918		1,449
B. Cash flow from Investing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(492)		(1,132)	
Sale/discard of Fixed Assets	0		15	
Interest Income	462		424	
Investment in Joint Ventures & others	(52)		553	
Investment in Fixed deposit	659	577	(385)	(525)
Net Cash used in investing Activities		577		(525)

Cash Flow Statement for the period ended March 31, 2014

(₹ in Lakhs)

Particulars	Year ended March 31, 2014		Year ended March 31, 2013	
C. Cash Flow from Financing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Share Capital issue	–		160	
Share Premium Account	–		1,188	
Advance against Share Warrant	–		(731)	
Net Cash inflow		–		617
Long term borrowings	6,040		3,971	
Repayment of FCCB	–		(1,412)	
Short term borrowing	319		2,825	
Interest Paid	(8,461)		(6,949)	
Dividend Paid	–		(260)	
Tax on Dividend	(42)		–	
Dividend & Unclaimed Share Application Money Deposited	(4)	(2,148)	–	(1,825)
Net Cash from financing Activities		(2,148)		(1,208)
D. Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)		347		(284)
E. Add : Balance at the beginning of the Year		777		1,061
Cash & Cash equivalents as the close of the year		1,124		777
Note :				
Cash & Cash equivalents				
- Balances with banks in Current Accounts		230		348
- Cash in hand		894		429
Cash & Cash equivalents (As per Note 18a)*		1,124		777
* i) Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client		2,232		2,891
ii) Earmarked Bank balances against Dividend and Unclaimed Share Application		5		9
Total (As per Note 18b)		2,237		2,900
Total [As per Note 18(a + b)]		3,361		3,677

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

Notes to Financial Statements as at and for the year ended March 31, 2014

Note 1

A. Corporate Information

Tantia Constructions Limited ('The Company') is one of the most experienced civil infrastructure solutions providers in India. Incorporated as a private limited Company in 1964 which became public limited Company in 1982, the Company is engaged in executing critical infrastructure projects. It began operations in the railways segment and over the years extended to seven core infrastructure segments of railways, roads, urban development, infrastructure and industrial fabrication, power, marine and aviation.

B. Summary of significant accounting policies

1. Basis of Preparation of Financial Statements

The Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (Indian GAAP) and comply in all material aspect with the applicable Accounting Standards notified under section 211 (3C) (which continues to be applicable in term of general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013) and other relevant provisions of the Companies Act, 1956.

For recognition of Income and Expenses mercantile system of accounting is followed except in case of insurance claims where on the ground of prudence and as well as uncertainty in realization, the same is accounted for as and when accepted/received.

The accounting policies adopted in the preparation of Financial Statements are consistent with those of previous year.

2. Use of Estimates :

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect reported amount of assets and liabilities and disclosure

of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Change in Accounting Policies :

There is no change in accounting policies during the current financial year.

4. Inventories

- a) Stock of Construction materials, stores and spares and fuel (except for those relating to Construction activities) are valued at cost (weighted average basis) or net realizable value whichever is lower.
- b) Cost of Construction materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).
- c) Work-in-progress is valued at cost and reflects the work done but not certified.
- d) The cost of inventories comprises all cost of purchase, cost of conversion and other incidental cost incurred in bringing the inventories to their present location and condition.
- e) Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

5. Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition inclusive of duties (net of VAT where input credit is availed) together with any incidental costs for bringing the asset to its working condition for its intended use less accumulated depreciation/amortization and impairment losses, if any.

Capital work in progress is stated at amounts spent up to the date of the Financial Statement.

Intangible assets comprise of License fees

Notes to Financial Statements as at and for the year ended March 31, 2014

and other implementation cost of software (SAP) acquired for in-house use and is net of amortization. Intangible assets under development are stated at cost.

6. Depreciation / Amortization

Depreciation on fixed assets acquired upto the year ended on Diwali 2040 S.Y. (Corresponding to 3rd November 1983) is provided by applying the rates specified in Schedule-XIV of the Companies Act 1956 and calculated on written down value method.

In respect of the assets acquired thereafter, other than Construction Accessories and Intangible Assets depreciation is charged on the straight line method at the rates prescribed in Schedule-XIV of the Companies' Act 1956. Construction Accessories are depreciated over a period of five years on straight line method from the year of addition.

Intangible Assets are amortized over the best estimates of its useful life.

Depreciation on fixed assets acquired/disposed off during the year, is provided on pro-rata basis with reference to the date of acquisition/disposal.

7. Impairment of Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. If any indication of such impairment exists, the reasonable amounts of those assets are estimated and impairment loss is recognized. The impairment loss recognized in prior accounting period is adjusted if there has been a change in the estimate of recoverable amount.

8. Revenue Recognition

On Construction Contracts :

- ❖ The contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date

of the Financial Statements on the basis of percentage completion method.

- ❖ The stage of completion of contracts is measured by reference to the proportion that the contract costs incurred for work completed upto the reporting date bear to the estimated total contract costs for each contract.
- ❖ Losses on contracts are fully accounted for as an expense immediately when it is certain that the total contract costs will exceed the total contract price. Total contract cost are ascertained on the basis of actual cost and cost to be incurred for the completion of contracts in progress which is determined by the management based on technical data, forecast and estimates of expenditure to be incurred in future.
- ❖ Price escalation claims and other additional claims are recognized as revenue when:
 - i. They are realized or receipts thereof are mutually settled or reasonably ascertained.
 - ii. Negotiations with the client have reached such an advanced stage that there is reasonable certainty that the client will accept the claim.
 - iii. Amount that is probable, if accepted by the client, to be measured reliably by the Company.

On Sale of Goods :

- ❖ In case of sale of goods, the transfer of property in goods results in the transfer of significant risks and rewards of ownership to the buyer and revenue is recognized at the time of transfer of property.

9. Foreign Currency Transactions

Transactions in foreign currency are recorded using the exchange rate prevailing at the date of transactions. Monetary assets and liabilities related to foreign currency transactions unsettled

Notes to Financial Statements as at and for the year ended March 31, 2014

at the end of the year are translated at year end rate. All other foreign currency assets and liabilities are stated at the rates prevailing at the date of transaction other than those covered by forward contracts, which are stated at the contracted rate. Exchange differences arising on foreign currency transactions are recognized in the Statement of Profit & Loss.

10. Investment

Long-term investments are stated at cost, provision is made to recognize a decline, if any, other than temporary, in the value of long term investments. Investments in Joint Ventures are stated at cost.

Current investments being readily realizable and intended to be held for less than a year are carried at cost or market rate whichever is lower, on individual investment basis.

11. Employee Benefit (Retirement and Post Employment Benefit)

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) – 15 “Employee Benefits” notified by Companies (Accounting Standards) Rules, 2006.

I. Gratuity

Liability on account of Gratuity is :

- Covered through recognized gratuity fund managed by Life Insurance Corporation of India and contributions are charged to revenue; and
- Balance if any, is provided on the basis of valuation of the liability by an independent Actuary as at the year end.

II. Provident Fund, ESI and Medical

Contribution to provident fund (defined contribution plan) and ESI made to government administered Provident Fund

and ESI are recognized as expenses. The company has no further obligation beyond its monthly contribution. Those employees who are not covered under ESI scheme (as stated in the Act) are eligible for medical re-imburement as per the HR policy of the Company.

III. Leave Encashment

Liability for leave encashment is treated as a long term liability and is provided on the basis of valuation by an independent Actuary as at the year end.

12. Borrowing Costs

Borrowing costs that are attributable to the acquisition 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 charged to the Statement of Profit and Loss.

13. Segment Reporting

Identification of Segments

The Company has identified that its business segments are the primary segments. The Company's businesses are organized and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relates to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head “Unallocated - Common”.

Notes to Financial Statements as at and for the year ended March 31, 2014

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

14. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) - 20, "EPS" notified by Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share is calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of the equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit during the year, adjusted for the effects of all dilutive potential equity share, attributable to the equity share holders by the weighted average number of the equity shares and dilutive equity potential equity shares outstanding during the year except where the results are anti dilutive.

15. Taxation

Tax expenses comprise of current tax and deferred tax.

Current tax is determined in respect of taxable income for the year based on Income Tax Act 1961. Deferred tax is recognized, subject to consideration of prudence, on timing difference (being the difference between taxable income and accounting income that originates in one period and are capable of being reversed in one or more subsequent years) and is measured using

tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date and are recognized only if there is reasonable certainty that they will be realized.

16. Accounting of Joint Venture contracts

- a) In respect of its interest in Jointly Controlled Operations, the Company recognize the asset that it controls and the liability that it incurs along with the expenses that it incurs and the income it earns from the Joint Venture in accordance with Accounting Standards (AS) 27.
- b) In respect of its interest in Jointly Controlled Entity, the same is recognized as an Investment in accordance with Accounting Standard (AS) 13, "Accounting for Investment".

17. Provision, Contingent Liabilities & Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are not recognized but are disclosed in the Notes to Financial Statement. Disputed demands in respect of Income Tax and Sales Tax etc are disclosed as contingent liability. Payments in respect of such demands, if any, are shown as advance, till the final outcome.

Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note 2A SHARE CAPITAL

Particulars	March 31, 2014	March 31, 2013
Authorized :		
390,00,000 Equity Shares (Prev. Yr. 390,00,000) of ₹ 10/- each	3,900	3,900
10,00,000 10.5% Cumulative Preference Shares (Prev. Yr. 10,00,000) of ₹ 10/- each	100	100
	4,000	4,000
Issue, Subscribed and paid up :		
1,88,23,066 Equity Shares (Prev. Yr. 1,88,23,066) of ₹ 10/- each (Note : The above shares include 33,60,000 Equity Shares issued as fully paid up Bonus Shares by way of capitalization of accumulated General Reserve)	1,882	1,882
1,40,000 10.5% Cumulative Redeemable Preference Shares (Prev. Yr. 1,40,000) of ₹ 10/- each fully paid up	14	14
	1,896	1,896

Note 2B (i) A reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2014		March 31, 2013	
	No of Shares	Amount	No of Shares	Amount
At the Beginning of the year	1,88,23,066	1,882	1,72,23,066	1,722
Issued during the Year by Conversion of Share Warrant	–	–	16,00,000	160
Bought Back during the year	–	–	–	–
Outstanding at the end of the Year	1,88,23,066	1,882	1,88,23,066	1,882

Note 2B (ii) A reconciliation of the number of Preference Shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2014		March 31, 2013	
	No of Shares	Amount	No of Shares	Amount
At the Beginning of the year	1,40,000	14	1,40,000	14
Issued during the Year	–	–	–	–
Bought Back during the year	–	–	–	–
Outstanding at the end of the Year	1,40,000	14	1,40,000	14

Note 2C The rights, preferences and restrictions attached to each class of shares

Class : Equity Shares

- i) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note 2C The rights, preferences and restrictions attached to each class of shares (Contd.)

Class : Preference Shares

The Company had issued cumulative redeemable preference shares having a par value of ₹ 10 per share on 8th January 2005. The preference share holders do not carry any voting right at shareholders meeting except in case of special meeting of preference share holders only. The preference share holders are entitled to dividend @ 10.5% on prorata basis before equity share holders are paid dividend. The preference shares are redeemable at the option of

shareholder with a notice of 90 days or at the option of the Company with 30 days notice within a maximum period of 10 years from the date of issue. In the event of liquidation of the Company, the holders of preference shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts and before distribution of anything to the equity share holder. The distribution will be in the proportion to the no. of shares held by the shareholder.

Note 2D (i) Equity Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholders	March 31, 2014		March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
Nigolice Trading Pvt Ltd	82,33,806	43.74	46,69,470	24.81
Tantia Financial Services Ltd	11,65,506	6.19	11,65,506	6.19
Reliance Capital Trustee Co Ltd	–	–	10,18,900	5.41
Sarla Tantia	–	–	11,13,424	5.92
Ishwari Prasad Tantia	9,48,976	5.04	–	–

Note 2D (ii) Preference Shares in the company held by each share holder holding more than 5 percent shares specifying the number of shares held

Name of Shareholders	March 31, 2014		March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
Ishwari Prasad Tantia (Representing IPT HUF)	70,000	50.00	70,000	50.00
Sarla Tantia	70,000	50.00	70,000	50.00

Note 3 RESERVES & SURPLUS

Particulars	March 31, 2014	March 31, 2013
Capital Reserve		
Balance as per the last Financial Statement	100	100
Addition during the Year	–	–
Balance (a)	100	100
The Company had received ₹ 100 against future call option of 7,14,285 Share warrants in the F. Y. 2008-09. The call was not exercised by the applicants and as per the terms of the issue of warrant, the said amount was forfeited and credited to Capital Reserve during the year 2008-09.		
Securities Premium Account		
Balance as per the last Financial Statement	6,767	5,579
Add : Received during the Year	–	1,188
Balance (b)	6,767	6,767

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note 3 RESERVES & SURPLUS (Contd.)

Particulars	March 31, 2014	March 31, 2013
General Reserve		
Balance as per the last Financial Statement	1,415	1,415
Add: Transferred from Surplus	—	—
Balance (c)	1,415	1,415
Surplus		
Balance as per the last Financial Statement	8,953	8,014
Add: Profit for the Year	674	939
Transfer to		
General Reserve	—	—
Dividend on Cumulative Preference Share	—	—
Proposed Dividend on Equity Share	—	—
Income Tax on Proposed Dividend	—	—
Balance (d)	9,627	8,953
Total Reserves and Surplus (a + b + c + d)	17,909	17,235

Note 4 LONG TERM BORROWINGS

	March 31, 2014		March 31, 2013	
	Non Current	Current	Non Current	Current
SECURED				
i) Term Loan from Scheduled Bank				
Secured by way of Equitable Mortgage of commercial leasehold property of M/s Infravision Developers LLP and additionally secured by third party property.				
₹ 5,050 is payable between 2-3 Yrs and Interest Rate is 13.00%.				
	5,050	3,000	—	—
ii) Deferred Payment Liabilities				
Equipment and Vehicle Loans from :				
Banks	—	16	13	27
Non-Banking Finance Companies etc. *	1,387	1,400	1,482	4,451
Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Chairman & Managing Director.				
Payable between 2-3 Yrs ₹ 1,125, 3-4 Yrs ₹ 262, and Interest Rate ranges from 9.25% to 16.00%.				
	1,387	1,416	1,495	4,478
Total (a)	6,437	4,416	1,495	4,478

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Details of Overdue *

Amount	Period of delay (in days)
147.04	0 – 30
146.82	31 – 60
210.46	61 – 90
17.01	91 – 120

Note 4 LONG TERM BORROWINGS

	March 31, 2014		March 31, 2013	
	Non Current	Current	Non Current	Current
UNSECURED				
RUPEE LOAN				
Advance against Contracts				
From Contractees	6,460	2,746	4,709	1,800
From Subsidiaries :				
Tantia Raxaultollway Pvt Ltd (Int Free)	3,004	2,536	5,066	1,868
Tantia Sanjauliparkings Pvt Ltd (Int Free)	–	170	–	280
From Joint Venture	–	18	–	51
Total (b)	9,464	5,470	9,775	3,999
Total Long Term Borrowings (a + b)	15,901	9,886	11,270	8,477

Note 5 DISCLOSURE ON DEFERRED TAX AS PER AS 22 ON “ACCOUNTING FOR TAXES ON INCOME”

Particulars	March 31, 2014	March 31, 2013
Deferred Tax Liability		
Fixed Assets as per Accounts	10,773	11,542
Fixed Assets as per Income Tax	8,146	8,849
Deferred Tax Liability (Timing Difference)	2,627	2,693
Deferred Tax Asset		
- Provisions for Employee benefits	439	352
- Bonus Provision	59	59
Deferred Tax Asset (Timing Difference)	498	411
Net Deferred Tax Liability	2,129	2,282
Tax Impact On Net Liability @ 33.99%	724	776
Deferred Tax Liability	724	776

Note 6 OTHER LONG TERM LIABILITIES

Security Deposit and Retention money	1,613	1,444
	1,613	1,444

Note : 7 LONG TERM PROVISIONS

Retirement Benefits		
- Gratuity	180	155
- Leave encashment	156	137
	336	292

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 8 SHORT TERM BORROWINGS

Particulars	March 31, 2014	March 31, 2013
SECURED		
Cash Credit from Scheduled Banks	41,819	41,473
Secured by way of charge:		
On pari-passu basis among consortium members primarily by hypothecation of entire stock, book debts and other current assets of the company both present and future.		
These are additionally secured by way of second charge on fixed assets including land and shed of the Company excluding equipments, machinery and vehicles that are hypothecated to various banks and Non-Banking finance Companies under exclusive charge for financing thereof and Personal Guarantees of the Chairman & Managing Director and the Director (Operations)		
Total (a)	41,819	41,473
UNSECURED		
Short Term Loans from Scheduled Banks *	3,500	3,455
From Non-Banking Finance Companies	253	274
Deposits from Bodies Corporate	4,554	4,780
Advance against Materials	330	155
Total (b)	8,637	8,664
Total Short Term Borrowings (a + b)	50,456	50,137

* Vijaya Bank have advised the Company for submission of fresh proposal for rescheduling the loan and the same is in process.

Note : 9 TRADE PAYABLES

Trade Payables (including dues to MSMED vendors)	17,542	6,556
Details of dues to Micro and Small enterprises as defined under the MSMED Act 2006 :		
Principal amount remaining unpaid	–	1
Interest due thereon	–	–
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	–	–
Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	–	–
Interest accrued and remaining unpaid	–	–
Further interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprises.	–	–

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 10 OTHER CURRENT LIABILITIES

Particulars	March 31, 2014	March 31, 2013
Current Maturities of Long term debt(Refer note – 4)	9,886	8,477
Interest accrued and due	536	95
Advance from Subsidiaries	89	30
Advance from Customers	62	160
Unpaid Dividend	5	7
Unclaimed Share Application Money	–	2
Others		
- Statutory Liabilities	1,105	329
- Liabilities for Employees	507	239
- (Includes ₹ 67 (Previous Year ₹ 10) payable to Directors)		
- Liabilities for Expenses	2,233	1,122
	14,423	10,461

Note : 11 SHORT TERM PROVISIONS

Retirement Benefits (a)	103	60
Proposed Dividends on		
Equity Shares	–	–
Cumulative Preference Shares	–	–
Total (b)	–	–
Provision for		
Tax on Dividends (c)	–	42
Total (a + b + c)	103	102

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 12 FIXED ASSETS

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
		As at 1.4.2013	Additions	Disposals	As at March 31, 2014	upto 31.03.2013	For the year	Deductions	upto March 31, 2014	As at March 31, 2014	As at March 31, 2013
(A) Tangible Assets											
1.	Freehold Land	397	-	-	397	-	-	-	-	397	397
2.	Work shop & Office Shed	273	-	-	273	24	9	-	33	240	249
3.	Plant & Machinery	13,363	379	-	13,742	4,740	663	-	5,403	8,339	8,623
4.	Construction Accessories	2,417	-	-	2,417	930	482	-	1,412	1,005	1,487
5.	Testing & Survey Equipments	179	7	-	186	54	9	-	63	123	125
6.	Air Conditioner	40	8	-	48	8	2	-	10	38	32
7.	Computer	160	12	1	171	110	17	1	126	45	50
8.	Office Equipments	80	5	-	85	14	3	-	17	68	66
9.	Vehicles	798	54	5	847	348	67	5	410	437	450
10.	Furniture & Fixtures	84	23	-	107	24	6	-	30	77	60
Sub Total (a)		17,791	488	6	18,273	6,252	1,258	6	7,504	10,769	11,539
Previous Year		16,672	1,177	58	17,791	5,019	1,261	28	6,252	11,539	11,653
(B) Intangible Assets											
1	Software	83	2	-	85	80	1	-	81	4	3
Sub Total (b)		83	2	-	85	80	1	-	81	4	3
Previous Year		80	3	-	83	80	-	-	80	3	-
Grand Total (a+b)		17,874	490	6	18,358	6,332	1,259	6	7,585	10,773	11,542
Total Previous Year		16,752	1,180	58	17,874	5,099	1,261	28	6,332	11,542	11,653

Note : 13 NON CURRENT INVESTMENTS

Particulars	As at March 31, 2014	As at March 31, 2013
(Unquoted, Long Term at Cost)		
In Subsidiaries		
In Equity instruments		
Tantia Sanjauliparkings Private Limited	100	100
10,00,000 Equity Shares (Prev. Yr. - 10,00,000) of ₹ 10/- each, fully paid up		
Tantia Raxaultollway Private Limited	2	2
17238 Equity Shares (Prev. Yr. - 17238) of ₹ 10/- each, fully paid up		

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 13 NON CURRENT INVESTMENTS (Contd.)

Particulars	March 31, 2014	March 31, 2013
Particulars		
Tantia Infrastructure Private Limited	100	100
10,00,000 Equity Shares (Prev. Yr. - 10,00,000) of ₹ 10/- each, fully paid up		
Tantia Batala-Beas Tollway Private Limited	1	1
10,000 Equity Shares (Prev. Yr. - Nil) of ₹ 10/- each, fully paid up		
Total (a)	203	203
In Preference instruments		
Tantia Sanjauliparkings Private Limited	623	512
62,300 Preference Shares (Prev. Yr. - 51,200) of ₹ 100/- each, fully paid up		
Tantia Infrastructure Private Limited	5,607	5,607
2,26,498 Preference Shares (Prev. Yr. - 2,26,498) of ₹ 100/- each, fully paid up		
Total (b)	6,230	6,119
In Associates		
(Unquoted, Trade, Long Term at Cost)		
In Equity instruments		
Infra Vision Developers LLP	–	50
Nil Equity Shares (Prev. Yr. 4,95,000) of ₹ 10/- each, fully paid up		
Non-Trade		
In Related Company		
In Equity instruments		
Andromeda Communications (P) Ltd.	29	29
7,000 Equity Shares (Prev. Yr. 7,000) of ₹ 10/- each, fully paid up		
Total (c)	29	79
In Others		
In Equity instruments		
Universal Realtors (P) Ltd.	4	4
40,000 Equity shares (Prev. Yr. 40,000) of ₹ 10/- each, fully paid up		
Total (d)	4	4
Investment in Government Securities		
National Saving Certificate, Deposited with Sales tax Authorities, Mizoram	0	0
Total (e)	0	0

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 13 NON CURRENT INVESTMENTS (Contd.)

Particulars	March 31, 2014	March 31, 2013
Investment in Joint Ventures as per Accounting Standard 27		
RBM-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 99.999)	86	49
JMC-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	6	6
TANTIA-DBC JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 75)	3	3
TANTIA-SOMA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	(26)	17
TANTIA-SIMPLEX JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 88.43)	1	1
TANTIA-BSBK JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	0	0
IVRCL-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	2	2
TANTIA - FREYSSINET GILCON JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	8	12
TANTIA-TBL JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	24	23
TANTIA-SPML JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	3	3
TANTIA - GONDWANA (JV) (Jointly Controlled Entity) (% of Profit Share 99.80)	93	85
TANTIA - CCIL (JV) (Jointly Controlled Entity) (% of Profit Share 74)	(1)	4
TANTIA - EDCL (JV) (Jointly Controlled Entity) (% of Profit Share 51)	(0)	4
TANTIA - SEC (JV) (Jointly Controlled Entity) (% of Profit Share 52)	20	11
TANTIA - YSCC (JV) (Jointly Controlled Entity) (% of Profit Share 51)	6	-
TANTIA - TUNDI (JV) (Jointly Controlled Entity) (% of Profit Share 50)	50	-
TANTIA - PREMCO (JV) (Jointly Controlled Entity) (% of Profit Share 51)	1	-
Total (f)	276	220
Grand Total (a + b + c + d + e + f)	6,742	6,625

Note : 14 LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)		
Security Deposits and retention money	1,622	742
Other Loans & Advances		
Prepaid Expenses	76	9
Advances recoverable in cash or in kind or for value to be received	11	87
	1,709	838

Note : 15 OTHER NON CURRENT ASSETS

(Unsecured, considered good)		
Deferred Revenue Expenses	508	129
	508	129

Note : 16 INVENTORIES

(As taken, valued and certified by the management)		
Construction Materials	7,205	8,059
Construction Contract Work-in-progress	15,322	11,279
(Work-in-progress is valued at cost and reflects the work done but not certified)		
Stores & Spares	728	801

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 16 INVENTORIES (Contd.)

Particulars	March 31, 2014	March 31, 2013
Loose Tools	762	780
a) Stock of raw materials, stores and spares and fuel (except for those relating to Construction activities) are valued at cost (weighted average basis) or net realizable value whichever is lower.		
b) Cost of Raw materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).		
c) The cost of inventories comprises all cost of purchase, cost of conversion and other incidental cost incurred in bringing the inventories to their present location and condition.		
d) Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.		
	24,017	20,919

Note : 17 TRADE RECEIVABLES

(Unsecured, considered good)		
Other Debts	24,053	12,345
Exceeding Six Months	4,755	3,708
Of the total Debts:		
Receivable from Subsidiaries :		
Tantia Sanjauliparkings Pvt Ltd ₹ 116 (Prev. Year ₹ 24)		
Receivable from Joint Ventures ₹ 2,145 (Prev. Year ₹ 2,524)		
	28,808	16,053

Note : 18 CASH AND BANK BALANCES

Cash and Bank balances consists of the following		
a) Cash and Cash equivalents		
i) Balances with Banks		
In current Accounts	230	348
ii) Cash on Hand	894	429
Total (a)	1,124	777
b) Other Bank Balances		
i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed share Application)	5	9
ii) Balances with Banks		
In Deposit Accounts (Less than 12 months)	2,232	2,761
In Deposit Accounts (Beyond 12 months)	–	130
(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)		
Total (b)	2,237	2,900
Grand Total (a + b)	3,361	3,677

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 19 SHORT TERM LOANS AND ADVANCES

Particulars	March 31, 2014	March 31, 2013
(Unsecured, considered good)		
Security Deposits & Earnest Money	3,818	4,408
Advance to Associates and Related Companies		
- Infra Vision Developers LLP	–	668
- Nigolice Trading Pvt Ltd (Refer Note 38)	1,108	190
- Tantia Agrochemicals Pvt Ltd	45	–
Advance to Subsidiaries		
- Tantia Sanjauliparkings Pvt Ltd	3	144
- Tantia Infrastructure Pvt Ltd	5	5
- Tantia Batala-Beas Tollway Pvt Ltd	1	1
Other Loans & Advances		
Prepaid Expenses	185	296
Advances recoverable in cash or in kind or for value to be received	6,276	3,325
	11,441	9,037

Note : 20 OTHER CURRENT ASSETS

Interest accrued but not due on Bank deposits	67	86
Works Contract Tax receivable	2,123	1,710
Unbilled Revenue	28,272	27,802
Deferred Revenue Expenses	83	212
Income Tax Advance (including Income Tax Deducted at Source, Net of Provision for taxation)	2,990	1,532
Others	6	6
	33,541	31,348

Note : 21 REVENUE FROM OPERATIONS

Sale of Services		
Contract Receipts (Gross)	67,122	57,689
Sale of Product		
RMC Sale	7,507	6,230
Less : Excise Duty	(152)	(86)
Other operating revenues		
Misc Business income	120	87
	74,597	63,920

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 22 OTHER INCOME

Particulars	March 31, 2014	March 31, 2013
Interest		
On Bank Deposits	204	214
From others	239	216
Profit on Sale of Fixed Assets	-	1
Miscellaneous Income	168	205
Foreign Exchange Fluctuation	3	-
	614	636

Note : 23 COST OF MATERIAL CONSUMED

Construction Materials	21,647	19,181
Consumable Materials	1,253	1,608
Stores & Spares	438	452
Carriage Inwards (Including material re-handling)	858	460
	24,196	21,701

Note : 24 CONTRACT OPERATING EXPENSES

Contract Execution Expenses	33,217	17,470
Equipment Hire Expenses	1,523	1,660
Machinery Repairing Charges		
- Plant & Machinery	690	787
- Others	149	100
Power & Fuel	2,607	2,575
Site Expenses	259	455
Works Contract Tax & Others Taxes	1,275	1,544
Consultancy Fees	282	221
Survey & Inspection Expenses	12	17
	40,014	24,829

Note : 25 (INCREASE)/DECREASE IN WORK IN PROGRESS

At the beginning of the Year	11,279	14,716
Less : Balance at the end of the Year	15,322	11,279
	(4,043)	3,437

Note : 26 EMPLOYEE BENEFITS EXPENSES

Salary and Bonus	1,677	1,619
Contribution towards Employees Provident Fund, ESIC and other funds	53	55
Staff Welfare Expenses	167	162
Employees Retirement Benefits	103	135
	2,000	1,971

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 27 FINANCE COST

Particulars	March 31, 2014	March 31, 2013
Interest expenses		
To Banks on Working Capital Loans	7,221	6,030
To Non-Banking Finance Companies on Equipment Finance Loan	605	291
To Others	1,076	637
Other borrowing cost		
Bank Commission & Other Charges	782	647
	9,684	7,605

Note : 28 OTHER EXPENSES

Rent	290	282
Rates and Taxes	542	518
Insurance	85	125
Printing & Stationery	36	38
Directors' Fees	3	4
Auditor's Remuneration :		
Audit Fees	4	4
Tax Audit Fees	1	1
Other Services	1	2
Internal Audit & Other Certificate Fees	2	1
Light Vehicles Running Expenses	22	20
Travelling & Conveyance	334	323
Loss on Sale of Fixed Assets	0	16
Advertisement	8	13
Computer Maintenance	7	8
Legal Expenses	25	12
Security Guard Expenses	141	150
Telephone Expenses	76	73
SAP – Maintenance	10	11
Foreign Exchange Fluctuation	–	133
Premium on Redemption of F C C B	–	533
Donation	64	2
Miscellaneous Expenses	303	345
	1,954	2,614

Note : 29 PROVISION FOR TAXATION

Income Tax for the year	29	228
Income Tax for earlier year	(439)	38
Deferred Taxes	(52)	25
	(462)	291

(Amounts are presented in ₹ in Lakhs, except for per share data and quantitative information)

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 30 CONTINGENT LIABILITIES AND COMMITMENTS

Sl. Particulars	2013-14	2012-13
1. Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹ 1,665 (Previous year ₹ 2,123) are held by banks as margin money against the guarantees given by them in addition to the counter guarantees offered by the company for the total non-fund based limit for Bank guarantee of ₹ 56,075 (Previous Year ₹ 60,000). Total figure as shown above includes ₹ 12,793 (Prev. Yr. ₹ 14,243) relating to Joint Venture.	56,075	60,000
2. Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	4,910	4,204
3. The Company has provided an undertaking to pay in the event of default for loan given by the Banks to its Subsidiaries including fellow Subsidiaries. Outstanding amount of default as on 31st March, 2014 was Nil.		
4. The Income Tax assessment of the Company has been completed upto Assessment Year 2010-11. The Income Tax Department has gone for Appeal before ITAT in connection with Assessment for Assessment Year 2006-07, 2007-08, 2008-09 and 2010-11 which is lying pending. If the ITAT order is passed in favour of the Department the impact of further liability of the Company will be a maximum to the extent of ₹ 1,237.07 lacs. However, based on the facts of the cases, the Company feels that there is sufficient reason to believe that the Appellate Authority will pass orders in favour of the Company and accordingly no provisions has been made.		

Note : 31 CAPITAL COMMITMENTS

Capital commitment of the company towards purchase of plant & machinery is Nil (Prev. Yr. Nil)

Note : 32 OTHER COMMITMENTS

The Company has a commitment towards purchase of Construction Materials for various projects aggregating to ₹ 48.94 (Prev. Yr ₹ 98.65) for which purchase orders have been raised before 31st March 2014.

Note : 33

The Company has not granted any Loans and Advances in the nature of Loan to its Associates and Subsidiaries, hence disclosure under Clause 32 of the Listing Agreement has not been given.

Note : 34

Current tax is determined in respect of taxable income for the year based on applicable tax rates and Laws.

Note : 35

Company is in the process of obtaining balance confirmation from its Debtors and Creditors, adjustment if any, arising out of same will be considered in the subsequent period.

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 36

The contract awarded to the Company by the Road Construction Department, Bihar State Government, Patna for development and widening of roads in Patna had been prematurely terminated by the Govt. of Bihar on 30th of April, 2008. The company had taken necessary remedial measure through Honorable High Court of Calcutta. Arbitrator was appointed in the matter to adjudicate the claim filed by the Company and the Arbitrator has since published award in favour of the company which has been contested by the Road Construction Department, Bihar State Government in the court of law. No provision has been made in the accounts as the matter is subjudice.

Note : 37

Disclosure in accordance with Accounting Standard – 7 (Revised 2002) on “Accounting for Construction Contract” issued by The Institute of Chartered Accountants of India is as under :

Particulars	2013-14	2012-13
The amount of contract revenue recognized as revenue in the period	67,122	57,689
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,81,798	1,66,728
The amount of advances received	15,264	13,929
The amount of retentions	4,892	4,534
Gross amount due from customers	28,272	27,802
Gross amount due to customers	–	–

Note : 38

Advance to Nigolice Trading Pvt. Ltd represents payments towards purchase of Preference Shares of Tantia Agrochemicals Pvt. Ltd held by them. Pending finalization of terms and conditions as well as completion of transfer formalities as on 31.03.2014 the amount has been grouped under advances.

Note : 39

As required by Accounting Standard 15 (Revised) “Employee Benefits” the following table summaries the components of net expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the respective plans.

Particulars	31.03.2014	31.03.2013
Defined Contribution Plan –		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to employees Provident fund -	25	25
Contribution to Employees State Insurance	9	10

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 39 (Contd.)

Reconciliation of opening and closing balances of the present value of the Defined benefit obligation	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Obligation at the period beginning(April 1)	193	169	197	88
Current Service Cost	1	14	55	45
Interest Cost	15	14	17	7
Actuarial (Gain)/Loss	21	(2)	(7)	59
Benefits paid	(11)	(2)	(3)	(2)
Obligation at the year end (March 31)	219	193	259	197
Change in Plan Assets				
Plan assets at period beginning, at fair value	38	31	–	–
Expected return on plan assets	3	3	–	–
Actuarial (Gain)/Loss	–	–	NA	NA
Contributions	9	6	–	–
Benefits paid	(11)	(2)	–	–
Plan Assets at the year end, at fair value	39	38	–	–
Reconciliation of present value of the obligation and the fair value of plan assets.				
Fair value of plan assets at the end of the year	39	38	–	–
Present value of the defined benefit obligations at the end of the year	219	193	259	197
Liability/(Assets) recognized in the Balance Sheet	180	155	259	197
Cost for the year				
Current service cost	1	14	55	45
Interest cost	15	14	17	7
Expected return on plan assets	(3)	(2)	–	–
Actuarial (gain)/loss	21	(2)	(7)	59
Net Cost recognized in the Statement of Profit and Loss	35	24	65	111
Assumptions used to determine the benefit obligations :				
Interest rate	8.00%	8.00%	8.00%	8.00%
Estimated rate of return on plan assets	8 – 9%	8 – 9%	NA	NA
Expected rate of increase in Salary	3.00%	3.00%	5.00%	5.00%

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 40 SEGMENT INFORMATION

Business Segment The Business Segments have been identified on the basis of the activity undertaken by the Company. Accordingly, the Company has identified the following Segment:

Infrastructure Consists of execution of construction contracts and other infrastructure activities

Ready Material Concrete Consists of production of Ready Mix Concrete

Information about Business Segment :

		Ready Mix Concrete		Infrastructure		Total	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
(a)	Revenue (Net of Excise Duty & Cess)						
	External Sales	7,470	6,231	67,127	57,689	74,597	63,920
	Internal Segment Sales	—	—	—	—	—	—
	Total Revenue	7,470	6,231	67,127	57,689	74,597	63,920
(b)	Results						
	Segment Results	508	384	8,709	7,723	9,217	8,107
	Unallocated Income (Net of unallocated Expenses)					614	636
	Operating Profit					9,831	8,743
	Finance Cost					9,684	7,605
	Profit before tax					147	1,138
	Tax Expenses					(462)	291
	Profit from Joint venture					65	92
	Profit after tax					674	939
	OTHER INFORMATION						
(a)	Total Assets						
	Segment Assets	2,495	2,289	1,08,579	92,786	1,11,074	95,075
	Unallocated Corporate / Other Assets					9,829	5,094
	Total					1,20,903	1,00,169
(b)	Total Liabilities						
	Segment Liabilities	970	969	36,113	23,466	37,083	24,435
	Unallocated Corporate / Other Liabilities					64,015	56,603
	Total					1,01,098	81,038

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

		Ready Mix Concrete		Infrastructure		Total	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
(c)	Capital Expenditure	194	319	298	813	492	1,132
	Unallocated Corporate / Other Assets					–	–
	Total					492	1,132
(d)	Depreciation and Amortisation	53	41	1,206	1,220	1,259	1,261
	Unallocated Corporate / Other					–	–
	Total					1,259	1,261
(e)	Non cash expenses other than depreciation included in segment expenses for arriving at Segment Results	–	–	–	–	–	–

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 41

Disclosure on Related Party Transactions as per AS 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India :

Related Parties with whom transactions have taken place during the year :

Sl. No.	Nature of Relation	Name of Entity
A.	Associate Companies and Enterprises over which the key management personnel and its relatives are able to exercise significant influence:	Nigolice Trading (P) Ltd. Castal Extrusion Private Limited Andromeda Communications (P) Ltd Prism Impex Pvt Ltd Greenzen Bio Pvt Ltd Tantia Agrochemicals Pvt Ltd
B.	Subsidiaries :	Tantia Sanjauliparkings (P) Ltd. Tantia Infrastructure (P) Ltd. Tantia Raxaultollway (P) Ltd. * Tantia Batala-Beas (P) Ltd
C.	Joint Ventures :	RBM Tantia (JV) Tantia BSBK (JV) JMC Tantia (JV) Tantia DBC (JV) Tantia Simplex (JV) Tantia Soma (JV) Tantia Nayak (JV) Tantia TBL (JV) Tantia SPML (JV) Tantia Freyssinet Gilcon (JV) Tantia OTBL (JV) Tantia Gondwana (JV) Tantia CCIL (JV) Tantia EDCL (JV) Tantia SEC (JV) Tantia YSCC (JV) IVRCL Tantia (JV) Tantia Premco (JV) Tantia Tundi (JV)
D.	Key Management Personnel (KMP) :	Sri I. P. Tantia (Chairman & Managing Director) Sri B. L. Ajitsaria (Director – Business Development) Sri Rahul Tantia (Director - Operations) Sri Murare Lal Agarwala (Director - Projects) Sri Sandip Bose (Director) Ms Rohini Sureka (Vice President - Finance & Accounts)
E.	Relatives of Key Management Personnel (KMP) :	Sri Siddhartha Tantia Ms Laxmi Tantia Sri Harshvardhan Tantia

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

* The Financial Statement of the subsidiary was audited by other auditors and the same has been incorporated based on that.

Particulars of Transactions during the year:

Nature of Transactions	Year	Fellow / Company / Trust	Subsidiaries	Joint Venture	Key Management Personnel and Relatives	Total
Rendering of Services	13-14	–	6,304	1,939	–	8,359
	12-13	–	6,485	5,775	–	12,260
Interest Received	13-14	–	–	1	–	1
	12-13	–	–	0	–	0
Remuneration Paid/payable	13-14	–	–	–	250	250
	12-13	–	–	–	238	238
Rent paid	13-14	7	–	–	44	51
	12-13	11	–	–	46	57
Re-imbursement of expenses	13-14	34	–	–	8	42
	12-13	23	–	–	8	31
Purchase of Fixed Liabilities	13-14	–	–	–	–	–
	12-13	–	–	59	–	59
Advances given	13-14	1,478	50	–	–	1,528
	12-13	168	93	–	6	267
Advances Taken	13-14	–	216	–	–	216
	12-13	12	–	1	–	13
Refund of Advances given	13-14	515	80	–	–	595
	12-13	–	–	–	–	–
Refund of Advances taken	13-14	–	1,507	–	–	1,507
	12-13	–	750	–	–	750
Loan Taken	13-14	1,626	–	–	–	1,626
	12-13	–	–	–	–	–
Interest paid	13-14	86	–	–	–	86
	12-13	–	–	–	–	–
Investment in Joint Ventures	13-14	–	–	(10)	–	(10)
	12-13	–	–	(176)	–	(176)
Share of Profit/(Loss)	13-14	–	–	65	–	65
	12-13	–	–	92	–	92
Security Deposit Paid	13-14	60	–	–	–	60
	12-13	–	–	–	–	–
Investment in Shares	13-14	–	111	–	–	111
	12-13	–	1,647	–	–	1,647
Outstanding balances receivable	13-14	1,153	6	2,615	16	3,506
	12-13	668	5	–	27	700
Outstanding balance payable	13-14	1,322	5,681	61	87	7,140
	12-13	16	7076	–	5	7,097

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 42

The earnings per share (Basic & Diluted, computed as per the requirement under Accounting Standard 20 on “Earnings per Share”.

Particulars	2013-14	2012-13
BASIC		
Net Profit after tax for the year attributable for equity shareholders	674	939
Weighted number of shares for EPS computation	1,88,23,066	1,77,22,792
Earnings Per Share	3.57	5.29
DILUTED		
Net Profit after tax for the year	674	939
Adjusted profit after tax for the year available for equity shareholders	674	939
Weighted average number of shares for EPS computation	1,88,23,066	1,77,22,792
Diluted Earnings Per Share	3.57	5.29

Note : 43

Joint Venture disclosure as per Accounting Standard 27 on “Financial reporting on interests in Joint Venture” :

I. Financial interest in the Jointly controlled Entities.

Name of JV	Year	Assets	Liabilities	Turnover	Other Income	Expenses
JMC Tantia JV	13-14	30	30	–	–	0
	12-13	30	30	–	5	5
Tantia DBC JV *	13-14	13	13	–	–	–
	12-13	13	13	–	–	0
Tantia Freyssinet Gilcon JV	13-14	18	18	–	–	0
	12-13	20	20	–	7	7
Tantia-Gondwana JV	13-14	749	749	811	0	811
	12-13	1,082	1082	500	20	520
IVRCL-Tantia JV	13-14	95	95	–	–	0
	12-13	95	95	–	–	0
Tantia-Simplex JV	13-14	25	25	–	–	0
	12-13	26	26	–	–	0
Tantia-Soma JV	13-14	13	13	–	1	1
	12-13	14	14	–	–	0
Tantia-SPML JV *	13-14	2	2	–	–	–
	12-13	2	2	–	–	–
Tantia-BSBK JV	13-14	35	35	–	0	0
	12-13	36	36	–	–	–
Tantia-CCIL JV	13-14	1,148	1,148	803	–	803
	12-13	1,230	1,230	3,963	–	3,963
Tantia-TBL JV	13-14	12	12	–	–	0
	12-13	12	12	626	0	615
Tantia-SEC JV *	13-14	1,143	1,143	545	–	536
	12-13	781	781	1,478	1	1,409

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Name of JV	Year	Assets	Liabilities	Turnover	Other Income	Expenses
Tantia-Premco JV *	13-14	33	33	42	–	42
	12-13	27	27	96	1	96
Tantia-YSCC JV *	13-14	81	81	–	–	2
	12-13	92	92	295	0	282
Tantia-EDCL JV *	13-14	10	10	–	–	0
	12-13	10	10	117	–	116
Tantia-OTBL JV *	13-14	309	309	1,425	–	1,425
	12-13	112	112	829	–	829
Tantia-Tundi JV *	13-14	379	379	751	69	783
	12-13	432	432	450	29	465

*Financial Statements of these Joint Ventures are yet to be audited and figures have been considered based on provisional Financial Statement

Note : 44

The Company has reviewed the possibility of any impairment of the fixed Liabilities of the Company in terms of the Accounting Standard AS 28 – “Impairment of Liabilities” as at the Balance Sheet date and is of the opinion that no such provision for impairment is required.

Note : 45

Additional information pursuant to paragraph 4D of part II of Schedule VI to the Companies Act, 1956.

Expenditure / Remittance in Foreign Currency

Particulars	2013-14		2012-13	
A. Value of imports calculated on CIF Basis:				
(i) Capital Goods	–	–	–	–
B. Expenditure in foreign currencies:				
(i) Traveling expenses	–	–	–	–
(ii) Consultancy Charges	–	–	–	–
(iii) Interest	–	–	23	–
(iv) Premium on Redemption of FCCB	–	–	533	–
(v) Payment to Subcontractor	897	–	289	–
C. Value of Construction Materials consumed:				
(i) Imported	–	–	–	–
(ii) Indigenous	21,651	100.00%	19,181	100.00%
D. Value of Spare Parts & Components consumed:				
(i) Imported	–	–	–	–
(ii) Indigenous	1,688	100.00%	2,060	100.00%
E. Earnings in foreign currency (on accrual basis)				
Export of goods or services on F.O.B. basis and work bills realized on contracts	–	–	314	–
	–	–	–	–

Notes to Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 46

Disclosure pertaining to Accounting Standard 29 – “Provisions, Contingent Liabilities and Contingent Assets” issued by The Institute of Chartered Accountants of India are given below.

Particulars	Dividend including Corporate Tax on Dividend (Including Preference shares)	Employee benefits
Balance as on 1.4.2013	42	352
Balance as on 1.4.2012	302	226
Add: Provisions made (2013-14)	–	103
(2012-13)	–	128
Less: Payments (2013-14)	42	16
(2012-13)	260	2
Less: Adjustments (2013-14)	–	–
(2012-13)	–	–
Closing Balance as on 31.03.2014	–	439
Closing Balance as on 31.03.2013	42	352

Note : 47

Previous year's figure have been re-grouped and rearranged wherever necessary.

Note : 48

'0' represents amount less than ₹ 50,000/-.

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

Independent Auditors' Report

To the Board of Directors of
Tantia Constructions Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of TANTIA CONSTRUCTIONS LIMITED ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other Auditors on the Financial Statements of the subsidiaries and Joint Ventures referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements read with Notes give a true and fair view in conformity with the accounting principles generally accepted in India :

1. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
2. in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
3. in the case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

OTHER MATTER

We did not audit the financial statements of one subsidiary, whose Financial Statements reflects the group's share of total assets (net) of ₹ 12500 Lakhs as at Mar 31, 2014, total revenues of ₹ 46 Lakhs and net cash flows amounting to ₹ (1,982) Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by another auditors whose reports have been furnished to us by the Company's Management , and our opinion, insofar as it relates to the amounts included in respect of the above mentioned subsidiary, is based solely on the report of other auditor.

The consolidated financial statements includes the unaudited financial statements of 8 (Eight) Joint Ventures, whose Financial Statements reflects the group's share of total assets (net) of ₹ 226 Lakhs as at March 31, 2014, total revenues of ₹ 2832 Lakhs and net cash flows amounting to ₹ (118) Lakhs for the year ended on that date. These unaudited Financial Statements have been prepared and submitted by the Company's Management. Our opinion, in so far as it relates to the amounts included in respect of theses Joint Ventures are based solely on such Management accounts.

Our opinion is not qualified in respect of these matters.

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Dated : 30th May, 2014

Place : Kolkata

Membership No. 051842

Consolidated Balance Sheet as at 31st March, 2014

(₹ in Lakhs)

Particulars	Note	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES			
1. Shareholders' Fund :			
Share capital	2	1,973	1,973
Reserves & surplus	3	24,544	23,600
		26,517	25,573
Minority Interest		1	2
2. Non-current liabilities			
Long-term borrowings	4	25,920	15,095
Deferred tax liabilities	5	724	776
Other long term liabilities	6	1,620	1,457
Long-term provisions	7	336	292
		28,600	17,620
3. Current liabilities			
Short-term borrowings	8	50,539	50,706
Trade payables	9	18,669	7,047
Other current liabilities	10	12,094	8,489
Short-term provisions	11	104	102
		81,406	66,344
Total		136,524	109,539
II. ASSETS			
Non current assets			
1. Fixed Assets :			
Tangible assets	12	10,891	11,564
Intangible assets		4	3
Capital work in progress		17,501	10,696
Goodwill on Consolidation		6	6
Non current investments	13	119	82
Long-term loans and advances	14	1,909	1,661
Other non-current assets	15	512	132
		30,942	24,144
2. Current assets			
Inventories	16	24,873	21,401
Trade receivables	17	27,427	14,918
Cash & Bank balances	18	3,534	5,949
Short-term loans and advances	19	11,818	8,854
Other current assets	20	37,930	34,273
		105,582	85,395
Total		136,524	109,539
Summary of significant accounting policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statements

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

Consolidated Statement of Profit & Loss for the year ended March 31, 2014

(₹ in Lakhs)

	Note	Year ended March 31, 2014	Year ended March 31, 2013
I. INCOME			
Revenue From operation	21	70,833	63,284
Other income	22	680	638
Total Revenue		71,513	63,922
II. EXPENSES			
Cost of material consumed	23	22,254	21,407
Contract operating expenses	24	39,087	24,753
(Increase)/decrease in work in progress	25	(3,886)	3,006
Employee benefits expenses	26	1,940	1,990
Finance cost	27	8,907	7,625
Depreciation and amortisation expenses	12	1,156	1,263
Other expenses	28	1,612	2,649
Total Expenses		71,070	62,693
Profit before exceptional & extraordinary Items & Tax		443	1,229
Exceptional items		-	-
Profit before extraordinary items & tax		443	1,229
Extraordinary items		-	-
Adjustment for diminution in value of investment		(49)	1
Profit before Tax		492	1,228
Tax expense :			
Current tax	29	(400)	281
Deferred tax	29	(52)	25
		944	922
Profit/(Loss) for the year		944	922
Earning per Equity Share of ₹ 10/- each			
Basic (₹)	42	5.01	5.19
Diluted (₹)		5.01	5.19
Summary of significant accounting policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statements

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

Consolidated Cash Flow Statement for the period ended March 31, 2014

(₹ in Lakhs)

	Year ended March 31, 2014		Year ended March 31, 2013	
A. Cash Flow from Operating Activities				
Net Profit before Tax and extra ordinary item		443		1,229
Add/(Less) Adjustment for :				
Depreciation	1,156		1,263	
(Profit)/Loss on sales of Fixed Assets (Net)	2		15	
Foreign Exchange Fluctuation	14		88	
Interest Income	(443)		(432)	
Interest on Borrowings	8,107		6,961	
Direct Tax Refund	472	9,308	1,449	9,344
Add/(Less) (Increase)/decrease in Assets/Liabilities :		9,751		10,573
Debtors	(12,523)		1,146	
Loans & advances	(3,212)		(1,684)	
Other Current assets	(2,459)		(16,271)	
Earmarked balances with Banks	4		11	
Inventories	(3,472)		3,525	
Trade payables, Liabilities & Provisions	14,150	(7,512)	3,154	(10,119)
Cash Generated from Operations		2,239		454
Direct Taxes paid		(1,666)		(811)
Cash Flow before extraordinary items		573		(357)
Extra-Ordinary items		-		-
Net Cash From Operating Activities		573		(357)
B. Cash flow from Investing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(7,307)		(7,702)	
Sale/discard of Fixed Assets	16		15	
Interest Income	459		426	
Investment in Joint Ventures & others	12		84	
Investment in Fixed deposit	654	(6,166)	(399)	(7,576)
Net Cash used in investing Activities		(6,166)		(7,576)

Consolidated Cash Flow Statement for the period ended March 31, 2014

(₹ in Lakhs)

	Year ended March 31, 2014		Year ended March 31, 2013	
C. Cash Flow from Financing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Share Capital issue	-		237	
Share Premium Account	-		3,041	
Minority Interest	(1)		1	
Grant Received	-		4,994	
Long term borrowings	11,689		7,061	
Repayment of FCCB	-		(1,412)	
Short term borrowing	(167)		3,394	
Interest Paid	(7,639)		(6,916)	
Advance against Share Warrant	-		(731)	
Dividend and Unclaimed Share Application Money Deposited	(4)		(260)	
Tax on dividend	(42)	3,836	-	9,409
Net Cash from financing Activities		3,836		9,409
D. Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)		(1,757)		1,476
E. Add : Balance at the beginning of the Year		3,035		1,559
Cash & Cash equivalents as the close of the year		1,278		3,035
Note :				
Cash & Cash equivalents				
-Balances with banks in Current Accounts		378		2,581
-Cash in hand		900		437
-Cheque in Hand		-		17
Cash & Cash equivalents (As per Note 18a)*		1,278		3,035
* i) Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client		2,251		2,905
ii) Earmarked Bank balances against Dividend and Unclaimed Share Application		5		9
Total (As per Note 18b)		2,256		2,914
Total [As per Note 18(a + b)]		3,534		5,949

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

Note 1

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Principles of Consolidation

The consolidated financial statements relates to Tantia Constructions Limited ('the Company'), and its subsidiary companies ('the Group'). The consolidated financial statements have been prepared on the following basis :

- a) The financial statement of the Company and its subsidiary Companies have been consolidated on a line-by-line basis by adding together the book values of like terms of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealized profits or losses as per Accounting Standard (AS) 21 – "Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.
- b) In case of associates where the Company directly or indirectly through its subsidiaries holds more than 20% of equity, Investments in associates are accounted under the equity method as per Accounting Standard (AS) 23 – 'Accounting for investments in Associates in Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006.
- c) In terms of Accounting Standards (AS-27)- 'Financial Reporting of interest in joint ventures' notified by the Companies (Accounting Standards) Rules, 2006, the Companies proportionate interests in the joint ventures being jointly controlled entities are consolidated as separate line items in the financial statements along with the book value of Assets, Liabilities, Income and Expenditures after eliminating inter group balances/ transactions and unrealized profit and losses resulting from the transactions between the Company and the Joint Ventures.
- d) The financial statements of the subsidiaries, joint ventures and the associates used in the consolidation are drawn up to the same reporting date i.e. 31st March, 2014.
- e) The excess of cost to the Company, of its investment in the subsidiaries over the Company's share of equity is recognized in the financial statement as Goodwill and tested for impairment annually.
- f) The excess of the Company's share of equity of the subsidiaries on the acquisition date, over its cost of investment is treated as Capital Reserve.
- g) Minority interest in the net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately.
- h) Minority interest in the net profit for the year of consolidated subsidiaries is identified and adjusted against the income in order to arrive at the net income attributable to the Share Holders of the Company.
- i) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- j) Investments in subsidiaries, associates and jointly controlled entities not considered for consolidation have been accounted as per Accounting Standard (AS) 13 – 'Accounting for Investments' notified by Companies (Accounting Standards) Rules, 2006.

2. Basis of Preparation of Financial Statements

The Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (Indian GAAP) and comply in all material aspect with the applicable Accounting Standards notified under section 211 (3C) (which continues to be applicable in term of general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013) and other relevant provisions of the Companies Act,1956.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

For recognition of Income and Expenses mercantile system of accounting is followed except in case of insurance claims where on the ground of prudence and as well as uncertainty in realization, the same is accounted for as and when accepted/received.

3. Use of Estimates :

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles require estimates and assumptions to be made that affect reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

4. Change in Accounting Policies :

There is no change in accounting policies during the current financial year.

The accounting policies adopted in the preparation of Financial Statements are consistent with those of previous year.

5. Inventories

- a) Stock of Construction materials, stores and spares and fuel (except for those relating to Construction activities) are valued at cost (weighted average basis) or net realizable value whichever is lower.
- b) Stock of Construction materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).
- c) Work-in-progress is valued at cost and reflects the work done but not certified.
- d) The cost of inventories comprises all cost of purchase, cost of conversion and other incidental cost incurred in bringing the inventories to their present location and condition.
- e) Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

6. Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition inclusive of duties (net of VAT where input credit is availed) together with any incidental costs for bringing the asset to its working condition for its intended use less accumulated depreciation/amortization and impairment losses, if any.

Capital work in progress is stated at amounts spent up to the date of the Financial Statement.

Intangible assets comprise of License fees and other implementation cost of software (SAP) acquired for in-house use and is net of amortization. Intangible assets under development are stated at cost.

7. Depreciation / Amortization

Depreciation on fixed assets acquired upto the year ended on Diwali 2040 S.Y. (Corresponding to 3rd November 1983) is provided by applying the rates specified in Schedule-XIV of the Companies Act 1956 and calculated on written down value method.

In respect of the assets acquired thereafter, other than Construction Accessories and Intangible Assets depreciation is charged on the straight line method at the rates prescribed in Schedule-XIV of the Companies' Act 1956. Construction Accessories are depreciated over a period of five years on straight line method from the year of addition.

Intangible Assets are amortized over the best estimates of its useful life.

Depreciation on fixed assets acquired/disposed off during the year, is provided on pro-rata basis with reference to the date of acquisition/disposal.

8. Impairment of Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. If any indication of such impairment exists, the reasonable amounts of those assets are estimated and impairment loss is recognized. The impairment loss recognized in prior accounting period is adjusted if there has been a change in the estimate of recoverable amount.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

9. Revenue Recognition

On Construction Contracts :

- The contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the Financial Statements on the basis of percentage completion method.
- The stage of completion of contracts is measured by reference to the proportion that the contract costs incurred for work completed upto the reporting date bear to the estimated total contract costs for each contract.
- Losses on contracts are fully accounted for as an expense immediately when it is certain that the total contract costs will exceed the total contract price. Total contract cost are ascertained on the basis of actual cost and cost to be incurred for the completion of contracts in progress which is determined by the management based on technical data, forecast and estimates of expenditure to be incurred in future.
- Price escalation claims and other additional claims are recognized as revenue when :
 - i. They are realized or receipts thereof are mutually settled or reasonably ascertained.
 - ii. Negotiations with the client have reached such an advanced stage that there is reasonable certainty that the client will accept the claim
 - iii. Amount that is probable, if accepted by the client, to be measured reliably by the Company.

On Sale of Goods :

- In case of sale of goods, the transfer of property in goods results in the transfer of significant risks and rewards of ownership to the buyer and revenue is recognized at the time of transfer of property.

10. Foreign Currency Transactions

Transactions in foreign currency are recorded using the exchange rate prevailing at the date of transactions. Monetary assets and liabilities related to foreign currency transactions unsettled at the end of the year are translated at year end rate. All other foreign

currency assets and liabilities are stated at the rates prevailing at the date of transaction other than those covered by forward contracts, which are stated at the contracted rate. Exchange differences arising on foreign currency transactions are recognized in the Statement of Profit & Loss.

11. Investment

Long-term investments are stated at cost, provision is made to recognize a decline, if any, other than temporary, in the value of long term investments. Investments in Joint Ventures are stated at cost.

Current investments being readily realizable and intended to be held for less than a year are carried at cost or market rate whichever is lower, on individual investment basis.

12. Employee Benefit (Retirement and Post Employment Benefit)

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) – 15 “Employee Benefits” notified by Companies (Accounting Standards) Rules, 2006.

I. Gratuity

Liability on account of Gratuity is :

- Covered through recognized gratuity fund managed by Life Insurance Corporation of India and contributions are charged to revenue; and
- Balance if any, is provided on the basis of valuation of the liability by an independent Actuary as at the year end.

II. Provident Fund, ESI and Medical

Contribution to provident fund (defined contribution plan) and ESI made to government administered Provident Fund and ESI are recognized as expenses. The company has no further obligation beyond its monthly contribution. Those employees who are not covered under ESI scheme (as stated in the Act) are eligible for medical re-imbursment as per the HR policy of the Company.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

III. Leave Encashment

Liability for leave encashment is treated as a long term liability and is provided on the basis of valuation by an independent Actuary as at the year end.

13. Borrowing Costs

Borrowing costs that are attributable to the acquisition 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 charged to the Statement of Profit and Loss.

14. Segment Reporting

Identification of Segments

The Company has identified that its business segments are the primary segments. The Company's businesses are organized and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relates to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated - Common".

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

15. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) - 20, "EPS" notified by Companies (Accounting Standards) Rules, 2006. Basic earnings per equity share is calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number

of the equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit during the year, adjusted for the effects of all dilutive potential equity share, attributable to the equity share holders by the weighted average number of the equity shares and dilutive equity potential equity shares outstanding during the year except where the results are anti dilutive.

16. Taxation

Tax expenses comprise of current tax and deferred tax.

Current tax is determined in respect of taxable income for the year based on Income Tax Act 1961. Deferred tax is recognized, subject to consideration of prudence, on timing difference (being the difference between taxable income and accounting income that originates in one period and are capable of being reversed in one or more subsequent years) and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date and are recognized only if there is reasonable certainty that they will be realized.

17. Provision, Contingent Liabilities & Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are not recognized but are disclosed in the Notes to Financial Statement. Disputed demands in respect of Income Tax and Sales Tax etc are disclosed as contingent liability. Payments in respect of such demands, if any, are shown as advance, till the final outcome.

Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note 2A SHARE CAPITAL

Particulars	March 31, 2014	March 31, 2013
Authorized :		
390,00,000 Equity Shares (Prev. Yr. 390,00,000) of ₹ 10/- each	3,900	3,900
10,00,000 10.5% Cumulative Preference Shares (Prev. Yr. 10,00,000) of ₹ 10/- each	100	100
	4,000	4,000
Issue, Subscribed and paid up :		
1,88,23,066 Equity Shares (Prev. Yr. 1,72,23,066) of ₹ 10/- each (Note : The above shares include 33,60,000 Equity shares issued as fully paid up Bonus shares by way of capitalization of accumulated General Reserve)	1,882	1,882
1,40,000 10.5% Cumulative Redeemable Preference Shares (Prev. Yr. 1,40,000) of ₹ 10/- each fully paid up	14	14
77,206 16% Cumulative Redeemable Preference Shares (Prev. Yr. 77,206) of ₹ 100/- each fully paid up	77	77
	1,973	1,973

Note 2B (i) A reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2014		March 31, 2013	
	No of Shares	Amount	No of Shares	Amount
At the Beginning of the year	1,88,23,066	1,882	1,72,23,066	1,722
Issued during the Year by Conversion of Share Warrant	–	–	16,00,000	160
Bought Back	–	–	–	–
Outstanding at the end of the Year	1,88,23,066	1,882	1,88,23,066	1,882

Note 2B (ii) A reconciliation of the number of 10.5% Cumulative Redeemable Preference Shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2014		March 31, 2013	
	No of Shares	Amount	No of Shares	Amount
At the Beginning of the year	1,40,000	14	1,40,000	14
Issued during the Year	–	–	–	–
Bought Back	–	–	–	–
Outstanding at the end of the Year	1,40,000	14	1,40,000	14

Note 2B (iii) A reconciliation of the number of 16% Cumulative Redeemable Preference Shares of Rs. 100/- each outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2014		March 31, 2013	
	No of Shares	Amount	No of Shares	Amount
At the Beginning of the year	77,206	77	–	–
Issued during the Year	–	–	–	–
Transfer	–	–	77,206	77
Outstanding at the end of the Year	77,206	77	77,206	77

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

The Company was holding 248120, 16% Cumulative Redeemable Preference share of Tantia Infrastructure Pvt. Ltd. (a subsidiary) at the beginning of financial year 2012-13. Further the company subscribed for 55,584, 16% Cumulative Redeemable Preference Share issued during the financial year 2012-13. Out of total holding of 303,704 shares, the company transferred 77,206 shares to Prism Impex Pvt. Ltd. and the company's Holding was 226498 shares at the end of the year.

Note 2C The rights, preferences and restrictions attached to each class of shares

Class : Equity Shares

- i) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

Class : 10.5% Preference Shares

The Company had issued cumulative redeemable preference shares having a par value of ₹ 10 per share on 8th January 2005. The preference share holders do not carry any voting right at shareholders meeting except in case of special meeting of preference share holders only. The preference share holders are entitled to dividend @ 10.5% on prorata basis before equity share holders are

paid dividend. The preference shares are redeemable at the option of shareholder with a notice of 90 days or at the option of the Company with 30 days notice within a maximum period of 10 years from the date of issue. In the event of liquidation of the Company, the holders of preference shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts and before distribution of anything to the equity share holder. The distribution will be in the proportion to the number of shares held by the shareholder.

Class : 16% Preference Shares

The group had issued cumulative redeemable preference shares having a par value of ₹ 100 per share. The preference share holders are entitled to dividend @ 16% on prorata basis before equity share holders are paid dividend. The Preference share holders are entitled to vote on every resolution placed before the Company at any meeting, if the dividend is due on such capital or any part of such dividend has remained unpaid for an aggregate period of not less than two years preceeding the date of commencement of the meeting.

Note 2D (i) Equity Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholders	March 31, 2014		March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
Nigolice Trading Pvt Ltd	82,33,806	43.74	46,69,470	24.81
Tantia Financial Services Ltd	11,65,506	6.19	11,65,506	6.19
Reliance Capital Trustee Co Ltd	—	—	10,18,900	5.41
Sarla Tantia	—	—	11,13,424	5.92
Ishwari Prasad Tantia	9,48,976	5.04	—	—

Note 2D (ii) - 10.5% Cumulative Preference Shares in the company held by each share holder holding more than 5 percent shares specifying the number of shares held

Name of Shareholders	March 31, 2014		March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
Ishwari Prasad Tantia (Representing IPT HUF)	70,000	50.00	70,000	50.00
Sarla Tantia	70,000	50.00	70,000	50.00

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

Note 2D (iii) - 16% Cumulative Redeemable Preference share in the company held by each share holder holding more than 5 percent shares specifying the number of shares held

Name of Shareholders	March 31, 2014		March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
Prism Impex Pvt. Ltd.	77,206	25.42	77,206	25.42

Note 3 RESERVES & SURPLUS

	March 31, 2014	March 31, 2013
Capital Reserve		
Balance as per the last Financial Statement	100	100
Addition during the Year	—	—
Balance (a)	100	100
The Company had received ₹ 100 against future call option of 7,14,285 Share warrants in the F. Y. 2008-09. The call was not exercised by the applicants and as per the terms of the issue of warrant, the said amount was forfeited and credited to Capital Reserve during the year 2008-09.		
Securities Premium Account		
Balance as per the last Financial Statement	8,620	5,579
Add : Received during the Year	—	3,041
Balance (b)	8,620	8,620
General Reserve		
Balance as per the last Financial Statement	1,415	1,415
Add: Transferred from Surplus	—	—
Balance (c)	1,415	1,415
Grant		
Balance as per the last Financial Statement	4,994	—
Add : Received during the year	—	4,994
Balance (d)	4,994	4,994
Surplus		
Balance as per the last Financial Statement	8,471	7,549
Add: Profit for the Year	944	922
Transfer to		
General Reserve	—	—
Dividend on Cumulative Preference Share	—	—
Proposed Dividend on Equity Share	—	—
Income Tax on Proposed Dividend	—	—
Balance (e)	9,416	8,471
Total Reserves and Surplus (a + b + c + d + e)	24,544	23,600

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note 4 LONG TERM BORROWINGS

	March 31, 2014		March 31, 2013	
	Non Current	Current	Non Current	Current
SECURED				
i) Term Loan from Schedule Bank				
1) Secured by way of Equitable Mortgage of commercial leasehold property of M/s Infravision Developers LLP and additionally secured by third party property. Payable between 2-3 Yrs ₹ 5,050 and Interest Rate is 13.00% p.a.	17,856	3,000	8,507	—
2) Term loan taken by Tantia Raxaul Tollways Pvt Ltd. and Tantia Sanjauli Parkings Pvt. Ltd. for BOT Projects are secured by first charge on all intangible and tangible properties and assets as well as the revenue and receivables for the project. These are also covered by Corporate gurantee from Tantia Constructions Ltd. (Holding Company). Repayment of Term Loans for BOT projects are under moratorium and are to be paid in 46 quarterly instalments starting from 30-06-2015 and in 106 monthly instalments starting from 01-06-2015 with interest rates of BR plus 1.50 % p.a. and BR plus 2.30 % p.a. respectively.				
ii) Deferred Payment Liabilities				
Equipment and Vehicle Loans from :				
Banks	—	16	13	27
Non-Banking Finance Companies etc.*	1,387	1,400	1,482	4,451
Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Chairman & Managing Director. Payable between 2-3 Yrs ₹ 1,125, 3-4 Yrs ₹ 262, and Interest Rate ranges from 9.25% to 16.00%.				
	1,387	1,416	1,495	4,478
Total (a)	19,243	4,416	10,002	4,478

Details of Overdue *

Amount	Period of delay (in days)
155.54	0 – 30
155.54	31 – 60
174.62	61 – 90
61.56	91 – 120

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

	March 31, 2014		March 31, 2013	
	Non Current	Current	Non Current	Current
UNSECURED				
RUPEE LOAN				
Advance against Contracts				
From Contractees	6,677	2,777	5,093	1,851
Total (b)	6,677	2,777	5,093	1,851
Total Long Term Borrowings (a + b)	25,920	7,193	15,095	6,329

Note 5 DISCLOSURE ON DEFERRED TAX AS PER AS 22 ON "ACCOUNTING FOR TAXES ON INCOME"

	March 31, 2014	March 31, 2013
Deferred Tax Liability		
Fixed Assets as per Accounts	10,773	11,542
Fixed Assets as per Income Tax	8,146	8,849
Deferred Tax Liability (Timing Difference)	2,627	2,693
Deferred Tax Asset		
- Provisions for Employee benefits	439	352
- Bonus Provision	59	59
Deferred Tax Asset (Timing Difference)	498	411
Net Deferred Tax Liability	2,129	2,282
Tax Impact On Net Liability @ 33.99%	724	776
Deferred Tax Liability	724	776

Note 6 OTHER LONG TERM LIABILITIES

	March 31, 2014	March 31, 2013
Security Deposit and Retention money	1,620	1,457
	1,620	1,457

Note : 7 LONG TERM PROVISIONS

	March 31, 2014	March 31, 2013
Retirement Benefits		
- Gratuity	180	155
- Leave encashment	156	137
	336	292

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 8 SHORT TERM BORROWINGS

	March 31, 2014	March 31, 2013
SECURED		
Cash Credit from Scheduled Banks	41,819	41,473
Secured by way of charge:		
On pari-passu basis among consortium members primarily by hypothecation of entire stock, book debts and other current assets of the company both present and future.		
These are additionally secured by way of second charge on fixed assets including land and shed of the Company excluding equipments, machinery and vehicles that are hypothecated to various banks and Non-Banking finance Companies under exclusive charge for financing thereof and Personal Guarantees of the Chairman & Managing Director and the Director (Operations)		
Total (a)	41,819	41,473
UNSECURED		
Short Term Loans from Scheduled Banks *	3,500	3,455
From Non-Banking Finance Companies	253	274
Deposits from Bodies Corporate	4,553	4,780
Advance against Materials	404	367
Advance from others	10	357
Total (b)	8,720	9,233
Total Short Term Borrowings (a + b)	50,539	50,706

* Vijaya Bank have advised the Company for submission of fresh proposal for rescheduling the loan and the same is in process.

Note : 9 TRADE PAYABLES

Trade Payables (including dues to MSMED vendors)	18,669	7,047
Details of dues to Micro and Small enterprises as defined under the MSMED Act 2006 :		
Principal amount remaining unpaid	–	1
Interest due thereon	–	–
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	–	–
Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	–	–
Interest accrued and remaining unpaid	–	–
Further interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprises.	–	–

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 10 OTHER CURRENT LIABILITIES

	March 31, 2014	March 31, 2013
Current Maturities of Long term debt(Refer note – 4)	7,193	6,329
Interest accrued but not due	114	75
Interest accrued and due	536	107
Advance from Customers	192	-
Unpaid Dividend	5	7
Unclaimed Share Application Money	-	2
Others		
Statutory Liabilities	1,141	329
Liabilities for Employees	532	239
(Includes ₹ 67 (Previous Year ₹ 10) payable to Directors)		
Liabilities for Expenses	2,381	1,401
	12,094	8,489

Note : 11 SHORT TERM PROVISIONS

Retirement Benefits (a)	104	60
Total (a)	104	60
Proposed Dividends on Equity Shares		
Cumulative Preference Shares		
Total (b)	-	-
Provision for Tax on Dividends (c)		42
Total (c)	-	42
Total (a + b + c)	104	102

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 12 FIXED ASSETS

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
		As at 1st April 2013	Additions	Disposals	As at 31st March, 2014	Upto 31st March 2013	For the year	Deductions	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
(A) Tangible Assets											
1.	Freehold Land	397	—	—	397	—	—	—	—	397	397
2.	Work shop & Office Shed	273	—	—	273	24	9	—	33	240	249
3.	Plant & Machinery (TCL)	13,384	391	16	13,759	4,742	603	—	5,345	8,414	8,642
4.	Construction Accessories	2,417	—	—	2,417	930	437	—	1,367	1,050	1,487
5.	Testing & Survey Equipments	180	7	—	187	54	9	—	63	124	126
6.	Air Conditioner	40	8	—	48	8	2	—	10	38	32
7.	Computer	161	13	2	172	110	18	1	127	45	51
8.	Office Equipments	82	4	—	86	14	3	—	17	69	68
9.	Vehicles	800	54	6	848	348	68	5	411	437	452
10.	Furniture & Fixtures	84	23	—	107	24	6	—	30	77	60
Sub Total (a)		17,818	500	24	18,294	6,254	1,155	6	7,403	10,891	11,564
Previous Year		16,674	1,202	58	17,818	5,019	1,263	28	6,254	11,564	11,655
(B) Intangible Assets											
1	Software	83	2	—	85	80	1	—	81	4	3
Sub Total (b)		83	2	—	85	80	1	—	81	4	3
Previous Year		80	3	—	83	80	—	—	80	3	0
Grand Total (a+b)		17,901	502	24	18,379	6,334	1,156	6	7,484	10,895	11,567
Total Previous Year		16,754	1,205	58	17,901	5,099	1,263	28	6,334	11,567	11,655

Note : 13 NON CURRENT INVESTMENTS

	March 31, 2014	March 31, 2013
(Unquoted, Long Term at Cost)		
Non-Trade		
In Related Company		
In Equity instruments		
Andromeda Communications (P) Ltd.	29	29
7,000 Equity Shares (Prev. Yr. 7,000) of ₹ 10/- each, fully paid up		
	29	29

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 13 NON CURRENT INVESTMENTS (Contd.)

	March 31, 2014	March 31, 2013
In Others		
In Equity instruments		
Universal Realtors (P) Ltd.	4	4
40,000 Equity shares (Prev. Yr. 40,000) of ₹ 10/- each, fully paid up		
Total (b)	4	4
Investment in Government Securities		
National Saving Certificate, Deposited with Sales tax Authorities, Mizoram	-	-
Total (c)	-	-
Investment in Joint Ventures as per Accounting Standard 27		
RBM-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 99.999)	86	49
Total (d)	86	49
Grand Total (a + b + c + d)	119	82

Note : 14 LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)		
Security Deposits and retention money	1,733	1,091
Other Loans & Advances		
Advances recoverable in cash or in kind or for value to be received	101	559
Prepaid Expenses	75	11
	1,909	1,661

Note : 15 OTHER NON CURRENT ASSETS

(Unsecured, considered good)		
Deferred Revenue Expenses	509	129
Preliminary Expenses	3	3
	512	132

Note : 16 INVENTORIES

(As taken, valued and certified by the management)		
Construction Materials	7,773	8,095
Construction Contract Work-in-progress	15,611	11,725
(Work-in-progress is valued at cost and reflects the work done but not certified)	-	-
Stores & Spares	727	801

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 16 INVENTORIES (Contd.)

	March 31, 2014	March 31, 2013
Loose Tools	762	780
a) Stock of raw materials, stores and spares and fuel (except for those relating to Construction activities) are valued at cost (weighted average basis) or net realizable value whichever is lower.		
b) Cost of Raw materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).		
c) The cost of inventories comprises all cost of purchase, cost of conversion and other incidental cost incurred in bringing the inventories to their present location and condition.		
d) Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.		
	24,873	21,401

Note : 17 TRADE RECEIVABLES

(Unsecured, considered good)		
Other Debts	22,723	11,991
Exceeding Six Months	4,704	2,927
	27,427	14,918

Note : 18 CASH AND BANK BALANCES

Cash and Bank balances consists of the following		
a) Cash and Cash equivalents		
i) Balances with Banks		
In current Accounts	378	2,581
ii) Cash in Hand	900	437
iii) Cheques on Hand	-	17
Total (a)	1,278	3,035
b) Other Bank Balances		
i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed share Application)	5	9
ii) Balances with Banks	-	-
In Deposit Accounts (Less than 12 months)	1,693	2,775
In Deposit Accounts (Beyond 12 months)	558	130
(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)	-	-
Total (b)	2,256	2,914
Grand Total (a + b)	3,534	5,949

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 19 SHORT TERM LOANS AND ADVANCES

	March 31, 2014	March 31, 2013
(Unsecured, considered good)		
Security Deposits & Earnest Money	4,027	4,281
Advance to Associates and Related Companies		
- Infra Vision Developers LLP	-	668
- Nigolice Trading Pvt Ltd (Refer Note 38)	1,108	190
- Tantia Agrochemicals Pvt Ltd	45	-
Other Loans & Advances		
Prepaid Expenses	1,366	296
Advances recoverable in cash or in kind or for value to be received	5,272	3,419
	11,818	8,854

Note : 20 OTHER CURRENT ASSETS

Interest accrued but not due on Bank deposits	70	86
Works Contract Tax receivable	3,185	2,829
Unbilled Revenue	28,272	27,802
Deferred Revenue Expenses	82	212
Income Tax Advance (including Income Tax Deducted at Source, Net of Provision for taxation)	3,448	1,854
Others	2,873	1,490
	37,930	34,273

Note : 21 REVENUE FROM OPERATIONS

Sale of Services		
Contract Receipts (Gross)	63,173	57,053
Sale of Product		
RMC Sale	7,507	6,230
Less : Excise Duty	(152)	(86)
Other operating revenues		
Misc Business income	305	87
	70,833	63,284

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 22 OTHER INCOME

	March 31, 2014	March 31, 2013
Interest		
On Bank Deposits	204	215
From others	239	217
Profit on Sale of Fixed Assets	-	1
Miscellaneous Income	237	205
	680	638

Note : 23 COST OF MATERIAL CONSUMED

Construction Materials	19,816	18,927
Consumable Materials	1,194	1,594
Stores & Spares	428	449
Carriage Inwards (Including material re-handling)	817	437
	22,254	21,407

Note : 24 CONTRACT OPERATING EXPENSES

Contract Execution Expenses	33,401	17,464
Equipment Hire Expenses	1,456	1,713
Machinery Repairing Charges		
- Plant & Machinery	596	757
- Others	124	96
Power & Fuel	2,119	2,391
Site Expenses	185	455
Works Contract Tax & Others Taxes	909	1,544
Consultancy Fees	285	316
Survey & Inspection Expenses	12	17
	39,087	24,753

Note : 25 (INCREASE)/DECREASE IN WORK IN PROGRESS

At the beginning of the Year	11,725	14,731
Less : Balance at the end of the Year	15,611	11,725
	(3,886)	3,006

Note : 26 EMPLOYEE BENEFITS EXPENSES

Salary and Bonus	1,620	1,634
Contribution towards Employees Provident Fund, ESIC and other funds	53	58
Staff Welfare Expenses	164	163
Employees Retirement Benefits	103	135
	1,940	1,990

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 27 FINANCE COST

	March 31, 2014	March 31, 2013
Interest expenses		
To Banks on Working Capital Loans	6,611	6,030
To Non-Banking Finance Companies on Equipment Finance Loan	554	291
To Others	942	640
Other borrowing cost		
Bank Commission & Other Charges	800	664
	8,907	7,625

Note : 28 OTHER EXPENSES

Rent	284	278
Rates and Taxes	539	518
Insurance	72	137
Printing & Stationery	35	38
Directors' Fees	3	4
Auditor's Remuneration :		
Audit Fees	5	5
Tax Audit Fees	1	1
Other Services	-	2
Internal Audit & Other Certificate Fees	3	1
Light Vehicles Running Expenses	25	20
Travelling & Conveyance	108	315
Loss on Sale of Fixed Assets	2	16
Advertisement	8	13
Computer Maintenance	7	8
Legal Expenses	25	21
Security Guard Expenses	114	144
Telephone Expenses	74	72
SAP – Maintenance	10	11
Foreign Exchange Fluctuation	14	88
Premium on Redemption of F C C B	-	533
Donation	64	2
Miscellaneous Expenses	217	422
	1,612	2,649

Note : 29 PROVISION FOR TAXATION

Income Tax for the year	(400)	242
Income Tax for earlier year	0	39
Deferred Taxes	(52)	25
	(452)	306

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

Note : 30 The Subsidiaries, Joint Ventures and Associate companies considered in the consolidated financial statements are:

Name of the Entity	Country of Incorporation	Proportion of Ownership Interest	
		Current Year	Previous Year
Subsidiaries of the Company			
Tantia Infrastructure Private Limited	India	100%	100%
Tantia Raxaultollway Private Limited (through its subsidiary)	India	74%	74%
Tantia Sanjauliparkings Private Limited	India	100%	100%
Tantia Batala Beas Tollway Private Limited	India	100%	100%
Joint Ventures (Jointly Controlled Entity)			
RBM-TANTIA	India	99.999%	99.999%
JMC-TANTIA	India	50.00%	50.00%
TANTIA-DBC	India	75.00%	75.00%
TANTIA-SOMA	India	50.00%	50.00%
IVRCL-TANTIA	India	50.00%	50.00%
TANTIA-FREYSSINET GILCON	India	50.00%	50.00%
TANTIA-TBL	India	50.00%	50.00%
TANTIA-SPML	India	50.00%	50.00%
TANTIA-GONDWANA	India	99.80%	99.80%
TANTIA-CCIL	India	74.00%	74.00%
TANTIA-BSBK	India	50.00%	50.00%
TANTIA-SIMPLEX	India	88.43%	88.43%
TANTIA-NAYAK	India	51.00%	51.00%
TANTIA-EDCL	India	51.00%	51.00%
TANTIA-SEC	India	51.00%	51.00%
TANTIA-SEC	India	53.00%	53.00%
TANTIA-YSCC	India	51.00%	51.00%
TANTIA-TUNDI	Nepal	50.00%	-
TANTIA-PREMCO	India	51.00%	-
TANTIA-OTBL	Bangladesh	50.00%	-

In respect of jointly controlled entity "RBM Tantia JV", the interest in the entity was acquired and held exclusively with a view to its subsequent disposal in the near future. Hence the same was not considered for Consolidation purpose.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 31 CONTINGENT LIABILITIES AND COMMITMENTS

Sl. Particulars	2013-14	2012-13
1. Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹ 1,665 (Previous year ₹ 2,123) are held by banks as margin money against the guarantees given by them in addition to the counter guarantees offered by the company for the total non-fund based limit for Bank guarantee of ₹ 56,075 (Previous Year ₹ 60,000). Total figure as shown above includes ₹ 12,793 (Prev. Yr. ₹ 14,243) relating to Joint Venture.	56,075	60,000
2. Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	4,910	4,204
3. Arrear cumulative Preference dividend payable on declaration	334	213
4. The Company has provided an undertaking to pay in the event of default for loan given by the Banks to its Subsidiaries including fellow Subsidiaries. Outstanding amount of default as on 31st March, 2014 was Nil.		
5. The Income Tax assessment of the Company has been completed upto Assessment Year 2010-11. The Income Tax Department has gone for Appeal before ITAT in connection with Assessment for Assessment Year 2006-07, 2007-08, 2008-09 and 2010-11 which is lying pending. If the ITAT order is passed in favour of the Department the impact of further liability of the Company will be a maximum to the extent of ₹ 1,237.07 lacs. However, based on the facts of the cases, the Company feels that there is sufficient reason to believe that the Appellate Authority will pass orders in favour of the Company and accordingly no provisions has been made.		

Note : 32 CAPITAL AND OTHER COMMITMENTS

- **Capital commitment :**

Capital commitment of the company towards purchase of plant & machinery is Nil (Prev. Yr. Nil)

- **Other Commitment :**

The Company has a commitment towards purchase of Construction Materials for various projects aggregating to ₹ 48.94 (Prev. Yr ₹ 98.65) for which purchase orders have been raised before 31st March 2014.

Note : 33

The Company has not granted any Loans and Advances in the nature of Loan to its Associates and Subsidiaries, hence disclosure under Clause 32 of the Listing Agreement has not been given.

Note : 34

Current tax is determined in respect of taxable income for the year based on applicable tax rates and Laws.

Note : 35

Company is in the process of obtaining balance confirmation from its Debtors and Creditors, adjustment if any, arising out of same will be considered in the subsequent period.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 36

The contract awarded to the Company by the Road Construction Department, Bihar State Government, Patna for development and widening of roads in Patna had been prematurely terminated by the Govt. of Bihar on 30th of April, 2008. The company had taken necessary remedial measure through Honorable High Court of Calcutta. Arbitrator was appointed in the matter to adjudicate the claim filed by the Company and the Arbitrator has since published award in favour of the company which has been contested by the Road Construction Department, Bihar State Government in the court of law. No provision has been made in the accounts as the matter is subjudice.

Note : 37

Disclosure in accordance with Accounting Standard – 7 (Revised 2002) on “Accounting for Construction Contract” issued by The Institute of Chartered Accountants of India is as under :

Particulars	2013-14	2012-13
The amount of contract revenue recognized as revenue in the period	67,122	57,689
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,81,798	1,66,728
The amount of advances received	15,264	13,929
The amount of retentions	4,892	4,534
Gross amount due from customers	28,272	27,802
Gross amount due to customers	-	-

Note : 38

Advance to Nigolice Trading Pvt. Ltd. represents payment towards purchase of Preference Shares of Tantia Agrochemicals Pvt. Ltd. held by them. Pending finalization of terms and conditions as well completion of transfer formalities as on 31.03.2014 the amount has been grouped under advances.

Note : 39

As required by Accounting Standard 15 (Revised) “Employee Benefits” the following table summaries the components of net expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the respective plans.

Particulars	31.03.2014	31.03.2013
Defined Contribution Plan –		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to employees Provident fund -	25	25
Contribution to Employees State Insurance	9	10

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 39 (Contd.)

Reconciliation of opening and closing balances of the present value of the Defined benefit obligation	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Obligation at the period beginning(April 1)	193	169	197	88
Current Service Cost	1	14	55	45
Interest Cost	15	14	17	7
Actuarial (Gain)/Loss	21	(2)	(7)	59
Benefits paid	(11)	(2)	3	(2)
Obligation at the year end (March 31)	219	193	259	197
Change in Plan Assets				
Plan assets at period beginning, at fair value	38	31	–	–
Expected return on plan assets	3	3	–	–
Actuarial (Gain)/Loss	–	–	NA	NA
Contributions	9	6	–	–
Benefits paid	(11)	(2)	–	–
Plan Assets at the year end, at fair value	39	38	–	–
Reconciliation of present value of the obligation and the fair value of plan assets.				
Fair value of plan assets at the end of the year	39	38	–	–
Present value of the defined benefit obligations at the end of the year	219	193	259	197
Liability/(Assets) recognized in the Balance Sheet	180	155	259	197
Cost for the year				
Current service cost	1	14	55	45
Interest cost	15	14	17	7
Expected return on plan assets	(3)	(2)	–	–
Actuarial (gain)/loss	21	(2)	(7)	59
Net Cost recognized in the Statement of Profit and Loss	35	24	65	111
Assumptions used to determine the benefit obligations :				
Interest rate	8.00%	8.00%	8.00%	8.00%
Estimated rate of return on plan assets	8 - 9%	8 - 9%	NA	NA
Expected rate of increase in Salary	3.00%	3.00%	5.00%	5.00%

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 40 SEGMENT INFORMATION

Business Segment The Business Segments have been identified on the basis of the activity undertaken by the Company. Accordingly, the Company has identified the following Segment:

Infrastructure Consists of execution of construction contracts and other infrastructure activities

Ready Material Concrete Consists of producing of Ready Mix Concrete

Information about Business Segment :

		Ready Mix Concrete		Infrastructure		Total	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
(a)	Revenue (Net of Excise Duty & Cess)						
	External Sales	7,470	6,231	63,363	57,053	70,833	63,284
	Internal Segment Sales	–	–	–	–	–	–
	Total Revenue	7,470	6,231	63,363	57,053	70,833	63,284
(b)	Results						
	Segment Results	508	384	8,162	7,832	8,670	8,216
	Unallocated Income (Net of unallocated Expenses)					680	638
	Operating Profit					9,350	8,854
	Finance Cost					8,907	7,625
	Profit before tax					443	1,229
	Tax Expenses					(452)	306
	Adjustment for diminution in value of investment					(49)	1
	Profit after tax					944	922
	OTHER INFORMATION						
(a)	Total Assets						
	Segment Assets	2,495	2,289	1,24,205	1,02,156	1,26,700	1,04,445
	Unallocated Corporate / Other Assets					9,824	5,094
	Total					1,36,524	1,09,539
(b)	Total Liabilities						
	Segment Liabilities	970	969	45,022	26,394	45,992	27,363
	Unallocated Corporate / Other Liabilities					64,015	56,603
	Total					1,10,007	83,966

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

		Ready Mix Concrete		Infrastructure		Total	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
(c)	Capital Expenditure	194	319	7,113	7,383	7,307	7,702
	Unallocated Corporate / Other Assets					–	–
	Total					7,307	7,702
(d)	Depreciation and Amortisation	53	41	1,103	1,222	1,156	1,263
	Unallocated Corporate / Other					–	–
	Total					1,156	1,263
(e)	Non cash expenses other than depreciation included in segment expenses for arriving at Segment Results	–	–	–	–	–	–

Note : 41

Disclosure on Related Party Transactions as per AS 18 on “Related Party Disclosures” issued by The Institute of Chartered Accountants of India :

Related Parties with whom transactions have taken place during the year :

Sl. No.	Nature of Relation	Name of Entity
A.	Associate Companies and Enterprises over which the key management personnel and its relatives are able to exercise significant influence:	Nigolice Trading (P) Ltd. Castal Extrusion Private Limited Andromeda Communications (P) Ltd. Prism Impex Pvt Ltd. Greenzen Bio Pvt Ltd. Tantia Agrochemicals Pvt Ltd.
B.	Key Management Personnel (KMP) :	Sri I. P. Tantia, Chairman & Managing Director Sri B. L. Ajitsaria, Director (Business Development) Sri Rahul Tantia, Director (Operations) Sri Murare Lal Agarwala, Director (Projects) Sri Sandip Bose, Whole-time Director Ms Rohini Sureka, Vice President (Finance & Accounts)
C.	Relatives of Key Management Personnel (KMP) :	Sri Siddhartha Tantia Mrs Laxmi Tantia Sri Harshvardhan Tantia

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Particulars of Transactions during the year:

Nature of Transactions	Year	Fellow / Company / Trust	Key Management Personnel and Relatives	Total
Remuneration Paid/payable	13-14	-	250	250
	12-13	-	238	238
Rent paid	13-14	16	44	60
	12-13	11	46	57
Re-imbursement of expenses	13-14	34	8	42
	12-13	23	8	31
Advances given	13-14	1,478	-	1,478
	12-13	168	6	174
Advances Taken	13-14	-	-	0
	12-13	12	-	12
Refund of Advances given Loan Taken	13-14	515	-	515
	12-13	-	-	0
Interest paid	13-14	1,626	-	1,626
	12-13	-	-	0
Investment in Joint Ventures	13-14	86	-	86
	12-13	-	-	0
Security Deposit Paid	13-14	60	-	60
	12-13	-	-	0
Outstanding balances receivable	13-14	1,153	16	1,169
	12-13	668	27	695
Outstanding balance payable	13-14	1,322	87	1,409
	12-13	16	5	21

Note : 42

The earnings per share (Basic & Diluted, computed as per the requirement under Accounting Standard 20 on "Earnings per Share".

Particulars	2013-14	2012-13
BASIC		
Net Profit after tax for the year attributable for equity shareholders	944	922
Weighted number of shares for EPS computation	1,88,23,066	1,77,22,792
Earnings Per Share	5.01	5.19
DILUTED		
Net Profit after tax for the year	944	922
Adjusted profit after tax for the year available for equity shareholders	944	922
Weighted average number of shares for EPS computation	1,88,23,066	1,77,22,792
Diluted Earnings Per Share	5.01	5.19

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

(₹ in Lakhs)

Note : 43

The Company has reviewed the possibility of any impairment of the fixed Liabilities of the Company in terms of the Accounting Standard AS 28 – “Impairment of Liabilities” as at the Balance Sheet date and is of the opinion that no such provision for impairment is required.

Note : 44

Additional information pursuant to paragraph 4D of part II of Schedule VI to the Companies Act, 1956.

Expenditure / Remittance in Foreign Currency

	2013-14		2012-13	
A. Value of imports calculated on CIF Basis :				
(i) Capital Goods	–	–	–	–
B. Expenditure in foreign currencies:				
(i) Traveling expenses	–	–	–	–
(ii) Consultancy Charges	–	–	–	–
(iii) Interest	–	–	23	–
(iv) Premium on Redemption of FCCB	–	–	533	–
(v) Payment to Subcontractor	897	–	289	–
C. Value of Construction Materials consumed:				
(i) Imported	–	–	–	–
(ii) Indigenous	21,651	100.00%	19,181	100.00%
D. Value of Spare Parts & Components consumed:				
(i) Imported	–	–	–	–
(ii) Indigenous	1,688	100.00%	2,060	100.00%
E. Earnings in foreign currency (on accrual basis)				
Export of goods or services on F.O.B. basis and work bills realized on contracts	–	–	314	–
	–	–	–	–

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2014

Note : 45

Disclosure pertaining to Accounting Standard 29 – “Provisions, Contingent Liabilities and Contingent Assets” issued by The Institute of Chartered Accountants of India are given below.

Particulars	Dividend including Corporate Tax on Dividend (Including Preference shares)	Employee benefits
Balance as on 1.4.2013	42	352
Balance as on 1.4.2012	302	226
Add: Provisions made (2013-14)	–	103
(2012-13)	–	128
Less: Payments (2013-14)	42	16
(2012-13)	260	2
Less: Adjustments (2013-14)	–	–
(2012-13)	–	–
Closing Balance as on 31.03.2014	–	439
Closing Balance as on 31.03.2013	42	352

Note : 46

Previous year’s figure have been re-grouped and rearranged wherever necessary.

Note : 47

‘0’ represents amount less than ₹ 50,000/-.

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2014

I. P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

MD. JAMSHED ALAM

Company Secretary

In compliance with General Circular No. 2/2011 dated February 8, 2011 issued by Ministry of Corporate Affairs(MCA) (₹ in Lakhs)

Name of Company(ies)	Capital	Reserves	Total Assets	Total liabilities	Details of Investment (Except for Investment in Subsidiaries)	Turnover	Profit before Tax	Provision for Taxation	Profit after Taxation	Proposed Dividend
Tantia infrastructure Pvt. Ltd.	404	7,228	7,637	5	7,629	-	(1)	-	(1)	-
Tantia raxaultollway Pvt. Ltd.	382	12,119	24,068	11,567	-	46	0	0	0	-
Tantia Sanjauliparkings Pvt. Ltd.	175	674	2,454	1,605	-	-	-	-	-	-
Tantia Batala- Beas Tollway Pvt. Ltd.	1	-	8	7	-	-	-	-	-	-



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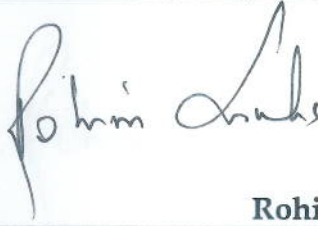



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CIN : L74210WB1964PLC026284
Creating Core Infrastructure
www.tantiagroup.com

FORM A

1.	Name of the Company	Tantia Constructions Limited
2.	Annual financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	• CEO/Managing Director	 Ishwari Prasad Tantia
	• CFO	 Rohini Sureka
	• Auditor of the Company	  S. K. Mustaphi <i>Partner- Konar Mustaphi & Associates</i>
	• Audit Committee Chairman	 Umashankar Agarwal

NOTICE

Notice is hereby given that the Forty-Ninth Annual General Meeting of the Members of **TANTIA CONSTRUCTIONS LIMITED** will be held on Tuesday, September 9, 2014 at 3.00 p.m. at “Bharatiya Bhasha Parishad”, 36A, Shakespeare Sarani, Kolkata - 700 017, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended March 31, 2014, the Balance Sheet (standalone and consolidated) as at March 31, 2014 and the Reports of the Directors' and Auditors' thereon.
2. To appoint Sri Ishwari Prasad Tantia (DIN : 00057004), Chairman and Managing Director, who retires by rotation and being eligible, seeks re-appointment.
3. To appoint Sri Banwari Lal Ajitsaria (DIN : 00053981), Director (Business Development), who retires by rotation and being eligible, seeks re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, and Rules made thereunder and pursuant to the recommendations of Audit Committee of the Board of Directors, M/s Konar Mustaphi & Associates, Chartered Accountants, Kolkata having FRN-314125E be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, subject to ratification by the shareholders annually, at a remuneration of ₹ 8,00,000/- (including Tax Audit Fees of ₹ 1,50,000), plus reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit, certificate fees and all applicable taxes in India, if any.”

SPECIAL BUSINESS

5. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchange(s), Sri Shaleen Khemani (DIN : 00049743), whose period of office was liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company, who shall hold office from the date of this Annual General Meeting till March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of directors by rotation.”
6. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchange(s), Sri Tarun Chaturvedi (DIN : 02309045), who was appointed as an Additional Director of the Company on September 25, 2013 by the Board of Directors under Section 260 of the erstwhile Companies Act, 1956, to hold office upto this Annual General Meeting and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company, who shall hold office from the date of this Annual General Meeting till March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of directors by rotation.”
7. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing

Agreement with the Stock Exchange(s), Sri Umashankar Agarwal (DIN : 00124546), who was appointed as an Additional Director of the Company on February 13, 2014 by the Board of Directors under Section 260 of the erstwhile Companies Act, 1956, to hold office upto this Annual General Meeting and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company, who shall hold office from the date of this Annual General Meeting till March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of directors by rotation.”

8. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchange(s), Mrs. Madhuchhanda Chatterjee (DIN : 02510507), who was appointed as an Additional Director of the Company on February 13, 2014 by the Board of Directors under Section 260 of the erstwhile Companies Act, 1956, to hold office upto this Annual General Meeting and being eligible, offers herself for re-appointment and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013, from a member proposing her candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company, who shall hold office from the date of this Annual General Meeting till March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of directors by rotation.”

9. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with the Stock Exchange(s), Sri Bajrang Lal Tulsian (DIN : 06885029), who was appointed as an Additional Director of the Company on May 30, 2014 by the Board of Directors under Section 161 of the Companies Act, 2013, to hold office upto this Annual General Meeting and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company, who shall hold office from the date of this Annual General Meeting till March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of directors by rotation.”

10. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :

“**RESOLVED THAT** in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956, at the 42nd Annual General Meeting of the Company held on September 3, 2007 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of money, which together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 1,200 Crores (Rupees One Thousand Two Hundred Crores) only.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such money is to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things as they may deem necessary to give effect to the above resolution including but not limited to the appointment of any manager/consultant or any other intermediary in respect of the above offerings and/or to execute all such documents, instruments and writings as may be required.”

11. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee(s) of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, foreign financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other body corporates (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/ foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding ₹ 1,200 Crores (Rupees One Thousand Two Hundred Crores) only together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by

the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements/Loan Agreements/Debtenture Trust Deeds entered/to be entered into by the Company in respect of the said borrowings.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize with the Lending Agencies/Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

12. To consider, and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), as may be amended from time to time, the consent of members be and is hereby accorded to alter the Articles of Association of the Company by deleting the Article No. 94 and replacing in its place the following Article :

94. Subject to the provisions of the Act, the Board may from time to time appoint one or more of their member to be the Managing Director(s) or Whole Time Director(s) and/or Deputy Managing Director of the Company on such terms as they think fit, and subject to the terms of any agreement entered into in any particular case and may from time to time remove any such Managing Director, Whole Time Director or Deputy Managing Director from such office and appoint another or other to his place, and may at their discretion fill-up any vacancy that may occur in such office. However, a Managing Director or Whole Time Director or Deputy Managing Director shall also be liable to retirement by rotation every year. In case he ceases to hold the office of Director, he shall ipso facto and immediately cease to be Managing Director or Whole Time Director or Deputy Managing Director, as the case may be.

By Order of the Board of Directors

Place : Kolkata
Dated : May 30, 2014

Md. Jamshed Alam
Company Secretary

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE VALID AND EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE SCHEDULED TIME OF COMMENCEMENT OF THE AGM.**

A person can act as proxy on behalf of member or members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. **The Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), which sets out details relating to Special Business at the meeting, is annexed hereto.**

3. Corporate Members/Societies intending to send their Authorized Representatives are requested to send a certified copy of the Resolution of the Board of Directors of the Company, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote on their behalf at the said AGM, preferably before 48 hours before the scheduled time of commencement of the AGM for making necessary arrangement(s).

4. Members/Proxy-holders are requested to produce, the attached Attendance Slip duly filled in, at the entrance for admission to the meeting hall. Members who hold shares in dematerialized form are requested to write their Name with Client ID and DP ID and those who hold shares in physical form are requested to write their Name with Folio Number in the attendance slip for the purpose of identification of their membership at the AGM.

5. In case of joint holders attending the AGM, only such joint holder who is first in the order of names will be entitled to vote by show of hands or at poll.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 1, 2014 to Tuesday, September 9, 2014 for the purpose of AGM (both days inclusive).

7. The Audited Accounts of the Company for the year ended March 31, 2014, the Balance Sheet as at that date together with the Report of the Directors' and Auditors' thereon and all other documents annexed to the Balance Sheet, are available for inspection by the Members at the Registered Office of the Company at 25-27, Netaji Subhas Road, Kolkata-700 001 on working days during 11.00 A.M. to 1.00 P.M. upto the date of this AGM. Members of the Company may also note that the Notice calling the 49th AGM and the Annual Report relating to Financial Year 2013-14 will also be available on the Company's website : www.tantiagroup.com for download.

8. Non-Resident Indian Members are requested to inform the Company's RTA immediately of :

a) the change in Residential Status on return to India for permanent settlement, if any.

- b) the particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin Code, if not furnished earlier or intimate changes in the particulars of the Bank Account, if any.
9. Members desirous of obtaining any information/clarification (s) concerning the Audited Accounts of the Company for the financial year ended March 31, 2014 and operations of the Company are requested to send their query at least 10 days prior to the date of AGM to the Company Secretary at the registered office of the Company.
 10. In Compliance with the provisions of the Act, the electronic copy of the Notice calling the 49th AGM of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Notice of the 49th AGM of the Company inter -alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
 11. To comply with the provisions of Section 88 of the Act read with Rule 3 of the Companies (Management and Administration) Rules, 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records. Members are requested to update their e-mail addresses with the concerned Depository Participants (DPs)/Registrar & Share Transfer Agents (RTA)/Company.
 12. In order to support the initiative of Ministry of Corporate Affairs (MCA) 'Green Initiative in Corporate Governance' allowing paperless compliances by the Companies through electronic mode, the Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Members, who have not registered their e-mail addresses with the Company, are requested to register their e-mail addresses with the concerned Depository Participants (DPs)/Registrar and Share Transfer Agents (RTA)/Company for receiving the Report and Accounts, Notices etc. in electronic mode. Even after registering for e-communication, the Shareholders of the Company shall be entitled to receive such communication in physical form, upon request.
 13. Pursuant to provisions of Section 72 of the Act read with Rule 19(1) of the Companies (Share Capital and Debenture Rules), 2014, members can avail of the nomination facility in respect of shares held by them in physical form by submitting their details in Form No. SH-13 as prescribed under the aforesaid Rule to the Company or RTA. A copy of the said Form may be obtained from the Company Secretary at the Registered Office of the Company on written request.
 14. In compliance with the provisions of Section 205A read with Section 205C of the Companies Act, 1956, the Company has transferred Unpaid Dividend relating to the Financial Year 2005-06 amounting to ₹ 88,421/- to the Investor Education and Protection Fund (IEPF) maintained by the Central Government.
 15. Members who have not yet encashed their dividend warrant(s) pertaining to the Dividend for the financial year 2006-07 and onwards are requested to make their claims without any delay to Company. It may be noted that the unclaimed Dividend for the financial year 2006-07 declared on September 3, 2007 can be claimed by the shareholders by September 2, 2014.

16. VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility to the members in relation to the businesses to be transacted at the 49th AGM to be held on Tuesday, September 9, 2014 at 3.00 p.m. at "Bharatiya Bhasha Parishad", 36A, Shakespeare Sarani, Kolkata - 700 017.

The Company has engaged the services of Central Depository Services (India) Ltd. (CDSL) to provide e-voting. The e-voting facility is available at the link www.evotingindia.com vide the EVSN 140806010.

The e-voting facility will be available during the following voting period :

Commencement of e-voting	From : 10.00 a.m. of September 1, 2014
End of e-voting period	Upto : 6.00 p.m. of September 3, 2014

E-voting shall not be allowed beyond 6.00 p.m. of September 3, 2014. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialized form, may cast their votes electronically. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date for the purpose of e-voting i.e. August 1, 2014.

Please read the instructions given herein below for exercising vote.

These details and instructions forms an integral part of the Notice calling 49th AGM of the Company to be held on Tuesday, September 9, 2014.

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the below mentioned instructions to cast their vote through e-voting :

- (i) Log on to the e-voting website www.evotingindia.com during the voting period and click on "Shareholders" tab.
- (ii) Now enter your user ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 alpha numeric DP ID followed by 8 digits client ID). Members holding shares in physical form should enter the Folio Number registered with the Company and then enter the characters as displayed on the screen and click on Login.

(iii) If you are holding shares in Demat form and had logged on to **www.evotingindia.com** and casted your vote earlier for any company, then your existing password is to be used. If you are a first time user, follow the steps given below:

(iv) Now, fill up the following details in the appropriate boxes :

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) : <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 8 Digit Sequence number available on ATTENDANCE SHEET. E.g. if your name is Ramesh Kumar with sequence number 12345678 then enter RA12345678 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company, please enter the Member ID/Folio No. in the Dividend Bank details field as mentioned in instruction no. (ii) above.

(v) After entering these details appropriately, click on "SUBMIT" TAB.

(vi) Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that the password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(viii) Click on EVSN of TANTIA CONSTRUCTIONS LIMITED.

(ix) On the voting page, you will see Resolution description and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "Resolutions File link" if you wish to view the entire set of Resolutions.

(xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click "OK", else to change your vote, click "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also printout the voting done by you by clicking on "Click here to print" option on the Voting page.

(xiv) If you are a Demat account holder and have forgotten your password, enter the User ID and then enter the Characters as displayed and click on Forgot Password & enter the relevant details as promoted by the system.

(xv) Note for Corporate Shareholders :

Corporate Shareholders {i.e. other than individuals, HUF, NRI, Trust (non-registered)} are required to log on to **https://www.evotingindia.com** and register themselves as Corporates.

A scanned copy of the Registration Form bearing the respective Corporate's stamp and duly signed should be e-mailed to **helpdesk.evoting@cdslindia.com**.

- After receiving the login details, they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution in favour of Authorized Person and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xvi) The e-voting period begins on September 1, 2014 (10.00 A.M.) and ends on September 3, 2014 (6.00 P.M.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off-Date of August 1, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions ("FAQ"s) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

(xvii) Sri Mohan Ram Goenka, Practising Company Secretary, Kolkata (FCS No – 4515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in employment of the Company and make a Scrutinizer's Report of the Votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(xviii) The results of e-voting shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company website : www.tantiagroup.com and on the website of CDSL and the same be communicated to the Stock Exchange(s).

Kindly note that once you have casted your vote, you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.

Those members, who do not have access to e-voting facility, if they so desire, may contact Company Secretary of the Company at the Registered Office 25-27, Netaji Subhas Road, Kolkata - 700 001 for assistance in casting the votes. Outstation members may call 033 2230 1896/6284 or e-mail to cs@tantiagroup.com for any guidance.

17. Information relating to Directors seeking appointment/re-appointment at the 49th AGM as required under Clause 49 of the Listing Agreement with the Stock Exchange(s) forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS AT ITEM NO. 5 TO 12 OF THE NOTICE DATED MAY 30, 2014 SETS OUT ALL MATERIAL FACTS AS REQUIRED IS ANNEXED AND FORMS PART OF THE NOTICE

Item Nos. 5-9

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, with respect to appointment and tenure of Independent Directors which came into effect from April 1, 2014, Independent Directors shall be appointed for not more than two terms of five consecutive years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

The Board of Directors of the Company have decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement.

Accordingly, Sri Shaleen Khemani (DIN-00049743), Independent Director, Sri Umashankar Agarwal (DIN-00124546), Sri Tarun Chaturvedi (DIN-02309045), Sri Bajrang Lal Tulsian (DIN-06885029) and Mrs. Madhuchhanda Chatterjee (DIN-02510507), Additional Directors (Independent Category) are proposed to be appointed as Independent Directors of the Company by the shareholders of the Company at the 49th AGM of the Company for a term upto March 31, 2019 and whose offices shall not, henceforth, be liable to retire by rotation. Notices have been received from members proposing their candidature for the office of Directors of the Company under Section 160 of the Companies Act, 2013, alongwith the deposit of requisite amount as required under the aforesaid Section.

The above mentioned Directors are not disqualified from being appointed as Director in terms Section 164 of the Act. The Company has received the consent to act as Director and requisite Form from them, confirming their eligibility for such appointment.

In the opinion of the Board, all the above Independent Directors fulfil the conditions of being independent as specified in the Companies Act, 2013 and rules made thereunder and under the Listing Agreement with the Stock Exchange(s), for their re-appointment as Independent Directors of the Company. Copy of the draft letters for appointment of all the above persons as Independent Directors would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of all the above Independent Directors. Accordingly, the Board recommends the resolutions in relation to appointment of all the above persons as Independent Directors, for approval by the Shareholders of the Company. A brief profile of proposed Independent Directors, including nature of their expertise, is provided as Annexure to the Notice.

Your Directors seek your approval to the Resolution(s) as set out at Item Nos. 5 to 9.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolution(s) set out at Item Nos. 5 to 9.

Item No. 10

The members of the Company at the 42nd Annual General Meeting held on September 3, 2007, had accorded their consent to the Board of Directors by way of an Ordinary Resolution for borrowings up to ₹ 600 Crores (Rupees Six Hundred Crores) only under Section 293(1)(d) of the Companies Act, 1956.

The members may kindly note that as per provisions of Section 180(1)(c) of the Companies Act, 2013, which was notified on September 12, 2013, the Board can exercise borrowings powers only with the consent of the Members of the Company by way of a Special Resolution, unlike Ordinary Resolution as required under the provisions of Section 293(1)(d) of the erstwhile Companies Act, 1956. Based on the clarification issued by MCA vide General Circular no. 04/2014 dated March 25, 2014, the resolution(s) passed under Section 293 of the Companies Act, 1956 prior to September 12, 2013 with reference to borrowings of the Company will be regarded as sufficient compliance of the requirement of Section 180 of the Act, for a period of one year from date of notification of Section 180.

Now, considering the requirement of fund due to increase in volume of work and keeping in mind the current order book position, the Board of Directors of the Company feels that existing limit be increased to ₹ 1,200 Crores (Rupees One Thousand Two Hundred Crores) only.

Therefore, in order to comply with the provisions of the newly enacted Companies Act, 2013, it was required to take fresh approval from the members of the Company by way of Special Resolution for enabling Board to exercise the Powers to borrow any sums of money from time to time as they deem fit for the purpose of carrying on the business of the Company, so however, that the total borrowing outstanding shall not exceed ₹ 1,200 Crores (Rupees One Thousand Two Hundred Crores) only at any point of time.

Your Directors seek your approval to the Resolution(s) as set out at Item No. 10.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at Item No. 10 except to the extent that is proposed to authorise them to borrow monies as stated in the Resolution.

Item No. 11

In order to secure the borrowings made by the Company by suitable mortgage/charge on all or any of the moveable and/or immovable properties of the Company, the Board of Directors of the Company be authorized to secure the borrowings by creation of security on the Company's assets for an amount not exceeding ₹ 1,200 Crores (Rupees One Thousand Two Hundred Crores) only.

The members may kindly note that as per provisions of Section 180(1)(a) of the Companies Act, 2013 which was notified on September 12, 2013, the Board can provide mortgage/charge on all or any of the moveable and/or immovable properties of the Company only with the consent of the Members of the Company by way of a Special Resolution, unlike Ordinary Resolution as required under the provisions of Section 293(1)(a) of the erstwhile Companies Act, 1956.

Your Directors seek your approval to the Resolution(s) as set out at Item No. 11.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at Item No. 11 except to the extent that it is proposed to authorise them to mortgage and/or create charge etc. as stated in the Resolution.

Item No. 12

With the promulgation of the Companies Act, 2013, together with various schedules thereto and rules made thereunder (collectively referred as "Act"), in replacement of the Companies Act, 1956, it has become necessary to alter the existing Article no. 94 so as to have the effect of bringing it in consonance with the provisions of the Act to the extent they are repugnant to and/or at variance with the provisions thereof, with reference to the provisions of the Companies Act, 1956, being deemed to be and read as reference to corresponding section of the Act, wherever appearing.

Pursuant to Section 149 of the Companies Act, 2013, the independent directors are not liable to retire by rotation. Further, Section 152 (6) stipulates that 2/3rd of the total number of directors of the public company should be liable to retire by rotation and out of such directors, 1/3rd should retire by rotation at every AGM of the Company.

In order to comply with the provisions of the Companies Act, 2013, the Company has to modify the relevant articles of its Articles of Association, which restrict the retirement of Managing Director/Whole Time Directors/Deputy Managing Director by rotation. Accordingly, Article 94 is proposed to be amended to provide that Managing Director/Whole Time Directors/Deputy Managing Director will also be liable to retire by rotation (save as otherwise provided in a contract in terms of provisions of the Act or Rules made hereunder or in a Resolution passed by Board or Shareholders of the Company).

Your Directors seek your approval to the Resolution(s) as set out at Item No. 12.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at Item No. 12.

By Order of the Board of Directors

Place : Kolkata
Dated : May 30, 2014

Md. Jamshed Alam
Company Secretary

Annexure to the Notice

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 49TH AGM

[Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange(s)]

Name of Director(s)	Sri Ishwari Prasad Tanitha	Sri Banwari Lal Ajitsaria	Sri Shaleen Khemani	Sri Umashankar Agarwal	Sri Tarun Chaturvedi	Mrs. Madhuchhanda Chatterjee	Sri Bajrang Lal Tulsian
Date of Birth	13/03/1951	27/05/1954	19/05/1966	09/01/1958	10/12/1971	15/08/1952	20/08/1938
Date of Appointment	1/4/2013	1/4/2013	30/10/2006	13/02/2014	25/09/2013	13/02/2014	30/05/2014
Qualification(s)	B.E. (Civil)	Graduate	Graduate	Chartered Accountant, DISA	Chartered Accountant	PhD in Drama, MA in English	M.Com, LLB
Expertise in Specific Functional Areas	Civil Engineering & Infrastructure Sector	Business Development	Real Estate & Construction	Accounts, Taxation and Finance	Taxation, Fiscal Regulations and FEMA	HR, CSR and Administration	Taxation and Legal
List of companies in which outside Directorship held	None	Time Polyplast Private Limited	Park Chambers Limited Farguson Investments Limited Allied Properties & Developers Private Limited Multi Agro Private Limited Black Diamond Vyapaar Private Limited H M Tie-Up Private Limited Parag Combs Limited Calendula Vanijiya Private Limited Neelkamal Transport Private Limited Shivsathi Niketan Limited New Age Blocks Private Limited Kasturi Iron & Minerals Private Limited	Royal Infraconstru Limited	J K Technosoft Limited EDCL Power Projects Limited Ayyappa Hydro Power Limited Nutrindia Foods Private Limited Energy Development Company Limited EDCL - Seppa Riang Power Private Limited EDCL - Seppa Kawa Power Private Limited EDCL - Seppa Jung Power Private Limited Capetown Trading Company Private Limited EDCL - Seppa Lada Hydro Electric Private Limited EDCL - Seppa Nire Hydro Electric Private Limited EDCL - Seppa Beyong Hydro Electric Private Limited EDCL - Seppa Dunkho Hydro Electric Private Limited EDCL - Seppa Marjingla Hydro Electric Private Limited	Karisma Goods Private Limited	None
Chairman/Member of the Committee(s) of the Board of other Companies in which he/she is a Director	None	None	None	Chairman, Audit Committee Royal Infraconstru Limited	Member, Audit Committee Energy Development Company Limited	None	None
Detail of Shareholding(s) (Both own or held by/ for other persons on a beneficial basis), if any, in the Company.	Equity - 9,48,976	199	Nil	Nil	Nil	Nil	Nil
Inter-se relationship with any other Director(s) of the Company	He is the father of Sri Rahul Tanitha, Director (Operations) of the Company.	Not related to any other Director of the Company.	Not related to any other Director of the Company.	Not related to any other Director of the Company.	Not related to any other Director of the Company.	Not related to any other Director of the Company.	Not related to any other Director of the Company.

ATTENDANCE SLIP



CIN: L74210WB1964PLC026284
Registered Office: 25-27, Netaji Subhas Road, Kolkata – 700 001
Phone: +9133 22301896/6284, Fax: +9133 22307403
Email: cs@tantiagroup.com, Website: www.tantiagroup.com

Name :
Address :

Serial No.:
Share Holding :

Name(s) of Joint Holder(s), if any :
Folio/DP ID & Client ID No. :

I/We hereby record my/our presence at the 49th Annual General Meeting of the Company at “Bharatiya Bhasha Parishad”, 36A, Shakespeare Sarani, Kolkata – 700017 on Tuesday, the September 9, 2014 at 3.00 p.m.

.....
Name of Member/Proxy (in Block Letters) Signature of Member/Proxy Present
Please cut here and bring the Attendance Slip duly signed, to the meeting and hand it over at the entrance. Duplicate slips will not be issued at the venue of the Meeting.

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	User ID	PASSWORD / PIN

Please refer to the AGM Notice for e-voting instructions

PROXY FORM



CIN: L74210WB1964PLC026284
Registered Office: 25-27, Netaji Subhas Road, Kolkata – 700 001
Phone: +9133 22301896/6284, Fax: +9133 22307403
Email: cs@tantiagroup.com, Website: www.tantiagroup.com

49TH ANNUAL GENERAL MEETING ON TUESDAY, SEPTEMBER 9, 2014 AT 3.00 P.M.

I/We, being the member(s), holding.....shares of Tantia Constructions Limited hereby appoint :

(1) Name Address
E-mail Id.....Signature.....or failing him/her

(2) Name Address
E-mail Id.....Signature.....or failing him/her

(3) Name..... Address
E-mail Id.....Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **49th Annual General Meeting** of the Company, to be held on **Tuesday, September 9, 2014 at 3.00 p.m.** at “Bharatiya Bhasha Parishad”, 36A, Shakespeare Sarani, Kolkata - 700017 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolutions
Ordinary Business	
1.	Consider and adopt the Statement of Profit and Loss for the year ended March 31, 2014, the Balance Sheet (stand alone and consolidated) as at that date and the Reports of the Directors and Auditors thereon.
2.	Appoint Sri Ishwari Prasad Tantia (DIN: 00057004), Chairman & Managing Director, who retires by rotation and being eligible, seeks re-appointment.
3.	Appoint Sri Banwari Lal Ajitsaria (DIN: 00053981), Director (Business Development), who retires by rotation and being eligible, seeks re-appointment.
4.	Appoint Statutory Auditors and to fix their remuneration.
Special Business	
5.	Appointment of Sri Shaleen Khemani (DIN: 00049743) as an Independent Director of the Company.
6.	Appointment of Sri Tarun Chaturvedi (DIN: 02309045) as an Independent Director of the Company.
7.	Appointment of Sri Umashankar Agarwal (DIN: 00124546) as an Independent Director of the Company.
8.	Appointment of Mrs. Madhuchhanda Chatterjee (DIN: 02510507) as an Independent Director of the Company.
9.	Appointment of Sri Bajrang Lal Tulsian (DIN: 06885029) as an Independent Director of the Company.
10.	Authorize Board of Directors under Section 180(c) of the Companies Act, 2013, for borrowing an amount not exceeding ₹1,200 Crore.
11.	Authorize Board of Directors under Section 180(a) for creation of charge on movable and immovable properties of the Company, both present and future
12.	Approve change of Article 94 of the Articles of Association of the Company.

Signed thisday of2014

Member's Folio /DP ID & Client ID No.....Signature of Member (s).....

Signature of Proxy holder(s).....

Affix Revenue Stamp ₹ 1/-

Note :

- 1. A Proxy need not be a member of the Company.*
- 2. The Proxy, in order to be effective, should be duly stamped, signed and completed and must be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time of commencement of AGM.*
- 3. A person can act as a proxy on behalf of member not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.*
- 4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.*