

ACTIVE PRESENT PROACTIVE FUTURE

Tantia
CONSTRUCTIONS
LIMITED



Annual Report 2012-13

CORPORATE INFORMATION

BOARD OF DIRECTORS

Sri Ishwari Prasad Tantia
Chairman & Managing Director

Sri Banwari Lal Ajitsaria
Director (Business Development)

Sri Rahul Tantia
Director (Operations)

Sri Murare Lal Agarwal
Director (Projects)

Sri Sandip Bose
Whole-time Director

Sri Uday Sankar Roy
Independent, Non-Executive Director

Sri Mahabir Prasad Agrawal
Independent, Non-Executive Director

Sri Umashankar Agarwal
Independent, Non-Executive Director

Sri Himangsu Sekhar Sinha
Independent, Non-Executive Director

Sri Parimal Kumar Chattaraj
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 & Associates
Chartered Accountants
FRN-314125E
P-113, CIT Road, Kolkata - 700 014

INTERNAL AUDITORS

L. B. Jha & Co.
Ghosh & Associates
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 1896/7300/6284
Fax : +91 33 2230 7403
E-mail : cs@tantiagropup.com

CORPORATE OFFICE

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

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TANTIA CONSTRUCTIONS LIMITED

is a leading Indian construction company employing around 550 people. The Company's comprehensive construction, infrastructure and engineering services provide clients with innovative and cost-effective solutions throughout the infrastructure project lifecycle. Leveraging long-term trusted partnerships, the Company's expertise has enabled it to capitalise an income from operations of ₹ 639.20 Crores and EBIDTA crossing the ₹ 100 Crores mark for the first time, in 2012-13.

ACTIVE PRESENT



Tantia Constructions have delivered a resilient performance against a backdrop of demanding and challenging market conditions through its overarching philosophy of embracing an active present for ensuring a proactive future.

The Company's results are testament to its focused approach to business, underpinned by its relentless focus on quality and process, led by its dynamic team of professionals who ensure a creative and innovative approach to projects.

PROACTIVE FUTURE



Market dynamics, 2012-13

- Overall market continued to remain challenging due to the backdrop of lower GDP growth of 5% during the year under review.
- Weak macroeconomic environment driven by high interest rates and ensuing fund-raising challenges, resulting in relatively slow movement of projects.
- Persistence of project-related bottlenecks in terms of land acquisition and rehabilitation issues and regulatory and policy hurdles.
- Future remains optimistic on the back of renewed focus on infrastructure through proposed investments of USD 1.3 trillion for the Twelfth Five-Year Plan.

Our performance, 2012-13

- Bagged over ₹ 659.11 Crores order in a single tender, one of the highest such singular order accretions in our history.
- Awarded 12 prestigious contracts during the year with our highest year-end order book of ₹ 3,694.14 Crores (up from ₹ 3,209.90 Crores in 2011-12).
- Commissioned a RMC (ready-mix concrete) plant in Bhubaneswar (Odisha) with a production capacity of 23 m3 per hour.
- Entered into various joint venture partnerships.
- Augmented our financials through the successful redemption of outstanding FCCBs.

NUMBERS THAT MATTER





Corporate strengths

- Strong operational performance and high customer-centricity.
- Multi-sector flexibility.
- Turnkey project management capabilities.
- Onsite efficiencies to minimise working capital.
- Dynamic people with rich construction skills and expertise.
- Financial prudence.
- Scale and cost base benefits.
- Steadfast focus on health, safety, environment and sustainability.

**INCOME
FROM OPERATIONS**
₹ **639.20** Crores
(2011-12: ₹ 626.13 crores)

NET PROFIT
₹ **9.39** Crores
(2011-12: ₹ 8.77 Crores)

EBIDTA
₹ **100.04** crores
(2011-12: ₹ 99.98 Crores)

GROSS BLOCK
₹ **178.74** Crores
(2011-12: ₹ 167.52 Crores)

ORDER BOOK
₹ **3,694.14** Crores
(2011-12: ₹ 3,209.90 Crores)

CHAIRMAN'S MESSAGE



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“Our strategy to maintain our construction market position and grow our project pipeline will allow us to capitalize the opportunities that exist across the world”

Dear Shareholders,

The infrastructure sector plays a critical role in boosting the overall economy in terms of supporting growth and job creation, which can lead to improved health and education and the creation of a stronger societal fabric. A 2013 McKinsey Report states that an increase in infrastructure investment equivalent to 1% of GDP can translate into an additional 3.4 million direct and indirect jobs in India. Interestingly, the report has also mentioned that a one percentage point increase in the electrification rate in Assam has resulted in a 0.17% point improvement in the literacy rate and upgrading water and sanitation in a slum in Ahmedabad has reduced health insurance claims by more than 50%.

Recognizing the importance of the sector, India's construction and infrastructure industry has been benefited by substantially higher investments in successive Five Year Plans. The government's Twelfth Five Year Plan paper has indicated infrastructural investments to the tune of USD 1 trillion. Being at the cusp of the Twelfth Five Year Plan, what we have achieved during the Eleventh Plan period will enable us to gather momentum and ride into the new Plan period with confidence and optimism.



Achieving success in today's market means staying focused on what we do best within the sectors we know well. We define success in a number of ways, from achieving quality margins and growing the business profitably through, to being nominated as a preferred partner of choice among our customers, forging strategic partnerships and being considered as responsible and forward-thinking group.

For a number of years, our goal has been to create leading positions in our chosen sectors and we continue to make significant progress towards that goal. We measure our performance by the quality of our EBIDTA margins (which stood at a healthy 15.65% in 2012-13) and the quality of our projects (bagged 12 reputed projects during 2012-13 with a year close order book of ₹ 3,694.14 Crores) and we achieved a premium by providing our clients with outstanding project management skills and engineering services.

In 2012-13, we have achieved success through winning key construction opportunities in several growth areas of the market comprising urban, transportation, railway, sewerage & drainage and other infrastructure projects. The largest of them comprises of a ₹ 659.11 Crores drainage construction and rehabilitation contract in the State of Odisha. We also established a modern and large-capacity RMC facility in Odisha towards ensuring raw material resource security.

Anchored with a vision of building a stronger nation, your company is emerging as a major participant in the growth process through reinforcing its sectoral presence, enriching its service bouquet, strengthening customer service

through scheduled and cost-effective completion and upholding high standards of governance.

Going into the future, our strategic focus is to develop our market position across our construction and engineering activities and to use the cash generated from these operations to invest in, and grow our business. We continue to broaden our capabilities and widen our services to our clients through an innate ability to deliver large-scale and complex projects, strengthening our potential for revenue growth.

Looking forward, we recognise that market challenges and risks remain and will continue to impact the year ahead but we believe that the medium and long-term outlook continues to remain bright and promising.

At Tantia Constructions, we have positioned the enterprise to remain agile and proactive to opportunities, even as we continue to closely monitor our cost base, shape the divisions and tailor the way we work to respond to changes in the market.

I thank you for your continued patronage and look forward to continue to drive the value of our association.

With my best wishes,

Ishwari Prasad Tantia
Chairman & Managing Director



**AT TANTIA CONSTRUCTIONS THE SUCCESS
OF OUR ENTERPRISE IS EVIDENT IN THE
ORDER BOOK GROWTH OF OVER
15% IN A TOUGH 2012-13**

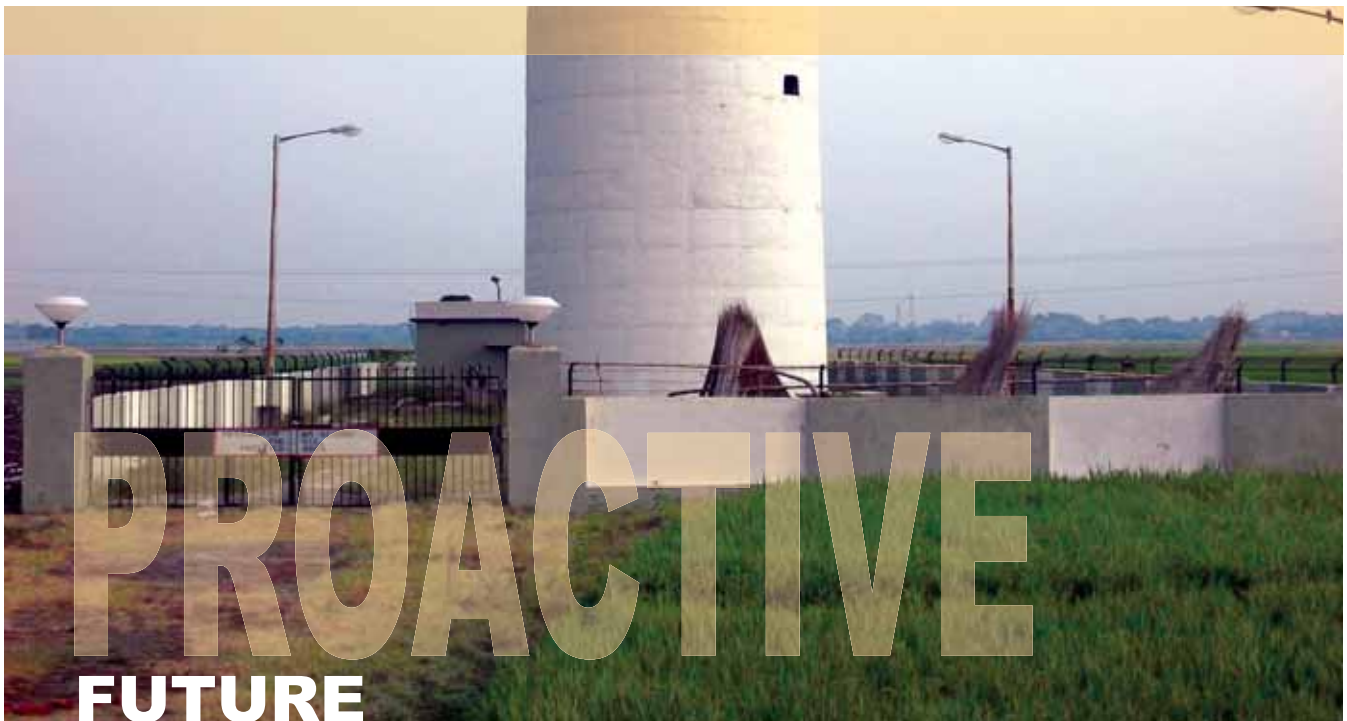
PROACTIVE FUTURE



- At Tantia Constructions, we are engaged in comprehensive project scrutiny and creating strategic alliances, resulting in robust predetermined IRRs.
- We bagged 12 contracts during the course of 2012-13 including winning our single-largest order of ₹ 659.11 Crores comprising construction and rehabilitation of drainage facilities in Cuttack (Odisha).
- Some of the other projects bagged include integrated civil, electrical, mechanical and allied works for piped water supply in Bankura (West Bengal) and subsequent operation and maintenance for five years; earthwork and other ancillary works in between Bandel and Talandu (West Bengal), construction of embankment, side drains and retaining walls bridges (minor and major) etc, and other ancillary works for the constructions of new broad gauge railway line from Jogbani to Biratnagar (Nepal) and supplying & laying of distribution network's in Kohima, Nagaland.



AT TANTIA CONSTRUCTIONS, STRATEGIC PROJECT SELECTION HAS ENABLED US TO REPORT ONE OF THE INDUSTRY'S HIGHEST EBIDTA MARGINS AT 15.65% IN 2012-13



- At Tantia Constructions, we consolidate critical functions with a view to create a streamlined, agile and opportunity-centric organisational structure in addition to optimizing costs.
- Our close association with customers enables us to incorporate the best construction practices and use superior technologies, resulting in the creation of a showcase portfolio and repeat customer business.
- We are forging multiple alliances and joint ventures towards enhancing our presence in certain infrastructural sectors and enriching the value of our organisation.



ACTIVE
PRESENT



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AT TANTIA CONSTRUCTIONS, OUR FOCUS ON CREATING A FUTURE-READY ORGANISATION IS REFLECTED IN A CONTEMPORARY TANGIBLE ASSET BASE OF OVER ₹ 115 CRORES AT THE CLOSE OF 2012-13

PROACTIVE FUTURE



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- At Tantia Constructions, we are comprehensively involved across three business divisions - transport infrastructure, urban infrastructure and steel & concrete projects, reflecting our diverse competence basket and enabling us to mitigate sectoral risks.
- We engaged in re-skilling activities and refreshing our talent pool, creating internal capacities for higher intake of projects.
- At present we have equipped ourselves with 4 RMC Plants.

MANAGEMENT REVIEW OF OUR BUSINESS

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"Despite a weak macroeconomic environment, we were able to report growth across most of our key financials, reinforcing the strength our business model across market cycles."



Key highlights of 2012-13...

We reported five big positives of the year, which comprised:

- Our successful ability to bid for and bag 12 projects in a virtually stagnant market with our highest single-order accretion of ₹ 659.11 Crores and a year-end order book of ₹ 3,694.14 Crores, representing almost five years of revenue visibility on 2012-13 income.
- Our focus on execution to liquidate work faster amounting to growth in turnover to ₹ 639.20 Crores.
- Our EBIDTA crossing ₹ 100 Crores for the first time in our history.
- Our net profit growth to ₹ 9.39 Crores, up from ₹ 8.77 Crores in 2011-12.
- Our ability to successfully redeem USD 2,500 of ₹ 1,000 each worth of outstanding FCCBs.

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Our ability to complete projects on schedule...

All our efforts are directed towards revisiting our processes and refining them, reviewing our cost structures and aligning manpower with the business in hand while at the same time engaging in re-skilling to refresh talent. The result of all these initiatives is the fact that we have not only been able to report growth in our topline but also built in capacities and capabilities to take up more contracts.

Our order book status...

Our order book at the close of the financial year stood at ₹ 3,694.14 Crores with a large percentage of the project accretion happening across the urban infrastructure, railways and sewerage and drainage infrastructure spaces. It is important for us to mention that our order book reflects fast-moving contracts, representing a transparent conversion prospect into our topline.

Optimizing capital requirements in the business...

Better stronger relationships with our clients has ensured a tight control on our debtor's and working capital cycles, liberating cash from the system and strengthening our financial model. We also successfully redeemed our FCCBs.

Focused on creating shareholder value...

We are reinforcing our business and will be ready to capitalise on the USD 1.3 trillion worth of infrastructural investments lined up during the Twelfth Plan. This will help us progressively grow the value of our business and create value for our shareholders.



Managing Risks

Overview

Robust risk management and internal control provides competitive advantage and enhances productivity. The Company's risk management framework is defined in three main areas:

Business operations - Implementation of sound risk management practices every day:

Tantia Constructions continues to maintain and improve its comprehensive risk management programme, which is designed to ensure that significant and emerging risks are identified, assessed and managed effectively.

Independent assurance :

Independent assurance teams check that corporate policies and procedures to manage risk have been defined and implemented.

The Board and its Committees - strategic direction and control of the Company :

The Board manages risk through strategic planning and performance monitoring processes. It reviews strategic plans and objectives annually and approves budgets and strategies.

Risk Management

Inherent risk and trend:

Market conditions

Definition: Factors influencing this risk include -

- GDP growth.
- Consumer confidence.
- Availability of credit with the right financing model.
- Level of government initiatives to stimulate economic activity.
- Inflation.

Mitigation: Market conditions are considered in detail during the strategic planning process, which includes forecasting and budgeting relating to the current economic environment. Performance is constantly monitored through reviews with each business. An order book of ₹ 3,694.14 Crores in 2012-13, despite a challenging and weak macroeconomic environment.

Inherent risk and trend:

Capital expenditure and return on investment

Definition: A core element of the Company's strategy is a focus on growth through swifter work completion and stronger cost controls. An inability to achieve this can freeze cash flow cycles and impact returns on investment.

Mitigation: Key initiatives include -

- Stronger client relationships enable faster liquidation of invoices and better working capital management.
- Strong cash profit generation (cash profit of ₹ 22 Crores, up from ₹ 20.11 Crores in 2011-12).
- Despite a challenging year, we reported a respectable return on capital employed in 2012-13.

Inherent risk and trend:

Competitive pressures on margins

Definition: Current market conditions have further increased competition and competitive pressures during the year under review which, if not mitigated, could lead to downward pressure on incomes and margins.

Mitigation: Initiatives undertaken by the Company include -

- Creating a wide basket of infrastructural services completed by integrated and turnkey project management expertise.
- Maintaining focus on margin-accretive projects, resulting in a year-end EBIDTA margin of 15.65%.
- Engaging in continual manpower re-skilling to ensure quicker and cost-effective completion of project phases.
- Creating a wider geographic footprint.

Inherent risk and trend:

Liquidity and funding risks

Definition: There are risks relating to the Company's ability to maintain sufficient working capital with the probable increase in bad debts.

Mitigation: Key initiatives include -

- Strong working capital management practices with several open lines to obtain these funds from banks
- Strong Balance Sheet, enabling comfortable fund mobilization, if required.
- Strong liquidity with reserves and surplus position of ₹ 172.35 Crores as on March 31, 2013.

FOCUSED PORTFOLIO IN HIGH-GROWTH SECTORS

Projects (Completed)

Construction of road under bridge at Railway Crossing No. 7 between Shalimar Bagh and Azadpur Fruit Mandi in Delhi worth around ₹ 57 Crores.

Compaction in railway embankment, approach road, back filling of platform wall and other miscellaneous works from Haripal Station to Tarakeshwar Station worth around ₹ 16.67 Crores.

Construction of Sewerage & Drainage for Borough VII including House Connection Lot 2 worth around ₹56.26 Crores.

Construction of left turning north bound off ramp at Beck Bagan Crossing from AJC Bose Road Flyover worth around ₹ 33.64 Crores.

Construction of the foundation and substructure of the second bridge across the river Gandok, construction of major approach bridges worth around ₹ 39.57 Crores.



(₹ in Crores)

Business segment	Number of new projects bagged	Revenue (2012-13)	Proportion of total revenues (%)	Order book as on 31 March 2013
Transport	3	358.66	56.11	1,863.27
Urban Development	9	244.98	38.32	1,748.20
Others	—	35.56	5.57	82.67
Total	12	639.20	100.00	3,694.14

Projects (nearing completion)

Construction of Sewerage & Drainage for Borough XV including House Connection worth around ₹ 105.95 Crores.

Construction Damodar in Bowichandi - Khana section of BDR Gauge Conversion Project of SE Railway worth around ₹ 62.72 Crores.

Construction of 1.80 Kms long tunnel on realigned path and carrying out reprofiling work in balance length of existing Tunnel no. 1 including blanketing, earthwork, and construction of side drain etc, in zone E-2 between Tunnel no. 1 Katra end to Road Over Bridge Sambal on Udampur - Katra in connection with Udampur - Srinagar - Baramulla Rail Link worth around ₹ 95.74 Crores.

Civil & Structural Works of ECU unit for Brahamaputra Petrochemical Complex of M/s Brahamaputra Cracker & Polymer Ltd. at Lepetkata, Assam worth around ₹ 56.18 Crores.

Development of State Highways in the State of Bihar under (RSVY) Package No. 16A, Rohtas worth around ₹ 113.45 Crores.

Construction New Bridge No. 26, Bridge No. 27 & Bridge No. 28 over Tilaiya Reservoir between Koderma & Hazaribagh in connection with new BG Rail line between Koderma & Ranchi worth around ₹ 35.24 Crores.



GIVING BACK TO THE COMMUNITY



Corporate Social Responsibility is at the heart of Tantia Constructions business values and we recognise that many of our stakeholders, from site neighbours and employees through to customers and investors, have rising expectations of our social responsibility commitment and performance.

While each of our business values has a corporate responsibility context, it is our value of integrity, which guides us to maintain the highest ethical standards wherever we operate. We ensure the health and safety of all our people and minimise our impact on the environment through which we bring corporate social responsibility into our day-to-day business operations.

There is already a great deal of valuable activity being undertaken within all of our businesses and across our construction sites. However, we have identified and agreed to the need to do more and do so in a more focused manner, as we strive to become the best-in-class standard for all of our activities.

Environmental management is an important area of focus for the Group. We recognise that we have an environmental impact through our use of raw materials resources and our processes and practices. We continually seek to improve in all aspects of our environmental management and regard compliance with environmental regulation as the minimum standard to be achieved.

Our CSR guiding posts

- **We act with integrity:** We conduct all our activities with fairness, honesty and integrity.
- **We drive for results and improvement:** We listen and respond to the needs of our customers; we are not happy with the status-quo and strive to achieve improvement across all our business parameters.
- **We value our people:** We understand, respect and value personal and cultural differences; we are open and honest in all our dealings with our people.

Secretarial & Financial Sections



REPORT OF THE BOARD OF DIRECTORS

For the year ended March 31, 2013



Dear Shareholders,

Your Directors have pleasure in presenting their report as a part of 48th Annual Report, along with the Audited Accounts of the Company for the year ended March 31, 2013.

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FINANCIAL RESULTS

The salient features of the Company's financial results for the year ended March 31, 2013 on standalone and consolidated basis have been as follows :

(₹ in Lakhs)

PERFORMANCE	STANDALONE		CONSOLIDATED	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Revenue from Operations	63,920	62,613	63,284	58,886
Operating Profit (Before Interest, Depreciation and Taxation)	10,004	9,998	10,117	9,462
Less : Financial Cost	7,605	7,246	7,625	7,272
Profit Before Depreciation and Taxation	2,399	2,752	2,492	2,190
Less : Depreciation	1,261	1,134	1,263	1,134
Less : Diminution in value of investment	—	—	1	7
Profit Before Taxation (PBT)	1,138	1,618	1,228	1,049
Add : Profit from Joint Venture (Net of Tax)	92	(151)	—	—
Less : Provision for Taxation	291	590	306	596
Add : Pre-acquisition profit/ loss	—	—	—	—
Profit After Taxation (PAT)	939	877	922	453
Profit Brought Forward	8,014	7,539	7,549	7,497
Profit Available for Appropriation				
Appropriations				
Transfer to General Reserve	—	100	—	100
Dividend on Cumulative Preference Shares	—	1	—	1
Proposed Dividend on Equity Shares	—	258	—	258
Dividend Tax on Proposed Dividend	—	43	—	42
Balance Carried Forward	8,953	8,014	8,471	7,549

Report of the Board of Directors

OPERATIONAL PERFORMANCE

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

ORDER BOOK POSITION AS ON MARCH 31, 2013

The total order book position as on March 31, 2013 was ₹ 3,69,414 Lakh.

DIVIDEND

During the year under review, the Board of Directors of the Company at their Meeting held on May 30, 2013 did not recommend payment of Dividend with a view to conserve the resources for future development of the Company.

SUBSIDIARY COMPANY(IES)

During the year under review, your Company is having 4 (Four) Subsidiary Company(ies) namely - Tantia Sanjauliparkings Private Limited, Tantia Infrastructure Private Limited, Tantia Batala-Beas Tollway Private Limited and Tantia Raxaultollway Private Limited, out of which first 3 (three) are Wholly-Owned Subsidiary Company(ies).

In Compliance with General Circular No. 2/2011 dated February 8, 2011, issued by the Ministry of Corporate Affairs (MCA), Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the Subsidiary Company(ies) 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 Member/Investor at the Registered Office of the Company at 25-27, Netaji Subhas Road, Kolkata- 700001 and that of concerned Subsidiary Company(ies) and the hard copy of the same would be provided to any Member/Investor 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.

A statement pursuant to Section 212(3) of the Companies Act, 1956 regarding extent of interest of the holding Company in its Subsidiary Company(ies), is attached herewith as Annexure to this 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 Ministry of Corporate Affairs (MCA), Government of India and Clause 32 of the Listing Agreement with Stock Exchange(s), the Company has prepared its Consolidated Financial Statements and the same has been duly audited by the Statutory Auditors of the Company M/s. Konar Mustaphi & Associates, Chartered Accountants. The Consolidated Financial Statements and Auditors' Reports on the same are enclosed with the accounts and forms part of this Annual Report.

CONVERSION OF CONVERTIBLE WARRANT(S) INTO EQUITY SHARES

During the year 2011-12, the Company had allotted 24,50,000 Convertible Warrant(s) to the Promoters/ Promoter Group Companies on Private Placement/ Preferential Basis which was duly approved by the shareholders' through Postal Ballot, the Results of which were declared on March 9, 2011.

Out of total allotted 24,50,000 Convertible Warrant(s), the Board of Directors of the Company at their Meeting held on February 13, 2012 allotted 8,50,000 Equity Shares to the Promoters/Promoter Group Companies pursuant to conversion of equivalent number of Warrant(s). During the year under review, the Committee of Directors of the Company at their Meeting held on December 8, 2012 had allotted 16,00,000 Equity Shares to the Promoters/Promoter Group Companies pursuant to conversion of equivalent number of Warrant(s). The entire issued Equity Shares of the Company are listed on Stock Exchange(s). *None of the issued warrants are pending for Conversion.*

REPAYMENT OF FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBS)

During the year under review, the Company has made repayment of US \$ 2,50,000 to the bondholder against 2500 Foreign Currency Convertible Bonds (FCCBs) which was issued on July 30, 2007. Consequently, there is no Foreign Exchange Loan in the Company's balance sheet as at March 31, 2013.

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 on March 31, 2013.

FUTURE OUTLOOK

The Union Budget 2013-14 has proposed to set-up a regulator for the road sector to address issues such as construction risks and contract management. The Company may benefit from the stated intent of awarding 3,000 km of projects in



Report of the Board of Directors

First Half of the Financial Year 2013- 14, development of rural roads under Pradhan Mantri Gram Sadak Yojana, and assistance from World Bank and ADB for road construction in North Eastern states. The government has also decided to reduce the cost of imported machinery and equipment by reducing prevailing taxes at the point of customs on such imports.

The Union Budget 2013-14 also reiterated the government's commitment to press ahead with some of the previously announced measures such as credit enhancement from India Infrastructure Finance Company Limited ('IND AAA (SO)') and the encouragement for setting up of infrastructure debt funds. Both of these have the potential to galvanize the bond markets to fund the massive infrastructure investments that India urgently needs.

The Construction Industry has maintained an annual growth of 17% despite economy slowdown. However, the construction industry growth is expected to improve over the next few years, as a result of the government's commitment to improve the country's infrastructure. Since, our order books continued to be strong, we are very optimistic about future growth.

CLIENT RELATIONSHIP

The Company enjoys excellent business relationship with existing and new clients which is resulting in repetition of orders, extension of projects of a higher value on a regular basis and is preferred above other market players. The Company is making its presence felt in the different parts of the Country through different infrastructural and development work. The Company's customer base has spread across the country and includes reputed domestic Corporates as well.

EMPLOYEE RELATIONSHIP

During the year under review, a cordial relationship 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.

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.

AUDITORS

The Board, on recommendation of the Audit Committee, has proposed that M/s. Konar Mustaphi & Associates, Chartered Accountants, Kolkata, who retires at the conclusion of the forthcoming Annual General Meeting, be re-appointed as Statutory Auditors of the Company, to hold office until conclusion of next Annual General Meeting of the Company. M/s. Konar Mustaphi & Associates, Chartered Accountants, Kolkata have signified their willingness in writing and further informed that their appointment, if made, will be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

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.

DIRECTORS

Currently the Company is having 11 (Eleven) Directors, out of them 5 (Five) are Executive Directors and remaining 6 (Six) are Independent, Non-Executive Directors. The Composition of the Board is in compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s).

During the year under review, in order to broad-base the existing Board and bring more experience, the Board of Directors of the Company at their meeting held on August 3, 2012 appointed Sri Sandip Bose as a Whole-time Director of the Company.

Sri Uday Sankar Roy and Sri Umashankar Agarwal, the Independent, Non-Executive Directors of the Company retires by rotation and being eligible, offer themselves for re-appointment.

Tenure of Sri Ishwari Prasad Tantia, Chairman and Managing Director, Sri Rahul Tantia, Director (Operations), Sri Banwari Lal Ajitsaria, Director (Business Development) expired on March 31, 2013 and tenure of Sri Murare Lal Agarwala, Director (Projects) of the Company will expire on December 15, 2013, the Board of Directors, based on recommendations of the Remuneration Committee, at their meeting held on February 13, 2013 re-appointed them for a further period of 3 years w.e.f. April 1, 2013 and December 16, 2013 respectively.

Report of the Board of Directors

As required under Clause 49 of the Listing Agreement with the Stock Exchange(s), the particulars of Director seeking appointment/re-appointment at the ensuing Annual General Meeting is annexed to and forms part of Notice calling the 48th Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts for the year ended March 31, 2013, 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;
- 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, 2013, and of the profit or loss of the Company for the year ended on that date;
- 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
- the Directors have prepared the accounts for the year ended March 31, 2013 on a going concern basis.

CORPORATE GOVERNANCE

A separate section on Corporate Governance practices, Management Discussion and Analysis Report and General Shareholder Information are given as annexure to this 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 Company has framed a code of conduct for the Directors and Senior Management Executive(s) has been made applicable to all the Directors whether Executive(s) or Non-Executive including all Senior Management Executive(s) of the Company. The Board Members and Senior Management Executive(s) of the Company have affirmed their compliance

with the Code of Conduct during the year ended March 31, 2013 and no violation of the same was reported. The Code of Conduct is also posted on the Company's web-site www.tantiagroup.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

Tantia Constructions Limited is committed to operate its business in an economic, social and environmentally sustainable manner. The Company's CSR initiative includes education, environment and community development. The Company understands the requirement of surrounding environment wherever it executes its infrastructural development work.

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.

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 their deep appreciation for the services of the devoted executives, staff members and workers whose hard work, solidarity, co-operation and support contributed to its efficient and successful management and in arriving this years' results.

Registered Office :
25-27, Netaji Subhas Road,
Kolkata - 700 001
Date : May 30, 2013

For and on behalf of the Board

Ishwari Prasad Tantia
Chairman & Managing Director



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 involved 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 carried out by the Company	The Company has not undertaken any activity relating to R & D 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	2012-13	2011-12
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 there for and future plans of action	

C) Foreign Exchange Earnings and Outgo:

(₹ in Lakhs)

	2012-13	2011-12
Foreign Exchange Earnings	314	—
Foreign Exchange Outgo	845	26

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Annexure to the Directors' Report)



ECONOMY REVIEW

The Indian economic growth moderated for the second year in a row to 5% in 2012-13 against 6.2 % in 2011-12 on account of poor performance of the manufacturing, agriculture and service sectors.

This growth was a consequent of a slowdown in the industrial sector, which was impacted by a deceleration in investments and consumption, driven by high interest rates, stubborn inflation levels and an overall weak sentiment. The manufacturing sector was also adversely impacted by lowering private consumption, corporate investments in gross capital formation as well as with widening current account deficit with a strong depreciation in the value of the Indian Rupee vis-à-vis the US Dollar.

Overall, India's GDP growth should pick-up to about 6% in 2013-14 (CRISIL estimates) due to a revival in consumption. However uncertain global economic prospects do not bode well for India's exports and will limit external stimulus to its economy, especially on the back of a high current account deficit. Other factors that will trigger and shape India's growth prospects in 2013-14 will include a pick-up in agriculture, predicated on a normal monsoon, softening interest rates, inflation levels and higher government spending that will support private consumption demand.

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. Your Company is a Dividend paying Company over twenty five years barring for Financial Year 1998-99. It started its operations through entry in the railways segment and over the years extended its activities to other

infrastructure segments along with production of Ready Mix Concrete (RMC).

INFRASTRUCTURE SECTOR REVIEW

In face of the global financial crisis and the economic downturn, the infrastructure sector plays an important role to counter balance against slowing economic activity and lower consumption.

In India the infrastructure sector currently accounts for about 26% of India's industrial output and thus remains an useful tool to balance the economy.

Infrastructure investment is a rare win-win that generally boosts overall economic productivity in the long-run and creates jobs in the short-run. An MGI Infrastructure Report of January, 2013 has indicated that an increase in infrastructure investment equivalent to 1% of GDP can translate into an additional 3.4 million direct and indirect jobs in India.

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% point increase in the electrification rate resulted in a 0.17% point 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%.

Overall, the Twelfth-Five Year Plan envisages ₹ 56.32 lakh crore infrastructure outlay at current prices (at 2006-07 prices, it is a 137% increase over the Eleventh-Five Year Plan achievement, which was itself a 108% jump over the Tenth -Five Year Plan). All these will take place in a socio-economic-political framework that is enabling and includes land, coal and environment clearances, independence of regulatory authorities and long-term finance availability.



Management Discussion and Analysis Report

Union Budget 2013-14 : Key Proposals

- Issuance of tax-free bonds, which are expected to raise to ₹ 25,000 crore in 2012-13.
- India Infrastructure Finance Corporation Ltd (IIFCL), in partnership with the Asian Development Bank, will offer credit enhancement to infrastructure companies that want to access the bond market to tap long-term funds.
- The creation of Infrastructure Debt Funds (IDF), which is expected to raise resources and provide long-term low-cost debt for infrastructure projects. Four IDFs have already been registered with SEBI so far, two will be launched soon.
- Combining the 'Look East' policy and the interest of the North Eastern States, assistance from the World Bank and the Asian Development Bank has been sought to build roads in the North Eastern States and connect them to Myanmar.
- An amount of ₹ 5,000 crore will be made available to NABARD towards financing construction of warehouses, godowns, silos and cold storage units designed to store agricultural produce, both in the public and the private sectors.
- NABARD operates the Rural Infrastructure Development Fund (RIDF), which has successfully utilised 18 tranches so far.
- With a view to attract investments in long-term infrastructure bonds in foreign currency, the rate of tax on interest paid to non-resident investors was reduced from 20% to 5%.

SECTORAL OPPORTUNITIES

Roads and Highways Overview



Roads represent the backbone of the country. A major source of transportation in India today is roads which carries almost 90% of the country's passenger traffic and about 65% of its freight.

India possesses 600-700 km of access-controlled expressways and is working continuously to build more high-quality, access-controlled expressways for faster connectivity between cities and towns. As per IBEF, April 2013, almost 18,637 km of

expressways need to be built by the end of the Thirteenth Five-Year Plan period. Infrastructure development on such a massive scale would require about ₹ 450,000 crore, according to the report.

The density of India's 80,000 km National Highways (NHs) network is 0.66 km of highway per square km of land. This network is encompassed by over 200 toll plazas, about half of which are handled by various highway developers and the rest by the National Highways Authority of India (NHAI).

The Twelfth-Five Year Plan has indicated that an investment upwards of USD 100 bn has been planned for the roads and highways sector. The central government established the National Highways Development Project (NHDP) involving a total investment of USD 60 bn on concessions/contracts awarded by the close of 2012 with the ambitious intent of laying down 20 km of roads per day across the country. Over the next three years, the NHDP is expected to take up new sections of about 25,000 km through PPP and EPC models.

Union Budget 2013-14 : Key Proposals

The Department of Industrial Policy and Promotion (DIPP), has sanctioned 100% FDI under the automatic route for support services to land transportation (operation of highway bridges, toll roads, vehicular tunnels, incidental services like cargo handling, construction and maintenance of roads and bridges, construction and maintenance of roads and highways offered on a Build-On-Transfer (BOT) basis, including toll collection). The government has also created the framework for attracting investments in road projects through the BOT/ BOOT and DBFOT models.

Management Discussion and Analysis Report



To attract new investment and quicken project award, the latest Union Budget has proposed to introduce an investment allowance for new high value investments. A company investing ₹ 100 crore or more in plant and machinery during a specified period (April 1, 2013 to March 31, 2015) will be entitled to deduct an investment allowance of 15% of the investment. This will be in addition to the current rates of depreciation. This will create large-scale and widespread spillover benefits to Small and Medium Enterprises (SMEs).

The central government has also decided to create a regulatory authority for the road sector. Bottlenecks stalling road projects have been addressed and 3,000-km of road projects in Maharashtra, Madhya Pradesh, Gujarat, Rajasthan and Uttar Pradesh will be awarded in the first six months of 2013-14.

Outlook

Annual growth projected at 12-15% for passenger traffic, and 15-18% for cargo traffic. The Prime Minister Gram Sadak Yojana (PMGSY) is a scheme for development of rural roads in India. The Construction of Rural Roads Project (CRRP) is another initiative focused on rural development. The Planning Commission provided an annual outlay of ₹ 37,300 Crore for 2013-14 for development in road sector.

During the financial year 2013-14, about 8270 kms. of the National Highways (NHs) are to be improved along with construction/rehabilitation of 100 nos. of bridges and 4 nos. of bypasses as standalone projects at an estimated cost of ₹ 23300 crores. Besides budgetary support, Internal Extra Budgetary Resources (IEBR) through external borrowings will also be utilized.



Performance

Your Company has established its credentials in the field of construction, widening, conversion, maintenance, strengthening and beautification of roadways, roads, bridges, highways and flyovers. Currently, the Company is executing few BOT Projects. The Company's expertise in the maintenance of roads infrastructure will translate into complete solutions for the benefit of the client, community in general and the Country.

Railways Overview

The Indian railways is one of the largest rail networks in the world spread over 64,000 route km and is a major mode of transport for passenger and bulk freight traffic.

According to IBEF, the Indian Railways generated approximate earnings of ₹ 124,814.87 crore during 2012-13 as against ₹ 104,334.61 crore during 2011-12, registering a substantial increase of 19.63%. The revenue earnings from other coaching amounted to ₹ 3,137.92 crore during 2012-13. The total approximate numbers of passengers booked during the year under review stood at 8,501.30 mn compared to 8,306.17 mn during last year, an increase of 2.35%. Moreover, the Indian Railways carried 1,009.73 MT of revenue-earning freight traffic during 2012-13, 39.95 MT higher than that of 969.78 MT carried during the corresponding period of the last year, marking an increase of 4%. While the total goods earning increased by 23.24%, total passenger revenue earnings shot up by 11.35%.

Railway Budget 2013-14 : Key Proposals

- Dynamic fuel adjustment component to be introduced on freight rates from April 1, 2013 that will result in less than 5% increase in rates



Management Discussion and Analysis Report



- The constitution of an independent Rail Tariff Authority.
- Electrification of 1,200 km to be completed this year.
- 72 additional suburban services in Mumbai and 18 in Kolkata.
- Planned investment of ₹ 63,363 crore for 2013-14, including ₹ 600 crore from PPP route.
- 5.2% growth in passenger traffic is expected in 2013-14.
- Freight target fixed at 1,047 MT for 2013-14, 40 MT over the current year.

Outlook

Overall, the decision to go slow on investments in new wagons and construction of new lines further clouds the outlook. However, rehabilitation of identified 17 distressed bridges over next one year. The ministry has target to construct 500 km new lines, 750 km doubling and 450 km gauge conversion in 2013-14. The railway expects construction on the two corridors to start and cover upto 1,500km by the end of 2013-14.

Performance

Your Company is one of the oldest railway contractors in India with the experience of having completed assignments across diverse terrains for Eastern Railway, North Eastern Railway, South Eastern Railway, North East Frontier Railway and various Metro Railways. Some of its Joint Venture partners comprised reputed international names like Road Builder Sdn, Berhad, Malaysia.

Aviation Overview

The incremental growth in Indian domestic airport

passengers in the last decade is striking. The increase between 2001 and 2011 was three times the growth that had been achieved in the previous 50 years. Indian aviation is set for transformational growth. Centre for Asia Pacific (CAPA) projections show airport passenger traffic growing from 143 mn in 2010-11 to a massive 452 mn by 2020-21. Over the same period, the scheduled airline fleet is expected to grow from 430 to 1,030 aircraft, while general aviation could see even faster growth from 750 to over 2,000 aircraft.

In the Eleventh Five Year Plan period from 2007-2012, USD 425 bn was invested in overall infrastructure, which fell short of the planned USD 500 bn.

Estimated investment in the country's airport sector in the Twelfth-Five Year Plan from 2012-2017 is set at USD12.7 bn, of which almost 75% is expected to be contributed by the private sector (CAPA projections).

Union Budget 2013-14 : Key Proposals

The government of India recently announced foreign carriers to pick up to 49% in Indian carriers and the consummation of the Etihad-Jet Airways deal reflects a positive sign for the country's aviation sector.

The Budget has proposed a correction in the duty-free period for import of spares and test equipment for MRO (Maintenance, Repair and Overhaul) with exemption of MRO from import duty by 19% for one year, helping build the industry.

The government has also allowed 100% FDI under automatic route for greenfield projects and 100% FDI for existing airports is also possible with an approval from the Foreign Investment Promotion Bureau (FIPB).

Urban Infrastructure Overview

India's construction and infrastructure industry has been benefited by several policy-led developments as years of infrastructure under-investment is slowly correcting with the government's Twelfth-Five Year Plan paper indicating infrastructural investment of a massive USD 1.3 trillion. This industry reality is based on the optimism that surging growth and employment will urbanise the country faster than ever, from 290 mn in 2001 to a projected 590-600 mn by 2030.

This urbanisation speed presents unprecedented opportunities. As per a report released by the McKinsey Global Institute, India will need to spend USD 2.2 trillion on its cities by 2030. Nearly USD 1.2 trillion will need to be invested in water, sewage, transport and housing infrastructure as 40% of India's estimated 1.47 bn population will reside in urban areas by 2030. As a percentage of the

Management Discussion and Analysis Report

gross domestic product, urban infrastructure spending will need to rise from 0.5% to 2%.

Going ahead, the majority populations of at least five states – Tamil Nadu, Gujarat, Maharashtra, Punjab and Karnataka – will be living in urban areas. Besides, 70% of the net new jobs created in the country would be in cities by 2030.

The estimates for urban infrastructure in the key services of water supply, sewerage, solid waste management, storm water drains, urban roads, urban transport, street lighting and traffic support infrastructure is being pegged at ₹ 31 lakh crore over the next two decades (Ministry of Urban Development).

Outlook

The estimates for urban infrastructure in the core eight services of water supply, sewerage, solid waste management, storm water drains, urban roads, urban transport, street lighting and traffic support infrastructure amount to ₹ 31 lakh crore over a 20- year period, according the Report of the Sub-committee on Financing Urban Infrastructure in the Twelfth-Five Year Plan, Ministry of Urban Development.

The expert committee estimated capacity building costs of ₹ 1 lakh crore, renewal and redevelopment costs of ₹ 4.1 lakh crore, and other sector expenditure of ₹ 3.1 lakh crore over the 20-year period. The total expenditure on urban infrastructure is thus estimated to be ₹ 39.2 lakh crore over 20 years.

Performance

Your Company has established its credentials in Urban Infrastructure through its presence in Kolkata improvement projects, its expertise comprising soil, re-engineering, mechanized earthwork, hauling for large-scale land development, allied works of roads and pipelines, electrification and lighting systems.

QUALITY CONTROL (QC)

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 Neetherlands 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 recognises 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 minimisation process. These processes are periodically reviewed to ensure that the management of the Company's controls risk and run through a well-defined framework.

OPPORTUNITIES AND THREATS

Opportunities

- A massive USD 1.3 trillion is proposed to be invested in the country's infrastructure space over the Twelfth-Five Year Plan.
- New and innovative financing infrastructure projects under the BOT/BOOT/DBFOT models, which will strengthen project viability.
- Growing participation from the private sector, especially under the PPP (Public-Private Partnership) model.

Threats

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

INCOME ACCOUNTING METHOD

Your Company prepares its financial statements on accrual basis in compliance with the requirements of the Companies



Management Discussion and Analysis Report

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 when viewed in the light of the challenging business environment of the construction industry. A comparative study of the financial performance of the Company as compared to the previous year is given hereunder :

(₹ in crores)

Particulars	2011-12	2012-13
Income from Operations	626.13	639.20
EBIDTA	99.98	100.04
Cash Profit	20.11	22.00
Net Profit	8.77	9.39
Earnings Per Share (₹)	5.08	5.29

Share Capital : The Company's paid-up share capital stood at ₹ 18.96 crores as on March 31, 2013.

Reserves and Surplus : The Company's reserves increased from ₹ 151.08 crores in 2011-12 to ₹ 172.35 crores in 2012-13 on account of profit ploughbacks 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 ₹ 626.13 crores in 2011-12 to ₹ 639.20 crores in 2012-13.

EBIDTA : The Company's EBIDTA increased from ₹ 99.98 crores in 2011-12 to ₹ 100.04 crores in 2012-13, crossing the ₹ 100 crores mark for the first time. EBIDTA margin stood at 15.65% during the year under review.

Net Profit : The Company's net profit increased from ₹ 8.77 crores in 2011-12 to ₹ 9.39 crores in 2012-13.

Gross Block : The Company's gross block increased 6.70% from ₹ 167.52 crores as in 2011-12 to ₹ 178.74 crores in 2012-13 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 ₹ 702.49 crores in 2011-12 to ₹ 810.04 crores in 2012-13.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls for safeguarding its assets from unauthorised access, to ensure proper authorisation 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 and 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 organisation to be able to drive organisational momentum.

During 2012-13, the Company added 55 new members to its team. Consequently, our cumulative strength increased to 550 members which comprises professionals from diverse backgrounds like engineering, finance, taxation, 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 realised. The actual results, performance or achievements of the Company could thus differ materially from those projected or estimated.

CORPORATE GOVERNANCE REPORT

(Annexure to the Directors' 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 Shareholder's Interest.
- 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 with 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, 2013. 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, 2013, the Board of Directors of Company comprised of 11 (Eleven) Members, who belongs from different fields and having vast experience in Civil Engineering, Construction, Railways, Banking & Insurance, Finance & Accounts, Human Resource Management, Business Management and other related fields. As on March 31, 2013, the Constitution of the Board was as follows:

- Two Promoter Director- Executive Directors
- Three Non-Promoter Director- Executive Directors
- Six Independent Director- Non-Executive Directors



Corporate Governance Report

The Composition of the Board and other provisions related to Board and Committee(s) are in Compliance with the 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 & Managing Director of the Company and falls under the meaning of relative as defined under Section 6 read with Schedule 1A of the Companies Act, 1956. *No other director is related to any other director of the Company within the meaning of the Section 6 read with Schedule 1A of the Companies Act, 1956.*

During the year ended March 31, 2013, the Board of Directors of the Company met 4 (Four) times on May 29, 2012, August 3, 2012, November 10, 2012 and February 13, 2013. The composition of the Board of Directors as on March 31, 2013, 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 Director(s)	Category of Director(s)	No. of Board Meeting(s) attended	Attendance at last AGM held on September 21, 2012	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 & Managing Director</i>	Promoter, Executive Director	4	Yes	1	-	-
Sri Banwari Lal Ajitsaria <i>Director (Business Development)</i>	Executive Director	3	Yes	1	-	-
Sri Rahul Tantia <i>Director (Operations)</i>	Promoter, Executive Director	4	No	3	-	-
Sri Murare Lal Agarwala <i>Director (Projects)</i>	Executive Director	2	Yes	-	-	-
Sri Sandip Bose*** <i>Whole-time Director</i>	Executive Director	2	Yes	-	-	-
Sri Himangsu Sekhar Sinha	Independent, Non-Executive Director	4	No	3	1	1
Sri Umashankar Agarwal	Independent, Non-Executive Director	4	Yes	1	-	-
Sri Uday Sankar Roy	Independent, Non-Executive Director	4	Yes	4	2	-
Sri Mahabir Prasad Agrawal	Independent, Non-Executive Director	1	No	24	-	-
Sri Parimal Kumar Chattaraj	Independent, Non-Executive Director	4	Yes	7	2	-
Sri Shaleen Khemani	Independent, Non-Executive Director	3	Yes	10	-	-

* 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.

Secretarial Section	Directors' Report
	Management Discussion & Analysis Report
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	General Shareholder Information
	Certificates

Corporate Governance Report

*** Sri Sandip Bose, Executive Director of the Company was inducted on the Board on August 3, 2012 and subsequently his appointment and payment of remuneration was approved by the shareholders by way of special resolution at Annual General Meeting held on September 21, 2012.

INFORMATION OF DIRECTOR(S) SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

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 48th Annual General Meeting.

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 Shareholder Information.

Preparation of Agenda and Schedules of Board Meetings:

The Board Members, in consultations 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 the 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 the compliance in law and spirit.

4. COMMITTEES OF THE BOARD

Currently, there are 4 (Four) Committees of the Board namely Audit Committee, Remuneration Committee, Shareholders/Investors Grievance Committee and Treasury Management Committee. The terms of reference of Committee(s) of the Board are determined by the Board of Directors from time to time.

In Compliance with Annexure IA to the Clause 49 of the Listing Agreement, the minutes of the Committee Meeting(s) are placed at subsequent meetings of the Board of Directors. Recommendations of the Committee(s), if any, are submitted to the Board for their approval.

The quorum for the Meeting of the Committees 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

Terms of Reference:

The Board of Directors of the Company has constituted the Audit Committee of Directors. The Audit Committee is authorized to supervise, guide and review the accounting and financial statements, the internal control systems, suggest improvements/changes in financial and accounting policies and practices of the Company, ensuring compliance with Accounting Standards, compliance with the Stock Exchange(s) and legal requirements concerning financial statements as also recommending appointment and removal of External Auditors and discharge all other duties/powers as prescribed under Section 292A of the Companies Act, 1956, provisions of Listing Agreement with the Stock Exchange(s) and other relevant statutory/regulatory provisions, as applicable from time to time.

Composition and Size:

The Audit Committee of the Company comprises of 4 (Four) Directors - 3 (Three) of whom are Independent, Non-Executive Director and 1 (One) is Promoter, Executive Director as on March 31, 2013. All of them are financially literate and having expertise in corporate finance, accounts,



Corporate Governance Report

corporate laws and management. The Chairman of the Audit Committee is an Independent, Non-Executive Director. The Board has constituted the Audit Committee in compliance with all the applicable provisions of the Companies Act, 1956, Clause 49 of the Listing Agreement with the Stock Exchange(s) and other applicable laws in this respect.

The Vice President (Finance & Accounts) 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 29, 2012, August 3, 2012, November 10, 2012, and February 13, 2013. Details on 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	4
Sri Uday Sankar Roy	Member, Independent, Non-Executive Director	3
Sri Himangsu Sekhar Sinha	Member, Independent, Non-Executive Director	4
Sri Rahul Tantia	Member, Promoter, Executive Director	4

The Chairman of the Audit Committee was present at the previous Annual General Meeting held on September 21, 2012.

B. Remuneration Committee

Composition and Size:

The Company has Remuneration Committee comprising of 3 (Three) Independent, Non-Executive Directors namely Sri P. K. Chattaraj, Sri U. S. Agarwal and Sri Shaleen Khemani as on March 31, 2013. *Md. Jamshed Alam, the Company Secretary, is the Secretary to the Committee.*

Terms of Reference:

The Remuneration Committee identify, evaluate, take advice from outside expert and recommends appointment of appropriate person as an Independent, Non-Executive Director/Managing Director/Whole-time Director/Executive Director of the Company. The Committee also recommends to the Board of Directors regarding the remuneration payable to Managing Director/Whole-time Director(s)/Executive Director(s)/Relative of Director(s) and sitting fees payable to Independent, Non-Executive Directors of the Company from time to time. The Committee reviews the succession plan for the Chairman/Managing Director/Senior Management of the Company.

Remuneration Policy:

The Non-Executive Directors are being remunerated by way of sitting fees for the meeting of Board and/or its Committee attended by them from time to time. Whereas, the Managing/Whole-time Directors of the Company are remunerated as per the terms of their appointment/re-appointment duly approved by the Shareholder's of the Company at the time of their appointment/re-appointment, without any sitting fees for attending the meeting of Board and/or its Committee.

Meeting(s) held during the year:

The Remuneration Committee met 2 (Two) times on August 3, 2012 and February 13, 2013 during the year ended March 31, 2013. Details on composition of the Committee and attendance of its Member(s) are given hereunder:

Member(s)	Category	Meeting(s) attended
Sri Parimal Kumar Chattaraj	Chairman, Independent, Non-Executive Director	2
Sri Umashankar Agarwal	Member, Independent, Non-Executive Director	2
Sri Shaleen Khemani	Member, Independent, Non-Executive Director	2

Corporate Governance Report

Details of Remuneration paid to each of the Director(s) for the year ended March 31, 2013 is given in the table below:

(₹ in Lakhs)

Name of Director(s)	Salary and other benefits				Sittings 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. Tania	90.00	-	10.08	-	-	Nil
Sri B. L. Ajitsaria	48.00	-	0.09	-	-	Nil
Sri Rahul Tania	48.00	-	-	-	-	Nil
Sri M. L. Agarwala	18.00	-	-	-	-	Nil
Sri Sandip Bose*	9.91	-	1.19	-	-	Nil
Sri H. S. Sinha	-	-	-	-	0.60	Nil
Sri U. S. Agarwal	-	-	-	-	1.35	Nil
Sri U. S. Roy	-	-	-	-	0.55	Nil
Sri P. K. Chattaraj	-	-	-	-	0.50	Nil
Sri M. P. Agrawall	-	-	-	-	0.10	Nil
Sri S. Khemani	-	-	-	-	0.55	Nil

- i. **Service Contract:** The service contract(s) of Sri I. P. Tania, Sri Rahul Tania 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). Whereas, the service contract(s) of Sri Murare Lal Agarwala, Executive Director of the Company will expire on December 15, 2013 and further renewed for a period of 3 years (w.e.f. December 16, 2013 to December 15, 2016) and 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.

* Sri Sandip Bose, Executive Director of the Company was inducted on the Board on August 3, 2012 and subsequently his appointment and payment of remuneration was approved by the shareholders by way of special resolution at Annual General Meeting held on September 21, 2012.

C. Shareholders/Investors Grievance Committee

Composition and Size:

The Shareholders/Investors Grievance Committee was constituted to deal with various matters relating to shareholders. The Shareholders/Investors Grievance Committee comprising of 3 (Three) Members, of which 2 (Two) are Independent, Non-Executive Directors namely Sri U. S. Agarwal and Sri Shaleen Khemani along with Sri Rahul Tania, Promoter, Executive Director of the Company. *Md. Jamshed Alam, the Company Secretary, is the Secretary to the Committee.*

Terms of Reference:

In Compliance with the Clause 49 of the Listing Agreement with the Stock Exchange(s), the Committee under the Chairmanship of Sri U. S. Agarwal, Independent, Non-Executive Director of the Company is formed, to specially look into the redressal of shareholders and investors complaints relating to transfer/ transmission/ consolidation/ split of shares, non- receipt of Annual Report, non-receipt of declared Dividend Warrant(s), etc.

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.

Meeting(s) held during the year:

The Shareholders/Investors Grievance Committee met 4 (Four) times during the year on May 29, 2012, August 3, 2012, November 10, 2012 and February 13, 2013. Details on the composition of the Committee and attendance of its Members are given hereunder:

Member(s)	Category	Meeting(s) attended
Sri Umashankar Agarwal	Chairman, Independent, Non-Executive Director	4
Sri Shaleen Khemani	Member, Independent, Non-Executive Director	3
Sri Rahul Tania	Member, Promoter, Executive Director	4



Corporate Governance Report

The Company has a share department under the Company Secretary, who monitors the activities of Registrar and Share Transfer Agent 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 30 days. Status of complaints of shareholders/investors are as under:

Number of Complaints pending on April 1, 2012	0
Number of Complaints received during the year	0
Number of Complaints redressed during the year	0
Number of Complaints pending on March 31, 2013	0

D. Treasury Management Committee

Composition and size:

The Company has Treasury Management Committee comprising of 3 (Three) Directors namely Sri Umashankar Agarwal, the Independent, Non-Executive Director, Sri Rahul Tantia, the Promoter, Executive Director and Sri Murare Lal Agarwala, Executive Director of the Company. *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/Modification/Closure of Bank Account(s) 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.

Meeting(s) held during the year:

The Treasury Management Committee met 9 (Nine) times on April 11, 2012, July 12, 2012, August 31, 2012, December 8, 2012, December 31, 2012, February 18, 2013, February 19, 2013, March 15, 2013 and March 20, 2013 during the year ended March 31, 2013. Details on the composition of the Committee and attendance are given hereunder:

Member(s)	Category	Meeting(s) attended
Sri Umashankar Agarwal	Chairman, Independent, Non-Executive Director	9
Sri Rahul Tantia	Member, Promoter, Executive Director	9
Sri Murare Lal Agarwala*	Member, Executive Director	4

** Sri Murare Lal Agarwala, Executive Director of the Company was inducted as a Member of Treasury Management Committee w.e.f. February 13, 2013.*

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
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.
2009-10	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, Kolkata - 700 017	Wednesday 15.09.2010	3.00 P.M.

No Extra-Ordinary General Meeting was held during the year 2012-13.

Corporate Governance Report

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)
2011-12	Approval for Appointment and Remuneration payable to Sri Sandip Bose as a Whole-time Director for a period of 3 (Three) years with effect from August 3, 2012.
2010-11	No Special Resolution was passed at the Annual General Meeting held on September 16, 2011.
2009-10	<ol style="list-style-type: none"> 1. Approval for Re-appointment and Payment of remuneration to Sri Ishwari Prasad Tantia, as a Chairman & Managing Director for a period of three years w.e.f. April 1, 2010. 2. Approval for Re-appointment and Payment of remuneration to Sri Banwari Lal Ajitsaria, as a Director (Business Development) for a period of three years w.e.f. April 1, 2010. 3. Approval for Re-appointment and Payment of remuneration to Sri Rahul Tantia, as a Director (Operations) of the Company for a period of three years w.e.f. April 1, 2010.

iii. Postal Ballot :

During the previous Financial Year ended March 31, 2013, the Company did not pass any resolution through Postal Ballot Process.

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing of special resolution through Postal Ballot.

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) Economic Times (Mumbai and Kolkata Editions) Mint (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



Corporate Governance Report

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 (40)} enclosed to accounts in this Annual 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. The Company does not have a Whistle Blower Policy. It is confirmed that no personnel is denied access to the Audit Committee.
- 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, 2013, 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 (40)} enclosed to accounts in this Annual Report.
- g. All mandatory requirements under Clause 49 of the Listing Agreement have been appropriately complied with 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 is having 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 20, 2013
Time	: 3.00 P.M.
Venue	: Bharatiya Bhasha Parishad, 36 A, Shakespeare Sarani, Kolkata – 700 017
Financial Year	: April 1, 2012 to March 31, 2013
Book Closure Dates	: September 14, 2013 to September 20, 2013 <i>(both days inclusive)</i>
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 20, 2013.

2. FINANCIAL CALENDAR

Financial Reporting for the Year 2013-14: *(tentative and subject to change)*

Particulars	Quarter/Half Year/ Year Ending	Tentative Schedule*
Unaudited Financial Results (1st Quarter)	Q.E. 30.06.2013	Second week of August, 2013
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2013	Second week of November, 2013
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2013	Second week of February, 2014
Audited Financial Results (4th Quarter/Annual)	Y.E. 31.03.2014	Fourth Week of May, 2014

**Actual dates may vary.*

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

Sl. No.	Name of Stock Exchange(s)	Stock Codes
1	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Ph: +91 22 2272 1234/33 Fax: +91 22 2272 3121 Web: www.bseindia.com	532738



General Shareholder Information

Sl. No.	Name of Stock Exchange(s)	Stock Codes
2	National Stock Exchange of India Limited(NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Ph: +91 22 26598100 Fax: +91 22 26598120 Web: www.nseindia.com	TANTIACONS

The Listing Fees for Financial Year 2013-14 have already been paid for both the aforesaid Stock Exchange(s).

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)

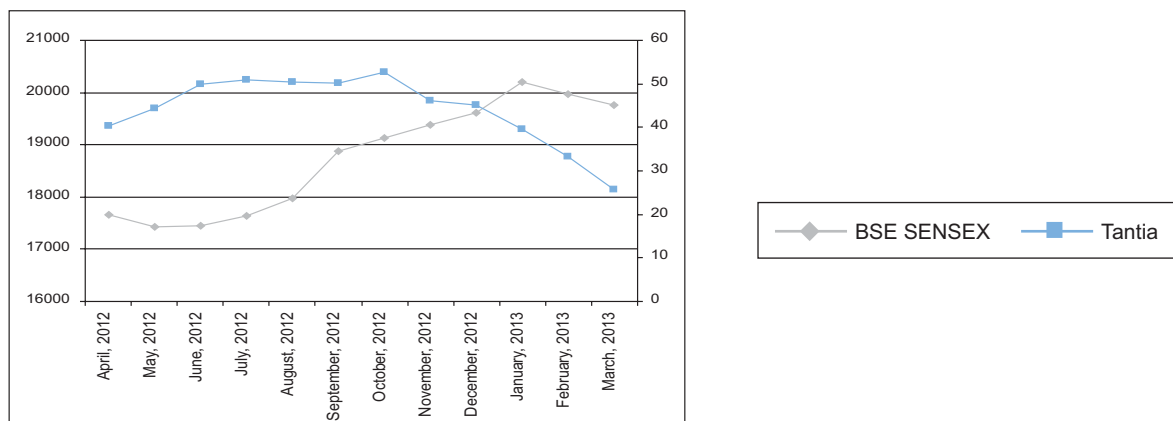
The monthly high and low quotations, as well as the volume of Equity Shares traded at the BSE and the NSE are provided in the following tables:

Sl. No.	Month & Year	BSE			NSE		
		High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
1	April, 2012	51.00	40.25	44505	50.00	40.55	77200
2	May, 2012	53.50	44.40	354755	53.40	45.25	240635
3	June, 2012	64.00	49.85	341695	56.95	49.60	245950
4	July, 2012	64.55	51.00	323331	64.00	51.40	135993
5	August, 2012	60.90	50.50	221608	61.00	50.40	66094
6	September, 2012	62.45	50.05	319017	62.65	50.85	131199
7	October, 2012	59.90	52.60	603070	58.85	52.75	386092
8	November, 2012	56.85	46.05	250646	60.95	46.05	113727
9	December, 2012	55.50	45.25	884083	57.40	45.30	236929
10	January, 2013	48.45	39.50	994616	54.40	39.60	228284
11	February, 2013	41.75	33.30	398848	41.70	33.10	172005
12	March, 2013	34.00	25.75	616314	34.00	25.55	510859

Note : Volume is the total monthly volume of trade in number of shares

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.



General Shareholder Information

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 Shareholder 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, 2013.*

8. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2013

Range of Equity Shares held:

No. of Shares	Number of Shareholders	Percentage of Shareholders(%)	Number of Shares held	Percentage of holding (%)
1 – 500	9753	89.6745	1200328	6.3769
501 – 1000	545	5.0110	446883	2.3741
1001 – 2000	301	2.7676	460076	2.4442
2001 – 3000	95	0.8735	243487	1.2936
3001 – 4000	42	0.3862	146874	0.7803
4001 – 5000	34	0.3126	161628	0.8587
5001 – 10000	52	0.4781	369281	1.9619
10000 & above	54	0.4945	15794509	83.9104
Total	10876	100.0000	18823066	100.0000

Shareholding Pattern as on March 31, 2013 :

Shares held by	Number of Shares held	Percentage (%)
Indian Promoters	11251498	59.78
Foreign Promoters	0	0
Total Shareholding of Promoters and Promoter Group	11251498	59.78
Public Shareholding		
Mutual funds and UTI	1018900	5.41
Banks/Financial Institutions/Insurance Companies/Non-Government Institutions	332682	1.77
Foreign Institutional Investors(FIIs)	0	0.00
Private Corporate Bodies	2084682	11.07
Indian Public	4010340	21.31
NRI/Foreign National	96409	0.51
Trusts/Clearing Member	28555	0.15
Grand Total	18823066	100.00



General Shareholder Information

9. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Shares of the Company are compulsorily traded in dematerialized form on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), RTA are entrusted with the responsibility of dematerialization of Company's Shares. Shares held in demat and physical modes as on March 31, 2013 are as follows :

Category	Number of		% of Total Equity
	Shareholders	Shares	
Dematerialized Mode			
a) NSDL	7077	16685475	88.6438
b) CDSL	3772	2122132	11.2741
Sub Total	10849	18807607	99.9179
Physical Mode	27	15459	.0821
Total	10876	18823066	100.0000

The Company has paid custodial fees for the year 2013-14 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on the basis of average number of beneficial account(s)/folio(s) maintained by them during the Financial Year 2012-13.

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, 2013 and no instruments are pending for conversion. As a result, there is no impact likely 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.

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
2005-06	04.09.2006	04.09.2013
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, providing them details of the un-encashed warrants and requesting to comply with the procedure for seeking payment for the same.

General Shareholder Information

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 2004-05 amounting to ₹ 900/- and an unclaimed refund of application money related to Public Issue of Equity Shares in the year 2006 amounting to ₹ 181,250/- 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 the 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 (01-04-2012)	Number of Shareholder(s) who approached the Company for transfer of shares from suspense account during the year (2012-13)	Number of Shareholder(s) to whom shares were transferred from suspense account during the year (2012-13)	Aggregate number of Shareholder(s) and the outstanding shares in the suspense account lying at the end of the year (31-03-2013)
a. Aggregate No. of Shareholders - 2	None	None	a. Aggregate No. of Shareholders - 2
b. Outstanding Shares as on April 1, 2012 – 250 Equity Shares			b. Outstanding Shares as on March 31, 2013 – 250 Equity Shares

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

14. PLANT LOCATIONS

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

- | | |
|---|---|
| <p>i. RMC - 1
Narayanpur, Battala, Rajarhat Gopalpur
Kolkata - 700136, West Bengal
E-mail: rmc@tantiagroup.com</p> | <p>ii. RMC - 2
1261, Taratala Road, Near- Brace Bridge Rail Gate
Kolkata - 700 088, West Bengal
E-mail: rmc2@tantiagroup.com</p> |
| <p>iii. RMC - 3
Village: Pamohi, Plot No. 267,
P.O. & P.S.: Garchuk
Guwahati- 781035, Assam
E-mail: rmc3@tantiagroup.com</p> | <p>iv. RMC - 4
C/o- OCP India Pvt Ltd
Cuttack-Puri Road, Bomikhal, P.O. - Rasulgarh,
Bhubaneswar-751010, Odisha
E-mail: rmc4@tantiagroup.com</p> |

15. DESIGNATED E-MAIL ADDRESS FOR INVESTOR RELATIONS

- As per Clause 47(f) of the Listing Agreement with the Stock Exchange(s), the designated e-mail address for Investor Relations is :
E-mail: cs@tantiagroup.com
- 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 in receiving the various documents including Notices, Reports and Accounts etc. in electronic mode may register their e-mail addresses with the Company at the designated e-mail address of the Company for this purpose.
E-mail: shareholders@tantiagroup.com

16. ADDRESS FOR CORRESPONDENCE

- | | |
|---|---|
| <p>a. Secretarial Department:
The Company Secretary
Tantia Constructions Limited
25-27, Netaji Subhas Road, Kolkata - 700 001
Phone: +91 33 2230 1896/6284
Fax: +91 33 2230 7403</p> | <p>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</p> |
|---|---|



Auditors' Certificate 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, 2013, 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 the 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 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.

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For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
Firm Registration No. 314125E

S. K. Mustaphi
Partner

Membership No. 51842

Place: Kolkata
Date: May 30, 2013

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, 2013.

For and on behalf of the Board

Place: Kolkata
Date: May 30, 2013

Ishwari Prasad Tantia
Chairman & Managing Director

CEO and CFO Certification to the Board of Directors

Certification by the Chairman & Managing Director and Vice President (Finance & Accounts)

To,

The Board of Directors,

Tantia Constructions Limited

We, Ishwari Prasad Tantia, Chairman & Managing Director and Rohini Sureka, Vice President (Finance & Accounts), of Tantia Constructions Limited, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2013 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, 2013 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 have 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, 2013

Ishwari Prasad Tantia

Chairman & Managing Director

Rohini Sureka

Vice President (Finance & Accounts)



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, 2013, 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"). 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 misstatements.

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. 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

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:

1. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
2. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
3. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, ("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 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

Financial Statements	Auditors' Report
	Balance Sheet
	Statement of Profit & Loss
	Cash Flow Statement
	Notes

Independent Auditors' Report

by this Report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Act;

- v) on the basis of the written representations received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of Clause (g) of Sub-section (1) of Section 274 of the Act.

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 314125E

CA S. K. Mustaphi

Partner

Place : Kolkata

Date : May 30, 2013

Membership No. 051842



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) In our opinion and according to the information and explanations given to us, 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 has maintained proper records of inventories and no material discrepancies were noticed on physical verification of inventories as compared to book records.
- (iii) (a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, Paragraphs 4(iii) (b), (c) and (d) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, Paragraphs 4(iii) (f) and (g) of the Order is not applicable.
- (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. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (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) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable.
- (b) According to the information and explanations

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

given to us, no undisputed amounts payable in respect of Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, details of dues of Provident Fund, Employee State Insurance, 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	Appellate Authority
Sales Tax	West Bengal	Appeal Demand	853.13	2008-09	Revision petition under process
Sales Tax	West Bengal	Appeal Demand	2,235.63	2009-10	Appellate Authority

(x) The Company does not have accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Financial Institutions, banks and debenture holders.

(xii) In our opinion and according to the information and explanations given 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. Accordingly the provisions of clause (xii) of Paragraph 4 of the Order are not applicable.

(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 and Cash Flow Statement of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long term investment.

(xviii) According to the information and explanations given to us, the Company has made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 and the price at which the shares were issued were not prejudicial to the interest of the Company.

(xix) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the year.

(xx) The Company has not raised any money by way of public issues during the year.

(xxi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 314125E

CA S. K. Mustaphi

Partner

Place : Kolkata

Date : May 30, 2013

Membership No. 051842



Balance Sheet

as at March 31, 2013

(₹ in Lakhs)

	Note	As at March 31, 2013	As at March 31, 2012
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
Share capital	2	1,896	1,736
Reserves & surplus	3	17,235	15,108
Share warrant	4	–	731
		19,131	17,575
(2) Non-current liabilities			
Long-term borrowings	5	11,270	12,408
Deferred tax liabilities	6	776	751
Other long term liabilities	7	1,444	840
Long-term provisions	8	292	196
		13,782	14,195
(3) Current liabilities			
Short-term borrowings	9	50,137	47,312
Trade payables	10	6,556	4,842
Other current liabilities	11	10,431	5,827
Short-term provisions	12	102	332
		67,226	58,313
Total		100,139	90,083
II ASSETS			
(1) Non current assets			
Fixed Assets	13		
Tangible assets		11,539	11,653
Intangible assets		3	–
Capital work in progress		1	49
Non current investments	14	6,625	7,086
Long-term loans and advances	15	838	978
Other non-current assets	16	129	68
		19,135	19,834
(2) Current assets			
Inventories	17	20,919	24,876
Trade receivables	18	16,053	16,835
Cash & Bank balances	19	3,677	3,587
Short-term loans and advances	20	9,007	7,544
Other current assets	21	31,348	17,407
		81,004	70,249
Total		100,139	90,083
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

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD JAMSHED ALAM

Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2013

(₹ in Lakhs)

	Note	Year ended March 31, 2013	Year ended March 31, 2012
I INCOME			
Revenue from operation	22	63,920	62,613
Other income	23	636	268
Total Revenue		64,556	62,881
II EXPENSES			
Cost of material consumed	24	21,701	24,087
Contract operating expenses	25	24,829	28,947
(Increase)/decrease in work in progress	26	3,437	(4,187)
Employee benefits expenses	27	1,971	2,015
Finance cost	28	7,605	7,246
Depreciation and amortisation expenses	13	1,261	1,134
Other expenses	29	2,614	2,021
Total expenses		63,418	61,263
Profit before exceptional & extraordinary items & tax		1,138	1,618
Exceptional items		—	—
Profit before extraordinary items & tax		1,138	1,618
Extraordinary items		—	—
Profit before tax		1,138	1,618
Tax expense :			
Current tax	30	266	460
Deferred tax	30	25	130
		847	1,028
Profit/(Loss) of joint venture (net of tax)		92	(151)
Profit/(Loss) for the year		939	877
Earning per Equity Share of ₹ 10/- each			
Basic (₹)	41	5.29	5.08
Diluted (₹)		5.29	4.50
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

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD JAMSHED ALAM

Company Secretary



Cash Flow Statement

for the period ended March 31, 2013

(₹ in Lakhs)

	Year ended March 31, 2013		Year ended March 31, 2012	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax		1,138		1,618
Add/(Less) Adjustment for :				
Depreciation	1,261		1,134	
(Profit)/Loss on sales of Fixed Assets (Net)	15		20	
Foreign Exchange Fluctuation	133		171	
Interest Income	(430)		(187)	
Interest on Borrowings	6,958		6,623	
Direct Tax Refund	1,449	9,386	–	7,761
Operating Profit before working Capital changes		10,524		9,379
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Debtors	782		2,492	
Loans & Advances	(1,323)		2,217	
Earmarked Bank balances	11		(12)	
Other Current assets	(14,863)		(3,242)	
Inventories	3,957		(5,333)	
Trade payables, Liabilities & Provisions	3,209	(8,227)	(1,087)	(4,965)
Cash Generated from Operations		2,297		4,414
Direct Taxes paid		(848)		(1,146)
Cash Flow before extraordinary items		1,449		3,268
Extra-Ordinary items		–		–
Net Cash from Operating Activities		1,449		3,268
B CASH FLOW FROM INVESTING ACTIVITIES				
Add/(Less) (Increase)/Decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(1,132)		(3,916)	
Sale/discard of Fixed Assets	15		450	
Interest Income	424		167	
Investment in Joint Ventures & Others	553		(6,778)	
Investment in Fixed Deposit	(385)	(525)	357	(9,720)
Net Cash used in Investing Activities		(525)		(9,720)

Cash Flow Statement

for the period ended March 31, 2013

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
C CASH FLOW FROM FINANCING ACTIVITIES		
Add/(Less) (Increase)/decrease in Assets/Liabilities :		
Share Capital issue	160	85
Share Premium Account	1,188	632
Advance against Share Warrant	(731)	(273)
Net Cash inflow	617	444
Long term borrowings	3,971	8,212
Repayment of FCCB	(1,412)	—
Short term borrowing	2,825	5,582
Interest Paid	(6,949)	(6,583)
Dividend Paid	(260)	(410)
Tax on Dividend	(1,825)	(67)
Net Cash from Financing Activities.	(1,208)	7,178
D Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)	(284)	726
E Add : Balance at the beginning of the Year	1,061	335
Cash & Cash Equivalents as the close of the year	777	1,061
Note :		
Cash & Cash Equivalents		
- Balances with banks in Current Accounts	348	787
- Cash in hand	429	274
Cash & Cash equivalents (As per Note 19a)	777	1,061
* Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client	2,891	2,506
** Earmarked Bank balances against Dividend and Unclaimed Share Application	9	20
Total (As per Note 19b)	2,900	2,526
Total [As per Note 19 (a + b)]	3,677	3,587

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD JAMSHED ALAM

Company Secretary



Notes to Financial Statements

as at and for the year ended March 31, 2013

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 the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956, except where otherwise stated.

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

- 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.
- Cost of Construction materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).
- Work-in-progress is valued at cost and reflects the work done but not certified.
- 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.
- 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

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.

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

Notes to Financial Statements

as at and for the year ended March 31, 2013

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 :

- They are realized or receipts thereof are mutually settled or reasonably ascertained.
- Negotiations with the client have reached such an advanced stage that there is reasonable certainty that the client will accept the claim.
- 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 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.



Notes to Financial Statements

as at and for the year ended March 31, 2013

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-imbursement 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. 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.

14. 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.

15. 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".

16. 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 Accounts. 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, 2013

Note : 2A SHARE CAPITAL

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
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	1,882	1,722
(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)		
1,40,000 10.5% Cumulative Preference Shares (Prev. Yr. 1,40,000) of ₹ 10/- each fully paid up	14	14
	1,896	1,736

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

Particulars	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	Amount	No. of Shares	Amount
At the Beginning of the year	1,72,23,066	1,722	1,63,73,066	1,637
Issued during the Year by Conversion of Share Warrant	16,00,000	160	8,50,000	85
Bought Back	—	—	—	—
Outstanding at the end of the Year	1,88,23,066	1,882	1,72,23,066	1,722

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

Particulars	As at March 31, 2013		As at March 31, 2012	
	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 : 2C

The rights, preferences and restrictions attaching 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. The distribution will be in the proportion to the no. of shares held by the shareholder.

Class : Preference Shares

The Company had issued cumulative redeemable preference shares having a par value of ₹ 10 per share on January 8, 2005. The preference share holders do not carry any voting



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 2C (Contd.)

(₹ in Lakhs)

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	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	% holding	No. of Shares	% holding
Nigolice Trading Pvt Ltd	46,69,470	24.81	42,89,000	24.90
Tantia Financial Services Ltd	11,65,506	6.19		
Reliance Capital Trustee Co Ltd	10,18,900	5.41	10,18,900	5.92
Sarla Tantia	11,13,424	5.92		
Harsh Tantia			9,31,300	5.41

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	As at March 31, 2013		As at March 31, 2012	
	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 : 2E

Disclosure of terms of any securities convertible into Equity/Preferential Shares along with earliest date of conversion

FCCB - The Company has issued on July 17, 2007, 7500, 1% Foreign Currency Convertible Bonds due in the year 2012 at 100% of US \$1000 each aggregating to US \$7.5 million to finance capital expenditure. The bondholders have an option of converting these bonds into shares at an initial conversion price of ₹ 140.00 per share (including the premium of ₹ 130/- each) with a fixed rate of conversion of ₹ 40.38 per US \$ at any time on or after July 17, 2007 up-to July 5, 2012. The bonds are also redeemable at the option of the Company at a minimum rate of 130% of the early redemption amount in case of early redemption on any date after 24 months from the issue date and up to July 5, 2012. Unless previously redeemed, converted or repurchased and cancelled, the bonds will be redeemed at 137.92% of its principal amount on the maturity date.

Out of the above proceeds and in terms of the objects of the issue, the Company has utilized ₹ 2,812 (Previous Year ₹ 2,812) for financing capital expenditure and ₹ 115 for FCCB issue expenses. The amount of foreign exchange fluctuation and FCCB issue expenses have been charged to profit and loss account of the relevant year(s).

During the financial year 2010-11, the Company had opted to Buy Back 5000 FCCB in line with the terms of RBI Circular no RBI/2008-09/317 A.P. (DIR Series) Circular no. 39 dtd. 08.12.2008 read with Circular no RBI/2009-10/367 A.P. (DIR Series) Circular no. 44 dtd 29.03.2010 issued in this regard. The Buy Back was completed at a mutually decided discount of 25% on the accredited value of the bonds.

During the financial year the Company has redeemed the balance 2500 FCCB on the maturity date as per the terms of the issue at 137.92% of its principal amount.

SHARE WARRANTS - The Committee of Directors of the

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 2E (Contd.)

(₹ in Lakhs)

Company at their meeting held on June 11, 2011 have allotted 24,50,000 Convertible Warrants to the Promoters/Promoter Group Companies on Private Placement/Preferential Basis, pursuant to Shareholder's approval by way of Postal Ballot, results of which was declared on March 9, 2011 on such terms and conditions duly approved by the Shareholders.

Out of total allotted 24,50,000 Convertible Warrants, the Board of Directors of the Company at their meeting held on February 13, 2012 allotted 8,50,000 Equity Shares to the Promoters/Promoters Group Companies pursuant to conversion of equivalent number of Warrants as per terms

of the issue. Further, the Committee of Directors of the Company at their meeting held on December 8, 2012 allotted 16,00,000 Equity Shares to the Promoters/Promoter Group Companies pursuant to conversion of equivalent number of Warrant which was placed with the Board of Directors at their meeting held on February 13, 2013 which was approved by the Board. The entire issued Equity Shares of the Company are listed on Stock Exchange and shall rank pari-passu with the existing Equity Shares of the Company in all respects.

Note : 3 RESERVES & SURPLUS

	As at March 31, 2013	As at March 31, 2012
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	5,579	4,947
Add: Received during the Year	1,188	632
Balance (b)	6,767	5,579
General Reserve		
Balance as per the last Financial Statement	1,415	1,315
Add: Transferred from Surplus	—	100
Balance (c)	1,415	1,415
Surplus		
Balance as per the last Financial Statement	8,014	7,539
Add : Profit for the Year	939	877
Transfer to		
General Reserve	—	100
Dividend on Cumulative Preference Share	—	1
Proposed Dividend on Equity Share	—	258
Income Tax on Proposed Dividend	—	43
Balance (d)	8,953	8,014
Total Reserves and Surplus (a + b + c + d)	17,235	15,108



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 4 RECONCILIATION OF SHARE WARRANTS

(₹ in Lakhs)

	As at March 31, 2013		As at March 31, 2012	
Share Warrants at the beginning of the Year	16,00,000	731	24,50,000	1,004
Further Money received during the Year	–	617	–	443
Converted into Equity Share of ₹ 10/- at a premium of ₹ 74.25/- per Share	16,00,000	1348	8,50,000	716
Share Warrant at the end of the year pending conversion into Equity	–	–	16,00,000	731

Note : 5 LONG TERM BORROWINGS

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
SECURED				
Deferred Payment Liabilities				
Equipment and Vehicle Loans from Banks and Non-Banking Finance Companies etc.	1,495	4,478	3,222	1,810
Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Chairman & Managing Director.				
Payable between 2-3 Yrs ₹ 1,430, 3-4 Yrs ₹ 65, and Interest Rate ranges from 9.25% to 16.00%.				
Total (a)	1,495	4,478	3,222	1,810
UNSECURED				
RUPEE LOAN				
Advance against Contracts				
- From Contractees	4,709	1,800	1,171	958
- From Subsidiaries :				
Tantia Raxaultollway Pvt Ltd	5,066	1,868	7,460	–
Tantia Sanjauliparkings Pvt Ltd	–	280	172	188
- From Joint Venture	–	51	383	412
FOREIGN CURRENCY LOAN				
Foreign Currency Convertible Bonds	–	–	–	1,279
Total (b)	9,775	3,999	9,186	2,837
Total Long Term Borrowings (a + b)	11,270	8,477	12,408	4,647

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 6 DISCLOSURE ON DEFERRED TAX AS PER AS 22 ON "ACCOUNTING FOR TAXES ON INCOME" (₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
Deferred Tax Liability		
Fixed Assets as per Accounts	11,542	11,653
Fixed Assets as per Income Tax	8,849	9,164
Deferred Tax Liability (Timing Difference)	2,693	2,489
Deferred Tax Asset		
- Provisions for Employee benefits	352	226
- Bonus Provision	59	54
Deferred Tax Asset (Timing Difference)	411	280
Net Deferred Tax Liability	2,282	2,209
Tax Impact on Net Liability @ 33.99%	776	751
Deferred Tax Liability	776	751

Note : 7 OTHER LONG TERM LIABILITIES

Other Liabilities	1,444	840
	1,444	840

Note : 8 LONG TERM PROVISIONS

Retirement Benefits		
- Gratuity	155	138
- Leave encashment	137	58
	292	196

Note : 9 SHORT TERM BORROWINGS

SECURED		
Cash Credit from Scheduled Banks	41,473	34,885
Secured by way of charge :		
On pari-passu basis with among consortium members primarily by hypothecation of entire stock, book debts and other current assets of the company both present and future.		
These are collaterally secured by way of 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)	41,473	34,885



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 9 SHORT TERM BORROWINGS (Contd.)

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
UNSECURED		
Short Term Loans from Scheduled Banks	3,455	10,556
These are payable within 1 Year and interest rates at 11.95%		
From Non-Banking Finance Companies	274	-
Deposits from Bodies Corporate	4780	1,683
Advance against Materials	155	188
Total (b)	8,664	12,427
Total Short Term Borrowings (a + b)	50,137	47,312

Note : 10 TRADE PAYABLES

	As at March 31, 2013		As at March 31, 2012	
Trade Payables (including dues to MSMED vendors)		6,556		4,842
Details of dues to Micro and Small enterprises as defined under the MSMED Act 2006 :				
Principal amount remaining unpaid		1		3
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.	-		-	

Note : 11 OTHER CURRENT LIABILITIES

	As at March 31, 2013	As at March 31, 2012
Current Maturities of Long term debt (Refer note - 5)	8,477	4,647
Interest accrued but not due	-	3
Interest accrued and due	95	83
Unpaid Dividend	7	17
Unclaimed Share Application Money	2	4
Others	1,850	1,073
(Includes ₹ 10 (Previous Year ₹ 8) payable to Directors)		
	10,431	5,827

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 12 SHORT TERM PROVISIONS

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
Retirement Benefits (a)	60	30
Proposed Dividends on		
Equity Shares	—	259
Cumulative Preference Shares	—	1
Total (b)	—	260
Provision for		
Tax on Dividends (c)	42	42
Total (a + b + c)	102	332

Note : 13 FIXED ASSETS

		GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
Sl. No.	Particulars	As at April 01, 2012	Additions	Disposals	As at March 31, 2013	As at March 31, 2012	For the Year	Deductions	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
A) Tangible Assets											
1	Freehold Land	25	372	–	397	–	–	–	–	397	25
2	Work shop & Office Shed	222	51	–	273	16	8	–	24	249	206
3	Plant & Machinery	12,725	685	47	13,363	4,099	666	25	4,740	8,623	8,626
4	Construction Accessories	2,417	–	–	2,417	446	484	–	930	1,487	1,971
5	Testing & Survey Equipments	170	9	–	179	46	8	–	54	125	124
6	Air Conditioner	37	3	–	40	6	2	–	8	32	31
7	Computer	149	11	–	160	94	16	–	110	50	55
8	Office Equipments	69	11	–	80	10	4	–	14	66	59
9	Vehicles	774	35	11	798	283	68	3	348	450	491
10	Furniture & Fixtures	84	–	–	84	19	5	–	24	60	65
Sub Total (a)		16,672	1,177	58	17,791	5,019	1,261	28	6,252	11,539	11,653
Previous Year		13,406	3,876	610	16,672	4,041	1,118	140	5,019	11,653	9,365
B) Intangible Assets											
1	Software	80	3	–	83	80	–	–	80	3	–
Sub Total (b)		80	3	–	83	80	–	–	80	3	–
Previous Year		80	–	–	80	64	16	–	80	–	16
Grand Total (a + b)		16,752	1,180	58	17,874	5,099	1,261	28	6,332	11,542	11,653
Total Previous Year		13,486	3,876	610	16,752	4,105	1,134	140	5,099	11,653	9,381



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 14 NON CURRENT INVESTMENTS

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
(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
172 Equity Shares (Prev. Yr. - 17,238 of ₹ 10/- each) of ₹ 1,000/- each, fully paid up		
Tantia Infrastructure Private Limited	100	100
10,000 Equity Shares (Prev. Yr. - 10,00,000 of ₹ 10/- each) of ₹ 1,000/- each, fully paid up		
Tantia Batala-Beas Tollway Private Limited	1	—
100 Equity Shares (Prev. Yr. - Nil) of ₹ 1,000/- each, fully paid up		
Total (a)	203	202
In Preference instruments		
Tantia Sanjauliparkings Private Limited	512	200
51,200 Preference Shares (Prev. Yr. - 20,000) of ₹ 100/- each, fully paid up		
Tantia Infrastructure Private Limited	5,607	6,203
2,26,498 Preference Shares (Prev. Yr. - 2,48,120) of ₹ 100/- each, fully paid up		
Total (b)	6,119	6,403
In Associates		
(Unquoted, Trade, Long Term at Cost)		
In Equity instruments		
Infra Vision Developers (P) Ltd	50	50
4,95,000 Equity Shares (Prev. Yr. 4,95,000) of ₹ 10/- each, fully paid up		
Non-Trade		
In Others		
In Equity instruments		
Andromeda Communications (P) Ltd.	29	29
7,000 Equity Shares (Prev. Yr. 7,000) of ₹ 10/- each, fully paid up		
Universal Realtors (P) Ltd.	4	4
40,000 Equity shares (Prev. Yr. 40,000) of ₹ 10/- each, fully paid up		
Total (c)	83	83
Total (d)	0	0

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 14 NON CURRENT INVESTMENTS (Contd.)

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
Investment in Joint Ventures as per Accounting Standard 27		
RBM-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 99.999)	49	134
JMC-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	6	25
TANTIA-DBC JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 75)	3	(1)
TANTIA-SOMA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	17	16
TANTIA-SIMPLEX JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 88.43)	1	1
TANTIA-BSBK JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share)	0	—
IVRCL-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	2	2
TANTIA -FREYSSINET JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	12	26
TANTIA-TBL JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	23	24
TANTIA-SPML JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 50)	3	3
TANTIA - GONDWANA (JV) (Jointly Controlled Entity) (% of Profit Share 99.80)	85	158
TANTIA - CCIL (JV) (Jointly Controlled Entity) (% of Profit Share 74)	4	4
TANTIA - EDCL (JV) (Jointly Controlled Entity) (% of Profit Share 51)	4	4
TANTIA - SEC (JV) (Jointly Controlled Entity) (% of Profit Share 52)	11	2
Total (e)	220	398
Grand Total (a + b + c + d + e)	6,625	7,086

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Note : 15 LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)		
Capital Advances	—	148
Security Deposits	742	737
Other Loans & Advances		
Prepaid Expenses	9	9
Advances recoverable in cash or in kind or for value to be received	87	84
	838	978

Note : 16 OTHER NON CURRENT ASSETS

(Unsecured, considered good)		
Deferred Revenue Expenses	129	68
	129	68

Note : 17 INVENTORIES

(As taken, valued and certified by the management)		
Construction Materials	8,059	8,424
Construction Contract Work-in-progress	11,279	14,716
(Work-in-progress is valued at cost and reflects the work done but not certified)		
Stores & Spares	801	889



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 17 INVENTORIES (Contd.)

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
Loose Tools	780	847
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.		
	20,919	24,876

Note : 18 TRADE RECEIVABLES

(Unsecured, considered good)		
Other Debts	12,345	14,074
Exceeding Six Months	3,708	2,761
Of the total Debts :		
Receivable from Subsidiaries :		
Tantia Raxaultollway Pvt Ltd ₹ Nil (Prev. Yr. ₹ 73)		
Tantia Sanjauliparkings Pvt Ltd ₹ 24 (Prev. Yr. ₹ 71)		
Receivable from Joint Ventures ₹ 2,524 (Prev. Yr. ₹ 1,972)		
	16,053	16,835

Note : 19 CASH AND BANK BALANCES

Cash and Bank balances consists of the following		
a) Cash and Cash equivalents		
i) Balances with Banks		
In current Accounts	348	787
ii) Cash in Hand	429	274
Total (a)	777	1,061
b) Other Bank Balances		
i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed share Application)	9	20
ii) Balances with Banks		
In Deposit Accounts (Less than 12 months)	2,761	2,441
In Deposit Accounts (Beyond 12 months)	130	65
(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)		
Total (b)	2,900	2,526
Grand Total (a + b)	3,677	3,587

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 20 SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
(Unsecured, considered good)		
Security Deposits & Earnest Money	4,408	4,494
Advance to Associate Companies		
- Infra Vision Developers (P) Ltd	668	668
- Nigolice Trading Pvt Ltd	190	33
Advance to Subsidiaries		
- Tania Raxaultollway Pvt Ltd	(30)	—
- Tania Sanjauliparkings Pvt Ltd	144	51
- Tania Infrastructure Pvt Ltd	5	—
- Tania Batala-Beas Tollway Pvt Ltd	1	—
Other Loans & Advances		
Prepaid Expenses	296	201
Advances recoverable in cash or in kind or for value to be received	3,325	2,097
	9,007	7,544

Note : 21 OTHER CURRENT ASSETS

Interest accrued but not due on Bank deposits	86	80
Works Contract Tax receivable	1,710	2,260
Unbilled Revenue	27,802	12,217
Deferred Revenue Expenses	212	445
Income Tax Advance		
(including Income Tax Deducted at Source, Net of Provision for taxation)	1,532	2,399
Others	6	6
	31,348	17,407

Note : 22 REVENUE FROM OPERATIONS

	Year ended March 31, 2013	Year ended March 31, 2012
Sale of Services		
Contract Receipts (Gross)	57,689	57,553
Sale of Product		
RMC Sale	6,230	4,986
Less : Excise Duty	(86)	(5)
Other operating revenues		
Misc Business income	87	79
	63,920	62,613



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 23 OTHER INCOME

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
Interest		
On Bank Deposits	214	163
From others	216	24
Profit on Sale of Fixed Assets	1	14
Miscellaneous Income	205	67
	636	268

Note : 24 COST OF MATERIAL CONSUMED

Construction Materials	19,181	21,273
Consumable Materials	1,608	1,835
Stores & Spares	452	378
Carriage Inwards (Including material re-handling)	460	601
	21,701	24,087

Note : 25 CONTRACT OPERATING EXPENSES

Contract Execution Expenses	17,470	21,895
Equipment Hire Expenses	1,660	1,440
Machinery Repairing Charges		
- Plant & Machinery	787	956
- Others	100	151
Power & Fuel	2,575	2,360
Site Expenses	455	424
Works Contract Tax & Others Taxes	1,544	1,307
Consultancy Fees	221	395
Survey & Inspection Expenses	17	19
	24,829	28,947

Note : 26 (INCREASE)/DECREASE IN WORK IN PROGRESS

At the beginning of the Year	14,716	10,529
Less: Balance at the end of the Year	11,279	14,716
	3,437	(4,187)

Note : 27 EMPLOYEE BENEFITS EXPENSES

Salary and Bonus	1,619	1,718
Contribution towards Employees Provident Fund, ESIC and other funds	55	60
Staff Welfare Expenses	162	164
Employees Retirement Benefits	135	73
	1,971	2,015

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 28 FINANCE COST

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
Interest expenses		
To Banks on Working Capital Loans	6,030	5,953
To Non-Banking Finance Companies on Equipment Finance Loan	291	223
To Others	637	447
Other borrowing cost		
Bank Commission & Other Charges	647	623
	7,605	7,246

Note : 29 OTHER EXPENSES

Rent	282	289
Rates and Taxes	518	375
Insurance	125	101
Printing & Stationery	38	51
Directors' Commission	—	5
Directors' Fees	4	3
Auditor's Remuneration :		
Audit Fees	4	4
Tax Audit Fees	1	1
Other Services	2	1
Internal Audit & Other Certificate Fees	1	8
Light Vehicles Running Expenses	20	32
Travelling & Conveyance	323	331
Loss on Sale of Fixed Assets	16	34
Advertisement	13	16
Computer Maintenance	8	10
Legal Expenses	12	42
Security Guard Expenses	150	115
Telephone Expenses	73	74
SAP - Maintenance	11	11
Foreign Exchange Fluctuation	133	171
Premium on Redemption of F C C B	533	—
Donation	2	4
Miscellaneous Expenses	345	343
	2,614	2,021



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 30 PROVISION FOR TAXATION

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
Income Tax for the year	228	460
Income Tax for earlier year	38	—
Deferred Taxes	25	130
	291	590

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

Note : 31 CONTINGENT LIABILITIES AND COMMITMENTS

Sl. Particulars	2012-13	2011-12
1 Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹ 2,123 (Prev. Yr. ₹ 1,597) 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 ₹ 60,000 (Prev. Yr. ₹ 62,600). Total figure as shown above includes ₹ 14,243 (Prev. Yr. ₹ 4,158) relating to Joint Venture.	60,000	62,600
2 Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	4,204	2,007
3 Arbitration case for which stay order has been taken	—	160
4 The demand, if any, that may arise out of search and seizure proceedings initiated by the Income Tax Authority	Amount not ascertainable	Amount not ascertainable
5 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 March 31, 2013 was Nil.		
6 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 and 2008-09, 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 maximum to the extent of ₹ 865.13 Lakhs. 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. ₹ 103.63).

- Other Commitment :**

The Company has a commitment towards purchase of Construction Materials for various projects aggregating to ₹ 98.65 (Prev. Yr. ₹ 40) for which purchase orders have been raised before March 31, 2013.

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 33

(₹ in Lakhs)

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.

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 April 30, 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	2012-13	2011-12
The amount of contract revenue recognized as revenue in the period	57,689	57,553
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,66,728	1,47,165
The amount of advances received	13,929	10,933
The amount of retentions	4,534	4,611
Gross amount due from customers	27,802	12,217
Gross amount due to customers	—	—

Note : 38

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	31.03.2013	31.03.2012
Defined Contribution Plan -		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to employees Provident fund -	25	24
Contribution to Employees State Insurance	10	14



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 38 (Contd.)

(₹ in Lakhs)

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Reconciliation of opening and closing balances of the present value of the Defined benefit obligation				
Obligation at the period beginning (April 1)	169	136	88	58
Current Service Cost	14	12	45	27
Interest Cost	14	11	7	6
Actuarial (Gain)/Loss	(2)	18	59	2
Benefits paid	(2)	(8)	(2)	(5)
Obligation at the year end (March 31)	193	169	197	88
Change in Plan Assets				
Plan assets at period beginning, at fair value	31	36	–	–
Expected return on plan assets	3	3	–	–
Actuarial (Gain)/Loss	–	–	NA	NA
Contributions	6	–	–	–
Benefits paid	(2)	(8)	–	–
Plan Assets at the year end, at fair value	38	31	–	–
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	38	31	–	–
Present value of the defined benefit obligations at the end of the year	193	169	197	88
Liability/(Assets) recognized in the Balance Sheet	155	138	197	88
Cost for the year				
Current service cost	14	12	45	27
Interest cost	14	11	7	6
Expected return on plan assets	(2)	(3)	–	–
Actuarial (gain)/loss	(2)	18	59	2
Net Cost recognized in the Statement of Profit and Loss	24	38	111	35
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%

Note : 39

The Company operates under a major segment namely "Core Infrastructure" and under other segments. Since the segment revenue from external customers for each of the other segments is below 10% of total revenue and the carrying amount of assets for each other segments are below 10% of the carrying amount of all assets, reporting under AS-17 on "Segment Reporting" has not been made.

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 40

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 :

SI No.	Nature of Relation	Name of the 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. Infra Vision Developers (P) Ltd. Manobal Vyapaar (P) Ltd. Castal Extrusion (P) Ltd. Andromeda Communications (P) Ltd. Harsh Leisures (P) Ltd. Prism Impex (P) Ltd. Greenzen Bio (P) Ltd.
B	Subsidiary(ies) :	Tantia Sanjauliparkings (P) Ltd. Tantia Infrastructure (P) Ltd. Tantia Raxaultollway (P) Ltd. Tantia Batala-Beas Tollway (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 Gondwana (JV) Tantia CCIL (JV) Tantia EDCL (JV) Tantia SEC (JV) Tantia YSCC (JV) Tantia EPAS (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, Whole-time Director Ms. Rohini Sureka, Vice President (Finance & Accounts)
E	Relatives of Key Management Personnel (KMP) :	Mrs. Laxmi Tantia Sri Siddhartha Tantia Sri Harsh Tantia



Notes to Financial Statements

as at and for the year ended March 31, 2013

* 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 :

(₹ in Lakhs)

Nature of Transactions	Year	Fellow / Company / Trust	Subsidiaries	Joint Venture	Key Management Personnel and Relatives	Total
Rendering of Services	12-13	—	6,485	5,775	—	12,260
	11-12	—	4,312	5,946	—	10,258
Interest Received	12-13	—	—	—	—	—
	11-12	—	—	—	—	—
Remuneration Paid/Payable	12-13	—	—	—	238	238
	11-12	—	—	—	201	201
Rent Paid	12-13	11	—	—	46	57
	11-12	13	—	—	28	41
Re-imbursement of Expenses	12-13	23	—	—	8	31
	11-12	44	69	—	2	115
Purchase of Goods	12-13	—	—	—	—	—
	11-12	37	—	—	—	37
Purchase of Fixed Assets	12-13	—	—	59	—	59
	11-12	—	—	222	—	222
Advances Given	12-13	168	93	—	6	267
	11-12	2,287	—	—	—	2,287
Advances Taken	12-13	12	—	1	—	13
	11-12	—	7,820	—	—	7,820
Refund of Advances	12-13	—	750	—	—	750
	11-12	2,265	—	—	—	2,265
MD Commission	12-13	—	—	—	—	—
	11-12	—	—	—	5	5
Investment in Joint Ventures	12-13	—	—	(176)	—	(176)
	11-12	—	—	327	—	327
Share of Profit/(Loss)	12-13	—	—	92	—	92
	11-12	—	—	(151)	—	(151)
Donation	12-13	—	—	—	—	—
	11-12	—	—	—	—	—
Investment in Shares	12-13	—	1,647	—	—	1,647
	11-12	—	6,502	—	—	6,502
Outstanding Balances Receivable	12-13	668	5	—	27	700
	11-12	699	—	2755	21	3,475
Outstanding Balance Payable	12-13	16	7,076	—	5	7,097
	11-12	6	7,581	—	7	7,594

Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 41

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

Particulars	2012-13	2011-12
BASIC		
Net Profit after tax for the year attributable for equity shareholders	939	875
Weighted number of shares for EPS computation	1,77,22,792	1,72,23,066
Earnings Per Share	5.29	5.08
DILUTED		
Net Profit after Tax for the year	939	875
Expenses on FCCB (net of tax)	—	5
Adjusted Profit after Tax for the year available for equity shareholders	939	880
Weighted average number of shares for EPS computation	1,77,22,792	1,95,44,495
Diluted Earnings Per Share	5.29	4.50

Note : 42

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

i. Financial interest in the Jointly controlled Entities

(₹ in Lakhs)

Name of JV	Year	Assets	Liabilities	Turnover	Other Income	Expenses
JMC Tania JV	12-13	30	30	—	5	5
	11-12	46	46	—	0	0
Tania DBC JV *	12-13	13	13	—	—	0
	11-12	10	10	—	—	0
Tania Freyssinet Gilcon JV	12-13	20	20	—	7	7
	11-12	28	28	—	8	8
Tania-Gondwana JV	12-13	1,082	1082	500	20	520
	11-12	1,933	1933	2,854	2	2,855
IVRCL-Tania JV	12-13	95	95	—	—	0
	11-12	95	95	—	—	0
Tania-Simplex JV	12-13	26	26	—	—	0
	11-12	26	26	—	—	0
Tania-Soma JV	12-13	14	14	—	—	0
	11-12	14	14	—	2	7
Tania-SPML JV *	12-13	—	—	—	—	—
	11-12	2	2	—	—	—
Tania-BSBK JV	12-13	36	36	—	—	—
	11-12	36	36	—	—	—
Tania-CCIL JV	12-13	1,230	1,230	3,963	—	3,963
	11-12	1,154	1,154	2,143	—	2,143
Tania-TBL JV	12-13	12	12	626	0	615
	11-12	12	12	—	—	0
Tania-SEC JV *	12-13	781	781	1,478	1	1,409
	11-12	546	546	681	—	628



Notes to Financial Statements

as at and for the year ended March 31, 2013

Note : 42

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

i. Financial interest in the Jointly controlled Entities (Contd.)

(₹ in Lakhs)

Name of JV	Year	Assets	Liabilities	Turnover	Other Income	Expenses
Tantia-Premco JV *	12-13	27	27	96	1	96
	11-12	—	—	—	—	—
Tantia-YSCC JV *	12-13	92	92	295	0	282
	11-12	122	122	153	—	144
Tantia-EDCL JV	12-13	10	10	117	—	116
	11-12	62	62	281	—	281
Tantia-OTBL JV *	12-13	112	112	829	—	829
	11-12	—	—	—	—	—
Tantia-Tundi JV *	12-13	692	692	720	46	745
	11-12	—	—	—	—	—

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

Note : 43

The Company has reviewed the possibility of any impairment of the fixed assets of the Company in terms of the Accounting Standard AS 28 - "Impairment of Assets" 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

	2012-13		2011-12	
A Value of imports calculated on CIF Basis				
(i) Capital Goods	—	—	6	—
B Expenditure in foreign currencies				
(i) Traveling expenses	—	—	9	—
(ii) Consultancy Charges	—	—	4	—
(iii) Interest	23	—	7	—
(iv) Premium on Redemption of FCCB	533	—	—	—
(v) Payment to Subcontractor	289	—	—	—
C Value of Construction Materials consumed				
(i) Imported	—	—	—	—
(ii) Indigenous	19,181	100.00%	21,273	100.00%
D Value of Spare Parts & Components consumed				
(i) Imported	—	—	—	—
(ii) Indigenous	2,060	100.00%	2,213	100.00%
E Earnings in foreign currency (on accrual basis)	314	—	—	—
Export of goods or services on F.O.B. basis and work bills realised on contracts	—	—	—	—

Notes to Financial Statements

as at and for the year ended March 31, 2013

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.

(₹ in Lakhs)

Particulars	Dividend including Corporate Tax on Dividend (Including Preference shares)	Employee benefits
Balance as on 1.4.2012	302	226
Balance as on 1.4.2011	477	158
Add: Provisions made (2012-13)	—	128
(2011-12)	302	71
Less: Payments (2012-13)	260	2
(2011-12)	477	3
Less: Adjustments (2012-13)	—	—
(2011-12)	—	—
Closing Balance as on 31.03.2013	42	352
Closing Balance as on 31.03.2012	302	226

Note : 46

Previous year's figure have been re-grouped and re-arranged 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

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD JAMSHED ALAM

Company Secretary



Statement of Subsidiary Company(ies)

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	Pofit before Tax	Taxation	Profit after Tax	Dividend
Tantia Infrastructure Pvt. Ltd.	404.00	7,229.00	7,638.00	7,638.00	7,629.00	–	–	–	–	–
Tantia Raxaultollway Pvt. Ltd.	382.00	12,119.00	20,048.00	20,048.00	–	–	–	–	–	–
Tantia Sanjauliparkings Pvt. Ltd.	164.00	574.00	2,054.00	2,054.00	–	–	–	–	–	–
Tantia Batala-Beas Tollway Pvt. Ltd.	1.00	–	8.00	8.00	–	–	–	–	–	–

Financial Statements	Auditors' Report
	Balance Sheet
	Statement of Profit & Loss
	Cash Flow Statement
	Notes

Independent Auditors' Report on Consolidated Financial Statements

To the Board of Directors of
Tantia Constructions Limited

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, 2013, 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

The Company's 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 presentation of the consolidated financial statements that give a true and fair view 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, 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, 2013;
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 Matters

We did not audit the financial statements of one subsidiary and one Joint Venture, whose Financial Statement reflects total assets (net) of ₹ 210.48 Lakhs as at Mar 31, 2013, total revenues of ₹ 117.00 Lakhs and net cash flows amounting to ₹ 1.00 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 and disclosures included in respect of the above mentioned subsidiary and Joint Venture, are based solely on the report of other auditors.

The consolidated financial statements includes the unaudited financial statements of 7 (seven) Joint Ventures, whose Financial Statements reflects total assets (net) of ₹ 1717.00 Lakhs as at March 31, 2013, total revenues of ₹ 3418.00 Lakhs and net cash flows amounting to ₹ 84.00 Lakhs for the year ended on that date. 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 report is not qualified in respect of these matters.

In terms of our report of even date attached
For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants
Firm Registration No. 314125E

CA. **S. K. Mustaphi**
Partner

Place : Kolkata
Date : May 30, 2013

Membership No. 051842



Consolidated Balance Sheet

as at March 31, 2013

(₹ in Lakhs)

	Note	As at March 31, 2013	As at March 31, 2012
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
Share capital	2	1,973	1,736
Reserves & surplus	3	23,600	14,643
Share warrant	4	–	731
		25,573	17,110
(2) Minority Interest		2	1
(3) Non-current Liabilities			
Long-term borrowings	5	15,095	11,183
Deferred tax liabilities	6	776	751
Other long term liabilities	7	1,457	851
Long-term provisions	8	292	196
		17,620	12,981
(4) Current Liabilities			
Short-term borrowings	9	50,706	47,312
Trade payables	10	7,047	5,007
Other current liabilities	11	8,489	6,237
Short-term provisions	12	102	332
		66,344	58,888
Total		1,09,539	88,980
II ASSETS			
(1) Non current assets			
Fixed Assets	13		
Tangible assets		11,564	11,655
Intangible assets		3	–
Intangible Capital work in progress		10,696	4,199
Goodwill on Consolidation		6	6
Non current investments	14	82	167
Long-term loans and advances	15	1,661	1,300
Other non-current assets	16	132	70
		24,144	17,397
(2) Current Assets			
Inventories	17	21,401	24,926
Trade receivables	18	14,918	16,064
Cash & Bank balances	19	5,949	4,085
Short-term loans and advances	20	8,854	7,531
Other current assets	21	34,273	18,977
		85,395	71,583
Total		1,09,539	88,980
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

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD. JAMSHED ALAM

Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2013

(₹ in Lakhs)

	Note	Year ended March 31, 2013	Year ended March 31, 2012
I INCOME			
Revenue from operation	22	63,284	58,886
Other income	23	638	280
Total Revenue		63,922	59,166
II EXPENSES			
Cost of material consumed	24	21,407	23,881
Contract operating expenses	25	24,753	26,059
(Increase)/decrease in work in progress	26	3,006	(4,202)
Employee benefits expenses	27	1,990	2,000
Finance cost	28	7,625	7,272
Depreciation and amortisation expenses	13	1,263	1,134
Other expenses	29	2,649	1,966
Total expenses		62,693	58,110
Profit before exceptional & extraordinary items & tax		1,229	1,056
Exceptional items		—	—
Profit before extraordinary items & tax		1,229	1,056
Extraordinary items		—	—
Profit after extraordinary items but before tax		1,229	1,056
Adjustment for diminution in Value of Investment		1	7
Profit before tax		1,228	1,049
Tax expense :			
Current tax	30	281	466
Deferred tax	30	25	130
		922	453
Profit/(Loss) for the year		922	453
Earning per Equity Share of ₹ 10/- each			
Basic (₹)	42	5.19	2.62
Diluted (₹)		5.19	2.34
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

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD. JAMSHED ALAM

Company Secretary



Consolidated Cash Flow Statement

for the period ended March 31, 2013

(₹ in Lakhs)

	Year ended March 31, 2013		Year ended March 31, 2012	
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax		1,229		1,056
Add/(Less) Adjustment for :				
Depreciation	1,263		1,134	
Adjustment for diminution in value of Investment	(1)		(7)	
(Profit)/Loss on sales of Fixed Assets (Net)	15		20	
Foreign Exchange Fluctuation	88		171	
Interest Income	(432)		(199)	
Interest on Borrowings	6,961		6,653	
Direct Tax Refund	1,449	9,343	–	7,772
Operating Profit before working Capital changes		10,572		8,828
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Debtors	1,146		3,263	
Loans & Advances	(1,684)		1,906	
Earmarked Bank balances	11		(12)	
Other Current assets	(16,271)		(4,452)	
Inventories	3,525		(5,383)	
Trade payables, Liabilities & Provisions	3,154	(10,119)	(392)	(5,070)
Cash Generated from Operations		453		3,758
Direct Taxes paid		(811)		(1,525)
Cash Flow before extraordinary items		(358)		2,233
Extra-Ordinary items		–		–
Net Cash from Operating Activities		(358)		2,233
B CASH FLOW FROM INVESTING ACTIVITIES				
Add/(Less) (Increase)/Decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(7,702)		(8,033)	
Sale/discard of Fixed Assets	15		450	
Interest Income	426		179	
Investment in Joint Ventures & Others	85		148	
Investment in Fixed Deposit	(399)	(7,575)	356	(6,900)
Net Cash used in Investing Activities		(7,575)		(6,900)

Consolidated Cash Flow Statement

for the period ended March 31, 2013

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
C CASH FLOW FROM FINANCING ACTIVITIES		
Add/(Less) (Increase)/Decrease in Assets/Liabilities :		
Share Capital issue	237	85
Share Premium Account	3,041	632
Grant Received	4,994	—
Advance against Share Warrant	(731)	(273)
Net Cash inflow	7,541	444
Minority Interest	1	—
Long term borrowings	7,061	6,899
Repayment of FCCB	(1,412)	—
Short term borrowing	3,394	5,580
Interest Paid	(6,916)	(6,562)
Dividend Paid	(260)	(409)
Tax on Dividend	1,868	(67)
Net Cash from Financing Activities.	9,409	5,885
D Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)	1,476	1,218
E Add : Balance at the beginning of the Year	1,559	341
Cash & Cash Equivalents as the close of the year	3,035	1,559
Note :		
Cash & Cash Equivalents		
- Balances with banks in Current Accounts	2,581	1,279
- Cash in hand	437	280
- Cheques in hand	17	—
Cash & Cash equivalents (As per Note 19a)	3,035	1,559
* Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client	2,905	2,506
** Earmarked Bank balances against Dividend and Unclaimed Share Application	9	20
Total (As per Note 19b)	2,914	2,526
Total [As per Note 19 (a + b)]	5,949	4,085

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD. JAMSHED ALAM

Company Secretary



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note 1

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 intra 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, 2013.
- 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) of the Companies Act, 1956, except where otherwise stated.

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 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

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

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

- 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.
- Cost of Construction materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).
- Work-in-progress is valued at cost and reflects the work done but not certified.
- 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.
- 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

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.

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.



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

- 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-imbursement 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.

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. 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.

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

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. 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 accompanying financial statements. 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.

Note : 2A SHARE CAPITAL

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
Authorised :		
3,90,00,000 Equity Shares (Prev. Yr. 3,90,00,000) of ₹ 10/- each	3,900	3,900
10,00,000 10.5% Cumulative Redeemable 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	1,882	1,722
(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)		
1,40,000 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. Nil) of ₹ 100/- each fully paid up	77	—
	1,973	1,736

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

Particulars	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	Amount	No. of Shares	Amount
At the Beginning of the year	1,72,23,066	1,722	1,63,73,066	1,637
Issued during the Year by Conversion of Share Warrant	16,00,000	160	8,50,000	85
Bought Back	—	—	—	—
Outstanding at the end of the Year	1,88,23,066	1,882	1,72,23,066	1,722



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 2B (ii) - A reconciliation of the number of 10.5% Cumulative Redeemable Preference Shares of Rs. 10/- each outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2013		As at March 31, 2012	
	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	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	Amount	No. of Shares	Amount
At the Beginning of the year	—	—	—	—
Issued during the Year	—	—	—	—
Transfer	77,206	77	—	—
Outstanding at the end of the Year	77,206	77	—	—

The Company was holding 2,48,120, 16% Cumulative Redeemable Preference share of Tantia Infrastructure Pvt. Ltd. (a Subsidiary) at the beginning of the year. Further the Company subscribed for 55,584, 16% Cumulative Redeemable Preference shares issued during the year. Out of total holding of 3,03,704 shares, the Company transferred 77,206 shares to Prism Impex Pvt. Ltd. and the Company's holding at the end of year was 2,26,498 shares.

Note : 2C

The rights, preferences and restrictions attaching to each class of shares

Class : Equity Shares

- 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.
- 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. The distribution will be in the proportion to the no. of shares held by the shareholder.

Class : 10.5% Cumulative Redeemable Preference share :

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.

Class : 16% Cumulative Redeemable Preference share :

The group had issued cumulative redeemable preference shares having a par value of Rs 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 preceding the date of commencement of the meeting.

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

(₹ in Lakhs)

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

Name of Shareholders	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	% holding	No. of Shares	% holding
Nigolice Trading Pvt Ltd	46,69,470	24.81	42,89,000	24.90
Tantia Financial Services Ltd	11,65,506	6.19		
Reliance Capital Trustee Co Ltd	10,18,900	5.41	10,18,900	5.92
Sarla Tantia	11,13,424	5.92		
Harsh Tantia			9,31,300	5.41

Note : 2D (ii) 10.5% Cumulative Redeemable 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	As at March 31, 2013		As at March 31, 2012	
	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 : 2D (iii) 16% Cumulative Redeemable 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	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	% holding	No. of Shares	% holding
Prism Impex Pvt. Ltd.	77,206	25.42%	—	—

Note : 2E

Disclosure of terms of any securities convertible into Equity/Preferential Shares along with earliest date of conversion

FCCB - The Company has issued on 17th July, 2007, 7500, 1% Foreign Currency Convertible Bonds due in the year 2012 at 100% of US \$1000 each aggregating to US \$7.5 million to finance capital expenditure. The bondholders have an option of converting these bonds into shares at an initial conversion price of ₹ 140.00 per share (including the premium of ₹ 130/- each) with a fixed rate of conversion of ₹ 40.38 per US \$ at any time on or after 17th July 2007 up-to 5th July 2012. The bonds are also redeemable at the option of the Company at a minimum rate of 130% of the early redemption amount in case of early redemption on any date after 24 months from the issue date and up to 5th July 2012. Unless previously redeemed, converted or repurchased and cancelled, the bonds will be redeemed at 137.92% of its principal amount on the maturity date.

Out of the above proceeds and in terms of the objects of the issue, the Company has utilized ₹ 2,812 (Pr. Year ₹ 2,812)

for financing capital expenditure and ₹ 115 for FCCB issue expenses. The amount of foreign exchange fluctuation and FCCB issue expenses have been charged to profit and loss account of the relevant year(s).

During the financial year 2011-12, the Company had opted to Buy Back 5000 FCCB in line with the terms of RBI Circular no RBI/2008-09/317 A.P. (DIR Series) Circular no. 39 dtd. 08.12.2008 read with Circular no RBI/2009-10/367 A.P. (DIR Series) Circular no. 44 dtd 29.03.2010 issued in this regard. The Buy Back was completed at a mutually decided discount of 25% on the accredited value of the bonds.

During the financial year the Company has redeemed the balance 2500 FCCB on the maturity date as per the terms of the issue at 137.92% of its principal amount.

SHARE WARRANTS - The Committee of Directors of the Company at their meeting held on 11th June, 2011 have allotted 24,50,000 Convertible Warrants to the Promoters/Promoter Group Companies on Private Placement/Preferential Basis, pursuant to Shareholder's approval by way of Postal Ballot, results of which was declared



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 2E (Contd.)

(₹ in Lakhs)

on 9th March, 2011 on such terms and conditions duly approved by the Shareholders.

Out of total allotted 24,50,000 Convertible Warrants, the Board of Directors of the Company at their meeting held on February 13, 2012 allotted 8,50,000 Equity Shares to the Promoters/Promoters Group Companies pursuant to conversion of equivalent number of Warrants as per terms of the issue. Further, the Committee of Directors of the Company at their meeting held on December 8, 2012 allotted

16,00,000 Equity Shares to the Promoters/Promoter Group Companies pursuant to conversion of equivalent number of Warrant which was placed with the Board of Directors at their meeting held on 13th February 2013 which was approved by the Board. The entire issued Equity Shares of the Company are listed on Stock Exchange and shall rank pari-passu with the existing Equity Shares of the Company in all respects.

Note : 3 RESERVES & SURPLUS

	As at March 31, 2013	As at March 31, 2012
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	5,579	4,947
Add: Received during the Year	3,041	632
Balance (b)	8,620	5,579
General Reserve		
Balance as per the last Financial Statement	1,415	1,315
Add: Transferred from Surplus	—	100
Balance (c)	1,415	1,415
Grant		
Balance as per the last Financial Statement	—	—
Add : Received during the year	4,994	—
Balance (d)	4,994	—
Surplus		
Balance as per the last Financial Statement	7,549	7,497
Add : Profit for the Year	922	453
Transfer to		
General Reserve	—	100
Dividend on Cumulative Preference Share	—	1
Proposed Dividend on Equity Share	—	258
Income Tax on Proposed Dividend	—	42
Balance (e)	8,471	7,549
Total Reserves and Surplus (a + b + c + d + e)	23,600	14,643

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 4 RECONCILIATION OF SHARE WARRANTS

(₹ in Lakhs)

	As at March 31, 2013		As at March 31, 2012	
Share Warrants at the beginning of the Year	16,00,000	731	24,50,000	1,004
Further Money received during the Year	–	617	–	443
Converted into Equity Share of ₹ 10/- at a premium of ₹ 74.25/- per Share	16,00,000	1348	8,50,000	716
Share Warrant at the end of the year pending conversion into Equity	–	–	16,00,000	731

Note : 5 LONG TERM BORROWINGS

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
SECURED				
Deferred Payment Liabilities				
Equipment and Vehicle Loans from Banks and Non-Banking Finance Companies etc. Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Chairman & Managing Director.	1,495	4,478	3,222	1,810
Payable between 2-3 Yrs ₹ 1,430, 3-4 Yrs ₹ 65, and Interest Rate ranges from 9.25% to 16.00%.				
Term Loan from Banks	8507	–	6408	–
1) Term Loan amounting to ₹ 7384 (Previous year - ₹ 5608) is secured by first charge by hypothecation of all assets present and future and corporate guarantee of Tania Construction Ltd. along with substitution rights as per concession agreement. It is to be repaid in 46 quarterly installments after moratorium of 12 months from the date of COD/DCCO at an interest rate of Base rate + 1.5% p.a.				
2) Term loan amounting to ₹ 1123 (Previous year - ₹ 800). The principal amount of the Term Loan was to be repaid in 108 monthly installments starting from 1st Apr 2013 as per original sanction letter. The company has approached bank for restructuring of repayment schedule which the banker have principally agreed. Accordingly, no part of principal is due in 13-14. The Term loan is secured by first charge on Escrow account with the bank wherein the company would deposit all collection and corporate guarantee of Tania Constructions Ltd.				
Total (a)	10,002	4,478	9,630	1,810
UNSECURED				
RUPEE LOAN				
Advance against Contracts				
- From Contractees	5,093	1,851	1,553	1,370
FOREIGN CURRENCY LOAN				
Foreign Currency Convertible Bonds	–	–	–	1,279
Total (b)	5,093	1,851	1,553	2,649
Total Long Term Borrowings (a + b)	15,095	6,329	11,183	4,459



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 6 DISCLOSURE ON DEFERRED TAX AS PER AS 22 ON "ACCOUNTING FOR TAXES ON INCOME" (₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
Deferred Tax Liability		
Fixed Assets as per Accounts	11,567	11,655
Fixed Assets as per Income Tax	8,874	9,164
Deferred Tax Liability (Timing Difference)	2,693	2,491
Deferred Tax Asset		
- Provisions for Employee benefits	352	226
- Bonus Provision	59	54
Deferred Tax Asset (Timing Difference)	411	280
Net Deferred Tax Liability	2,282	2,211
Tax Impact on Net Liability @ 33.99%	776	751
Deferred Tax Liability	776	751

Note : 7 OTHER LONG TERM LIABILITIES

Other Liabilities	1,457	851
	1,457	851

Note : 8 LONG TERM PROVISIONS

Retirement Benefits		
- Gratuity	155	138
- Leave encashment	137	58
	292	196

Note : 9 SHORT TERM BORROWINGS

SECURED		
Cash Credit from Scheduled Banks	41,473	34,885
Secured by way of charge : On pari-passu basis with among consortium members primarily by hypothecation of entire stock, book debts and other current assets of the company both present and future. These are collaterally secured by way of 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)	41,473	34,885

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 9 SHORT TERM BORROWINGS (Contd.)

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
UNSECURED		
Short Term Loans from Scheduled Banks	3,455	10,556
These are payable within 1 Year and interest rates at 11.95%		
From Non-Banking Finance Companies	274	-
Deposits from Bodies Corporate	4,780	1,683
Advance against Materials	367	188
From Others	357	-
Total (b)	9,233	12,427
Total Short Term Borrowings (a + b)	50,706	47,312

Note : 10 TRADE PAYABLES

Trade Payables (including dues to MSMED vendors)	7,047	5,007
Details of dues to Micro and Small enterprises as defined under the MSMED Act 2006 :		
Principal amount remaining unpaid	1	3
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.	-	-

Note : 11 OTHER CURRENT LIABILITIES

Current Maturities of Long term debt (Refer note - 5)	6,329	4,459
Interest accrued but not due	75	54
Interest accrued and due	107	83
Unpaid Dividend	7	17
Unclaimed Share Application Money	2	4
Others	1,969	1,620
(Includes ₹ 10 (Previous Year ₹ 8) payable to Directors)		
	8,489	6,237



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 12 SHORT TERM PROVISIONS

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
Retirement Benefits (a)	60	30
Proposed Dividends on		
Equity Shares	—	259
Cumulative Preference Shares	—	1
Total (b)	—	260
Provision for		
Tax on Dividends (c)	42	42
Total (a + b + c)	102	332

Note : 13 FIXED ASSETS

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
		As at April 01, 2012	Additions	Disposals	As at March 31, 2013	As at March 31, 2012	For the Year	Deductions	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
A) Tangible Assets											
1	Freehold Land	25	372	—	397	—	—	—	—	397	25
2	Work shop & Office Shed	222	51	—	273	16	8	—	24	249	206
3	Plant & Machinery	12,725	706	47	13,384	4,099	668	25	4,742	8,642	8,626
4	Construction Accessories	2,417	—	—	2,417	446	484	—	930	1,487	1,971
5	Testing & Survey Equipments	170	10	—	180	46	8	—	54	126	124
6	Air Conditioner	37	3	—	40	6	2	—	8	32	31
7	Computer	149	12	—	161	94	16	—	110	51	55
8	Office Equipments	71	11	—	82	10	4	—	14	68	61
9	Vehicles	774	37	11	800	283	68	3	348	452	491
10	Furniture & Fixtures	84	—	—	84	19	5	—	24	60	65
	Sub Total (a)	16,674	1,202	58	17,818	5,019	1,263	28	6,254	11,564	11,655
	Previous Year	13,406	3,878	610	16,674	4,041	1,118	140	5,019	11,655	9,365
B) Intangible Assets											
1	Software	80	3	—	83	80	—	—	80	3	—
	Sub Total (b)	80	3	—	83	80	—	—	80	3	—
	Previous Year	80	—	—	80	64	16	—	80	—	16
	Grand Total (a + b)	16,754	1,205	58	17,901	5,099	1,263	28	6,334	11,567	11,655
	Total Previous Year	13,486	3,878	610	16,754	4,105	1,134	140	5,099	11,655	9,381

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 14 NON CURRENT INVESTMENTS

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
In Associates		
(Unquoted, Trade, Long Term at Cost)		
In Equity instruments		
Infra Vision Developers (P) Ltd	—	1
4,95,000 Equity Shares (Prev. Yr. 4,95,000) of ₹ 10/- each, fully paid up		
Non-Trade		
In Others		
In Equity instruments		
Andromeda Communications (P) Ltd.	29	29
7,000 Equity Shares (Prev. Yr. 7,000) of ₹ 10/- each, fully paid up		
Universal Realtors (P) Ltd.	4	4
40,000 Equity shares (Prev. Yr. 40,000) of ₹ 10/- each, fully paid up		
Total (a)	33	34
Investment in Government Securities		
National Saving Certificate, Deposited with Sales tax Authorities, Mizoram	0	0
Total (b)	0	0
Investment in Joint Ventures as per Accounting Standard 27		
RBM-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 99.999)	49	133
Total (c)	49	133
Grand Total (a + b + c)	82	167

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Note : 15 LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)		
Capital Advances	—	314
Security Deposits	1,091	782
Prepaid Expenses	11	9
Advances recoverable in cash or in kind or for value to be received	559	195
	1,661	1,300

Note : 16 OTHER NON CURRENT ASSETS

(Unsecured, considered good)		
Deferred Revenue Expenses	129	68
Preliminary Expenses	3	2
	132	70



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 17 INVENTORIES

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
(As taken, valued and certified by the management)		
Construction Materials	8,095	8,460
Construction Contract Work-in-progress (Work-in-progress is valued at cost and reflects the work done but not certified)	11,725	14,731
Stores & Spares	801	889
Loose Tools	780	846
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.		
	21,401	24,926

Note : 18 TRADE RECEIVABLES

(Unsecured, considered good)		
Other Debts	11,991	13,481
Exceeding Six Months	2,927	2,583
	14,918	16,064

Note : 19 CASH AND BANK BALANCES

Cash and Bank balances consists of the following

a) Cash and Cash equivalents

i) Balances with Banks		
In current Accounts	2,581	1,279
ii) Cash in Hand	437	280
iii) Cheques in hand	17	—
Total (a)	3,035	1,559

b) Other Bank Balances

i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed share Application)	9	20
ii) Balances with Banks		
In Deposit Accounts (Less than 12 months)	2,775	2,441
In Deposit Accounts (Beyond 12 months)	130	65

(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)

Total (b)	2,914	2,526
Grand Total (a + b)	5,949	4,085

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 20 SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

	As at March 31, 2013	As at March 31, 2012
(Unsecured, considered good)		
Security Deposits & Earnest Money	4,281	4,507
Advance to Associate Companies		
- Infra Vision Developers (P) Ltd	668	668
- Nigolice Trading Pvt Ltd	190	33
Other Loans & Advances		
Prepaid Expenses	296	224
Advances recoverable in cash or in kind or for value to be received	3,419	2,099
	8,854	7,531

Note : 21 OTHER CURRENT ASSETS

Interest accrued but not due on Bank deposits	86	80
Works Contract Tax receivable	2,829	2,963
Unbilled Revenue	27,802	12,217
Deferred Revenue Expenses	212	444
Income Tax Advance		
(including Income Tax Deducted at Source, Net of Provision for taxation)	1,854	2,773
Preoperative expenses	1,484	494
Preliminary	0	0
Others	6	6
	34,273	18,977

Note : 22 REVENUE FROM OPERATIONS

	Year ended March 31, 2013	Year ended March 31, 2012
Sale of Services		
Contract Receipts (Gross)	57,053	53,826
Sale of Product		
RMC Sale	6,230	4,986
Less : Excise Duty	(86)	(5)
Other operating revenues		
Misc Business income	87	79
	63,284	58,886



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 23 OTHER INCOME

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
Interest		
On Bank Deposits	215	175
From others	217	24
Profit on Sale of Fixed Assets	1	14
Miscellaneous Income	205	67
	638	280

Note : 24 COST OF MATERIAL CONSUMED

Construction Materials	18,927	21,169
Consumable Materials	1,594	1,803
Stores & Spares	449	360
Carriage Inwards (Including material re-handling)	437	549
	21,407	23,881

Note : 25 CONTRACT OPERATING EXPENSES

Contract Execution Expenses	17,464	19,361
Equipment Hire Expenses	1,713	1,416
Machinery Repairing Charges		
- Plant & Machinery	757	918
- Others	96	145
Power & Fuel	2,391	2,099
Site Expenses	455	333
Works Contract Tax & Others Taxes	1,544	1,307
Consultancy Fees	316	461
Survey & Inspection Expenses	17	19
	24,753	26,059

Note : 26 (INCREASE)/DECREASE IN WORK IN PROGRESS

At the beginning of the Year	14,731	10,529
Less: Balance at the end of the Year	11,725	14,731
	3,006	(4,202)

Note : 27 EMPLOYEE BENEFITS EXPENSES

Salary and Bonus	1,634	1,704
Contribution towards Employees Provident Fund, ESIC and other funds	58	62
Staff Welfare Expenses	163	161
Employees Retirement Benefits	135	73
	1,990	2,000

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 28 FINANCE COST

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
Interest expenses		
To Banks on Working Capital Loans	6,030	5,953
To Non-Banking Finance Companies on Equipment Finance Loan	291	223
To Others	640	477
Other borrowing cost		
Bank Commission & Other Charges	664	619
	7,625	7,272

Note : 29 OTHER EXPENSES

Rent	278	278
Rates and Taxes	518	359
Insurance	137	91
Printing & Stationery	38	49
Directors' Commission	—	5
Directors' Fees	4	3
Auditor's Remuneration :		
Audit Fees	5	5
Tax Audit Fees	1	1
Other Services	2	1
Internal Audit & Other Certificate Fees	1	8
Light Vehicles Running Expenses	20	32
Travelling & Conveyance	315	321
Loss on Sale of Fixed Assets	16	34
Advertisement	13	16
Computer Maintenance	8	10
Legal Expenses	21	42
Security Guard Expenses	144	112
Telephone Expenses	72	74
SAP - Maintenance	11	11
Foreign Exchange Fluctuation	88	171
Premium on Redemption of F C C B	533	—
Donation	2	4
Miscellaneous Expenses	422	339
	2,649	1,966



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 30 PROVISION FOR TAXATION

(₹ in Lakhs)

	Year ended March 31, 2013	Year ended March 31, 2012
Income Tax for the year	242	460
Income Tax for earlier year	39	6
Deferred Taxes	25	130
	306	596

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

Note : 31 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-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%	—
Associates of the Company			
Infravision Developers Private Limited	India	49.50%	49.50%

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, 2013

Note : 32 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

Sl. Particulars	2012-13	2011-12
1 Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹ 2,123 (Prev. Yr. ₹ 1,597) 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 ₹ 60,000 (Prev. Yr. ₹ 62,600). Total figure as shown above includes ₹ 14,243 (Prev. Yr. ₹ 4,158) relating to Joint Venture.	60,000	62,600
2 Arrear cumulative Preference dividend payable on declaration	213	94
3 Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	4,204	2,007
4 Arbitration case for which stay order has been taken	—	160
5 The demand, if any, that may arise out of search and seizure proceedings initiated by the Income Tax Authority	Amount not ascertainable	Amount not ascertainable
6 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 March 31, 2013 was Nil.		
7 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 and 2008-09, 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 maximum to the extent of ₹ 865.13 Lakhs. 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.		

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Note : 33 CAPITAL AND OTHER COMMITMENTS

- Capital commitment :**

Capital commitment of the company towards purchase of plant & machinery is Nil (Prev. Yr. ₹ 103.63).

- Other Commitment :**

The Company has a commitment towards purchase of Construction Materials for various projects aggregating to ₹ 98.65 (Prev. Yr. ₹ 40) for which purchase orders have been raised before March 31, 2013.

Note : 34

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 : 35

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



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 36

(₹ in Lakhs)

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.

Note : 37

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 April 30, 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 : 38

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	2012-13	2011-12
The amount of contract revenue recognized as revenue in the period	57,689	57,553
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,66,728	1,47,165
The amount of advances received	13,929	10,933
The amount of retentions	4,534	4,611
Gross amount due from customers	27,802	12,217
Gross amount due to customers	—	—

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	31.03.2013	31.03.2012
Defined Contribution Plan -		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to employees Provident fund -	25	24
Contribution to Employees State Insurance	10	14

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 39 (Contd.)

(₹ in Lakhs)

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Reconciliation of opening and closing balances of the present value of the Defined benefit obligation				
Obligation at the period beginning (April 1)	169	136	88	58
Current Service Cost	14	12	45	27
Interest Cost	14	11	7	6
Actuarial (Gain)/Loss	(2)	18	59	2
Benefits paid	(2)	(8)	(2)	(5)
Obligation at the year end (March 31)	193	169	197	88
Change in Plan Assets				
Plan assets at period beginning, at fair value	31	36	—	—
Expected return on plan assets	3	3	—	—
Actuarial (Gain)/Loss	—	—	NA	NA
Contributions	6	—	—	—
Benefits paid	(2)	(8)	—	—
Plan Assets at the year end, at fair value	38	31	—	—
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	38	31	—	—
Present value of the defined benefit obligations at the end of the year	193	169	197	88
Liability/(Assets) recognized in the Balance Sheet	155	138	197	88
Cost for the year				
Current service cost	14	12	45	27
Interest cost	14	11	7	6
Expected return on plan assets	(2)	(3)	—	—
Actuarial (gain)/loss	(2)	18	59	2
Net Cost recognized in the Statement of Profit and Loss	24	38	111	35
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%

Note : 40

The Company operates under a major segment namely "Core Infrastructure" and under other segments. Since the segment revenue from external customers for each of the other segments is below 10% of total revenue and the carrying amount of assets for each other segments are below 10% of the carrying amount of all assets, reporting under AS-17 on "Segment Reporting" has not been made.



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

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 :

SI No.	Nature of Relation	Name of the 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. Infra Vision Developers (P) Ltd. Manobal Vyapaar (P) Ltd. Castal Extrusion (P) Ltd. Andromeda Communications (P) Ltd. Harsh Leisures (P) Ltd. Prism Impex (P) Ltd. Greenzen Bio (P) 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) :	Mrs. Laxmi Tantia Sri Siddhartha Tantia Sri Harsh Tantia

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

* 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 :

(₹ in Lakhs)

Nature of Transactions	Year	Fellow / Company / Trust	Key Management Personnel and Relatives	Total
Rendering of Services	12-13	—	—	—
	11-12	—	—	—
Interest Received	12-13	—	—	—
	11-12	—	—	—
Remuneration Paid/Payable	12-13	—	238	238
	11-12	—	201	201
Rent Paid	12-13	11	46	57
	11-12	13	28	41
Re-imbursement of Expenses	12-13	23	8	31
	11-12	44	2	46
Purchase of Goods	12-13	—	—	—
	11-12	37	—	37
Purchase of Fixed Assets	12-13	—	—	—
	11-12	—	—	—
Advances Given	12-13	168	6	174
	11-12	2,287	—	2,287
Advances Taken	12-13	12	—	12
	11-12	—	—	—
Refund of Advances	12-13	—	—	—
	11-12	2,265	—	2,265
MD Commission	12-13	—	—	—
	11-12	—	5	5
Investment in Joint Ventures	12-13	—	—	—
	11-12	—	—	—
Share of Profit/(Loss)	12-13	—	—	—
	11-12	—	—	—
Donation	12-13	—	—	—
	11-12	—	—	—
Investment in Shares	12-13	—	—	—
	11-12	—	—	—
Outstanding Balances Receivable	12-13	668	27	695
	11-12	699	21	720
Outstanding Balance Payable	12-13	16	5	21
	11-12	6	7	13



Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

Note : 42

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

Particulars	2012-13	2011-12
BASIC		
Net Profit after tax for the year attributable for equity shareholders	922	452
Weighted number of shares for EPS computation	1,77,22,792	1,72,23,066
Earnings Per Share	5.19	2.62
DILUTED		
Net Profit after Tax for the year	922	452
Expenses on FCCB (net of tax)	—	5
Adjusted Profit after Tax for the year available for equity shareholders	922	457
Weighted average number of shares for EPS computation	1,77,22,792	1,95,44,495
Diluted Earnings Per Share	5.19	2.34

Note : 43

The Company has reviewed the possibility of any impairment of the fixed assets of the Company in terms of the Accounting Standard AS 28 - "Impairment of Assets" 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

	2012-13		2011-12	
	Value	%	Value	%
A Value of imports calculated on CIF Basis				
(i) Capital Goods	—	—	6	—
B Expenditure in foreign currencies				
(i) Traveling expenses	—	—	9	—
(ii) Consultancy Charges	—	—	4	—
(iii) Interest	23	—	7	—
(iv) Premium on Redemption of FCCB	533	—	—	—
(v) Payment to Subcontractor	289	—	—	—
C Value of Construction Materials consumed				
(i) Imported	—	—	—	—
(ii) Indigenous	19,181	100.00%	21,273	100.00%
D Value of Spare Parts & Components consumed				
(i) Imported	—	—	—	—
(ii) Indigenous	2,060	100.00%	2,213	100.00%
E Earnings in foreign currency (on accrual basis)	314	—	—	—
Export of goods or services on F.O.B. basis and work bills realised on contracts	—	—	—	—

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2013

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.

(₹ in Lakhs)

Particulars	Dividend including Corporate Tax on Dividend (Including Preference shares)	Employee benefits
Balance as on 1.4.2012	302	226
Balance as on 1.4.2011	477	158
Add: Provisions made (2012-13)	—	128
(2011-12)	302	71
Less: Payments (2012-13)	260	2
(2011-12)	477	3
Less: Adjustments (2012-13)	—	—
(2011-12)	—	—
Closing Balance as on 31.03.2013	42	352
Closing Balance as on 31.03.2012	302	226

Note : 46

Previous year's figure have been re-grouped and re-arranged 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

Firm Registration No. 314125E

CA S. K. MUSTAPHI

Partner

Membership No. 051842

Place : Kolkata

Date : May 30, 2013

I. P. TANTIA

Chairman & Managing Director

B. L. AJITSARIA

Director (Business Development)

MD. JAMSHED ALAM

Company Secretary

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Notes

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