



Tantia Constructions Limited
Annual Report 2016-17



Corporate Information

BOARD OF DIRECTORS

Mr. Ishwari Prasad Tantia
Chairman & Managing Director

Mr. Rahul Tantia
Director (Operations)

Mr. Murare Lal Agarwala
Director (Projects)

Mr. Tarun Chaturvedi
Independent, Non-Executive Director

Mrs. Madhuchhanda Chatterjee
Independent, Non-Executive Director

Md. Sarim Arshad
Independent, Non-Executive Director

Ms. Rohini Sureka
Chief Financial Officer

COMPANY SECRETARY

Ms. Priti Todi

ADVOCATES

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

STATUTORY AUDITORS

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

INTERNAL AUDITORS

S. Guha & Associates
Somnath Ray & Associates

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

Maheshwari Datamatics Private Limited
23, R.N. Mukherjee Road, 5th floor Kolkata - 700 001
Phone : +91 33 22435029/5809/2248 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
Punjab National Bank
Indian Overseas Bank
Phoenix ARC Private Limited

REGISTERED OFFICE

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

CORPORATE OFFICE

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

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Chairman's statement



Dear shareholders,

Warm greetings! It is an honour to address you on behalf of the Board of Directors in the 52nd Annual Report of your Company.

Overview

The future-facing incumbent Government launched some significant initiatives, including demonetizing high currency notes and implementing the Goods and Services Tax, that will have a positive impact on the economy.

Though the administration is focused on reviving/developing large-scale infrastructure as a means to boost economic growth, a key longstanding request of the construction industry has been to bring forth a substantive change to the dispute resolution mechanism seeking payment of awarded amounts on completion of an arbitration and appealing against the same only in exceptional circumstances rather than as a rule. Another key request has been to ensure that full land is made available before award of projects so that work proceeds speedily and disputes relating to idling are eliminated. Both these requests, if actioned, will bring about a qualitative change in the manner in which projects are executed and infrastructure is created in India, the benefits of which will be seen within the short to medium term. The ambitious GDP growth and job creation targets set by the present Government will also then become a reality.

The GST-driven changes in the real estate sector are inevitable. When it comes to GST's impact on the commercial real estate market - with the service tax for commercial leases at 15%, GST

would likely have an overall neutral impact (at 12%, slight savings; at 18%, marginal increase). Cement prices are expected to go up, with the GST Council announcing a 28% tax rate on it, which will have an adverse impact on the construction industry.

Facts and figures

The Company's turnover (standalone) stood at ₹28,505 lacs in 2016-17, as compared with ₹40,556 lacs in 2015-16. The increase in the net loss is mainly attributable to the lower turnover. To overcome the challenging business environment, the Company has proactively undertaken steps to realization of claims, cost optimization, monetization of assets and carefully bidding for new jobs apart from focusing on streamlining internal processes with an emphasis on leveraging the Company's existing core competencies. The Company's order book was ₹2,295.33 cr as on 31 March 2017.

Way forward

I am grateful to our entire stakeholder family – colleagues, business partners, customers and all others for reposing their faith in us, employees for their resolve and unstinted devotion, Members on the Board for their wisdom and continued support and you, our shareholders, for reposing trust and faith in us.

Best wishes,
I.P. Tantia

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 52nd Annual Report together with the Audited Statement of Accounts of Tantia Constructions Limited ("the Company") for the year ended 31st March, 2017.

Financial Performance

The summarized standalone results of your Company are given in the table below.

PARTICULARS	STANDALONE	
	2016-17	2015-16
Revenue from Operations (Net) and other income	27,866	41,060
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	2,891	5,089
Finance Charges	8,847	7,197
Depreciation	901	1,221
Profit Before Tax (PBT)	(6,857)	(3,329)
Provision for Tax	(135)	(293)
Profit After Tax (PAT)	(6,722)	(3,036)
Balance brought forward from previous year	-	-
Profit available for Appropriations	-	-
Appropriations:		
Interim Equity Dividend	-	-
Proposed Final Equity Dividend	-	-
Tax on Equity Dividends	-	-
Previous Year Tax on Equity Dividends	-	-
General Reserve	1,415	1,415
Surplus carried to the next year's account	-	-

(₹ in lakhs)

*Previous year figures have been regrouped/rearranged wherever necessary.

DIVIDEND

Your Directors do not recommended any dividend for the year ended 31st March, 2017.

SUMMARY OF OPERATIONS

During the year, net revenue from operations of your Company decreased by 29.66% from ₹40,554 lakhs to ₹28,526 lakhs. For FY2017, your Company's loss after tax stood at ₹6,722 lakhs vis-à-vis loss after tax of ₹3,036 lakhs in the previous year.

Your Company continues to be under Corporate Debt Restructuring Scheme.

TRANSFER TO RESERVES

Since the Company is having losses, no amount is being transferred to the reserve account.

SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March, 2017 was ₹28,74,20,980.

Pursuant to Corporate Debt Restructuring Scheme the Company allotted 99,19,032 Equity Shares at a price ₹21.26/- per share (inclusive of premium of ₹11.26/- per share) on 19th November, 2016 to the Promoters of the Company (i.e. Mr. Rahul Tantia and M/s Nigolice Trading Private Limited).

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, the Company has not changed its nature of business.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the company between the end of the financial year (31st March, 2017) and the date of the report.

DEPOSITS

The Company has not accepted any deposits from the public during the Financial Year ended 31st March, 2017 as per Section 73

of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

INDUSTRY SCENARIO

Infrastructure is the backbone of every country's growth and prosperity and especially, for the logistics industry to flourish, emphasis has to be on building world-class road networks, integrated rail corridors, modern airport cargo facilities and logistics parks. The infrastructure sector is one of the key drivers of economic development in a developing country like India. In recent years, India has consistently increased investments in infrastructure by 10% to ₹3,96,135 crores (US\$ 59.18 billion) over financial year 2017 revised estimates.

However, basic infrastructure development is still relatively slower compared to other countries. Rapid growth of the Indian economy in recent years has placed increasing stress on physical infrastructure, i.e. electricity, railways, roads, ports, irrigation, water supply and sanitation, all of which already suffer from deficit in terms of capacities as well as efficiencies. The infrastructure sector is mainly affected due to delays in project award, environmental clearance hurdles, land acquisition issues, slower execution, lack of cheaper financing options, etc.

OUTLOOK

Sustained infrastructure development is expected to be one of the crucial factors for sustaining growth during the current decade. Significant investment in physical infrastructure will also lead to employment generation, increased production efficiency, reduction in cost of doing business and improved standard of living.

There was a significant increase in investment in infrastructure in the financial year 2016-17 over the previous year with a focus on railways and roads. The allocation for roads and railways is ₹40,000 crore each, an increase of ₹14,031 crore and ₹10,050 crore respectively over the current fiscal year. Rising demand for infrastructure facilities given the rapid growth in urbanisation, bulging middle-class and an increasing working-age population would warrant substantial increase in infrastructure investments during the current decade.

Apart from development of infrastructure facilities in existing cities/towns, increased focus is expected on infrastructure development in new townships/rural areas. Regional-urban development plans are expected to be made to identify new growth corridors. A substantial rise in rural infrastructure development, which will provide further impetus to economic growth in rural areas will result in significant poverty reduction. Increased investment in rural infrastructure will benefit the rural population through higher incomes, rise in employment opportunities and lower cost of basic goods due to improvement in transportation facilities. Nonetheless, improvement in rural infrastructure will need to be properly targeted to benefit the rural poor.

The Indian economy is one of the largest globally with a promising economic outlook on the back of controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and reform-oriented policies, among others. For the construction sector, years of strained liquidity resulting from increasing working

capital cycles and restrained lending by banks and aggressive bidding at low margins is expected to reverse with the government focused on creating transparent policies and innovative operational models to drive sectoral growth.

DETAILS OF BOARD MEETINGS

During the year, 4 (four) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the stipulated time period, as prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD

Audit Committee

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

Nomination and Remuneration Committee

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

Stakeholders' Relationship Committee

The composition and terms of reference of the Share transfer cum Stakeholders' Relationship Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

Finance Committee

The composition and terms of reference of the Finance Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

Corporate Social Responsibility Committee

The composition and terms of reference of Corporate Social Responsibility Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return (MGT-9) is Annexed as Annexure A.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In terms of provisions of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 22 of the Listing Regulations, your Company has a vigil mechanism policy named Vigil Mechanism Policy (VMP) to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the website of the Company at [www.tantiagroup.com/Investor's Corner/Policies//Vigil Mechanism Policy](http://www.tantiagroup.com/Investor's%20Corner/Policies//Vigil%20Mechanism%20Policy)

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134 of the Companies Act, 2013, your Directors to the best of their knowledge and belief, hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis; they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

AUDITORS

Statutory Auditors

M/s. Konar Mustaphi & Associates (Firm Registration No: 314125E), Chartered Accountants, Kolkata, have been appointed as Statutory Auditors of the Company for a period of 5 (Five) years at the Annual General Meeting held on September 29, 2015, subject to ratification by shareholders at every Annual General Meeting.

The Company's Statutory Auditors, M/s. Konar Mustaphi & Associates, Chartered Accountants, Kolkata, who retire at the ensuing Annual General Meeting of the Company are eligible for re-appointment for a further period of 3 (Three) years. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of the Company. As required under Regulation 33 of the SEBI LODR (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. Members' attention is invited to the observation made by the Auditors under "Emphasis of Matter" appearing in the Auditor's Reports.

- Note 42 to the Financial Statement in relation to excess payment of ₹42 lakhs. Managerial remuneration for the FY 2013-14 for which the Management is in the process of taking approval of the Central Government.
- Note 8 and 38 (c) to the Financial Statement regarding nonpayment of short-term loan from Vijaya Bank against which the Bank has issued notice under the SARFAESI Act (2002) and has taken symbolic possession of land mortgaged with them for the said loan.
- Note 4 to the Financial Statement regarding default in repayment of loans from Banks towards principal and interest amounting to ₹2,723 lacs and ₹5,061 lacs respectively.
- Note 51 to the Financial Statement, in regard to an amount of ₹3,604.02 lacs recoverable from Tantia Raxaultollway Pvt Ltd

was taken over by Tantia Infrastructure Pvt Ltd which remain grouped under sundry debtors.

- Para (I) of Note 40 to the Financial Statement regarding Fixed Assets taken over by Tata Capital Ltd against their dues of ₹50 lacs.
- Para (II) of Note 40 to the Financial Statement for assets sold by the Company at a consideration of Rs 90.48 lakhs
- Note 52 to the Financial Statement regarding unsecured loans from Bodies Corporate many of whom had filed winding up petition at High Court when some of the creditors approached High Court for winding up of the Company as per earlier order, the Consortium Banks through State Bank of India filed a petition in the High Court stating that the stake of unsecured creditors are rather low vis-a-vis the stake of secured creditors i.e. various Banks (Under CDR Packages). The matter is subjudice and awaiting final judgment.

Management response to the emphasis on matters in Auditor's Report

- a), b), d), f) & g) As regards to emphasis of matter expressed by the Auditors in their Report with regards to Note nos 4, 8, 38(c), Para II of 40, 42, 51 and 52 of Standalone Financial Statement, attention is hereby drawn that Note nos 4, 8, 38(c), Para II of 40, 42, 51 and 52 of Standalone Financial Statement are self-explanatory and therefore do not call for any further comments.
- With respect to Auditor's observation made in Note 4 to the financial statement, your directors wish to inform that all necessary measures are being made for repayment of loans from Banks with interest.
- With regard to Auditor's observation made in Para I Note no 40 of Standalone Financial Statement, your directors wish to inform that as a measure of full and final settlement, Tata Capital took over the possession of some of these assets against their liability of Rs 50 lacs.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its construction activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s S Chhaparia & Associates (FRN: 101591) to audit the cost accounts of the Company for the financial year 2017-18 on a remuneration of ₹50,000/- per annum plus reimbursement of out of pocket expenditure and applicable taxes. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s S Chhaparia & Associates, Cost Auditors, is included in the Notice convening the Annual General Meeting.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s MR & Associates (CP No: 2551), a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

The Report of the Secretarial Audit Report is annexed herewith as 'Annexure B'.

RELATED PARTY TRANSACTIONS

During the financial year ended 31st March, 2017, all transactions with the Related Parties as defined under the Companies Act, 2013 read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. Thus, disclosure in AOC-2 is not required. Tanta Infrastructure Private Limited is 'Material Unlisted Subsidiary' of your Company as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'].

During the year under review, your Company did not have any Related Party Transactions which required prior approval of the Members. All Related Party Transactions of your Company had prior approval of the Audit Committee and the Board of Directors.

Subsequently, the Audit Committee and the Board have reviewed the Related Party Transactions on quarterly basis. Your Company has an internal mechanism for the purpose of identification and monitoring of Related Party Transactions.

There has been no materially significant Related Party Transactions during the year under review, having potential conflict with the interest of the Company.

The Policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at the link [www.tantiagroup.com/Investor's Corner/Policies/Related Party Transaction and Materiality Policy](http://www.tantiagroup.com/Investor's%20Corner/Policies/Related%20Party%20Transaction%20and%20Materiality%20Policy).

SUBSIDIARIES

During the year under review, your Company is having four (4) subsidiaries namely: Tanta Infrastructure Private Limited, Tanta Batala-Beas Tollway Private Limited, Tanta Sanjauliparkings Private Limited and Tanta Raxaultollway Private Limited, out of which the first three are wholly-owned subsidiaries of the Company. The statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture is enclosed in Annexure 'C' in Form AOC-1. Further, as per section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of the subsidiaries are available at our website at [www.tantiagroup.com/Investor's Corner/Annual Report](http://www.tantiagroup.com/Investor's%20Corner/Annual%20Report).

Further, a brief about the business of the each of the Subsidiaries and Associates is given hereunder:-

Tanta Infrastructure Private Limited: The Company is engaged in executing various infrastructure projects.

Tanta Batala-Beas Tollway Private Limited: The Company is in the process to enhance its resources, technology and manpower to strengthen its future capabilities by development and operation & maintenance of Batala-Mehta-Beas Road (MDR-66) on Design, Build, Finance, Operate and Transfer (DBFOT) basis in the state of Punjab.

Tanta Sanjauliparkings Private Limited: The Company is a Special Purpose Vehicle (SPV) incorporated specifically to execute the project received from H. P. Infrastructure Development Board, Shimla, for the development of a parking complex at Sanjauli, Shimla, in Public Private Partnership (PPP) format.

Tanta Raxaultollway Private Limited: The Company is a Special

Purpose Vehicle (SPV) incorporated specifically to execute the project received from National Highways Authority of India (NHAI) for two-laning of Piprakothi-Raxaul Section of NH-28A (from Km 0.600 to Km 62.064) and construction of two-lane road from Km 62.064 to ICP Raxaul (7.33 Km length) in Bihar under NHDP Phase-III on Design, Build, Finance, Operate and Transfer on BOT (Toll) basis. The Company has already started the execution of aforesaid works.

A Policy has been formulated for determining the Material Subsidiaries of the Company pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the stock exchanges. The said Policy has been posted on the Company's website at the weblink [www.tantiagroup.com/Investor's Corner/Policies/Material Subsidiary Policy](http://www.tantiagroup.com/Investor's%20Corner/Policies/Material%20Subsidiary%20Policy).

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

Your Board has adopted a Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The Policy provides for criteria for fixing remuneration of the Directors, KMPs, SMPs as well as other employees of the Company. The Policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee.

Your Board, on the recommendations of the Nomination and Remuneration Committee, appoints Director(s) of the Company based on his / her eligibility, experience and qualifications and such appointment is approved by the Members of the Company at General Meetings. Generally, the Managing Director and Whole-time Directors (Executive Directors) are appointed for a period of three years. Independent Directors of the Company are appointed to hold their office for a term up to five consecutive years on the Board of your Company. Based on their eligibility for re-appointment, the outcome of their performance evaluation and based on the recommendation by the Nomination and Remuneration Committee, the Independent Directors may be re-appointed by the Board for another term of five consecutive years, subject to approval of the Members of your Company. The Directors, KMPs and SMPs shall retire as per the applicable provisions of the Companies Act, 2013 and the policy of the Company. While determining remuneration of the Directors, KMPs, SMPs and other employees, the Nomination and Remuneration Committee ensures that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate them and insure the quality required to run the Company successfully, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and such remuneration comprises a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Company follows a compensation mix of fixed pay, benefits, allowances, perquisites, performance linked incentives and retirement benefits for its Executive Directors, KMPs, SMPs and other employees. Performance Linked Incentive is determined by overall business performance of your Company. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members of the Company. The Company pays remuneration to Independent Directors by way of sitting fees. Remuneration to Directors is paid within the limits as prescribed

under the Companies Act, 2013 and the limits as approved by the Members of the Company, from time to time.

The aforesaid Nomination and Remuneration Policy has been uploaded on the website of your Company. Your Company conducts a Board Evaluation process for the Board of Directors as a whole, Board Committees and also for the Directors individually through self-assessment and peer assessment. The details of Board evaluation for the year 2016-17 have been provided in the Corporate Governance Report which forms part of this Annual Report

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

CHANGE IN DIRECTORS:

During the year under review, Mr. B.L. Tulsian and Mr. Sandeep Kumar Saraogi, Independent, Non-executive Directors of the Company resigned on 13th August, 2017 from the Board and other Committees due to their pre-occupations elsewhere. Mr. B.L. Ajitsaria and Mr. Sandip Bose, Whole-time Directors of the Company also resigned from the Board on 13th August, 2016 due to their personal reasons.

Further, Mr. Shaleen Khemani, Independent, Non-executive Director of the Company also resigned from the Board and other Committees position held by him w.e.f. 5th September, 2016 due to his engagements elsewhere.

During the year under review on 3rd December, 2016 Md. Sarim Arshad was appointed as an Additional Director (Independent, Non Executive) of the Company.

However, Mr. M.L. Agarwala, Director (Projects) of the Company was re-appointed for a period of 3 (three years) w.e.f. 16th December, 2016.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. T. Chaturvedi, Mrs. M. Chaterjee and Md. Sarim Arshad are Independent, Non- Executive Directors on the Board of your Company. The Company has received declarations pursuant to Section 149(7) from all the Independent, Non-executive Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013. However, during the period under review Mr. B.L. Tulsian and Mr. S.K. Saraogi, Independent, non-executive Director of the Company resigned w.e.f. 13th August, 2016. Later, Mr. S. Khemani, Independent, Non-executive Director of the Company resigned w.e.f. 5th September, 2016

NON INDEPENDENT DIRECTOR

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the

Company, Mr. Rahul Tantia, Director (Operations) retires by rotation and is eligible for re-appointment.

KEY MANAGERIAL PERSONNEL

Ms. P. Todi has been appointed as a Company Secretary of the Company w .e. f. 30th May, 2016.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, your Company has transferred ₹70,242.00 (Rupees Seventy Thousand Two Hundred and Forty Two only) to the Investor Education and Protection Fund (IEPF) relating to unpaid dividend of the financial year 2008-09.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment of Remuneration of Managerial Personnel) Rules, 2014 are attached as Annexure D.

In terms of section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules are also provided in Annexure D, forming a part of the Annual Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure E.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in Note No. 13 and 14 of the notes to the Financial Statements.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

ENHANCING SHAREHOLDER VALUE

Your Company believes that its members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing productive assets and resources and nurturing the overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and

environmental dimensions and contribute to sustainable growth and development.

RISK MANAGEMENT POLICY

A statement indicating the development and implementation of the Risk Management Policy of the Company, identifying the elements of risks, if any, which in the opinion of the Board, may threaten the existence of the Company, forms a part of the annual report.

CORPORATE GOVERNANCE REPORT

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in India, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance, forms an integral part of this Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis comprising an overview of the financial results, operations/performance and future prospects of the Company forms an integral part of this Report.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There was no significant and material order passed by the regulators

or courts or tribunals impacting the going concern status and the Company's operations in the future.

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors
Tantia Constructions Limited

Date: 30th May, 2017
Place: Kolkata

I. P. Tantia
Chairman & Managing Director
DIN: 00057004

Annexure A

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31.03.2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L74210WB1964PLC026284
ii)	Registration Date	4/12/1964
iii)	Name of the Company	TANTIA CONSTRUCTIONS LTD
iv)	Category / Sub-Category of the Company	PUBLIC LIMITED COMPANY
v)	Address of the Registered office and contact details	25/27, NETAJI SUBHAS ROAD, KOLKATA-700001 Ph: 033 2230 1896/6284 Fax: 033 2230 7403 E-mail: cs@tantiagroup.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MAHESHWARI DATAMATICS PRIVATE LIMITED 23, R.N. MUKHERJEE ROAD, KOLKATA-700 001 Ph: 033 22435029/5809/22482248 E-mail: mdpl@cal.vsnl.net.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more to the total turnover of the Company shall be stated:

Sl. no.	Name and Description of main products/services	NIC Code of the product/service	% of total turnover of the company
1	Construction of roads and railways	421	96.41
2	Manufacture of ready-mix and dry-mix concrete and mortars	Class: 2395 Group: 239	3.59

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. no.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	NIGOLICE TRADING PRIVATE LIMITED 25/27, NETAJI SUBHAS ROAD, KOLKATA-700001	U45201WB1991PTC053686	HOLDING COMPANY	53.09	2(46)
2	TANTIA INFRASTRUCTURE PRIVATE LIMITED 25/27, NETAJI SUBHAS ROAD, KOLKATA-700001	U45201WB2006PTC110836	SUBSIDIARY COMPANY	100.00% in Equity Shares 25.42% in Preference Shares	2(87)
3	TANTIA SANJAULIPARKINGS PRIVATE LIMITED 25/27, NETAJI SUBHAS ROAD KOLKATA-700001	U70109WB2010PTC155717	SUBSIDIARY COMPANY	100.00% in Equity Shares 83.18% in Preference Shares	2(87)
4	TANTIA BATALA-BEAS TOLLWAY PRIVATE LIMITED 25/27, NETAJI SUBHAS ROAD, KOLKATA-700001	U45400WB2012PTC185105	SUBSIDIARY COMPANY	100.00% in Equity Shares	2(87)
5	TANTIA RAXAULTOLLWAY PRIVATE LIMITED 25/27, NETAJI SUBHAS ROAD, KOLKATA-700001	U70109WB2011PTC157230	WHOLLY-OWNED SUBSIDIARY OF TANTIA INFRASTRUCTURE PRIVATE LIMITED, AS REFERRED IN SL. NO. 2 ABOVE	0.34% in Equity Shares	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as a percentage of Total Equity)

i) Category-wise shareholding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	16,29,186	0	16,29,186	8.6553	16,29,186	28,93,149	45,22,335	15.7342	7.079
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt (s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	93,99,312	0	93,99,312	49.9351	93,99,312	70,25,883	1,64,25,195	57.147	7.212
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	1,10,28,498	0	1,10,28,498	58.5903	1,10,28,498	99,19,032	2,09,47,530	72.88	14.29
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c)Bodies Corp	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoters (A) = (A)(1)+(A) (2)	1,10,28,498	0	1,10,28,498	58.5903	1,10,28,498	99,19,032	2,09,47,530	72.88	14.29
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	3,32,682	0	3,32,682	1.7674	3,32,682	0	3,32,682	1.1575	(0.6099)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Qualified Foreign Investors	0	0	0	0	(0.0117)	0	0	0	0
Sub-total (B)(1):-	3,32,682	0	3,32,682	1.7674	3,32,682	0	3,32,682	1.1575	(0.6099)
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	11,98,535	0	11,98,535	6.3674	10,89,758	0	10,89,758	3.7915	(2.5759)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 Lakh	33,88,978	15,459	34,04,437	18.09	39,48,538	15,459	39,63,997	13.7916	(4.3)
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	23,67,006	23,67,006	17,91,694	12.58	18,57,426	0	18,57,426	6.46	(6.12)
NBFCs registered with RBI	200	0	200	0.0011	5,097	0	5,097	0.0177	0.0166
c) Others (specify)									
(i) Trusts	1,978	0	1,978	0.0105	1,924	0	1,924	0.0067	0.0038)
(ii) Clearing Member	81,488	0	81,488	0.4329	1,05,474	0	1,05,474	0.3670	(0.0659)
(iii) Non Resident Individual	4,08,242	0	4,08,242	2.1688	4,37,960	0	4,37,960	1.5238	(0.645)

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(iv) Domestic Corporate unclaimed share account					250	0	250	0.0009	0.0009
Sub-total (B)(2):-	74,46,427	15,459	74,61,886	39.6422	74,46,427	15,459	74,61,886	25.96	(13.68)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	77,79,109	15,459	77,94,568	41.4097	77,79,109	15,459	77,94,568	27.12	(14.29)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1,88,07,607	15,459	1,88,23,066	100	1,88,07,607	9,93,4491	2,87,42,098	100	0

(ii) Shareholding of Promoters

Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
Ishwari Prasad Tantia	9,48,976	5.0416	100	9,48,976	3.3017	100	(1.74)
Rahul Tantia	6,80,210	3.6137	100	35,73,359	12.4325	19.04	8.82
Nigolice Trading Pvt Ltd	82,33,806	43.7432	100	1,52,59,689	53.0918	53.96	9.35
Tantia Financial Services Ltd	11,65,506	6.1919	100	11,65,506	4.0550	100	(2.14)
Total	1,10,28,498	58.59	100	2,09,47,530	72.88	68.25	14.29

(iii) Change in Promoters' shareholding (please specify, if there is no change)

Shareholder's name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,10,28,498	58.59		
Increase	On 19th November 2016, the Company allotted 99,19,032 Equity Shares to M/s Nigolice Trading Pvt Ltd – 70,25,883 and Mr. Rahul Tantia – 28,93,149 Promoters of Tantia Constructions Limited			
At the end of the year	2,09,47,530	72.88	2,09,47,530	72.88

(iv) Shareholding pattern of top-ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

For each of the top-10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Anand Shaktikumar Sancheti	7,10,698	3.76	7,10,698	2.4727
Hamilton Technologies (I) Pvt Ltd	3,72,184	1.98	3,50,000	1.2177
United India Insurance Company Limited	3,32,682	1.77	3,32,682	1.16
Neeta Jatin Jhaveri	5,44,863	2.89	3,26,812	1.14
Amal N. Parikh	2,74,236	1.46	2,74,236	0.95
Anuj Shantilal Badjate	2,29,935	1.22	2,39,935	0.83
Vinod Dugar	2,00,000	1.0625	2,00,000	0.70
MC Jain Infoservices Private Ltd	1,47,500	0.78	1,47,500	0.51
Shoshanna Mercantiles Private Limited	1,00,000	0.53	1,00,000	0.35
Appollance Agencies Pvt Ltd	1,10,000	0.58	1,00,000	0.35

(v) Shareholding of Directors and Key Managerial Personnel:

For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
I. P. Tantia, Chairman & Managing Director				
At the beginning of the year	9,48,976	5.04		
Date-wise increase/decrease in shareholding during the year			No change during the year	
At the end of the year	9,48,976	3.30	9,48,976	3.30
R. Tantia, Executive Director				
At the beginning of the year	6,80,210	3.61	6,80,210	3.61
Increase in shareholding during the year	28,93,149	10.07	35,73,359	12.43
At the end of the year	35,73,359	12.43	35,73,359	12.43
M. L. Agarwala, Executive Director				
At the beginning of the year	2,300	0.01		
Date-wise increase/decrease in shareholding during the year			No change during the year	
At the end of the year	2,300	0.008	2300	.008
R. Sureka, Chief Financial Officer				
At the beginning of the year	5,198	0.028		
Date-wise increase/decrease in shareholding during the year			No change during the year	
At the end of the year	5,198	0.018	5,198	0.018

Mr. T. Chaturvedi, Mrs. M. Chatterjee, and Md. Sarim Arshad, Independent, Non-Executive Directors and Ms. Priti Todi, Company Secretary and Compliance Officer, do not hold any shares of the Company, either at the beginning or at the end of the year or at any time during the year.

Note: The shareholdings, as indicated above, are based on disclosures received from Directors and KMP.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
(₹)				
Indebtedness at the beginning of the financial year				
i) Principal amount	6,751,927,075	240,625,213	-	6,992,552,288
ii) Interest due but not paid	175,699,306	-	-	175,699,306
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6,927,626,380	240,625,213	-	7,168,251,593
Change in indebtedness during the financial year				
• Addition	160,877,099	-	-	160,877,099
• Reduction	170,046,648	211,069,858	-	381,116,506
Net change	(9,169,549)	(211,069,858)	-	(220,239,407)
Indebtedness at the end of the financial year				
i) Principal amount	6,742,757,526	29,555,355	-	6,772,312,881
ii) Interest due but not paid	609,345,872	-	-	609,345,872
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7,352,103,398	29,555,355	-	7,381,658,753

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

(₹)

Sl. no.	Particulars of Remuneration	Name of Directors				
		Mr. Ishwari Prasad Tantia	Mr. Rahul Tantia	Mr. Banwari Lal Ajitsaria	Mr. Sandip Bose	Mr. Murare Lal Agarwala
1.	Gross salary	Yearly	Yearly	Resigned on 13th August, 2016	Resigned on 13th August, 2016	Yearly
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,00,000	42,00,000	15,46,774	17,67,742	42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,00,000	6,00,000	2,20,968	0	6,00,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission	0	0	0	0	0
	- as % of profit	0	0	0	0	0
	- others, specify...	0	0	0	0	0
5.	Others, please specify	Reimbursement of actual medical insurance premium paid for self and family subject to maximum limit provided under Income Tax Act, 1961 from time to time				
		Leave Travel Concession/Allowance for self and family in accordance with the rules of the company				
		Fees of clubs (subject to maximum 2 clubs and admission fees only)				
		Personal accident insurance premium subject to maximum of ₹10,000/-				
	Total (A)	90,00,000	48,00,000	17,67,742	17,67,742	48,00,000
	Ceiling as per the Act					

B. Remuneration to other Directors:

(₹)

1. Independent Directors								Total Amount
Sl. no.	Particulars of Remuneration	Mr. Shaleen Khemani (Resigned w.e.f. 05.09.2016)	Mr. Tarun Chaturvedi	Mrs. Madhuchhanda Chatterjee	Mr. Bajrang Lal Tulsian (Resigned on 13.08.2016)	Mr. Sandeep Kumar Saraogi (Resigned on 13.08.2016)	Md. Sarim Arshad (Joined on 03.12.2016)	
	• Fee for attending board and committee Meetings							
	Board Meeting	20,000	30,000	20,000	20,000	20,000	10,000	1,20,000
	Audit Committee Meeting	10,000	20,000	10,000	NA	NA	NA	40,000
	Nomination and Remuneration Committee Meeting	10,000	5,000	5,000	10,000	10,000	0	40,000
	CSR Committee Meeting	NA	NA	5,000	5,000	NA	NA	10,000
	Finance Committee Meeting	NA	20,000	NA	NA	NA	NA	20,000
	Stakeholders Relationship Committee Meeting	10,000	5,000	10,000	10,000	NA	NA	35,000
	• Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	50,000	80,000	50,000	45,000	30,000	10,000	2,65,000

2. Other Non-Executive Director			
Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
	• Fee for attending board and committee Meeting	Not Applicable	Not Applicable
	• Commission		
	• Others, please specify		
	Total (2)		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Rohini Sureka (CFO)	*Priti Todi (Company Secretary)	
1.	Gross salary	15,00,000	4,02,580	19,02,581
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	15,00,000	4,02,580	19,02,581

*Ms. Priti Todi was inducted as a Company Secretary & Compliance Officer w.e.f. 30th May, 2016

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCE: NONE

For and on behalf of the Board of Directors
Tantia Constructions Limited

Date: 30th May, 2017
Place: Kolkata

I. P. Tantia
Chairman & Managing Director
DIN: 00057004

Annexure B

Form No. MR - 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
TANTIA CONSTRUCTIONS LIMITED
25/ 27 N S ROAD
Kolkata 700001, West Bengal

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tantia Constructions Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:
 - i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the Audit Period);
 - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable regulations / guidelines/circulars as may be issued by SEBI from time to time to the extent applicable.

I further report that, there were no actions/events in pursuance of;

 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable (Not Applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period);
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period);

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the few specific applicable laws like:

 - (a) Building and Other Construction Workers (Regulation of Employment and Condition of Services) Act, 1996
 - (b) West Bengal Shops & Establishment Act, 1963

We have also examined compliance with the applicable clauses of the following:

 - (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with the National Stock Exchange Limited and BSE Ltd. (Bombay Stock Exchange).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a. The Company is left with filing of few forms as per the provisions of the Companies Act 2013.
- b. The Company has a pending case filed under section 314 of Companies Act, 1956 with a Court (compounding under Section 621)
- c. Pursuant to Regulation 24 of SEBI LODR Regulations, at least one independent director of the Company shall be a director on the board of directors of an unlisted material subsidiary (Tantia Infrastructure Private Limited).
- d. There had been delay in making few intimations to stock exchanges.
- e. The Annual Listing fees were not paid to the stock exchanges for financial year 2016-17.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out as per the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that the Company had during the Financial Year, Sought approval of shareholders by way of special resolution in Annual General Meeting held on 01.09.2016 for;

- (a) re-appointment and remuneration payable to Mr. I.P. Tantia as a Chairman & Managing Director of the Company w.e.f. 01.04.2016.
- (b) re-appointment and remuneration payable to Mr. B. L. Ajitsaria as Director of the Company w.e.f. 01.04.2016.
- (c) re-appointment and remuneration payable to Mr. R. Tantia as Director of the Company w.e.f. 01.04.2016.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed "Annexure A" and forms an Integral Part of this Report.

For **M R & Associates**
Company Secretaries

[M R Goenka]

Partner

FCS No.: 4515

C P No.: 2551

Place: Kolkata

Date: 30.05.2017

"ANNEXURE – A"

(TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017)

To,

The Members,

TANTIA CONSTRUCTIONS LIMITED

25/ 27 N S ROAD

Kolkata 700001, West Bengal

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M R & Associates**
Company Secretaries

[M R Goenka]

Partner

FCS No.: 4515

C P No.: 2551

Place: Kolkata

Date: 30.05.2017

Annexure C

Form AOC 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part A: "Subsidiaries"

Statement containing salient features of financial statement of Subsidiaries/Associate companies/Joint Ventures

Sl no.	1	2	3	4
Name of the subsidiary	Tantia Sanjauliparkings Private Limited	Tantia Infrastructure Private Limited	Tantia Raxaultollway Private Limited	Tantia Batala-Beas Tollway Private Limited
Reporting period for the subsidiary concerned, if different from holding company's reporting period	31/03/2017	31/03/2017	31/03/2017	31/03/2017
Reporting currency and Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	INR	INR	INR	INR
Share Capital	17,490,000	40,370,400	50,920,000	1,00,000
Reserves & Surplus	6,24,61,554	67,54,09,556	2,365,143,064	-
Total Assets	36,68,95,383	1,23,55,28,539	4,976,430,925	8,62,155
Total Liabilities	36,68,95,383	1,23,55,28,539	4,976,430,925	8,62,155
Investments	-	1,10,95,25,740	-	-
Turnover	1,10,00,136	3,30,06,849	3,527,000	-
Profit before taxation	(49,48,267)	(2,99,88,399)	-	-
Provision for taxation	-	-	-	-
Profit after taxation	(49,48,267)	(2,99,88,399)	-	-
Proposed Dividend	-	-	-	-
% of shareholding	100% in Equity Share Capital of the Company 83.18% in Preference Share Capital of the Company	100% in Equity Share Capital of the Company	0.34% in Equity Share Capital of the Company	100% in Equity Share Capital of the Company

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	RBM-TANTIA (JV)	JMC-TANTIA (JV)	TANTIA-DBC (JV)	TANTIA-SIMPLEX (JV)
1. Latest audited Balance Sheet Date	31/03/2017	31/03/2017	31/03/2017	31/03/2017
2. Shares of Associate/Joint Ventures held by the company on the year end	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.
No.	NA	NA	NA	NA
Amount of Investment in Associates/Joint Venture (In Lacs)	101	6	4	-
Extent of Holding %	99.99%	50%	75%	88.43%
3. Description how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture

Name of Associates/Joint Ventures	RBM-TANTIA (JV)	JMC-TANTIA (JV)	TANTIA-DBC (JV)	TANTIA-SIMPLEX (JV)
4. Reason why the associate/joint venture is not consolidated	Not Consolidated 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.	Consolidated	Consolidated	Consolidated
5. Net worth attribute to Shareholding as per latest audited Balance Sheet (In Lacs)	-	5.10	3.22	0.04
6. Profit/Loss for the year (In Lacs)	-	(0.03)	1.19	(0.03)
Considered in Consolidation	-	(0.02)	0.89	(0.03)
Not considered in consolidation	-	(0.01)	0.30	0

Name of Associates/Joint Ventures	TANTIA- BSBK (JV)	IVRCL-TANTIA (JV)	TANTIA-FREYSSINET GILCON (JV)	TANTIA-TBL (JV)
1. Latest audited Balance Sheet Date	31/03/2017	31/03/2017	31/03/2017	31/03/2017
2. Shares of Associate/Joint Ventures held by the company on the year end	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.
No.	NA	NA	NA	NA
Amount of Investment in Associates/Joint Venture (In Lacs)	-	2	8	24
Extent of Holding %	50%	50%	50%	50%
3. Description how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5. Net worth attribute to Shareholding as per latest audited Balance Sheet (In Lacs)	0.07	1.98	10.36	12
6. Profit/Loss for the year (In Lacs)	-	(0.03)	(0.03)	(0.03)
Considered in Consolidation	-	(0.015)	(0.015)	(0.015)
Not considered in consolidation	-	(0.015)	(0.015)	(0.015)

Name of Associates/Joint Ventures	TANTIA-SPML (JV)	TANTIA-GONDWANA (JV)	TANTIA-CCIL (JV)	TANTIA-SEC (JV)
1. Latest audited Balance Sheet Date	31/03/2017	31/03/2017	31/03/2017	31/03/2017
2. Shares of Associate/Joint Ventures held by the company on the year end	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.
No.	NA	NA	NA	NA
Amount of Investment in Associates/Joint Venture (In Lacs)	3	43	13	48
Extent of Holding%	50%	99.80%	74%	52%
3. Description how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture

Name of Associates/Joint Ventures	TANTIA-SPML (JV)	TANTIA-GONDWANA (JV)	TANTIA-CCIL (JV)	TANTIA-SEC (JV)
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5. Net worth attribute to Shareholding as per latest audited Balance Sheet (In Lacs)	1.49	42.54	9.73	353.75
6. Profit/Loss for the year (In Lacs)	-	0.59	-	18.70
Considered in Consolidation	-	0.20	-	9.73
Not considered in consolidation	-	0	-	8.97

Name of Associates/Joint Ventures	TCL-UTM (JV)	TANTIA-PREMCO (JV)	TANTIA-MPPL (WILO) (JV)	TANTIA-NMTPL (JV)
1. Latest audited Balance Sheet Date	31/03/2017	31/03/2017	31/03/2017	31/03/2017
2. Shares of Associate/Joint Ventures held by the company on the year end	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.
No.	NA	NA	NA	NA
Amount of Investment in Associates/Joint Venture (In Lacs)	-	1	-	2
Extent of Holding %	60%	51%	95%	99.20%
3. Description how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5. Net worth attribute to Shareholding as per latest audited Balance Sheet (In Lacs)	-	16.20	0.01	2.03
6. Profit/Loss for the year (In Lacs)	-	1.24	3.88	-
Considered in Consolidation	-	0.63	3.87	-
Not considered in consolidation	-	0.61	0.01	-

Name of Associates/Joint Ventures	TANTIA-SOMA(JV)	TANTIA-EDCL (JV)
1. Latest audited Balance Sheet Date	31/03/2017	31/03/2017
2. Shares of Associate/Joint Ventures held by the company on the year end	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.	Our Company's joint venture is not in form of company, thus it does not have any kind of shares.
No.	NA	NA
Amount of Investment in Associates/Joint Venture (In Lacs)	-	-
Extent of Holding %	50%	51%
3. Description how there is significant influence	Joint Venture	Joint Venture
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated
5. Net worth attribute to Shareholding as per latest audited Balance Sheet (In Lacs)	13.26	(0.10)
6. Profit/Loss for the year (In Lacs)	(0.03)	(0.44)
Considered in Consolidation	(0.01)	(0.22)
Not considered in consolidation	(0.02)	(0.22)

On behalf of the board

I. P. Tantia
Chairman & Managing Director

R. Sureka
Chief Financial Officer

P. Todi
Company Secretary

Annexure D

PARTICULARS OF EMPLOYEES

a) Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of remuneration of each director to the median remuneration of the employees of the company for financial year

Name of Directors & Key managerial Personnel*	Designation	Ratio of Remuneration to Median Remuneration of all employees	Increase /(Decrease) in remuneration over last year
Mr. I. P. Tantia	Chairman & Managing Director	47.91:1	-
Mr. B. L. Ajitsaria	Whole Time Director	9.41:1	-
Mr. R. Tantia	Whole Time Director	25.55:1	-
Mr. M. L. Agarwala	Whole Time Director	25.55:1	-
Mr. S. Bose	Whole Time Director	9.41:1	-
Mr. T. Chaturvedi	Independent, Non-Executive Director	0.43:1	128.57%
Mr. B. L. Tulsian	Independent, Non-Executive Director	0.24:1	(47.06)%
Mr. S. K. Saraogi	Independent, Non-Executive Director	0.16:1	(33.33)%
Mr. S. Khemani	Independent, Non-Executive Director	0.27:1	(50)%
Mrs. M. Chatterjee	Independent, Non-Executive Director	0.27:1	100%
Md. S. Arshad	Independent, Non-Executive Director	0.05:1	N.A
Ms. R. Sureka	Chief Financial Officer	7.99:1	-
Ms. P. Todi	Company Secretary	2.14:1	N.A

*Mr. S. Bose and Mr. B.L. Ajitsaria ceased to be Whole-Time Directors of the Company w.e.f. 13th August, 2016. Mr. S.K. Saraogi and Mr. B.L. Tulsian ceased to be Independent, Non-Executive Directors of the Company w.e.f. 13th August, 2016. Mr. S. Khemani, ceased to be Independent, Non-Executive Director of the Company w.e.f. 5th September, 2016. Ms. P. Todi inducted as Company Secretary and Compliance Officer of the Company w.e.f. 30th May, 2016. Md. S. Arshad inducted as Independent, Non-Executive Director of the Company w.e.f. 3rd December, 2016

** The increase or decrease in remuneration is according to the number of meetings attended by each director and sitting fees paid accordingly.

The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary or Manager, if any – There was no increase in remuneration of any of the Directors, CFO and Company Secretary of the Company.

- ii) The percentage increase in median remuneration of the employees in the financial year - There was an increase in the median remuneration of all the employees to 2.28% during the year.
- iii) The number of permanent employees on the rolls of the company - The number of employees as on 31st March, 2017 was 339.
- iv) The explanation on the relationship between average increase in remuneration and company performance - There was an average increase in remuneration of all the employees to 6.11% during the year.

Compared to the previous year 2015-16, the figures of the current year 2016-17 reflect that:

Gross Turnover has reduced to 27.31% and Profit before taxation have also decreased as compared to last year

- v) Key parameters for any variable component of remuneration availed by the directors- The Directors are not in receipt of any variable component of remuneration.
- vi) The ratio of remuneration of highest paid director to that of the employees who are not directors but receive remuneration in excess of highest paid director during the year- No employee's remuneration for the year 2016-17 exceeded the remuneration of any of the Directors.
- vii) Affirmation that the remuneration is as per remuneration policy of the company- The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration Policy of the Company provided as annexure to the 'Directors' Report' which forms a part of the Report and Accounts.

b) Information as per Rule 5(2) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

None of the employees other than Mr. Ishwari Prasad Tantia, Chairman & Managing Director of the Company, employed for the whole year or part of the year was receiving remuneration not less than sixty lakh rupees per year, not less than five lakh rupees per month, respectively.

Name	Age	Designation	Gross Remuneration (per annum)	Net Remuneration (per annum)	Qualifications	Experience (Years)	Date of Commencement of Employment	Previous Employment/ Position held
Mr. I. P. Tantia	66 years	Chairman & Managing Director	₹90,00,000/-	₹54,49,616/-	B E (Civil)	42 years	1st April, 1991	Nil

Annexure E

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

(i)	the steps taken or impact on conservation of energy	Nil
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment	

B. TECHNOLOGY ABSORPTION

(i)	the steps taken or impact on conservation of energy	Not applicable
(ii)	the steps taken by the company for utilizing alternate sources of energy	Not applicable
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Not applicable
a)	the details of technology imported	Not applicable
b)	the year of import	Not applicable
c)	whether the technology has been fully absorbed	Not applicable
d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not applicable
(iv)	the expenditure incurred on Research and Development	Not applicable

The expenditure incurred on Research and Development

Particulars	2016-17	2015-16
a. Capital	The Company has not undertaken any activity relating to research and development during the year under review.	The Company has not undertaken any activity relating to research and development during the year under review.
b. Recurring (Gross)		
c. Total		
d. Total R & D expenditure as a percentage of total turnover (%)		

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lakhs)

Particulars	2016-17	2015-16
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	-	-

Management Discussion and Analysis

Global economic review

The global economy struggled to gain momentum as many high-income countries continued to struggle and emerging economies were less dynamic than in the past. High-income countries are likely to witness growth of 2.2% in 2017-18 on the back of gradually recovering labour markets, fiscal consolidation and lower financial costs. From developers to construction majors and sub-contractors, most players across the value chain are grappling with the malaise of timing mismatch in cash flows. In this environment, efforts to sustain operations have resulted in most companies having to deal with large debt burdens and over-leveraged balance sheets

Macroeconomic overview

In the year 2016-17, the Indian economy remained a bright spot with robust macroeconomic fundamentals, with the country emerging as the fastest growing large economy in the world. The central government, along with the central bank, announced various legislative and policy reforms aimed at leading the economy back on the high growth path. The efforts have resulted in improvements on the macroeconomic front, though demand, investments and consumer spending is yet to see a significant upswing. The year 2016-17 was also marked by the development of two major policies: (a) passage of the Constitutional amendment that paved the way for the implementation of the transformational Goods and Services Tax (GST) and (b) the action to demonetise ₹500 and ₹1,000 bank notes in the country. These measures are expected to benefit the economy over the long term. Moreover, the Union Budget 2017 contained several positive measures in the areas of foreign direct investment, support for start-ups, etc.

Sector overview

The real estate sector continued to be tested with sector-specific and broad-based economic challenges in 2016-17. Conversely, the year was marked with several positive developments both on the economic and policy front which have laid the foundation for a revival in demand. In 2016, India jumped 19 places in World Bank's Logistics Performance Index (LPI) 2016, to rank 35th amongst 160 countries. Besides, RBI's monetary policies have led to a steady decline in interest rates, the benefits of which are now being passed on to the end-users by lending institutions. An improvement in the absorption rates of commercial real estate on account of new employment generation has also been noticed. However, demand for the residential segment remained muted in almost all the markets pan-India. Tanta Constructions continues to operate in its existing markets while exploring avenues and opportunities for further diversification, although the business continues to look challenging in 2017-18.

GDP growth

India's economic growth is estimated to slow down to 7.1% in 2016-17, compared with 7.6% growth in 2015-16, the first indicator of the impact of the demonetisation drive. The estimates have been reduced in all the sectors, except for agriculture, which has improved due to the positive monsoons. The second volume of the Economic Survey released in August 2017 indicated that a raft of deflationary impulses is weighing on the economy, which is likely to miss the 7.5% upper band of its forecast growth range in 2017-18. The first volume of the Economic Survey released in January 2017

had projected growth in the range of 6.75-7.5% in 2017-18. Besides, the country's economic growth unexpectedly slowed to 5.7% in the June 2017 quarter, the slowest pace in three years, underlining the disruption caused by the uncertainty related to the rollout of the GST even as the Indian economy is struggling to recover from a shock demonetisation. The GDP grew 6.1% in the preceding three months.

Foreign direct investment (FDI)

Apart from being a critical driver of economic growth, FDI is a major source of non-debt financial resource for India's economic development. Foreign companies invest in India to take advantage of relatively lower wages and special investment privileges such as tax exemptions, etc. The Indian government's favorable policy regime and robust business environment have ensured that foreign capital keeps flowing into the country. The government has taken many initiatives in recent years such as relaxing FDI norms across sectors such as Defense, PSU oil refineries, telecom, power exchanges and stock exchanges, among others. India will require around US\$ 1 trillion in the 12th Five-Year Plan (2012-17), to fund infrastructure growth covering sectors such as highways, ports and airways. This would require support from FDI flows. For the roads sector, including rural roads and highways, a total budget of ₹97,000 crore has been allocated, including ₹15,000 crore through National Highways Authority of India bonds. The capex outlay for roads and railways together stands at ₹2.18 trillion.

Fiscal deficit

The country achieved its fiscal deficit target of 3.5% of GDP in 2016-17, as indicated by the Controller General of Accounts (CGA). For 2017-18, the government aims to further bring down the fiscal deficit to 3.2%. As per provisional data, the fiscal deficit in April 2017 was ₹2.05 lakh crore, which is 37.6% of Budget estimates, as against 25.7% in the year-ago period.

Business overview

Tanta 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 five decades ago, over the years, it has strongly anchored itself to India's developmental efforts. It started its operations through entry into the railways segment and progressively extended its activities to other infrastructure segments along with production of Ready Mix Concrete (RMC). The Company continues to operate in its existing markets while exploring avenues and opportunities for further diversification. Our pledge is to establish lasting relationships with our customers by exceeding their expectations and gaining their trust through exceptional performance by every member of the team.

Sector review

Infrastructure sector is a key driver for the Indian economy. The sector is significantly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure time-bound creation of world-class infrastructure in the country. Infrastructure sector includes power, bridges, dams, jetty, roads and urban infrastructure development.

Railways:

India's railway network is recognised as one of the largest railway systems in the world under single management. The Government has focused on inviting investments in railway infrastructure by fostering investor-friendly policies. It has moved quickly to enable FDI in railways to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects. During 2016-17, passenger traffic of the Indian Railways grew 0.8% to 8,219.38 million with passenger revenue growth of 4.6% at ₹47,449.75 cr. Overall revenues of the Railways grew 8.7% year-on-year to ₹15,884.58 cr during March 2017. Passenger earnings grew 10.1% to ₹4,205.29 crore and the freight earnings grew 4.1% to ₹10,273.20 cr during March 2017. The Union Budget 2017-18 has estimated overall earnings to rise to ₹189,498.37 crore in 2017-18, compared with ₹172,305 cr in 2016-17. Besides, FDI inflows into Railways-related components from April 2000 to March 2017 were USD 798.55 mn.

Roads:

India has the second largest road network in the world at 4.7 million km. This network transports more than 60% of all goods in the country and 85% of India's total passenger traffic. Road transportation has gradually increased over the years with the improvement in connectivity between cities, towns and villages. In India, sales of automobiles and movement of freight by roads is growing at a rapid rate. Cognizant of the need to create an adequate road network to cater to the increased traffic and movement of goods, the Government has set earmarked 20% of USD 1 trillion reserved for infrastructure during the 12th Five-Year Plan (2012-17) to develop the country's roads network. The transport infrastructure sector in India is expected to grow at 6.1% in real terms in 2017 and grow at a 5.9% CAGR through the year 2021, thereby becoming the fastest-expanding component of the country's infrastructure sector. The construction of highways reached 8,142 km during 2016-17, with an all-time high average pace of 22.3 km per day. In the first two months of 2017-18, 1,627 km of highway was constructed at an average of 26.3 km per day. Under the Pradhan Mantri Gram Sadak Yojana (PMGSY), 133-km roads per day in 2016-17 were constructed as against a 2011-14 average of 73-km per day. The Indian government plans to develop a total of 66,117 km of roads under different programmes such as National Highways Development Project (NHDP), Special Accelerated Road Development Programme in North East (SARDP-NE) and Left Wing Extremism (LWE). Besides, the government has identified the development of 2,000 km of coastal roads to improve connectivity between ports and remote villages.

Outlook

Sustained increase in infrastructure is expected to be one of the crucial factors for sustaining growth during the current decade. Significant investments in physical infrastructure will also lead to employment generation, increased production efficiency, reduced cost of doing business and improved living standards.

The infrastructure sector in India witnessed 33 deals in 2016-17 involving USD 3.49 billion as against USD 2.98 billion raised across 31 deals in 2015-16, with the majority of deals led by the power, roads and renewable sectors, as per Equirus Capital. A total of 6,604 km out of the 15,000 km of target set for national highways in 2016-17 had been constructed by the end of February 2017, according to the Ministry of State for Road, Transport & Highways. In addition, the Government is taking every possible initiative to boost the infrastructure sector. Apart from development of infrastructure facilities in existing cities/towns, increased focus is expected on

infrastructure in new townships/rural areas. Increased investment in rural infrastructure will benefit the rural population through higher incomes, rise in employment opportunities and lower cost of basic goods due to improvement in transportation facilities. Nonetheless, improvement in rural infrastructure will need to be properly targeted to benefit the rural poor. The construction industry currently represent 13% of the total GDP (globally) and is expected to increase to 15% by 2020 according to recent studies, with emerging markets expected to outperform the developed world in market share.

Quality control

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

Risks and concerns

Your Company has taken suitable measures to mitigate the various risks associated with its operational activities. Adequate insurance policies have been taken to protect health and safety of its employees and limit property loss. Growth and demand is dependent on general economic conditions and a decline can adversely affect the Company's business. Increasing competition from domestic and international construction companies affect market share and profitability. Uncertainties with Government policies can significantly affect operations. The Company has developed built-in systems and procedures for handling risks in carrying out the business to the best advantage of all stakeholders and to ensure business continuity. The risk management framework establishes management of risk across all service areas and functions of the Company and has in place the procedures to inform the Board about risks and mitigation processes, which are periodically reviewed.

Strengths and opportunities

- Wide range of expertise spanning over 50 years in the construction sector; professional and competent senior management team
- Well-established brand and goodwill owing to innovative strategies
- Strategically located projects with high selling potential
- Stable revenues fuelled by strategic project locations

Weaknesses and threats

- Bureaucracy causing approval delays and policy changes
- Cautious approach of banks which are lowering infrastructure sector exposure
- Rising input costs
- Longer working capital cycles
- Challenges in obtaining environmental clearances, land acquisition and rehabilitation
- Shortage of skilled manpower
- Stagnant and low construction margins

Income accounting method

Your Company prepares its financial statements on accrual basis in compliance with the requirements of the Companies Act, 2013, the SEBI Listing Regulations, 2015 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

Share capital: The Company's paid-up share capital stood at ₹28.74 cr as on 31 March 2017.

Reserves and surplus: The Company's reserves declined from ₹8,757 lakhs in 2015-16 to ₹3,152 lakhs in 2016-17 on account of losses incurred during the year.

Income from operations: The Company's revenue from operations (net) declined from ₹41,060 lakhs in 2015-16 to ₹27,866 lakhs in 2016-17 due to sustained infrastructure sector slowdown.

Net loss: The Company's net loss stood at ₹6,722 lakhs as on March 31, 2017.

Internal control systems

Growing business activities call for a constant review of the efficacy of the Company's internal control mechanism. To facilitate this, the Company has laid down risk assessment and minimization procedures and the same are periodically reviewed by the Board. The Company has an internal process to facilitate formulation and revision of policies and guidelines to align with the changing needs. Internal audit is conducted on a regular basis and reports are reviewed by the Audit Committee of the Board. The shortcomings, if any, are communicated to the respective departments and measures are taken accordingly. The Company has adequate

internal control systems to identify risks at appropriate times and to ensure that the executive management controls the risk in properly defined frameworks in the best interests of the Company. 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

The Company's human resource philosophy is to establish, build and retain a strong performance and competency-driven culture with greater sense of accountability and responsibility. The Company has been focused to create an environment that assists employees to enhance their sense of pride, thereby contributing to higher productivity. The Company through its effective and dynamic HR policies and systems has always encouraged its members to innovate and apply new ideas to achieve quantum leaps in both size and scale of operations. The authority and responsibility chain is clearly defined and employees are free to convey their ideas and suggestions to their superiors. Team meetings are held at frequent intervals to improve communication between employees. Industrial relations remained stable throughout the year.

Cautionary statement

Statements in the Management discussion and analysis report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic conditions affecting price conditions in the domestic market in which the Company operates or changes in government regulations, tax laws and other statutes or other incidental factors.

Corporate Governance Report

CORPORATE GOVERNANCE PHILOSOPHY

The Board of Directors of your Company presents the Report on Corporate Governance as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein referred to as Listing Regulations). This Report, therefore, states the compliance status as per requirements of Companies Act, 2013 and Listing Regulations.

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

- Transparency in business transactions.
- Adequate disclosures and effective decision making to achieve corporate objectives.
- Statutory and legal compliances.
- Protection of shareholders' interest.
- Commitment to values and ethical conduct of business.

Our objective is to enhance shareholder value and protect the interests of other stakeholders by improving the corporate performance and accountability. Good Corporate Governance supports in building sustainable business and societal value. It is not just about protecting stakeholder interests or a compliance exercise to satisfy regulators. Your Company has adopted various policies, codes and programs in order to set mechanisms to improve transparency and protect stakeholder interests.

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

1. BOARD OF DIRECTORS

a) Composition

In order to maintain Board Independency, the Company has adopted a Policy to have an appropriate mix of Executive and Non-Executive Directors on the Board. As on 31st March, 2017, the Board consists of 6 Directors who belong to different fields and have vast experience in civil engineering, construction, railways, finance and accounts, taxation, CSR and others. The composition of the Board is in conformity with Listing Regulations. The day-to-day management of the Company was carried on by 3 Executive Directors of the Company. As on 31st March, 2017, the Constitution of the Board was as follows:

Category	Name of the Directors
Promoter, Executive Director	Mr. I .P. Tantia
	Mr. R. Tantia
Executive Director	Mr. M. L. Agarwala
Independent, Non-Executive Director	Mr. T. Chaturvedi
	Mrs. M. Chatterjee
	Md. Sarim Arshad

The composition of the Board and other provisions related to the Board and Committee(s) are in compliance with Listing Regulations. All Independent, Non-Executive Directors qualify the conditions for being Independent, Non-Executive Directors as prescribed under Listing Regulations. 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').

All Directors, except Independent, Non-Executive Directors, are liable to retire by rotation. None of the Directors are members of more than ten committees or Chairman of more than five committees in public limited companies in which they are Directors. Necessary disclosures have been obtained from all Directors regarding their Directorship and have been taken on record by the Board.

The names of Directors and details of other Chairmanship/Directorship / Committee Membership of each Director as on 31st March, 2017 is given below:

Name of Director(s)	Category	No. of Directorships in other companies		No. of Committee Memberships in other companies	
Mr. I. P. Tantia (DIN: 00057004)	Promoter, Executive Director	-	-	-	-
Mr. R. Tantia (DIN: 00056898)	Promoter, Executive Director	-	2	-	-
Mr. M. L. Agarwala (DIN: 02266069)	Executive Director	-	-	-	-
Mr. T. Chaturvedi (DIN: 02309045)	Independent, Non-Executive Director	-	8	-	-
Md. Sarim Arshad* (DIN: 07670312)	Independent, Non-Executive Director	-	1	-	-
Mrs. M. Chatterjee (DIN: 02510507)	Independent, Non-Executive Director	-	2	-	-

* Md. Sarim Arshad was appointed as an Additional Director of the Company at the Board meeting held through Resolution by Circulation dated 3rd December, 2016.

Notes:

- i. Other Directorships exclude foreign companies and alternate Directorships.
- ii. Only membership in Audit Committee and Stakeholders' Relationship Committee has been reckoned for other committee memberships.

b) Board meetings and attendance at Board meetings held during the year ended 31st March, 2017:

The Board met four (4) times during the financial year 2016-17. The Board of Directors of the Company had met not exceeding with a maximum time gap of one hundred and twenty days.

The relevant details are as under:

S. N.	Date of Board meeting(s)	Board strength	No. of Directors present
1	30/05/2016	10	7
2	13/08/2016	6	5
3	14/11/2016	5	6
4	24/02/2017	6	6

* Md. Sarim Arshad was appointed as an Additional Director of the Company at the Board meeting through Resolution by Circulation dated 3rd December, 2016. Further, he will be appointed as an Independent, Non Executive Director in the forthcoming Annual General Meeting. Mr. Sandip Bose and Mr. B.L. Ajitsaria, Whole-Time Directors and Mr. B.L. Tulsian and Mr. S.K. Saraogi, Independent, Non-executive Directors of the Company, resigned from the Directorship of the Company w.e.f. 13.08.2016. Mr. Shaleen Khemani, Independent, Non Executive Director of the Company, resigned from the post of the Directorship w.e.f. 05.09.2016.

Date of Board meeting

The dates for the Board meetings are fixed after taking into account the convenience of all the Directors and sufficient notice is given to them. 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 dispatch the business of the Company.

c) Preparation of agenda and schedules of Board meetings:

The Company places before the Board all those details as required under Listing Regulations. Detailed agenda notes are sent to the Directors. All information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The Chairman & Managing Director appraises the Board on the overall performance of the Company at every Board meeting. Legal issues, write-offs, provisions, purchases and disposal of capital assets are all brought to the notice of the Board. The Board reviews performance, approves capital expenditures, sets the strategy the Company should follow and ensures financial stability. The Board takes on record the actions taken by the company on all its decisions periodically.

The Board also takes on record the declaration made by the Company Secretary, Chairman & Managing Director and the Chief

Financial Officer regarding compliances of all laws on a quarterly basis.

d) Information placed before the Board:

The Board meetings of the Directors 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 Vice-Presidents, General Managers and Managers who can provide additional information and insights into the items being discussed.

The required information as enumerated in Listing Regulations and the materials required to be placed before the Board as provided under the Act are made available to the Board members for discussion, consideration and doing the needful at its meetings.

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

e) Information of Director(s) seeking appointment/re-appointment at the forthcoming Annual General Meeting:

The Directors of the Company are appointed by the Members at the General Meetings. Generally, the Chairman & Managing Director and Whole-time Directors (Executive Directors) are appointed for a period of three years. The Whole-time Directors are liable to retire by rotation at Annual General Meeting and if eligible, may seek approval of the Members for their re-appointment. In terms of the provisions of Section 149(5) of the Companies Act, 2013 and Rules framed thereunder, the Independent, Non -executive Directors of the Company are appointed for a period of five years by the Members of the Company at the General Meetings.

A formal letter of appointment setting out the terms and conditions of appointment, roles and functions, responsibilities, duties, fees and remuneration, liabilities, resignation / removal, etc., as specified under Schedule IV to the Companies Act, 2013 has been issued to each of the Independent, Non -Executive Directors subsequent to obtaining approval of the Members to their respective appointments. The terms and conditions of such appointments of the Independent, Non-executive Directors are also made available on the website of the Company at www.tantiagroup.com.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Director proposed to be re-appointed has been annexed to the Notice convening the 52nd Annual General Meeting.

f) Disclosure of relationship between Directors inter-se:

Mr. R. Tantia, Director (Operations), is son of Mr. I.P. Tantia, Chairman & Managing Director of the Company, and falls under the meaning of relative as defined under Section 2(77) read with prescribed Rules under the Companies Act, 2013. No other Director is related to any other Director of the Company within the meaning of the Section 2(77) read with prescribed Rules under the Companies Act, 2013.

g) Attendance of each Director at Board meetings and at the previous Annual General Meeting (AGM)

S.N.	Name	No. of Meetings held	No. of Meetings attended	Attendance at the last AGM (Yes/No/N.A.)
1	Mr. I. P. Tantia	4	3	Yes
2	Mr. R. Tantia	4	4	Yes
3	Mr. B. L. Ajitsaria	1	0	N.A.
4	Mr. M. L. Agarwala	4	4	Yes
5	Mr. S. Bose	1	0	N.A.
6	Mr. S. Khemani	2	2	Yes
7	Mr. T. Chaturvedi	4	3	Yes
8	Mr. B. L. Tulsian	1	1	N.A.
9	Mrs. M. Chatterjee	4	2	No
10	Mr. S. K. Saraogi	1	1	N.A.
11	Md. Sarim Arshad	1	1	N.A.

2. COMMITTEES OF THE BOARD

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

Recommendations of the Committee(s), if any, are submitted to the Board for their approval. The quorums 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

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

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

a. Role of Audit Committee

- a) Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing with the management the annual financial statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013.

- ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv) Significant adjustments made in the financial statements arising out of audit findings.
 - v) Compliance with listing and other legal requirements relating to financial statements.
 - vi) Disclosure of any related party transactions.
 - vii) Qualifications in the draft audit report.
- e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 - f) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
 - g) Review and monitor the Auditor's independence and performance and effectiveness of the audit process.
 - h) Approval or any subsequent modification of transactions of the Company with related parties.
 - i) Scrutiny of inter-corporate loans and investments.
 - j) Valuation of undertakings or assets of the Company, wherever it is necessary.
 - k) Evaluation of internal financial controls and risk management systems.
 - l) Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control systems
 - m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- n) Discussions with internal auditors of any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) Review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u) Approval or any subsequent modification of transactions of the Company with related parties.
- v) Scrutiny of inter-corporate loans and investments.
- w) Valuation of undertakings or assets of the Company, wherever it is necessary.
- x) Evaluation of internal financial controls and risk management systems.
- y) Monitoring the end use of funds raised through public offers and related matters.
- z) The Board's report under Sub-section (3) of Section 134 shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such a report along with the reasons therefore.

b. Review of information by Audit Committee

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

c. Composition and Size

The Company's Audit Committee comprises 3 (Three) Directors - 2 (Two) of whom are Independent, Non-Executive Directors and 1 (One) is Promoter, Executive Director as on 31st March, 2017. All of them are financially literate and have expertise in corporate finance, accounts, taxation, corporate

laws and management. The Chairman of the Audit Committee is an Independent, Non-Executive Director. The composition of the Committee is in line with requirements of revised Listing Regulations and other applicable provisions of the Companies Act, 2013 and any other laws applicable in this respect.

The Chief Financial Officer (CFO) and GM (Accounts & Corporate) are regular invitees at the Audit Committee meetings. The Statutory Auditor also attends the meeting of the Committee. The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Audit Committee Meetings. The Chairman of the Audit Committee was present at the previous Annual General Meeting of the Company held on 1st September, 2016. As on 31st March, 2017, the Constitution of the Audit Committee was as follows:

Name of Director(s)	Category
Mr. T. Chaturvedi	Chairman Independent, Non-Executive Director
Mrs. M. Chatterjee	Member Independent, Non-Executive Director
Mr. R. Tantia	Member Promoter, Executive Director

*During the period under review, the Audit Committee was re-constituted via resignation of Mr. Shaleen Khemani and inclusion of Mrs. Madhuchanda Chatterjee.

The Audit Committee met 4 (four) times during the year. The details are as follows:

S. N.	Date	Committee strength	No. of members present
1	30/05/2016	3	2
2	12/08/2016	3	3
3	11/11/2016	3	3
4	24/02/2017	3	3

d. Attendance of each Member at Audit Committee meetings held during the year ended 31st March, 2017

S. N.	Name	No. of meetings held	No. of meetings attended
1	Mr. T. Chaturvedi	4	3
2	Mr. S. Khemani	2	2
3	Mr. R. Tantia	4	4
4	Mrs. M. Chatterjee	2	2

B. NOMINATION AND REMUNERATION COMMITTEE

The Board has noted the scope, role and composition of the Nomination and Remuneration Committee pursuant to Listing Regulations and Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee are given as hereunder:

- Identification of persons who are qualified to become Directors and/or who may be appointed in senior management.
- Formulation of criteria for evaluation of Independent Director and the Board.
- Formulation of criteria for determining qualifications, positive

attributes and independence of a Director.

- Recommend the Board size and composition including the proportion of promoter vs. independent Directors;
- Recommendation to the Board, a remuneration policy for the Directors, KMP and other employees;
- Recommending to the Board of Directors regarding the remuneration payable to relative of Director(s) and evaluation of the same from time to time.
- Ensuring the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors;
- Ensuring remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay;
- Recommend and review succession plans for Managing Director/Chairman;
- Review and approve succession plans for senior management (all the direct reportees to the Managing Director).

a. Remuneration Policy

The Remuneration Policy is being framed and formulated in adherence with the provisions of Listing Regulations and Section 178 of the Companies Act, 2013 and Rules made thereunder.

The Independent, Non-Executive Directors are 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 Director's remuneration is governed by the external competitive environment, track record, potential, individual performance and Company performance as well as industry standards. The remuneration determined for MD/WTDs is subjected to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors & Members, after due compliance with the provisions of Companies Act, 2013 and Rules made thereunder. The Company does not pay any sitting fees to MD/WTDs for attending the meeting of Board and/or its Committee.

b. Composition and Size

The Nomination and Remuneration Committee of the Company comprises 3 (Three) Independent, Non Executive Directors as on 31st March, 2017. The composition of the Committee is in line with the requirements of Listing Regulations and provisions of Section 178 of the Companies Act, 2013 and Rules made thereunder, if any, and other applicable laws in this respect.

The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Nomination and Remuneration Committee Meetings. The constitution of the Nomination and Remuneration Committee was as follows:

Name of Director(s)	Category
Mr. Tarun Chaturvedi	Chairman Independent, Non-Executive Director
Mrs. Madhuchhanda Chatterjee	Member Independent, Non-Executive Director
Md. Sarim Arshad	Member Independent, Non-Executive Director

The Nomination and Remuneration Committee met 3 (three) times during the year ended 31st March, 2017. The details are

as follows:

S. N.	Date	Committee strength	No. of members present
1	30/05/2016	3	3
2	13/08/2016	3	3
3	02/12/2016	2	2

c. Attendance of each member at Nomination and Remuneration Committee meetings held during the year ended 31st March, 2017.

S. N.	Name*	No. of meetings held	No. of meetings attended
1	Mr. S. Khemani	2	2
2	Mr. B. L. Tulsian	1	1
3	Mr. S. K. Saraogi	1	1
4	Mr. Tarun Chaturvedi	2	2
5	Md. Sarim Arshad	0	0
6	Mrs. Madhuchhanda Chatterjee	2	2

*During the period under review the Nomination and Remuneration Committee was re-constituted via resignation of Mr. B.L. Tulsian and Mr. S.K. Saraogi on 13th August, 2016 and Mr. Shaleen Khemani w.e.f. 5th September, 2016 inclusion of Mrs. Madhuchhanda Chatterjee, Mr. Tarun Chaturvedi and Md. Sarim Arshad.

d. Criteria for Performance evaluation:

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note on Board Evaluation issued by SEBI in January 2017, your Company has carried out a Performance Evaluation for the Board / Committees /Directors of your Company for the financial year ended 31st March, 2017.

The Board shall evaluate the performance of Directors on the following criteria:

- Is the composition of the Board appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy?
- Members of the Board meet all applicable independence requirements.
- The Board of Directors is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
- The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
- The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law and the Board is provided with sufficient information about material risks and problems that affects the Company's business and prospects.
- The Board receives regular financial updates and takes all necessary steps to ensure operations are sound and reviews the organization's performance in carrying out the

stated mission on a regular basis.

- vii. Are sufficient numbers of Board meetings, of appropriate length, being held to enable proper consideration of issues?
- viii. The information provided to Directors prior to Board meetings meets expectations in terms of length and level of detail and Board members come prepared to meetings and ask appropriate questions of management and address issues that might present a conflict of interest.
- ix. Board meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution.
- x. The Chairman of the Board effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.
- xi. Nomination and appointment of Board members and their Remuneration follow clearly established procedures using known criteria as laid down by the Nomination and Remuneration Committee.
- xii. The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance (through its Audit Committee).
- xiii. The Company has a system for Corporate Social Responsibility, stakeholder relationships and for prohibition of insider trading.
- xiv. The Company has necessary committees which are required and these committees are working effectively.

e. Criteria for making payments to Independent, Non -Executive Directors

The Company has created/laid down the criteria for making payments to the Independent, Non-Executive Directors. The details of such criteria are available in the Remuneration Policy disseminated on the website of the Company ([www.tantiagroup.com/InvestorsCorner/Policy/Remuneration Policy](http://www.tantiagroup.com/InvestorsCorner/Policy/RemunerationPolicy)).

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a. Terms of Reference

In compliance with the Listing Regulations, the object of the Stakeholders' Relationship Committee is to approve transfer/transmission/consolidation/split of shares/issue of duplicate shares, redress shareholder's and investor's complaints relating to non-receipt of Annual Report, non-receipt of declared dividend warrant(s), redressal of all other investor's grievance/complaints and other allied matters.

In terms of Listing Regulations, Ms. Priti Todi, Company Secretary, was the Compliance Officer of the Company till 31st March, 2017.

Composition and Size

The Stakeholders' Relationship Committee of the Company comprises 3 (Three) Directors - 2 (Two) of whom are Independent, Non-Executive Director and 1 (One) is Promoter, Executive Director, as on 31st March, 2017. The Chairman of the Stakeholders' Relationship Committee is an Independent, Non-Executive Director. The composition of the Committee

is in line with requirements of revised Listing Regulations read with Section 178 of the Companies Act, 2013 and other laws applicable in this respect.

The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Stakeholders' Relationship Committee Meetings. The constitution of the Stakeholders' Relationship Committee was as follows:

Name of Director(s)*	Category
Mr. Tarun Chaturvedi	Chairman Independent, Non-Executive Director
Mrs. M. Chatterjee	Member Independent, Non-Executive Director
Mr. R. Tantia	Member Promoter, Executive Director

*During the period under review the Stakeholders Relationship Committee was re-constituted via resignation of Mr. B.L. Tulsian on 13th August, 2016 and Mr. Shaleen Khemani w.e.f. 5th September, 2016 inclusion of Mrs. Madhuchhanda Chatterjee and Mr. Tarun Chaturvedi.

The Stakeholders' Relationship Committee met four (4) times during the year ended 31st March, 2017. The details are as follows:

S. N.	Date	Committee strength	No. of members present
1	30/05/2016	3	3
2	13/08/2016	3	2
3	14/11/2016	3	2
4	24/02/2017	3	3

b. Attendance of each member at Stakeholders' Relationship Committee meetings held during the year ended 31st March, 2017.

S. N.	Name	No. of meetings held	No. of meetings attended
1	Mr. S. Khemani	2	2
2	Mr. R. Tantia	4	4
3	Mr. B. L. Tulsian	1	1
4	Mrs. M. Chatterjee	2	2
5	Mr. Tarun Chaturvedi	2	1

The Company has a share department under the Company Secretary who monitors the activities of Registrar and Share Transfer Agents (RTA) and looks into the matters relating to the grievances of shareholders. Share transfer/transmission are approved by the Stakeholders' Relationship Committee at its meeting(s). Statuses of complaints of shareholders/investors are as under:

Number of complaints pending on April 1, 2016	-
Number of complaints received during the year	2
Number of complaints redressed during the year	2
Number of complaints pending on 31st March, 2017	-

For any clarification/complaint, shareholders may contact Ms. Priti Todi, Company Secretary & Compliance Officer of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**a. Terms of Reference**

In compliance with the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee is empowered to look into matters related to sustainability and overall governance. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring the implementation of the framework of 'Corporate Social Responsibility Policy', observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.

b. Composition and Size

The Corporate Social Responsibility Committee of the Company comprises 3 (Three) Directors - 2 (Two) of whom are Independent, Non-Executive Directors and 1 (One) is Promoter, Executive Director, as on 31st March, 2017. The Chairperson of the Corporate Social Responsibility Committee is an Independent, Non-Executive Director. The composition of the committee is in line with requirements of Section 135 of the Companies Act, 2013, Schedule VII and Rules made thereunder, as amended from time to time and such other laws applicable in this respect.

The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Corporate Social Responsibility Committee Meetings. The constitution of the Committee was as follows:

Name of Director(s)*	Category
Mrs. M. Chatterjee	Chairperson Independent, Non-Executive Director
Mr. Tarun Chaturvedi	Member Independent, Non-Executive Director
Mr. Rahul Tantia	Member, Executive Director

*During the period under review the Corporate Social Responsibility Committee was re-constituted via resignation of Mr. B.L. Tulsian and Mr. Sandip Bose on 13th August, 2016 and inclusion of Mr. Tarun Chaturvedi and Mr. Rahul Tantia.

The Corporate Social Responsibility Committee met once (1) during the year ended 31st March, 2017. The details are as follows:

S. N.	Date	Committee strength	No. of members present
1	30/05/2016	3	2

c. Attendance of each Member at Corporate Social Responsibility Committee meetings held during the year ended 31st March, 2017.

S. N.	Name	No. of meetings held	No. of meetings attended
1	Mrs. M. Chatterjee	1	1
2	Mr. B. L. Tulsian	1	1
3	Mr. S. Bose	1	0

E. FINANCE COMMITTEE**a. Terms of Reference**

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

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

b. Composition and Size

The Company's Finance Committee comprises 3 (Three) Directors - 1 (One) is Independent, Non-Executive Director, 1 (One) is Promoter, Executive Director and 1 (One) is Executive Director, as on 31st March, 2017. The Chairman of the Finance Committee is an Independent, Non-Executive Director. The Company Secretary acts as the Secretary to the Committee and she is in attendance at the Finance Committee Meetings. The constitution of the Board was as follows:

Name of Director(s)*	Category
Mr. T. Chaturvedi	Chairman Independent, Non-Executive Director
Mr. R. Tantia	Member Promoter, Executive Director
Mr. M.L. Agarwala	Executive Director

*During the period under review the Finance Committee was re-constituted via resignation of Mr. Sandip Bose on 13th August, 2016 and inclusion of Mr. M.L. Agarwala.

The Finance Committee met 4 (four) during the year ended 31st March, 2017. The details are as follows:

S. N.	Date	Committee strength	No. of members present
1	31/05/2016	3	3
2	17/08/2016	3	3
3	15/10/2016	3	3
4	19/11/2016	3	3

c. Attendance of each member at Finance Committee meetings held during the year ended 31st March, 2017.

S. N.	Name	No. of meetings held	No. of meetings attended
1	Mr. T. Chaturvedi	4	4
2	Mr. R. Tantia	4	4
3	Mr. S. Bose	1	1
4	Mr. M.L. Agarwala	3	3

3. MEETING OF INDEPENDENT DIRECTORS:

The Independent, Non- Executive Directors of the Company had met during the year on 28th March, 2017 to review the performance of Non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

The Company had also further during the year, conducted familiarisation programme for Independent, Non -executive Directors of the Company and the details of such familiarisation programmes are disseminated on the website of the Company ([www.tantiagroup.com/Investors Corner/ Policies/Familiarisation Programme for Independent Directors](http://www.tantiagroup.com/Investors%20Corner/Policies/Familiarisation%20Programme%20for%20Independent%20Directors)).

a. Meeting and Attendance

During the financial year ended 31st March, 2017, the Independent, Non-executive Directors was held as follows:

S. N.	Date	Committee strength	No. of members present
1	28/03/2017	3	3

b. Attendance of each member at Independent, Non-executive Directors meetings held during the year ended 31st March, 2017.

S. N.	Name	No. of meetings held	No. of meetings attended
1	Mr. T. Chaturvedi	1	1
2	Mrs. M. Chatterjee	1	1
3	Md. Sarim Arshad	1	1

4. REMUNERATION PAID TO DIRECTORS

Of the total 6 (six) Directors, 3 (three) are Executive Directors. The remuneration payable to these Directors is determined by the Board on the recommendation of the Nomination and Remuneration Committee. This is subject to approval of shareholders at the General Meeting and that of the Central Government and such other authorities as may be necessary. The Non-Executive Directors do not draw any remuneration from the Company except sitting fees for attending the meetings of the Board and the Committees.

a) Details of Remuneration paid to each of the Director(s) for the year ended 31st March, 2017 is given in the table below:

(₹ in Lakhs)

Name of Director(s)	Salary and other benefits				Sitting fees Board Meeting(s)/ Committee Meeting(s)	Stock Option, Stock Option, if any (No.)
	Salary (including House Rent Allowance)	Commission	Contribution to Provident Fund	Other Perquisites		
Mr. I. P. Tantia	90.00	-	10.08	-	-	-
Mr. B. L. Ajitsaria	17.68	-	0.08	-	-	-
Mr. R. Tantia	48.00	-	-	-	-	-
Mr. M. L. Agarwala	48.00	-	-	-	-	-
Mr. S. Bose	17.68	-	0.08	-	-	-
Mr. T. Chaturvedi	-	-	-	-	0.80	-
Mr. S. Khemani	-	-	-	-	0.50	-
Mr. B. L. Tulsian	-	-	-	-	0.45	-
Mrs. M. Chaterjee	-	-	-	-	0.50	-
Mr. S. K. Saraogi	-	-	-	-	0.30	-
Mr. Md. Sarim Arshad	-	-	-	-	0.10	-

i. Service Contract: The service contract(s) of Mr. I. P. Tantia, Mr. R. Tantia, the Executive Directors of the Company are for 3 years (w.e.f. 1st April, 2016 to 31st March, 2019). Whereas, the service contract(s) of Mr. M. L. Agarwala, Executive Director of the Company is for 3 years (w.e.f. December 16, 2016 to December 15, 2019) and Notice Period: 1 – 6 months Notice by either party.

ii. Severance Fees: No fees payable by either party.

There were no pecuniary relationships or transactions of the Non-Executive Director's vis-à-vis the Company other than receiving sitting fees during the Financial Year ended 31st March, 2017.

b) Details of shareholding of Directors as on 31st March, 2017

As on 31st March, 2017, the Company had 3 (three) Executive Directors and 3 (three) Independent, Non-Executive Directors. The shareholdings of all the Executive Directors are as follows:

Name of Director	No. of shares held	Percentage of holding (%)
Mr. I. P. Tantia	948976	3.30
Mr. R. Tantia	3573359	12.43
Mr. M. L. Agarwala	2300	0.01

None of the Independent, Non-Executive Directors holds any Shares of the Company.

5. ANNUAL GENERAL MEETINGS AND EXTRA-ORDINARY GENERAL MEETING

The details of the Annual General Meetings/Extraordinary General Meeting held in the last three years are as follows:

i) Annual General Meetings of the Company:

Financial Year	Venue	Day & Date	Time
2015-16	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata-700 017	Thursday 1st September, 2016	3.00 P.M.
2014-15	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata-700 017	Tuesday 29th September, 2015	3.00 P.M.
2013-14	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata-700 017	Tuesday 9th September, 2014	3.00 P.M.

ii) The details of special resolutions passed in AGM in the last 3 years are as follows:

Financial Year	Subject
2015-16	1 Approval for re-appointment and payment of remuneration to Mr. Ishwari Prasad Tantia, as Chairman & Managing Director for a period of three years w.e.f. April 1, 2016.
	2 Approval for re-appointment and payment of remuneration to Mr. Banwari Lal Ajitsaria, as Director (Business Development) for a period of one year w.e.f. April 1, 2016.
	3 Approval for re-appointment and payment of remuneration to Mr. Rahul Tantia, as Director (Operations) of the Company for a period of three years w.e.f. April 1, 2016.
2014-15	4 Appointment of Mr. S. K. Saraogi as Independent, Non-Executive Director of the Company for a period of 5 (five) years from the day of AGM (September 29, 2015) till February 12, 2020.
	5 Approval for re-appointment and payment of remuneration to Mr. S. Bose, as Whole-Time Director for a period of 3 (three) years w.e.f. April 1, 2015.
	6 Approval for waiver of excess remuneration paid to Mr. I. P. Tantia for the financial year 2013-14.
	7 Approval for waiver of excess remuneration paid to Mr. I.P. Tantia for the Financial Year 2013-14, 2014-15 and 2015-16.
2013-2014	1 Appointment of Mr. S. Khemani as an Independent Director of the Company who shall hold office from the day of AGM (9th September, 2014) till 31st March, 2019.
	2 Appointment of Mr. T. Chaturvedi as Independent Director of the Company who shall hold office from the day of the AGM (September 9, 2014) till 31st March, 2019.
	3 Appointment of Mr. U.S. Agarwal as Independent Director of the Company who shall hold office from the day of AGM (September 9, 2014) till 31st March, 2019.
	4 Appointment of Mrs. M. Chatterjee as Independent Director of the Company who shall hold office from the day of AGM (9th September, 2014) till 31st March, 2019.
	5 Appointment of Mr. B. L. Tulsian as Independent Director of the Company who shall hold office from the day of AGM (9th September, 2014) till 31st March, 2019.
	6 Resolution passed under Section 180(1)(c) of the Companies Act, 2013 in supersession of resolution passed under Section 293(1)(d) of Companies Act, 1956 for fixing the borrowing power not exceeding ₹1,200 crores.
	7 Resolution passed under section 180(1)(a) of the Companies Act, 2013 for power to the Board to mortgage assets of the Company.
	8 Amendment of Articles of Association of the Company by alteration of point no 94 of Articles of Association of the Company.

iii) Postal Ballot

During the year ended 31st March, 2017, no resolutions were passed by shareholders by way of postal ballot.

None of the businesses proposed to be transacted at the ensuing 52nd Annual General Meeting require passing of special resolution through Postal Ballot. However, the Company has provided e-voting facility to its shareholders.

6. SUBSIDIARY COMPANIES

The financials of the subsidiary companies viz., M/s. Tantia Infrastructure Private Limited, M/s. Tantia Raxaultollway Private Limited, M/s. Tantia Sanjauliparkings Private Limited and M/s. Tantia Batala-Beas Tollway Private Limited have been duly reviewed by the Audit Committee and the Board of Directors of the Holding

Company. The Board minutes of the unlisted subsidiary companies have been placed before the Board of the Holding Company. The Board of Directors' of Holding Company is also periodically informed about all significant transactions and arrangements entered into by the subsidiary companies. The Company has also formulated a policy for determining the material subsidiary and the details of such policies are disseminated on the Company's website ([www.tantiagroup.com/Investors Corner /Policies / Policy for Determining Material Subsidiaries](http://www.tantiagroup.com/Investors%20Corner/Policies/Policy%20for%20Determining%20Material%20Subsidiaries)).

Details of Subsidiaries in form AOC- 1 attached to the Board Report may also be referred to.

7. WHISTLE BLOWER POLICY

The Company has an established mechanism for Directors/ Employees to report concerns about unethical behaviour, actual

or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/Employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise reportable matters on becoming aware of the same. All suspected violations and reportable matters are reported to the Chairman of the Audit Committee at e-mail ID tarunchatu@tantiagroup.com. The key directions/actions will be informed to the Managing Director of the Company.

8. MEANS OF COMMUNICATION

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 Business Standard (all editions) Bengali Arthik Lipi (Kolkata edition)
iii.	Name of Websites where results are displayed	www.tantiagroup.com www.nseindia.com www.bseindia.com
iv.	Whether Website also displays official news releases, if any.	Yes
v.	Whether presentations made to the Institutional Investors or to the Analyst(s).	None

9. POLICY FOR PRESERVATION OF DOCUMENTS

As mandated under Regulation 9 of the Listing Regulations, the Board has formulated and approved a policy in regard to document retention, prescribing the manner of retaining the Company's documents and the time period up to which certain documents are to be retained.

1. DISCLOSURES

i. Related Party Transactions

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. 44) enclosed to accounts in this Annual Report. The Company has also formulated a policy on dealing with Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the policy.

The Company did not have any materially significant Related Party Transactions (RPT), which may have a potential conflict with the interests of the Company.

The Company has also formulated a policy for determining

the material RPT and the details of such policies for dealing with RPT are disseminated on the Company's website (www.tantiagroup.com/Investors Corner /Policies /Policy of Related Party Transactions).

ii. Accounting Treatment

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 31st March, 2017, the Company has not adopted a treatment different from those prescribed in any Accounting Standard [save as specified at the appropriate place(s)].

iii. Compliances

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 3 (three) years.

iv. Code Of Conduct for the Board of Directors and the Senior Management

The standards for business conduct provide that the Directors and senior management will uphold ethical values and legal standards as the Company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website (www.tantiagroup.com/Investors Corner /Policies /Code of Conduct).

v. Inter-se relationships

There is no relationship between Directors and Key Managerial Personnel of the Company that would represent an unethical conflict with the interests of the Company and its shareholders.

2. RISK MANAGEMENT

The Company has laid down Risk Assessment and Minimization Procedure and the same is periodically reviewed by Board members. The Company has adequate Internal Control Systems to identify risk at the appropriate time and to ensure that the Executive Management controls the risk within a properly defined framework in the best interests of the Company.

3. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is not dealing in any commodities; hence it is not required to disclose the risk associated with commodity price and hedging activities.

During the year under review, the Company was not engaged in any foreign exchange transactions, thus there is no foreign exchange risk involved

4. COMPLIANCE REPORT ON NON-MANDATORY REQUIREMENTS UNDER LISTING REGULATIONS

- The Chairman of the Company is an Executive Director. Mr. I. P. Tania is the CEO and Chairman & Managing Director of the Company
- The quarterly and half yearly results have been displayed on our website www.tantiagroup.com and the results are immediately published in the newspaper as detailed in

5. COMPLIANCE WITH THE LISTING REGULATIONS, 2015 RELATED TO CODE ON CORPORATE GOVERNANCE:

- i. Your Board of Directors are pleased to inform that your Company has duly complied with the provisions from Regulation 17 to Regulation 27 along with Regulation 46 of the Listing Regulations for the year ended 31st March, 2017. The necessary disclosures as required under Listing Regulations have been provided in other part of this Report.
- ii. The Certificate as required from Statutory Auditors that the Company has duly complied with the conditions of Corporate Governance is annexed to the 'Report of the Board of Directors'.

GENERAL SHAREHOLDER INFORMATION**a) Annual General Meeting**

Date and Time:	Friday, 22nd September, 2017 at 3.00 P.M.
Venue	Bharatiya Bhasha Parishad, 36 A, Shakespeare Sarani, Kolkata-700 017
Book Closure Date :	Friday, 15th September, 2017 to Friday, 22nd September, 2017 (both day inclusive)
Financial Year	1st April, 2016 to 31st March, 2017
Dividend Payment date:	No dividend has been proposed by the Board of Directors

b) Financial Calendar 2016-17 (tentative and subject to change)

Particulars	Quarter/Half Year/Year Ending	Tentative Schedule*
Unaudited Financial Results (1st Quarter)	Q.E. 30.06.2017	Second Week of September, 2017
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2017	Second Week of December, 2017
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2017	Second Week of February, 2018
Audited Financial Results (4th Quarter/Annual)	Y.E. 31.03.2018	Fourth Week of May, 2018

*Actual dates may vary

c) Particulars of Dividend for the year ended 31.03.2017

The Board of Directors has not proposed any dividend during the Financial Year 2016-17.

d) Listing of Shares

Name of the Stock Exchange(s)	Stock Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400 001 Phone: +91 22 2272 1234/33 • Fax: +91 22 2272 3121 Website: www.bseindia.com	532738
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai-400 015 Phone: +91 22 2659 8100 • Fax: +91 22 2659 8120 Website: www.nseindia.com	TANTIACONS
The International Securities Identification Number (ISIN) allotted to our Equity Shares under the Depository System	INE388G01018

e) 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 table:

Month	BSE			NSE		
	HIGH (₹)	LOW (₹)	VOLUME (No.)	HIGH (₹)	LOW (₹)	VOLUME (No.)
Apr '16	19.90	17.10	21986	21.60	16.20	100962
May '16	19.10	15.30	19370	18.25	15.40	75666
June '16	19.65	14.10	260883	20.95	14.30	415193
July '16	19.75	16.30	88148	19.80	15.90	360402
Aug '16	17.20	14.80	47437	17.75	14.50	184778
Sep '16	18.50	15.15	121128	18.45	15.00	214826
Oct '16	19.90	13.65	166362	17.70	13.55	258707
Nov '16	19.40	13.50	189619	19.40	13.35	727451
Dec '16	18.45	15.00	118386	18.50	14.65	327234
Jan '17	19.00	15.35	94231	18.40	16.65	220908
Feb '17	25.05	17.00	1005814	25.30	19.80	2626441
Mar '17	21.80	18.10	172423	21.95	18.10	224996

f) Performance Chart in Comparison to BSE Sensex

The table is made on monthly closing price of equity shares of Tanta Constructions Limited and monthly closing value of SENSEX:

Month	BSE Sensex (closing)	TCL (₹, closing price)
April, 2016	25,606.62	18.00
May, 2016	26,667.96	16.30
June, 2016	26,999.72	17.85
July, 2016	28,051.86	16.90
August, 2016	28452.17	16.45
September, 2016	27,865.96	16.45
October, 2016	27,930.21	16.70
November, 2016	26,652.81	16.70
December, 2016	26,626.46	15.65
January, 2017	27,655.96	17.45
February, 2017	28,743.32	21.35
March, 2017	29,620.50	19.55

g) Shareholding Pattern as on 31st March, 2017

Particulars	2016-17	
	No. of shares held	Percentage (%)
Shares held by		
A. Shareholding of Promoter and Promoter Group		
Individual/Hindu Undivided Family	45,22,335	15.73
Central/State Government	-	-
Bodies Corporate	1,64,25,195	57.15
Financial Institutions /Banks	-	-
Any Other	-	-
Total Shareholding of Promoter and Promoter Group (A)	2,09,47,530	72.88
B. Public Shareholding		
1. Institutions		
Mutual funds and UTI	-	-
Banks, Financial Institutions, Non-Government Institutions	3,32,682	1.16
Venture Capital Fund	-	-
Insurance Companies	-	-
Foreign Institutional Investors (FIIs)	-	-
Foreign Venture Capital Investors	-	-
Qualified Foreign Investors	-	-
Any other	-	-
Sub Total (B1)	3,32,682	1.16
2. Non Institutions		
Private Corporate Bodies	10,89,758	3.79
Indian Public	58,21,423	20.25
NRI/OCBs/Foreign National	4,37,960	1.52
Trust	1,924	0.007
Domestic Corporate Unclaimed Shares Account	250	0.00
NBFC	5,097	0.018
Clearing Member	1,05,474	0.37
Sub Total (B2)	74,61,886	25.96
Total Public Shareholding (B)	77,94,568	27.12
Grand Total	2,87,42,098	100.00

h) Distribution of Shareholding as on 31st March, 2017

No. of Shares/ (Share Range)	Number of Shareholders	Percentage of Shareholders (%)	Number of Shares held	Percentage of Holding (%)
Upto 500	9,070	85.10	12,10,552	4.21
501-1000	771	7.23	6,44,763	2.24
1001-2000	399	3.74	6,22,310	2.17
2001-3000	136	1.28	3,49,325	1.22
3001-4000	59	0.55	2,10,019	0.73
4001-5000	63	0.59	2,98,176	1.04
5001-10000	87	0.82	6,37,507	2.22
10001 and above	73	0.68	2,47,69,446	86.18
Total	10,658	100	2,87,42,098	100

i) Registrar and Share Transfer Agents (RTA)

M/s. Maheshwari Datamatics Private Limited is Registrar and Share Transfer Agents (RTA) of the Company. All matters connected with share transfer, transmission and dividend payments are handled by the RTA. Share transfers are processed within 15 days of lodgment. The communication details of RTA is given under the heading 'Address for Correspondence' at Item no. t(ii) of this General Shareholder Information. The Company has a Stakeholders' Relationship Committee to look into various issues relating to investors.

j) 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 31st March, 2017.

k) 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 the Company's shares. Shares held in demat and physical modes as on 31st March, 2017 are as follows:

Category	Number of		% of Total Equity
	Shareholders	Shares	
Dematerialized Mode			
a) NSDL	6,389	1,53,10,046	53.27
b) CDSL	4,240	34,97,561	12.17
Sub Total	10,629	1,88,07,607	65.44
Physical Mode	29	99,34,491	34.56
Total	10,658	2,87,42,098	100.00

l) 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 31st March, 2017 and no instruments are pending for conversion. As a result, there is no impact likely on equity.

m) Information in respect of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF) is given below:

Pursuant to erstwhile Section 205A read with Section 205C of the Companies Act, 1956, and now Section 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority(Accounting, Audit, Transfer and Refund)Rules, 2016 "IEPF Rules" 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 are required to be transferred to the Investor Education and Protection Fund (IEPF) maintained by the Central Government. Details of unclaimed dividend as on 31st March, 2017 are as follows:

Financial Year	Unpaid/ Unclaimed dividend as on 31.03.2017 (₹)	Date of declaration of dividend	Due date for transfer to IEPF
2009-10	1,15,900.50	15/09/2010	15/09/2017
2010-11	1,48,205.00	16/09/2011	16/09/2018
2011-12	61,885.50	21/09/2012	21/09/2019

- 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 2008-09 amounting to ₹70,242.00 to the Investor Education and Protection Fund (IEPF) maintained by the Central Government.
- Shareholders are advised by the Company well in advance before transferring the unclaimed dividends to IEPF. Members are requested to note that once the unclaimed dividend amount is transferred to IEPF, no claim shall be entertained by the Company or RTA.
- Shareholders holding shares in electronic form are requested to update their records with their respective depository participant(s) for change of address, nomination facility and furnishing bank account number, etc.

n) Details of Equity Shares lying in Unclaimed Shares/Demat Suspense Account

In Compliance with the Regulation 34(3) of SEBI LODR (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 as gives as hereunder:

Aggregate number of Shareholder(s) and the outstanding shares in the suspense account lying at the beginning of the year (01-04-2016)	Number of Shareholder(s) who approached the Company for transfer of shares from suspense account during the year (2016-17)	Number of Shareholder(s) to whom shares were transferred from suspense account during the year(2016-17)	Aggregate number of Shareholder(s) and the outstanding shares in the suspense account lying at the end of the year (31-03-2017)
a. Aggregate No. of Shareholders- 2 b. Outstanding Shares as on 1st April, 2016– 250 Equity Shares	None	None	a. Aggregate No. of Shareholders- 2 b. Outstanding Shares as on 31st March, 2017 –250 Equity Shares

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

o) Plant Locations

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

RMC

Village: Pamohi, Plot No. 267
P.O. & P.S.: Garchuk
Guwahati- 781035, Assam
Email: rmc3@tantiagroup.com

p) Designated E-mail Address for Investor Relations

- As per Regulation 46 of the SEBI LODR (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 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

q) Request to Investors

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the Company.

- Shareholders are requested to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.
- Shareholders holding shares in physical form should communicate the change of address, if any, directly to the RTA of the Company.
- It has become mandatory for transferees to furnish a copy of Permanent Account Number (PAN) for registration of transfer of shares held in physical mode.
- Shareholders holding shares in physical form who have not availed nomination facility and would like to do so, are requested to avail the same by submitting the nomination details in Nomination Form SH-13 as prescribed under Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs.
- As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrants. This would avoid wrong credits being obtained by unauthorized persons.

r) Reconciliation of Share Capital Audit Report by Practicing Company Secretary

The Company has received Quarterly 'Reconciliation of Share Capital Audit Report' from Mr. Mohan Ram Goenka, a Practicing 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 Report 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. As on 31st March, 2017, there was a difference of 99,19,032 shares between the issued and listed capital due to preferential allotment of Equity Shares to the promoters of Tantia Constructions Limited and there was no difference between the aggregate of shares held by investors in both physical form and in electronic form with the depositories.

s) Information to Shareholders

As required under Listing Regulations 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 Annual General Meeting to be held on 22nd September, 2017.

t) Address for Correspondence

i) Secretarial Department: CS Priti Todi Company Secretary and Compliance Officer Tantia Constructions Limited 25/27, Netaji Subhas Road, Kolkata – 700 001 Phone: +91 33 2230 1896/6284 Fax: +9133 2230 7403	ii) Registrar and Share Transfer Agents (RTA) Maheshwari Datamatics Private Limited 23, R.N. Mukherjee Road, 5th Floor, Kolkata 700 001 Tel No: + 91 33 2243 5029/5809, 2248 2248 Fax: + 91 33 2248 4787 E-mail: mdpl@cal.vsnl.net.in
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Declaration by Chief Executive Officer (CEO) as required under Listing Regulations

I do hereby declare that pursuant to Schedule V (D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2017.

Place: Kolkata
Dated: 30th May, 2017

I. P. Tantia
Chairman & Managing Director
DIN:00057004

CEO and CFO Compliance Certificate

To
The Board of Directors,
Tantia Constructions Limited

We, I. P. Tantia, Chairman & Managing Director and Rohini Sureka, Chief Financial Officer (CFO) of Tantia Constructions Limited, certify that:

- (A) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - 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) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2017 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 and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and Audit Committee and the steps have been taken to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee that:
- there has not been any significant changes in internal control over financial reporting during the financial year ended 31st March, 2017;
 - there has not been significant change in accounting policies, during the financial year ended 31st March, 2017, except to the extent, if any, disclosed in the notes to the financial statements; and
 - we have not become aware of any significant fraud or involvement therein, if any, of the having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: 30th May, 2017

I. P. Tantia
Chairman & Managing Director
DIN:00057004

Rohini Sureka
Chief Financial Officer (CFO)

Independent Auditor's Report

To The Members of
Tantia Constructions Limited

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial Statements of Tantia Constructions Limited ("the Company"), which comprises the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant Accounting Policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

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

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give

a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss and its cash flows for the year ended on that date.

5. Emphasis of Matters

We draw attention to:

- a) Note 42 to the Financial Statement in relation to excess payment of ₹42 lacs Managerial Remuneration for the Financial Year 2013-14 for which the Management is in the process of taking approval of the Central Government.
- b) Note 8 and Note 38c to the Financial Statement regarding nonpayment of short term loan from Vijaya Bank against which the Bank has issued notice under the SARFAESI Act (2002) and has taken symbolic possession of land belonging to third party mortgaged with them for the said loan.
- c) Note 4 to the Financial Statement regarding default in repayment of loans from banks towards principal and interest amounting to ₹2,723 lacs and ₹5,061 lacs respectively.
- d) Note 51 to the Financial Statement, in regard to an amount of ₹3,604.02 lacs recoverable from Tantia Raxaultollway Pvt Ltd was taken over by Tantia Infrastructure Pvt Ltd which remain grouped under sundry debtors.
- e) Para (I) of Note 40 to the Financial Statement regarding Fixed Assets taken over by Tata Capital Ltd against their dues of ₹50.00 lacs.
- f) Para (II) of Note 40 to the Financial Statement for assets sold by the Company at a consideration of ₹90.48 Lakhs.
- g) Note – 52 to the Financial Statement regarding unsecured loans from Bodies Corporate many of whom had filed winding up petition at High Court when some of the creditors approached High Court for winding up of the Company as per earlier order, the Consortium Banks through State Bank of India filed a petition in the High

Court stating that the stake of unsecured creditors are rather low vis-à-vis the stake of secured creditors i.e. various Banks (Under CDR Packages). The matter is subjudice and awaiting final judgment.

Our opinion is not qualified in respect of the above matters.

6. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
- ii. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. 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.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of

the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31st March, 2017 on its financial position in its standalone financial statements in accordance with the generally accepted accounting practice – Refer Note 30 to the Standalone Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. Unpaid/Unclaimed dividend of Equity shareholders for the year 2008-09 amounting to ₹0.70 lakhs were required to be transferred to the Investor Education and Protection Fund have been transferred by the Company during the year under review but the said transfer was effected after the due date.
- iv. The Company has provided requisite disclosures in Note 54 in its standalone financial statements as to the holding of Specified Bank Notes on 8th November, 2016 and 30th December, 2016 as well as dealings in Specified Bank Notes during the period from 8th November, 2016 and 30th December, 2016. Based on audit procedures performed and the representation to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
FRN: 314125E

CA S. K. Mustaphi
Partner
Membership No: 051842

Place: Kolkata
Date: 30th May, 2017

"Annexure A" to the Independent Auditor's Report

Referred to in paragraph 6(i) with the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the members of Tantia Constructions Limited on the Standalone Financial Statements for the year ended 31st March, 2017:

- i. a) Fixed Assets register showing full particulars, including quantitative details and situation thereof are yet to be updated.
- b) The Company has a regular programme of physical verification of its Fixed Assets by which the same is verified on rotational basis over a period of 3 years which in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. During the current financial year the process of verification was initiated but could not be completed, hence reconciliation with physical balance could not be made.
- c) Title deeds of immovable properties, as explained to us, are lying with the Bank as part of collateral security provided to them against loans availed from the Bank.
- ii. The Management has conducted physical verification of inventory in phased manner during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, LLPs or other parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the loans and investment made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and Rules framed there under to the extent notified. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and 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.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amount deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues have generally not been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Value Added Tax, and other material statutory dues as at 31st March, 2017, for a period of more than 6 months from the date they became payable are as under:

Nature of Dues	Amount (₹ in lacs)
Provident Fund	51.02
Tax Deducted at Source	286.57
Service Tax	93.66
STDS	93.10
- b) According to the information and explanations given to us, details of dues of Income Tax, Sales 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 lacs)	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	276.87	2007-08	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	853.13	2008-09	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	1,084.50	2009-10	Revisionary Board
Sales Tax	West Bengal	Assessment Demand	706.11	2010-11	Revisionary Board
Sales Tax	West Bengal	Assessment Demand	949.73	2011-12	Revisionary Board
Sales Tax	West Bengal	Assessment Demand	1,512.86	2012-13	High Court
Sales Tax	West Bengal	Assessment Demand	1,175.93	2013-14	High Court
Sales Tax	West Bengal	Penalty Notice (for wrong input tax credit)	306.84	2009-10	Revisionary Board
Sales Tax	West Bengal	Penalty Notice (for wrong input tax credit)	222.35	2010-11	Revisionary Board
Sales Tax	West Bengal	Penalty Notice (for wrong input tax credit)	259.98	2011-12	Revisionary Board
Sales Tax	West Bengal	Penalty Notice (for wrong input tax credit)	258.82	2012-13	Revisionary Board
Income Tax		Demand	2,036.75	2009-10 to 2012-13	Appeal before ITAT
Income Tax		Demand	1,288.87	2013-14 and 2014-15	CIT Appeal

- viii. According to the records of the Company as examined by us and the information and explanations given to us, the Company has defaulted in payment of interest as well as repayment of loans/borrowings from banks. The details of default are given below:

(₹ in lakhs)		
Period of Default (In days)	Principal	Interest
0 – 120	1,350	2,179
121 – 240	618	1,740
241 – 365	755	1,142
Total	2,723	5,061

There were no loans or borrowings payable to the Government or debenture holders.

- ix. According to the records of the Company as examined by us and as per the information and explanations given to us, the Company has not made any public issue/follow on public offer (including debt instruments) during the year.
- The Company has not availed term loan during the year. Accordingly, the provision of Clause 3(xiv) of the Order is not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. Managerial Remuneration has been paid for the Financial Year 2013-14 in excess by ₹42 lacs for which the Company is taking steps to obtain necessary approval from the concerned authorities failing which the same should be recovered from the Chairman and Managing Director. Till date the said approval has not been received.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the requisite details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. The Company has made allotment of 99,19,032 Equity Shares on preferential basis to the promoters and a promoter Group Company as per terms of CDR packages during the year under review.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any noncash transactions with any director or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
FRN: 314125E

CA S. K. Mustaphi
Partner

Place: Kolkata
Date: 30th May, 2017

Membership No: 051842

"Annexure B" to the Independent Auditor's Report

Referred to in paragraph 6(f) of the Independent Auditor's Report to the members of the Tantia Constructions Ltd on the Standalone Financial Statements for the year ended 31st March, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Tantia Constructions Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
FRN: 314125E

CA S. K. Mustaphi

Partner

Place: Kolkata
Date: 30th May, 2017

Membership No: 051842

Balance Sheet as at 31st March, 2017

(₹ in lakhs)

	Note	As at 31st March, 2017	As at 31st March, 2016
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund :			
Share capital	2	2,874	1,882
Reserves & surplus	3	3,152	8,757
		6,026	10,639
(2) Non-current liabilities			
Long-term borrowings	4	19,049	27,701
Deferred tax liabilities (Net)	5	368	503
Other long term liabilities	6	2,212	2,007
Long-term provisions	7	320	407
		21,949	30,618
(3) Current liabilities			
Short-term borrowings	8	51,463	49,923
Trade payables	9	10,133	10,936
Other current liabilities	10	23,790	17,237
Short-term provisions	11	226	102
		85,612	78,198
Total		113,587	119,455
II ASSETS			
Non current assets			
(1) Fixed Assets :	12		
Tangible assets		3,844	5,097
Intangible assets		1	2
Capital work in progress		2	19
Non current investments	13	8,651	8,643
Long-term loans and advances	14	1,198	2,528
Other non-current assets	15	71	119
		13,767	16,408
(2) Current assets			
Inventories	16	23,636	24,337
Trade receivables	17	24,960	28,012
Cash & Bank balances	18	3,522	3,391
Short-term loans and advances	19	10,950	10,172
Other current assets	20	36,752	37,135
		99,820	103,047
Total		113,587	119,455
Summary of significant accounting policies	1		

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

In terms of our report of even date attached

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

I.P. TANTIA
Chairman & Managing Director

RAHUL TANTIA
Director (Operations)

CA S. K. MUSTAPHI
Partner
Membership No. 051842

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

Dated : 30th May, 2017
Place : Kolkata

Statement of Profit and Loss for the year ended 31st March 2017

(₹ in lakhs)

	Note	Year ended 31st March, 2017	Year ended 31st March, 2016
I INCOME			
Revenue From operation	21	28,526	40,556
Other income	22	1,320	506
Total Revenue		29,846	41,062
II EXPENSES			
Cost of material consumed	23	10,039	13,197
Contract operating expenses	24	12,963	18,934
Change in Inventory of work in progress	25	365	440
Employee benefits expenses	26	1,651	1,556
Finance cost	27	8,847	7,197
Depreciation and amortisation expenses	12	901	1,221
Other expenses	28	1,937	1,846
Total expenses		36,703	44,391
Profit/(Loss) before exceptional & extraordinary Items & Tax		(6,857)	(3,329)
Exceptional items		-	-
Profit/(Loss) before extraordinary items & tax		(6,857)	(3,329)
Extraordinary items		-	-
Profit/(Loss) before Tax		(6,857)	(3,329)
Tax expense :			
Current tax	29	-	-
Income Tax for earlier Year	29	-	-
Deferred tax	29	(135)	(293)
Profit/(Loss) for the year		(6,722)	(3,036)
Earning per Equity Share of ₹10/- each			
Basic (₹)	45	(29.96)	(16.13)
Diluted (₹)		(29.96)	(16.13)
Summary of significant accounting policies	1		

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

In terms of our report of even date attached

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

I.P. TANTIA
Chairman & Managing Director

RAHUL TANTIA
Director (Operations)

CA S. K. MUSTAPHI
Partner
Membership No. 051842

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

Dated : 30th May, 2017
Place : Kolkata

Cash Flow Statement for the period ended 31st March 2017

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
A Cash Flow from Operating Activities				
Net Profit / (Loss) before Tax		(6,857)		(3,329)
Add/(Less) Adjustment for :				
Depreciation	901		1,221	
(Profit)/Loss on sales of Fixed Assets (Net)	338		1	
(Profit)/Loss on investment in Joint Ventures (Net)	(21)		2	
Foreign Exchange Fluctuation	-		-	
Interest Income	(392)		(223)	
Interest on Borrowings	8,325		6,711	
Direct Tax Refund	-	9,151	-	7,712
Operating Profit before working Capital changes		2,294		4,383
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Debtors	3,052		(3,415)	
Loans & advances	552		1,599	
Earmarked Bank balances	1		1	
Other Current assets	(209)		(1,498)	
Inventories	701		(105)	
Trade payables, Liabilities & Provisions	(627)	3,470	1,945	(1,473)
Cash Generated from Operations		5,764		2,910
Direct Taxes paid		637		(873)
Cash Flow before extraordinary items		6,401		2,037
Extra-Ordinary items		-		-
Net Cash From Operating Activities		6,401		2,037
B Cash flow from Investing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(127)		(169)	
Sale/discard of Fixed Assets	159		10	
Interest Income	395		187	
Investment in Joint Ventures & others	13		(12)	
Investment in Fixed deposit	372	812	(79)	(63)
Net Cash used in investing Activities.		812		(63)
C Cash Flow from Financing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Share Capital issue	992		-	
Share Premium Account	1,117		-	
Net Cash inflow		2,109		-
Long term borrowings	(6,464)		1,142	
Short term borrowing	1,540		3,448	
Interest Paid	(3,894)		(6,463)	
Dividend Paid	-		0	
Tax on Dividend	-		1	
Dividend & Unclaimed Share Application Money Deposited	-	(8,818)	-	(1,872)
Net Cash from financing Activities.		(6,709)		(1,872)
D Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)		504		102

Cash Flow Statement for the period ended 31st March 2017

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
E Add: Balance at the beginning of the Year		1,030		928
Cash & Cash equivalents as the close of the year		1,534		1,030
Note :				
Cash & Cash equivalents				
- Balances with banks in Current Accounts		1,485		665
- Cash in hand		49		365
Cash & Cash equivalents (As per Note 18a)*		1,534		1,030
*i) Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client		1,985		2,357
ii) Earmarked Bank balances against Dividend and Unclaimed Share Application		3		4
Total (As per Note 18b)		1,988		2,361
Total [As per Note 18(a + b)]		3,522		3,391

In terms of our report of even date attached

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

I.P. TANTIA
Chairman & Managing Director

RAHUL TANTIA
Director (Operations)

CA S. K. MUSTAPHI
Partner
Membership No. 051842

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

Dated : 30th May, 2017

Place : Kolkata

Notes to financial statements as at and for the year ended 31st March, 2017

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, it became a public limited Company in 1982. The Company is engaged in executing critical infrastructure projects. It began operations in the railways segment and over the years extended to seven core infrastructure segments of railways, roads, urban development, infrastructure and industrial fabrication, power, marine and aviation.

B. Summary of significant accounting policies

1. Basis of Preparation of Financial Statements

The Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (Indian GAAP) and comply in all material aspect with the applicable Accounting Standards notified under section 133 of the Companies Act, 2013, read with Paragraph VII of the Companies (Accounts) Rules 2014 and Companies (Accounting Standard) Amendment rules 2016.

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

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

2. Use of Estimates:

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

3. Change in Accounting Policies:

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

4. Inventories

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

5. Fixed Assets

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

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

Intangible assets comprise of License fees 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

Tangible Assets

Depreciation on fixed assets is provided on Straight Line Method (SLM) and is provided based on useful life of the assets as prescribed in Schedule – II to the Companies Act, 2013, except for Construction accessories which are depreciated over a period of 5 years based on management technical evaluation.

Intangible Assets

These are amortized over the best estimates of its useful economic life as decided by the management.

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

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

impaired when the carrying cost of the asset exceeds its recoverable value. If any indication of such impairment exists, the reasonable amounts of those assets are estimated and impairment loss is recognized. The impairment loss recognized in prior accounting period is adjusted if there has been a change in the estimate of recoverable amount.

8. Revenue Recognition

On Construction Contracts:

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

On Sale of Goods:

- In case of sale of goods, the transfer of property in goods results in the transfer of significant risks and rewards of ownership to the buyer and revenue is recognized at the time of transfer of property. Sales are net of taxes, returns, trade discounts etc.

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 fair value whichever is lower, on individual investment basis.

11. Employee Benefit (Retirement and Post Employment Benefit)

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

I. Gratuity

Liability on account of Gratuity is:

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

II. Provident Fund, ESI and Medical

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

III. Leave Encashment

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

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

12. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

13. Segment Reporting

Identification of Segments

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

Allocation of common costs

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

Segment Policies

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

14. Earnings Per Share

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

15. Taxation

Tax expenses comprise of current tax and deferred tax.

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

16. Accounting of Joint Venture contracts

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

17. Provision, Contingent Liabilities & Contingent assets

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

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

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

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 2A SHARE CAPITAL

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Authorized:		
390,00,000 Equity Shares (Prev. Yr. 390,00,000) 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:		
2,87,42,098 Equity Shares (Prev. Yr. 1,88,23,066) of ₹10/- each	2,874	1,882
(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)		
	2,874	1,882

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

Particulars	As at 31st March 2017		As at 31st March 2016	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	1,88,23,066	1,882	1,88,23,066	1,882
Issued during the year (Refer Note : 39)	99,19,032	992	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	2,87,42,098	2,874	1,88,23,066	1,882

Note : 2 C - The rights, preferences and restrictions attached 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 shareholders 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, in the proportion to their shareholding.

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

Name of shareholder	As at 31st March 2017		As at 31st March 2016	
	No of shares	% holding	No of shares	% holding
Nigolice Trading Pvt Ltd	1,52,59,689	53.09	82,33,806	43.74
Rahul Tantia	35,73,359	12.43	-	-
Tantia Financial Services Ltd	-	-	11,65,506	6.19
Ishwari Prasad Tantia	-	-	9,48,976	5.04

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 3 RESERVES & SURPLUS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Capital Reserve		
Balance as per the last Financial Statement	100	100
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.		
Capital Redemption Reserve		
Balance as per the last Financial Statement	14	14
Balance (b)	14	14
The Company had issued 1,40,000 10.5% cumulative preference share at par value of ₹10 each in the financial year ending on 31st March 2005 were redeemed at the option of the shareholder during the financial year ended on 31.03.2015. Accordingly ₹14 equivalent to the proceeds of redemption were transferred to Capital Redemption Reserve.		
Securities Premium Account		
Balance as per the last Financial Statement	6,767	6,767
Add: Received during the Year	1,117	-
Balance (c)	7,884	6,767
General Reserve		
Balance as per the last Financial Statement	1,415	1,415
Balance (d)	1,415	1,415
Surplus		
Balance as per the last Financial Statement	461	3,497
Add: Profit for the Year	(6,722)	(3,036)
Balance (e)	(6,261)	461
Total Reserves and Surplus (a + b + c + d + e)	3,152	8,757

Note : 4 LONG TERM BORROWINGS

SECURED

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
	Non current	Current	Non current	Current
i) Term Loan from Scheduled Bank *	7,675	1,541	8,686	462
ii) WCTL from Scheduled Bank *	5,722	1,473	6,878	444
iii) FITL from Scheduled Bank *	4,131	3,391	5,993	2,750

* Refer Note 38 of Notes to Accounts for details of securities provided.

Terms of repayment for loan –

Term loan and WCTL: Loan shall be repaid in 27 quarterly ballooning installment commencing from 30.09.2016 and last installment due on 31.03.2023

FITL: Loan shall be repaid in 17 quarterly ballooning installment commencing from 31.03.2016 and last installment due on 31.03.2020

Default in repayment of loan and interest

(₹ in lakhs)

Period of Default (In days)	Principal	Interest
0 – 120	1,350	2,179
121 – 240	618	1,740
241 – 365	755	1,142
Total :	2,723	5,061

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 4 LONG TERM BORROWINGS (contd.)

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
	Non current	Current	Non current	Current
iv) Deferred Payment Liabilities				
Equipment and Vehicle Loans from:				
Non-Banking Finance Companies etc.	-	43	-	97
Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Chairman & Managing Director.				
	-	43	-	97
Total (a)	17,528	6,448	21,557	3,753

UNSECURED

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
	Non current	Current	Non current	Current
RUPEE LOAN				
Term loan from Promoters	-	-	1,494	-
Term loan from Directors	-	-	615	-
Advance against contracts				
From Contractees (partially interest bearing)	1,360	4,901	2,625	4,919
From Subsidiaries :				
Tantia Raxaultollway Pvt Ltd (interest free)	105	2,364	1,019	2,596
From Joint Venture (interest free)	56	206	391	463
Total (b)	1,521	7,471	6,144	7,978
Total Long Term Borrowings (a + b)	19,049	13,919	27,701	11,731

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

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Deferred Tax Liability		
Timing Difference on Depreciable Assets	567	710
Deferred Tax Asset		
Expenses allowable against taxable income in future years	199	207
Deferred Tax Liability	368	503

Note : 6 OTHER LONG TERM LIABILITIES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Security Deposit and Retention money	2,212	2,007
	2,212	2,007

Note : 7 LONG TERM PROVISIONS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Retirement Benefits		
- Gratuity	202	218
- Leave encashment	118	189
	320	407

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 8 SHORT TERM BORROWINGS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
SECURED		
Cash Credit from Scheduled Banks (Repayable on demand)	40,877	39,635
Secured by way of charge:		
On pari-passu basis among consortium members primarily by 1st hypothecation charge of entire stock, book debts and other current assets of the company both present and future along with South Indian Bank.		
These are additionally secured by second charge on entire fixed assets 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) with Corporate Guarantee of M/s Tantia Infrastructure Pvt. Ltd		
Short Term Loans from Scheduled Banks	*2,574	2,574
Secured by Personal Guarantee of Chairman & Managing Director backed by Corporate Guarantee and equitable mortgage of land owned by Castal Extrusions Pvt Ltd. (Refer Note : 38(c))		
Total (a)	43,451	42,209
* The entire amount is lying overdue		
UNSECURED		
From Financial Institution (repayable on demand)	296	298
Deposits from Body Corporate (Refer note 52)	3,784	3,766
Advance against Materials (interest free)	3,932	3,650
Total (b)	8,012	7,714
Total Short Term Borrowings (a + b)	51,463	49,923

Note : 9

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Trade Payables (including dues to MSMED vendors)	10,133	10,936

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

	31st March, 2017	31st March, 2016
Principal amount remaining unpaid	-	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	-	-

Based on the information received from the vendors, the Company has not come across any vendor who is covered under the Micro, Small and Medium Enterprise Development Act, 2006.

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 10 OTHER CURRENT LIABILITIES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Current Maturities of Long term debt (Refer note – 4)	13,919	11,731
Interest accrued and due	6,584	2,153
Advance from Subsidiaries	499	362
Advance from Joint Ventures	654	-
Unpaid Dividend	3	4
Others		
- Statutory Liabilities	789	1,272
- Liabilities for Employees (Includes ₹41 lacs (Previous Year ₹42 lacs) payable to Directors)	626	475
- Liabilities for Expenses	672	1,214
- Others	44	26
	23,790	17,237

Note : 11 SHORT TERM PROVISIONS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Retirement Benefits	226	102
Total	226	102

Note : 12 FIXED ASSETS

(₹ in lakhs)

Sl. no	Particulars	Gross Block				Depreciation/Amortisation				Net Block	
		As at 1st Apr 2016	Additions	Disposals	At 31st Mar 2017	Upto 31st Mar 2016	For the Year	Deductions	Upto 31st Mar 2017	As at 31st Mar 2017	As at 31st Mar 2016
A)	Tangible Assets										
1	Freehold Land	397	-	-	397	-	-	-	-	397	397
2	Building, Workshop & Office Shed	273	-	-	273	41	4	-	45	228	232
3	Plant & Machinery	9,963	117	973	9,107	6,552	712	483	6,781	2,326	3,411
4	Construction Accessories	1,957	-	-	1,957	1,330	90	-	1,420	537	627
5	Testing & Survey Equipments	187	-	-	187	125	15	-	140	47	62
6	Air Conditioner	52	1	-	53	44	4	-	48	5	8
7	Computer	179	3	-	182	172	6	-	178	4	7
8	Office Equipments	93	2	-	95	74	6	-	80	15	19
9	Vehicles	837	21	32	826	572	61	25	608	218	265
10	Furniture & Fixtures	107	-	-	107	38	2	-	40	67	69
	Sub-total (a)	14,045	144	1,005	13,184	8,948	900	508	9,340	3,844	5,097
	Previous Year	13,952	153	60	14,045	7,777	1,220	49	8,948	5,097	
B)	Intangible Assets										
1	Software	85	-	-	85	83	1	-	84	1	2
	Sub Total (b)	85	-	-	-	83	1	-	84	1	2
	Previous Year	85	-	-	85	82	1	-	83	2	
	Grand Total (a + b)	14,130	144	1,005	13,269	9,031	901	508	9,424	3,845	5,099
	Total Previous Year	14,037	153	60	14,130	7,859	1,221	49	9,031	5,099	

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 13 NON CURRENT INVESTMENTS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(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. 172) of ₹1,000/- each, fully paid up		
Tantia Infrastructure Private Limited	100	100
10,000 Equity Shares (Prev. Yr. 10,000) of ₹1,000/- each, fully paid-up		
Tantia Batala-Beas Tollway Private Limited	1	1
100 Equity Shares (Prev. Yr. 100) of ₹1,000/- each, fully paid up		
Total (a)	203	203
In Preference instruments		
Tantia Sanjauliparkings Private Limited	623	623
62,300 Preference Shares (Prev. Yr. 62,300) of ₹100/- each, fully paid up		
Tantia Infrastructure Private Limited	7,537	7,537
3,03,704 Preference Shares (Prev. Yr. 3,03,704) of ₹100/- each, fully paid up		
Total (b)	8,160	8,160
In Associates		
(Unquoted, Trade, Long Term at Cost)		
Non-Trade		
In Related Company		
In Equity instruments		
Andromeda Communications (P) Ltd.	29	29
7,000 Equity Shares (Prev. Yr. 7,000) of ₹10/- each, fully paid up		
Total (c)	29	29
In Others		
In Equity instruments		
Universal Realtors (P) Ltd.	4	4
40,000 Equity shares (Prev. Yr. 40,000) of ₹10/- each, fully paid up		
Total (d)	4	4
Investment in Government Securities		
National Saving Certificate, Deposited with Sales tax Authorities, Mizoram	0	0
Total (e)	0	0
Investment in Joint Ventures as per Accounting Standard 27		
RBM-Tantia Joint Venture (Jointly Controlled Entity) (% of Profit Share 99.999)	101	101
JMC-Tantia Joint Venture (Jointly Controlled Entity) (% of Profit Share 50)	6	7
Tantia-DBC Joint Venture (Jointly Controlled Entity) (% of Profit Share 75)	4	3
IVRCL-Tantia Joint Venture (Jointly Controlled Entity) (% of Profit Share 50)	2	2
Tantia -Freyssinet Joint Venture (Jointly Controlled Entity) (% of Profit Share 50)	8	8
Tantia-TBL Joint Venture (Jointly Controlled Entity) (% of Profit Share 50)	24	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)	43	27
Tantia - CCIL (JV) (Jointly Controlled Entity) (% of Profit Share 74)	13	1
Tantia - SEC (JV) (Jointly Controlled Entity) (% of Profit Share 52)	48	33
Tantia - PREMCO (JV) (Jointly Controlled Entity) (% of Profit Share 51)	1	3
Tantia – MPPL (WILO) (JV) (Jointly Controlled Entity) (% of Profit Share 95)	-	2
Tantia – NMTPL (JV) (Jointly Controlled Entity) (% of Profit Share 99.20)	2	33
Total (f)	255	247
Grand Total (a + b + c + d + e + f)	8,651	8,643

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 14 LONG TERM LOANS AND ADVANCES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Security Deposits and retention money	1,126	2,497
Other Loans & Advances:		
Prepaid Expenses	62	16
Advances recoverable in cash or in kind or for value to be received	10	15
	1,198	2,528

Note : 15 OTHER NON-CURRENT ASSETS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Deferred Revenue Expenses	71	119
	71	119

Note : 16 INVENTORIES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(As taken, valued and certified by the management)		
Construction Materials	5,514	5,661
Construction Contract Work-in-progress	16,887	17,252
Stores & Spares	691	823
Loose Tools	544	601
	23,636	24,337

Note : 17 TRADE RECEIVABLES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Other Debts	8,401	8,186
Exceeding Six Months *	16,559	19,826
Of the total Debts:		
Receivable from Subsidiaries :		
Tantia Raxaultollways Pvt Ltd ₹- (Prev. Year ₹3,257) (Refer Note 51)		
Tantia Infrastructure Pvt Ltd ₹3,604 (Prev. Year ₹-) (Refer Note 51)		
Tantia Sanjauliparkings Pvt Ltd ₹323 (Prev. Year ₹320)		
Receivable from Joint Ventures ₹3,084 (Prev. Year ₹4,514)		
	24,960	28,012

* Includes old receivables from different clients, which are at different stages of arbitration. No provision has been made against the same as the management believes that final outcome of the arbitration shall result in recovery of the outstanding dues.

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 18 CASH AND BANK BALANCES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Cash and Bank balances consists of the following		
a) Cash and Cash equivalents		
i) Balances with Banks		
In current Accounts	1,485	665
ii) Cash on Hand	49	365
Total (a)	1,534	1,030
b) Other Bank Balances		
i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed share Application)	3	4
ii) Balances with Banks		
In Deposit Accounts (Less than 12 months)	1,985	2,357
In Deposit Accounts (Beyond 12 months)	-	-
(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)		
Total (b)	1,985	2,361
Grand Total (a + b)	3,522	3,391

Note : 19 SHORT TERM LOANS AND ADVANCES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Security Deposits & Earnest Money	5,168	4,613
Advance to Associates and Related Companies		
- Tantia Financial Services Ltd	-	0
Advance to Subsidiaries *		
- Tantia Sanjauliparkings Pvt Ltd	302	300
- Tantia Infrastructure Pvt Ltd (Refer Note : 53)	360	
- Tantia Batala-Beas Tollway Pvt Ltd	1	1
Other Loans & Advances		
Prepaid Expenses	178	223
Advances recoverable in cash or in kind or for value to be received	4,941	5,035
	10,950	10,172

* Advances to Subsidiaries have been given for business purpose.

Note : 20 OTHER CURRENT ASSETS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Interest accrued but not due on Bank deposits	113	116
Works Contract Tax receivable	3,835	2,857
Unbilled Revenue	29,633	30,257
Deferred Revenue Expenses	24	113
Income Tax Advance (including Income Tax Deducted at Source, Net of Provision for taxation)	3,141	3,778
Subsidy Receivable (Excise)	-	8
Others	6	6
	36,752	37,135

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 21 REVENUE FROM OPERATIONS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Sale of Services		
Contract Receipts (Gross)	27,480	39,002
Sale of Product		
RMC Sale	1,046	1,588
Less : Excise Duty	(22)	(34)
Other operating revenues		
Profit from investment in Joint Venture	21	-
Miscellaneous business income	1	-
	28,526	40,556

Note : 22 OTHER INCOME

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Interest		
On Bank Deposits	150	210
From others	242	13
Profit from sale of Fixed Asset	9	4
Miscellaneous Income	919	279
	1,320	506

Note : 23 COST OF MATERIAL CONSUMED

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Construction Materials	8,404	9,723
Consumable Materials	922	629
Stores & Spares	138	255
Carriage Inwards (Including material re-handling)	575	2,590
	10,039	13,197

Note : 24 CONTRACT OPERATING EXPENSES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Contract Execution Expenses	8,166	14,541
Equipment Hire Expenses	1,805	1,330
Machinery Repairing Charges		
- Plant & Machinery	404	402
- Others	71	98
Power & Fuel	1,871	1,673
Site Expenses	138	173
Works Contract Tax & Others Taxes	318	536
Consultancy Fees	184	172
Survey & Inspection Expenses	6	9
	12,963	18,934

Note : 25 CHANGE IN WORK IN PROGRESS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
At the Beginning of the Year	17,252	17,692
Less: At the end of the Year	16,887	17,252
	365	440

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 26 EMPLOYEE BENEFITS EXPENSES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Salary and Bonus	1,359	1,336
Contribution towards Employees Provident Fund, ESIC and other funds	46	61
Staff Welfare Expenses	119	112
Employees Retirement Benefits (Refer Note 41)	127	47
	1,651	1,556

Note : 27 FINANCE COST

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Interest expenses		
To Banks		
- on Working Capital Loans	4,721	3,500
- on WCTL	1,807	1,722
- on FITL	986	727
To NBFC on Equipment Finance Loan	0	20
To Others	811	742
Other borrowing cost		
Bank Commission & Other Charges	522	486
	8,847	7,197

Note : 28 OTHER EXPENSES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Rent	166	183
Rates and Taxes	463	529
Insurance	61	68
Printing & Stationery	21	20
Directors' Fees	4	1
Auditor's Remuneration:		
Audit Fees	7	7
Tax Audit Fees	2	2
Other Services	2	2
Light Vehicles Running Expenses	13	17
Travelling & Conveyance	259	275
Loss on Sales of Fixed Assets	347	5
Loss from Investment in Joint Ventures	-	2
Advertisement	5	5
Computer Maintenance	4	6
Legal Expenses	73	43
Security Guard Expenses	117	106
Telephone Expenses	63	64
Donation	0	-
Bad Debt Written-Off	-	282
Miscellaneous Expenses	330	229
	1,937	1,846

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 29 PROVISION FOR TAXATION

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Income Tax for the year	-	-
Income Tax for earlier year	-	-
Deferred Taxes	(135)	(293)
	(135)	(293)

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

Note : 30 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

Sl. no.	Particulars	31st March, 2017	31st March, 2016
1	Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹1,483 lacs (Previous year ₹1,794 lacs) 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 ₹47,500 lacs (Previous Year ₹47,500 lacs). Total figure as shown above includes ₹2,930 lacs (Prev. Yr. 13,599 lacs) relating to Joint Venture.	47,500	47,500
2	Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	8,161	8,465
3	The Company has provided an undertaking to pay in the event of default for loan given by the Banks to its Subsidiaries including fellow Subsidiaries. Outstanding amount of default on account of principal as on 31st March, 2017 was Nil (Previous Year Nil) and on account of interest is ₹527 lacs. (Previous Year ₹513 lacs).		
4	The Income Tax scrutiny assessment of the Company has been completed up to the Assessment Year 2014-15. The Income Tax Department has gone for Appeal before ITAT in connection with Assessment for the Assessment Year(s) 2009-10 to 2012-13 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 ₹2037 lacs. However, based on the facts of the cases, the Company feels that there is sufficient reason to believe that the Appellate Authority will pass orders in favour of the Company and accordingly no provisions has been made. Further, the Company has preferred an appeal before Honorable CIT Appeal for Assessment Year(s) 2013-14 & 2014-15, impact of the same for Assessment Year 2013-14 is NIL as MAT is applicable and that for Assessment Year 2014-15, if the C I T Appeal order is passed in favour of the Department the impact of further liability of the Company will be maximum to the extent of ₹1,289 lacs.		

Note : 31 CAPITAL COMMITMENT

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

Note : 32 OTHER COMMITMENT

The Company has a commitment towards purchase of construction materials for various projects aggregating to ₹78 (Prev. Yr. ₹18) for which purchase orders have been raised before 31st March 2017.

Note : 33 DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT:

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

Income Tax provision has not been considered in the accounts as there was no taxable income. However, adjustments for deferred tax have given effect in the accounts.

Note : 35 DEBTORS & CREDITORS CONFIRMATION

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

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 36

A contract awarded to the Company by the Road Construction Department, Bihar State Government, Patna, for development and widening of roads in Patna had been prematurely terminated by the Govt. of Bihar on 30th of April, 2008. Being aggrieved by this action on the part of Government of Bihar, the Company approached the Honorable High Court of Calcutta for remedial action. In response, an Arbitrator was appointed in the matter to adjudicate the claim filed by the Company. The Arbitrator had published an award in favour of the Company which was contested by the Road Construction Department, Bihar State Government, in the Hon'ble Supreme Court of India. After consideration of the matter, the Hon'ble Supreme Court rejected the applicant's Petition, during the year ended 31st March, 2016. Accordingly, the Company are now entitled to receive from the Road Construction Department, Bihar State Government, Patna, monies along with interest, with effect from January 27, 2012 till the date of payment. No accounting effect had been considered in the accounts of 2016-17 under conservative approach.

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	₹ in lakhs)	
	2016-17	2015-16
The amount of contract revenue recognized as revenue in the period	27,480	39,002
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,79,315	1,85,142
The amount of advances received	12,924	15,663
The amount of retentions	5,881	6,647
Gross amount due from customers	29,633	30,257
Gross amount due to customers	-	-

Note : 38 CORPORATE DEBT RESTRUCTURING

a. The Company (hereinafter referred to as the 'Borrower'), has availed various financial facilities from the secured lenders.

At the request of the Borrower, the Corporate Debt Restructuring Proposal ('CDR Proposal') of the Borrower was referred to Corporate Debt Restructuring Cell ("CDR Cell") by the consortium of senior lenders led by the State Bank of India. The CDR Proposal as recommended by SBI, the lead lender was approved by CDR Empowered Group ('CDR EG') and communicated to the Company vide Provisional Letter of Approval dated 23rd March 2015. The Cut Off Date (COD) for CDR Proposal was 1st July 2014.

The key features of the CDR proposal are as follows:

- Restructuring of existing fund based and non fund based financial facilities, subject to renewal and reassessment every year.
- The Term Loan availed by the company from The South Indian Bank Ltd., which had an amount outstanding of ₹92.45 crore, as on the cut-off date, i.e. 01.07.2014, is to be repaid in 27 quarterly installments after a moratorium period of 24 months, from the COD.
- Conversion of various irregular/outstanding/devolved financial facilities into Working Capital Term Loan ('WCTL'). Repayment of the said WCTL to begin after moratorium of 24 months from the COD and to be made in 27 structured quarterly installments commencing from Quarter ending 30th September 2016 to 31st March 2023.
- The interest payable on WCTL, Cash Credit and Term Loan during the moratorium period of 18 months from the COD is to be converted to Funded Interest Term Loan (FITL). The said FITL to be repaid in 17 quarterly installments commencing from quarter ending 31st March, 2016 and ending on 31st March, 2020.
- The rate of interest applicable to Term Loan, WCTL, FITL and fund based working capital facilities shall be 11% for initial two years and thereafter with annual reset option.
- The Promoters and Promoter Group of the Company to contribute ₹21 crore upfront in the form of equity shares. In addition, they shall pledge their entire unencumbered share holding (58.59%) in favour of the lenders in demat format with voting rights. Additional Security to be created for the lenders including but not limited to the Personal Guarantee of Promoters.

The sharing of securities among the bankers is as:-

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 38 CORPORATE DEBT RESTRUCTURING (contd.)

Sl. no.	Description	Bankers under Consortium and CDR Mechanism	Bankers not under Consortium but under CDR Mechanism
1	No of Banks	10	1
2	Name of Banks	State Bank of India (Lead Bank) and also the Monitoring Institution (MI) Allahabad Bank IDBI Bank Ltd Andhra Bank Axis Bank Oriental Bank of Commerce Punjab National Bank Standard Chartered Bank (Refer Note: 38 d) Indian Overseas Bank State Bank of Travancore	South Indian Bank (SIB). On 21.03.2017, SIB advised the Company to the effect that, pursuant to the Assignment Agreement dated 17.03.2017, they (SIB) have assigned to Phoenix ARC Pvt Ltd, under section 5 of SARFAESI Act, the entire financial assistance granted to the Company together with all underlying securities, rights, title and interest in respect thereof.
3	Nature of facilities granted after CDR packages	FBWC – ₹393 crore WCTL – ₹92.09 crore FITL – ₹77.45 crore Non-Fund Based – ₹475.00 crore	Term Loan – ₹92.45 crore FITL – ₹15.30 crore
4	Securities :		
	A) Primary:		
	i) 1st hypothecation charge on the Companies entire stock book debts and other current assets on pari passu basis with working capital lenders	Yes for FBWC / NFB	Yes for Term Loan and FITL
	ii) Exclusive 1st charge backed by equitable mortgage of Landed property at Bhabanipur, Purba Medinipur in the name of Infravision Developers LLP and another Landed property at P.S. Barasat, Dist. North 24 Parganas, in the name of Monobal Vyapaar LLP.	No	Yes for Term Loan and FITL
	iii) 1st charge on entire fixed assets of the Company excluding those which are under exclusive equipment finance, on pari passu basis with CDR lenders excluding South Indian Bank	Yes for FBWC / WCTL/FITL	No
	iv) 1st charge on Companies Factory Land, Office Shed, Building and Structure on it at Jalan complex, on pari passu basis with all CDR lenders excluding South Indian Bank	Yes for FBWC / NFB/WCTL/FITL	No
	B) Collateral:		
	i) 2nd charge on entire fixed assets including Land and Building of the Company (excluding those under Equipment Finance Scheme) on pari passu basis with all CDR lenders including South Indian Bank	Yes for FBWC / NFB	Yes for Term Loan / FITL
	ii) 1st charge on Commercial space of 7th floor at DD 30, Salt Lake City, Kolkata – 700064 on pari-passu basis with other Working Capital Lenders (excluding South Indian Bank).*	Yes for FBWC / NFB / WCTL / FITL	2nd charge available for both the facilities
	iii) 1st charge on Commercial space of 8th & 9th Floor at DD 30, Salt Lake City, Kolkata – 700064 on pari-passu basis with other Working Capital Lenders (excluding South Indian Bank) – Mortgage creation pending.*	Yes for FBWC / NFB / WCTL / FITL	2nd charge available for both the facilities
	iv) 2nd charge, on exclusive security given to South Indian Bank, on pari passu basis with other Working Capital Lenders	Yes for FBWC / NFB / WCTL / FITL	No

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 38 CORPORATE DEBT RESTRUCTURING (contd.)

Sl. no.	Description	Bankers under Consortium and CDR Mechanism	Bankers not under Consortium but under CDR Mechanism
v)	Pledge of 1,10,28,498 nos. of Unencumbered Equity Shares of the Company with face value of ₹10 each being 58.59% of the Companies total Equity Share Capital (in the name of promoters and promoters group) on pari passu basis with all the CDR lenders	Yes for FBWC / NFB / WCTL / FITL	Yes for Term Loan / FITL
vi)	2nd charge on Factory Land, Office Shed & Building and Structure on it at Jalan Complex, Howrah	No	Yes for Term Loan / FITL
vii)	Personal and Corporate Guarantee	a) Sri Ishwari Prasad Tantia b) Rahul Tantia c) Tantia Infrastructure Pvt Ltd (Corporate Guarantee has been extended upto the amount of investment made by the Company in Tantia Infrastructure Pvt Ltd)	a) Sri Ishwari Prasad Tantia b) Rahul Tantia c) Tantia Infrastructure Pvt Ltd (Corporate Guarantee has been extended up to the amount of investment made by the Company in Tantia Infrastructure Pvt Ltd)

*Regarding creation of the additional collateral securities, stipulated by the lenders, the status thereof, as on 30.05.2017 is as follows:

Sl. no.	Description of security	Present status
1	Pledge of newly issued shares worth ₹21 crore	The matter regarding pledge of the newly issued shares is pending as the listing exercise is in process.
2	1st charge on commercial space in 7th floor of "Andromeda", DD-30, Sector 1 Salt Lake City, Kolkata 700 064.	Formalities for creation of equitable mortgage in favor of JLF banks, through MI, were completed by TCL in January 2017
3	1st charge on commercial space in 8th and 9th floors of "Andromeda", DD-30, Sector 1 Salt Lake City, Kolkata 700 064.	The requisite administrative clearance from Urban Development Department (UDD), Govt of West Bengal, is in the process of being procured by TCL. Thereafter, the Registration formalities and Equitable Mortgage of the Properties would be completed by TCL shortly. In the meantime, as an interim measure, Company has pledged certain share of unlisted Company held by Promoters and their relatives to the Lenders.

b. Right to Recompense:

As per the CDR package, approved by the lenders, Right to Recompense shall be available to the lenders who have participated in the CDR mechanism, on a yearly basis and is required to be calculated annually and disclosed in the annual report each year. For the year ended 31st March, 2017, the necessary computation in respect of the liability under the Right to Recompense clause has been arrived at ₹53 crore (approx).

c. Loan availed from Vijaya Bank- Status of Repayment:

During 2014-15, the company received a notice from Vijaya Bank under the SARFAESI ACT (2002) with respect to outstanding fund based facility of ₹25 crore that had been availed from the said bank during 2011. On restructuring of the facility it was secured by way of mortgage of land owned by a third party. Vijaya Bank has, under SARFAESI Act (2002), taken symbolic possession of the said land. As per the CDR Package, Vijaya Bank shall liquidate their dues with the sale proceeds of the exclusive security charged to them and any shortfall in recovery will have to be met by the promoters from their own resources. Further, Vijaya Bank will not resort to any legal action against the company, which may jeopardize implementation of the CDR package.

d. Standard Chartered Bank (SCB), who were originally part of the consortium financing the Company, decided to opt out of the Restructuring Package under the CDR Mechanism. Further, they also filed an application in DRT praying for appropriation of the proceeds of Receivables owing to the Company against Jubilee Bridge Project, in respect of which the Company had in the past agreed to routing of such proceeds through that Bank. DRT decided that 5% of the proceeds of relative Receivables should be appropriated and sent by the Railways to SCB towards gradual reduction of that Bank's dues owing by the Company. Aggrieved by this decision of DRT, the other JLF Banks, who have agreed to support the Company under the CDR Package by extending various concessions, decided to contest the aforesaid decision of the DRT in the Debt Recovery Appellate Tribunal (DRAT). As of now, the matter is pending with the DRAT.

Note : 39 Promoter Contribution

As a part of the CDR Package, the Promoters were required to contribute, by way of additional equity, ₹2100. In the financial year 2014-15, the amount, as required, had been brought into the Company by way of Unsecured Loan from Promoters. The said amount has subsequently been converted into equity shares during the current financial year. The process of listing the same is in progress.

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 40 Disposal of Fixed Assets

I. Repossession of Assets:

During the year, due to inadequacy of resources arising from certain projects, the company was unable to meet its financial commitments made to Tata Capital Finance limited on account of certain fixed assets which were being utilized at various sites of the Company. Consequently as a measure of full and final settlement, Tata Capital took over the possession of some of these assets against a liability of ₹50 lacs.

II. Sale of Fixed Assets

The Company had deployed in its Udhampur Project a wide array of Fixed Assets which included a tunnel boring machine. The said project had already been completed in the year 2013-14 and demobilization was in process. However, some of the equipments deployed thereat could not be lifted as the local suppliers thereof resisted lifting of the aforesaid equipment until their outstanding dues were fully cleared. The Company was compelled to negotiate with them for releasing the equipments and manpower associated there. Ultimately, final agreement on the matter could be reached whereby one Company came forward and agreed to take over those Fixed Assets for a total consideration of ₹90.48 lacs (excluding VAT). The said party has made payments to the local suppliers including compensation to the land owner.

Note : 41 Employee Benefits

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.

(₹ in lakhs)

Particulars	31st March, 2017	31st March, 2016
Defined Contribution Plan –		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to employees Provident fund -	23	26
Contribution to Employees State Insurance	6	5

(₹ in lakhs)

Reconciliation of opening and closing balances of the present value of the Defined benefit obligation	Gratuity(Funded)		Leave Encashment (Non Funded)	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Obligation at the period beginning(April 1)	218	222	291	263
Current Service Cost	13	14	91	34
Interest Cost	17	18	21	21
Actuarial (Gain)/Loss	(47)	(29)	(47)	(22)
Benefits paid	(0)	(7)	12	5
Obligation at the year end (March 31)	202	218	344	291
Change in Plan Assets				
Plan assets at period beginning, at fair value	44	42	-	-
Expected return on plan assets	4	3	-	-
Actuarial (Gain)/Loss	-	-	NA	NA
Contributions	-	6	-	-
Benefits paid	(0)	(7)	-	-
Plan Assets at the year end, at fair value	48	44	-	-
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	48	44	-	-
Present value of the defined benefit obligations at the end of the year	202	218	344	291
Liability/(Assets) recognized in the Balance Sheet	153	173	344	291
Cost for the year				
Current service cost	13	14	91	34
Interest cost	17	18	21	21
Expected return on plan assets	(4)	(3)	-	-
Actuarial (gain)/loss	(46)	(29)	(47)	(22)
Net Cost recognized in the Statement of Profit and Loss	(20)	0	65	33
Assumptions used to determine the benefit obligations:				
Interest rate	8.00%	8.00%	7.50%	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%	7.00%	7.00%

* Provision for Gratuity for the year has been made on the basis of actuarial valuation made by LIC.

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 42 Managerial Remuneration

The Companies Act, 2013 is in force w.e.f. 1st April 2014 and consequently the remuneration paid to Chairman and Managing Director for the Financial Year 2013-14 (which is governed by the Companies Act, 1956) has been determined to have exceeded the amount actually payable by ₹42 lacs. The Company is taking appropriate steps to seek from the concerned authorities waiver in respect of recovery of the aforesaid amount from the Chairman and Managing Director failing which the said amount would be recovered from him (the Chairman and Managing Director).

Note : 43 SEGMENT INFORMATION

Business Segment

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

Infrastructure

Consists of execution of construction contracts and other infrastructure activities

Ready Material Concrete

Consists of production of Ready Mix Concrete

Information about Business Segment:

Current year operation of the Company was mainly from Construction activities. The Company was also having operation from Ready Mix Concrete division which as per AS – 17 is not a Reportable Segment. Accordingly, no disclosure under AS – 17 for Reportable Segment has been made.

Note : 44 DISCLOSURE ON RELATED PARTY TRANSACTIONS AS PER AS 18 ON “RELATED PARTY DISCLOSURES” ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

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

Sl. no.	Nature of Relation	Name of the Entity
A	Holding Company	Nigolice Trading (P) Ltd. *
B	Associate Companies and Enterprises over which the key management personnel and its relatives are able to exercise significant influence:	Castal Extrusion Private Limited Andromeda Communications (P) Ltd Prism Impex Pvt Ltd Greenzen Bio Pvt Ltd Tantia Agrochemicals Pvt Ltd
C	Subsidiaries :	Tantia Sanjauliparkings (P) Ltd. Tantia Infrastructure (P) Ltd. Tantia Raxaultollway (P) Ltd. Tantia Batala-Beas (P) Ltd
D	Joint Ventures:	RBM Tantia (JV) Tantia BSBK (JV) JMC Tantia (JV) Tantia DBC (JV) Tantia Simplex (JV) Tantia Soma (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) IVRCL Tantia (JV) Tantia Premco (JV) TCL-UTM(JV) Tantia MPPL (WILO) (JV) Tantia NMTPL (JV)

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 44 DISCLOSURE ON RELATED PARTY TRANSACTIONS AS PER AS 18 ON "RELATED PARTY DISCLOSURES" ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA (contd.)

Sl. no.	Nature of Relation	Name of the Entity
E	Key Management Personnel (KMP) :	Mr. I. P. Tantia (Chairman & Managing Director) Mr. B. L. Ajitsaria (Director – Business Development) Mr. Rahul Tantia (Director - Operations) Mr. Murare Lal Agarwala (Director - Projects) Mr. Sandip Bose (Director) Ms. Rohini Sureka (Chief Financial Officer)
F	Relatives of Key Management Personnel (KMP) :	Mr. Siddhartha Tantia Ms. Laxmi Tantia

*The stake holding of Nigolice Trading Pvt Ltd in Company was to the extent of 43.74% upto 19th November, 2016. Consequent on conversion of unsecured loans to the tune of ₹21.08 crore in the Company, in compliance with the stipulation envisaged under the CDR Package, the shareholding of Nigolice Trading Pvt Ltd in the Company increased to 53.09%. As a result of this, effective from 20th November, 2016 Nigolice Trading Pvt Ltd has become the Holding Company of Tantia Constructions Limited.

Particulars of Transactions during the year:

(₹ in lakhs)

Nature of Transactions	Year	Holding Company	Fellow / Company / Trust	Subsidiaries	Joint Venture	Key Management Personnel and Relatives	Total
Rendering of Services	16-17	-	-	5,352	1,979	-	7,331
	15-16	-	-	12,303	2,875	-	15,178
Interest Received	16-17	-	-	-	18	-	18
	15-16	-	-	-	3	-	3
Remuneration Paid/payable	16-17	-	-	-	-	252	252
	15-16	-	-	-	-	259	259
Rent paid	16-17	-	2	-	-	22	24
	15-16	-	3	-	-	44	47
Hire Charges paid	16-17	-	-	318	-	-	318
	15-16	-	-	360	-	-	360
Interest paid	16-17	-	-	-	-	-	-
	15-16	-	88	-	-	-	88
Refund of Unsecured Loan	16-17	1,494	-	-	-	615	2,109
	15-16	-	-	-	-	-	-
Re-imbursment of expenses	16-17	-	4	-	-	5	9
	15-16	-	10	-	-	5	15
Advances given	16-17	-	-	-	-	-	-
	15-16	-	533	11	-	-	544
Advances Taken	16-17	-	-	5,106	-	-	5,106
	15-16	-	-	5,878	-	-	5,878
Refund of Advances given	16-17	-	-	-	-	-	-
	15-16	-	533	-	-	-	533
Refund of Advances taken	16-17	-	-	4,753	-	-	4,753
	15-16	-	-	6,677	-	-	6,677
Equity Contribution (Refer Note – 39)	16-17	1,494	-	-	-	615	2,109
	15-16	-	-	-	-	-	-
Investment in Joint Ventures	16-17	-	-	-	(30)	-	(30)
	15-16	-	-	-	13	-	13
Share of Profit/(Loss)	16-17	-	-	-	21	-	21
	15-16	-	-	-	(2)	-	(2)
Advance from Joint Venture	16-17	-	-	-	654	-	654
	15-16	-	-	-	-	-	-
Outstanding balances receivable	16-17	-	-	4,590	2,952	-	7,542
	15-16	-	-	722	4,350	--	5,072
Outstanding balance payable	16-17	-	7	6,646	868	36	7,557
	15-16	-	1,509	2,898	333	665	5,405

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 45 THE EARNINGS PER SHARE (BASIC & DILUTED, COMPUTED AS PER THE REQUIREMENT UNDER ACCOUNTING STANDARD 20 ON "EARNINGS PER SHARE".

Particulars	(₹ in lakhs)	
	2016-17	2015-16
BASIC		
Net Profit after tax for the year attributable for equity shareholders	(6,722)	(3,036)
Weighted number of shares for EPS computation	2,87,42,098	1,88,23,066
Earnings Per Share	(29.96)	(16.13)
DILUTED		
Net Profit after tax for the year	(6,722)	(3,036)
Adjusted profit after tax for the year available for equity shareholders	(6,722)	(3,036)
Weighted average number of shares for EPS computation	2,24,37,398	1,88,23,066
Diluted Earnings Per Share	(29.96)	(16.13)

Note : 46 JOINT VENTURE DISCLOSURE AS PER ACCOUNTING STANDARD 27 ON "FINANCIAL REPORTING ON INTERESTS IN JOINT VENTURE":

i. Financial interest in the Jointly controlled Entities

Name of JV	Year	(₹ in lakhs)				
		Assets	Liabilities	Turnover	Other Income	Expenses
JMC Tantia JV	16-17	30	30	-	-	0
	15-16	30	30	-	-	0
Tantia DBC JV	16-17	10	10	14	-	13
	15-16	12	12	-	-	-
Tantia Freyssinet Gilcon JV	16-17	18	18	-	-	0
	15-16	18	18	-	-	0
Tantia-Gondwana JV	16-17	905	905	527	4	531
	15-16	1,129	1,129	656	2	658
IVRCL-Tantia JV	16-17	95	95	-	-	0
	15-16	95	95	-	-	0
Tantia-Simplex JV	16-17	0	0	-	-	0
	15-16	0	0	-	-	0
Tantia-Soma JV	16-17	13	13	-	-	0
	15-16	13	13	-	-	0
Tantia-SPML JV *	16-17	2	2	--	-	-
	15-16	2	2	-	-	-
Tantia-BSBK JV	16-17	35	35	-	-	-
	15-16	35	35	-	-	-
Tantia-CCIL JV	16-17	1,052	1,052	10	-	10
	15-16	1,106	1,106	-	-	-
Tantia-TBL JV	16-17	12	12	-	-	0
	15-16	12	12	-	-	0
Tantia-SEC JV *	16-17	617	617	1,139	-	1,130
	15-16	764	764	1,174	1	1,166
Tantia-Premco JV *	16-17	19	19	70	1	70
	15-16	46	46	34	1	34
Tantia-YSCC JV *	16-17	-	-	-	-	-
	15-16	22	22	-	-	-
Tantia-EDCL JV *	16-17	8	8	-	0	0
	15-16	9	9	-	-	0
Tantia-NMTPL JV	16-17	697	697	171	-	171
	15-16	1,493	1,493	1,081	-	1,081
Tantia-MPPL(WILO) JV	16-17	2,859	2,859	3,013	-	3,008
	15-16	1,365	1,365	1,082	1	1,083
TCL-UTM JV*	16-17	78	78	134	-	134
	15-16	-	-	-	-	-

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

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 47

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 : 48 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT, 2013.

Expenditure/Remittance in foreign currency

(₹ in lakhs)

	2016-17		2015-16	
A Value of imports calculated on CIF basis:				
(i) Capital goods	-	-	-	-
B Expenditure in foreign currencies:				
(i) Travelling expenses	-	-	-	-
(ii) Consultancy Charges	-	-	-	-
(iii) Interest	-	-	-	-
(iv) Payment to sub-contractor	-	-	-	-
C Value of construction materials consumed (including raw material):				
(i) Imported	-	-	-	-
(ii) Indigenous	8,404	100.00%	9,723	100.00%
D Value of spare parts & components consumed:				
(i) Imported				
(ii) Indigenous	1,060	100.00%	884	100.00%
E Earnings in foreign currency (on accrual basis)	-	-	-	-
Export of goods or services on F.O.B. basis and work bills realized on contracts	-	-	-	-

Note : 49 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 1.4.2016	-	509
Balance as on 1.4.2015	1	479
Add: Provisions made (2016-17)	-	127
(2015-16)	-	47
Less: Payments (2016-17)	-	90
(2015-16)	1	17
Less: Adjustments (2016-17)	-	-
(2015-16)	-	-
Closing Balance as on 31.03.2017	-	546
Closing Balance as on 31.03.2016	-	509

Note : 50

The Company had given advance to one of its subcontractors for execution of various jobs in some projects. After adjustment of their bill against the advance so granted, the Company was unable to fully recover the remaining amount of advances despite close follow-up. Therefore, during the current Financial Year the Company took possession of some of the fixed assets of the subcontractor worth ₹165 and the said assets were sold to one of its subsidiaries at a consideration of ₹170. Thereby the Company had earned a profit of ₹5 (Refer Note 22).

Note : 51

An amount of ₹3,604 was recoverable by the Company from Tantia Raxaultollways Pvt Ltd (Subsidiary Company) and the amount was grouped under Sundry Debtors. The said subsidiary was unable to pay off its aforesaid dues because of paucity of funds. Subsequently, the said book debt was taken over by Tantia Infrastructure Pvt Ltd, the major Promoter of Tantia Raxaultollways Pvt Ltd. The aforesaid transaction now appears in the Books of the Company against Tantia Infrastructure Pvt Ltd and categorized as Debtor and the amount (₹3,604) continuing under the head Sundry Debtors, as before.

Notes to financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 52

In the normal course of conduct of business, the Company has encountered problems on certain fronts in the matter of meeting obligations to various parties. In some of these cases, there have been instances of the Parties/creditors including Bodies Corporate concerned approaching the Courts for legal remedy by seeking winding up of the Company's affairs. Relative Petitions were combined by Hon'ble High Court. Based on hearings held so far, the High Court has expressed the view that unsecured creditors stake in Tantia Constructions Ltd being rather low vis-a-vis the stake of the Secured Creditors, viz various Banks, a decision to Wind up the Company would depend on the decision of Secured Creditors. The matter is sub-judice. The amount of dues involving all the Winding up petitions, against the Company, being heard by the aforesaid Court, is of the order of ₹1,741.

Note : 53

During the year the Company had acquired some assets valued at ₹165 and sold the same on back to back basis to Tantia Infrastructure Pvt Ltd for a consideration of ₹170, which was adjusted against their dues of ₹310 towards Equipment Hire Charges. The net advance at the end of the year was ₹360.

Note : 54

In terms of notification no G.S.R.308 (E) dated 30th March 2017 of Ministry of Corporate Affairs, necessary disclosures on details of Specified Bank Notes and other denomination notes held and transacted during the period from 8th November, 2016 to 30th December 2016 are provided as under:-

Particulars	Specified Bank Notes	Other Denomination Notes	(₹ in lakhs)
			Total
Closing Balance as on 08.11.2016	21	56	77
Add: Permitted Receipts	-	49	49
Less: Permitted Payments	-	62	62
Less: Amount deposited in Banks	21	0	21
Closing Cash in hand on 30.12.2016	-	43	43

Note : 55

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

Note : 56

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

In terms of our report of even date attached

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

I.P. TANTIA
Chairman & Managing Director

RAHUL TANTIA
Director (Operations)

CA S. K. MUSTAPHI
Partner
Membership No. 051842

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

Dated : 30th May, 2017
Place : Kolkata

Independent Auditor's Report

To The Members of
Tantia Constructions Limited

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial Statements of Tantia Constructions Limited ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group", and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant Accounting Policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

2. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The respective board of directors of the companies included in the group and jointly controlled accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statement by the Directors of the Holding Company, as aforesaid.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

While conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountant of India, specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 internal financial control relevant to the Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in term of their Report referred to in paragraph "Other Matters" below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

4. Opinion

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

- a) In the case of the Consolidated state of affairs of the Group and Jointly Controlled Entities as at 31st March, 2017;
- b) In the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date;
- c) In the case of Consolidated Cash Flow Statement, of their Consolidated Cash Flows of the Group for the year ended on that date.

5. Emphasis of Matters

We draw attention to:

- a) Note 43 to the Financial Statement in relation to excess payment of ₹42 lacs Managerial Remuneration for the Financial Year 2013-14 for which the Management is in the process of taking approval of the Central Government.
- b) Note 8 and Note 39c to the Financial Statement regarding nonpayment of short term loan from Vijaya Bank against which the Bank has issued notice under the SARFAESI ACT (2002) and has taken symbolic possession of land belonging to the third party mortgaged with them for the said loan.
- c) Note 4 to the Financial Statement regarding default in repayment of loans from Banks towards Principal and Interest amounting to ₹2,723 lacs and ₹5,588 lacs respectively.

- d) Para (I) of Note 41 to the Financial Statement regarding Fixed Assets taken over by Tata Capital Ltd against their dues of ₹50 lacs.
- e) Para (II) of Note 41 to the Financial Statement for assets sold by the Company at a consideration of ₹90.48 Lakhs.
- f) Note 51 to the Financial Statement regarding unsecured loans from Bodies Corporate many of whom had filed winding up petition at High Court when some of the creditors approached High Court for winding up of the Company as per earlier order, the Consortium Banks through State Bank of India filed a petition in the High Court stating that the stake of unsecured creditors are rather low vis-a-vis the stake of secured creditors i.e. various Banks (Under CDR Packages). The matter is subjudice and awaiting final judgment.

Our opinion is not qualified in respect of the above matters.

6. Other Matters

We did not audit the financial statement of one subsidiary whose financial statement reflects the Group's share of total assets (net) of ₹49,764 lakhs as at 31st March, 2017, the Group's share of total revenues of ₹35 lakhs and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the Consolidated Financial Statement, in so far as it relates to the amounts and disclosures included in respect of the above mentioned subsidiary, is based solely on the report of other auditor.

The Consolidated Financial Statements includes the unaudited financial statement of five Jointly Controlled Entities whose financial statement reflects total assets (net) of ₹725 lakhs as at 31st March, 2017, total revenues of ₹1,344 lakhs and net cash flows amounting to ₹10 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. Our opinion on the Consolidated Financial Statement, in so far as it relates to the amounts and disclosures included in respect to the Jointly Controlled Entities, are based solely on the unaudited accounts furnished to us by the management.

Our report is not qualified in respect of these matters.

7. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and reports of the other auditor.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated Financial Statements.

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act as applicable.

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiaries companies, none of the directors of the Group is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting and operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditor's report of the Holding Company and its subsidiaries companies, wherever applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company, Subsidiary Companies and Jointly Controlled Entities internal financial control over financial reporting.

g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations as at March 31, 2017 on its financial position in its consolidated financial statements in accordance with the generally accepted accounting practice – Refer Note 31 to the Consolidated Financial Statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. Unpaid/Unclaimed dividend of Equity Shareholders for the year 2008-09 amounting to ₹0.70 lakhs were required to be transferred to the Investor Education and Protection Fund have been transferred by the Company during the year under review but the said transfer was effected after the due date.

iv. The Company has provided requisite disclosures in Note 52 in its consolidated financial statements as to the holding of Specified Bank Notes on 8th November, 2016 and 30th December, 2016 as well as dealings in Specified Bank Notes during the period from 8th November, 2016 and 30th December, 2016. Based on audit procedures performed and the representation to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
FRN: 314125E

CA S. K. Mustaphi
Partner

Place: Kolkata
Date: 30th May, 2017

Membership No: 051842

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Tantia Constructions Ltd.

Referred to in paragraph 7(f) with the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the Consolidated Financial Statements of the Company as of March 31, 2017, we have audited the internal financial controls over financial reporting of Tantia Constructions Ltd (hereinafter referred to as "the Holding Company") and its Subsidiaries and Jointly Controlled Entities which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company, its Subsidiaries Companies and Jointly Controlled Entities which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained by the other auditor of the subsidiary company in terms of their report referred to in the other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with

generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its Subsidiaries Companies and Jointly Controlled Entities which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Further, in the absence of availability of audited accounts of two subsidiaries we are unable to form an opinion regarding the effectiveness of internal control which is in existence therein.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary, company which is incorporated in India is based on the corresponding report of that company incorporated in India.

Our opinion is not qualified in respect of this matter

For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
FRN: 314125E

CA S. K. Mustaphi

Partner

Place: Kolkata

Date: 30th May, 2017

Membership No: 051842

Consolidated **Balance Sheet** as at 31st March, 2017

(₹ in lakhs)

	Note	As at 31st March, 2017	As at 31st March, 2016
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund :			
Share capital	2	2,874	1,882
Reserves & surplus	3	9,804	16,104
		12,678	17,986
Minority Interest		2	-
(2) Non-current liabilities			
Long-term borrowings	4	43,949	45,424
Deferred tax liabilities (Net)	5	468	603
Other long term liabilities	6	2,222	2,007
Long-term provisions	7	320	407
		46,959	48,441
(3) Current liabilities			
Short-term borrowings	8	48,259	47,821
Trade payables	9	13,077	15,246
Other current liabilities	10	23,544	17,423
Short-term provisions	11	225	102
		85,105	80,592
Total		144,744	147,019
II ASSETS			
Non current assets			
(1) Fixed Assets :	12		
Tangible assets		4,579	6,667
Intangible assets		2,596	2
Capital work in progress		28,381	27,278
Goodwill on Consolidation		33	6
Non current investments	13	135	135
Long-term loans and advances	14	1,339	2,655
Other non-current assets	15	73	122
		37,136	36,865
(2) Current assets			
Inventories	16	24,799	24,491
Trade receivables	17	19,975	26,108
Cash & Bank balances	18	4,321	4,228
Short-term loans and advances	19	10,773	10,000
Other current assets	20	47,740	45,327
		107,608	110,154
Total		144,744	147,019
Summary of significant accounting policies	1		

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

In terms of our report of even date attached

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

I.P. TANTIA
Chairman & Managing Director

RAHUL TANTIA
Director (Operations)

CA S. K. MUSTAPHI
Partner
Membership No. 051842

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

Dated : 30th May, 2017
Place : Kolkata

Consolidated Statement of Profit and Loss for the year ended 31st March 2017

(₹ in lakhs)

	Note	Year ended 31st March, 2017	Year ended 31st March, 2016
I INCOME			
Revenue From operation	21	26,570	30,891
Other income	22	1,296	508
Total Revenue		27,866	31,399
II EXPENSES			
Cost of material consumed	23	8,328	8,624
Contract operating expenses	24	15,181	18,174
Change in Inventory of work in progress	25	(720)	686
Employee benefits expenses	26	1,588	1,496
Finance cost	27	9,015	7,435
Depreciation and amortisation expenses	12	1,174	1,375
Other expenses	28	2,117	1,814
Total expenses		36,683	39,604
Profit/(Loss) before exceptional & extraordinary Items & Tax		(8,817)	(8,205)
Exceptional items		-	-
Profit/(Loss) before extraordinary items & tax		(8,817)	(8,205)
Extraordinary items		-	-
Profit/(Loss) before Tax		(8,817)	(8,205)
Tax expense :			
Current tax	29	3	0
Income Tax for earlier Year	29	-	(0)
Deferred tax	29	(135)	(224)
Profit/(Loss) for the year		(8,685)	(7,981)
Earning per Equity Share of ₹10/- each			
Basic (₹)	46	(38.70)	(42.39)
Diluted (₹)		(38.70)	(42.39)
Summary of significant accounting policies	1		

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

In terms of our report of even date attached

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No. 314125E

I.P. TANTIA

Chairman & Managing Director

RAHUL TANTIA

Director (Operations)

CA S. K. MUSTAPHI

Partner

Membership No. 051842

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

Dated : 30th May, 2017

Place : Kolkata

Consolidated Cash Flow Statement for the period ended 31st March 2017

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
A Cash Flow from Operating Activities				
Net Profit / (Loss) before Tax		(8,817)		(8,205)
Add/(Less) Adjustment for :				
Depreciation	1,174		1,375	
(Profit)/Loss on sales of Fixed Assets (Net)	528		5	
Foreign Exchange Fluctuation			-	
Interest Income	(390)		(225)	
Interest on Borrowings	8,495		6,960	
Direct Tax Refund		9,807		8,115
Operating Profit before working Capital changes		990		(90)
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Debtors	6,133		(2,905)	
Loans & advances	543		1,623	
Earmarked Bank balances	1		-1	
Other Current assets	(2,967)		(3,599)	
Inventories	(308)		86	
Trade payables, Liabilities & Provisions	2,450	5,852	6,111	1,315
Cash Generated from Operations		6,842		1,225
Direct Taxes paid		599		(1,107)
Cash Flow before extraordinary items		7,441		118
Extra-Ordinary items		-		-
Net Cash From Operating Activities		7,441		118
B Cash flow from Investing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(3,979)		(6,599)	
Sale/discard of Fixed Assets	668		6	
Interest Income	390		189	
Increase in Goodwill	(27)		-	
Investment in Joint Ventures & others	(0)		0	
Investment in Fixed deposit	373	(2,575)	(79)	(6,483)
Net Cash used in investing Activities.		(2,575)		(6,483)
C Cash Flow from Financing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Share Capital issue	992		-	
Share Premium Account	1,117		-	
Decrease in Surplus due to Goodwill	27		-	
Minority Interest	2		-	
Grant Received	1,241		4,586	
Net Cash inflow		3,379		4,586
Long term borrowings	279		7,042	
Short term borrowing	438		2,422	
Interest Paid	(8,495)		(6,960)	
Dividend Paid	1		1	
Tax on Dividend	0		(1)	
Dividend & Unclaimed Share Application Money Deposited		(7,777)		2,504
Net Cash from financing Activities.		(4,398)		7,090
D Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)		468		725

Consolidated Cash Flow Statement for the period ended 31st March 2017

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
E Add: Balance at the beginning of the Year		1,862		1,138
Cash & Cash equivalents as the close of the year		2,330		1,862
Note :				
Cash & Cash equivalents				
- Balances with banks in Current Accounts		2,267		784
- Cash in hand		63		388
- Cheque in hand		-		690
Cash & Cash equivalents (As per Note 18a)*		2,330		1,862
*i) Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client		1,988		2,362
ii) Earmarked Bank balances against Dividend and Unclaimed Share Application		3		4
Total (As per Note 18b)		1,991		2,366
Total [As per Note 18(a + b)]		4,321		4,228

In terms of our report of even date attached

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

I.P. TANTIA
Chairman & Managing Director

RAHUL TANTIA
Director (Operations)

CA S. K. MUSTAPHI
Partner
Membership No. 051842

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

Dated : 30th May, 2017
Place : Kolkata

Notes to consolidated financial statements as at and for the year ended 31st March, 2017

Note 1

A. Summary of significant accounting policies

1. Principles of Consolidation

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

- a) The financial statement of the Company and its subsidiary Companies have been consolidated on a line-by-line basis by adding together the book values of like terms of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealized profits or losses as per Accounting Standard (AS) 21 – "Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.
- b) In case of associates where the Company directly or indirectly through its subsidiaries holds more than 20% of equity, investments in associates are accounted under the equity method as per Accounting Standard (AS) 23 – "Accounting for investments in Associates in Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.
- c) In terms of Accounting Standards (AS-27) – "Financial Reporting of interest in joint ventures" notified by the Companies (Accounting Standards) Rules, 2006, the Companies proportionate in the joint ventures being jointly controlled entities are consolidated as separate line items in the financial statements along with the book value of Assets, Liabilities, Income and Expenditures after eliminating inter-group balances/transactions and unrealized profit and losses resulting from the transactions between the Company and the Joint Ventures.

In respect of its interest in Jointly Controlled Operations, the Company recognizes 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.

- d) The financial statements of the subsidiaries, joint ventures and the associates used in consolidation are drawn up to the same reporting date i.e. 31st March, 2017.
- 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 shareholders 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 133 of the Companies Act, 2013, read with Paragraph VII of the Companies (Accounts) Rules, 2014, and Companies (Accounting Standard) Amendment Rules, 2016.

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 years.

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

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

4. Change in Accounting Policies:

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

5. Fixed Assets

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

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

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. 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.

7. Depreciation / Amortization

Tangible Assets

Depreciation on fixed assets is provided on Straight Line Method (SLM) method and is provided based on useful life of the assets as prescribed in Schedule-II to the Companies Act, 2013, except for construction accessories which are depreciated over a period of 5 years based on management technical evaluation.

Intangible Assets

These are amortized over the best estimates of its useful economic life as decided by the management.

8. Inventories

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

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 31st March, 2017 (contd.)

- 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. Sales are net of taxes, returns, trade discounts etc.

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 fair value 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 reimbursement 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. Segment Reporting

Identification of Segments

The Company has identified that its business segments are the primary segments. The Company's businesses are organized and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

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

Segment Policies

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

15. Earnings Per Share

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

16. Taxation

Tax expenses comprise of current tax and deferred tax.

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

17. Provision, Contingent Liabilities & Contingent assets

Provisions involving substantial degree of estimation in measurement and are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Financial 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.

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 2A SHARE CAPITAL

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Authorized:		
390,00,000 Equity Shares (Prev. Yr. 390,00,000) 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:		
2,87,42,098 Equity Shares (Prev. Yr. 1,88,23,066) of ₹10/- each	2,874	1,882
(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)		
	2,874	1,882

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

Particulars	As at 31st March 2017		As at 31st March 2016	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	1,88,23,066	1,882	1,88,23,066	1,882
Issued during the year (Refer Note 40)	99,19,032	992	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	2,87,42,098	2,874	1,88,23,066	1,882

Note : 2 C - The rights, preferences and restrictions attached 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 Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders 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, in the proportion to their shareholding.

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

Name of shareholder	As at 31st March 2017		As at 31st March 2016	
	No of shares	% holding	No of shares	% holding
Nigolice Trading Pvt Ltd	1,52,59,689	53.09	82,33,806	43.74
Rahul Tantia	35,73,359	12.43	-	-
Tantia Financial Services Ltd	-	-	11,65,506	6.19
Ishwari Prasad Tantia	-	-	9,48,976	5.04

Note : 3 RESERVES & SURPLUS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Capital Reserve		
Balance as per the last Financial Statement	100	100
Balance (a)	100	100
The Company had received ₹100 against future call option of 7,14,285 share warrants in the FY 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.		
Capital Redemption Reserve		
Balance as per the last Financial Statement	14	14
Balance (b)	14	14
The Company had issued 1,40,000 10.5% cumulative preference share at par value of ₹10 each in the FY ending 31st March, 2005 were redeemed at the option of the shareholder during the financial year ended 31.03.2015. Accordingly, ₹14 equivalent to the proceeds of redemption were transferred to Capital Redemption Reserve.		

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 3 RESERVES & SURPLUS (contd.)

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Securities Premium Account		
Balance as per the last Financial Statement	6,767	6,767
Add: Received during the year	1,117	-
Balance (c)	7,884	6,767
General Reserve		
Balance as per the last Financial Statement	1,415	1,415
Balance (d)	1,415	1,415
Grant		
Balance as per the last Financial Statement	11,836	7,250
Add: Received during the Year	1,241	4,585
Balance (e)	13,077	11,836
Surplus		
Balance as per the last Financial Statement	(4,028)	3,951
Add: Profit for the year	(8,685)	(7,981)
Deduction during the year		
Transfer to Minority Interest	-	(2)
Transfer to Goodwill	(27)	-
Balance (f)	(12,686)	(4,028)
Total Reserves and Surplus (a + b + c + d + e + f)	9,804	16,104

Note : 4 LONG TERM BORROWINGS

SECURED

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
	Non current	Current	Non current	Current
i) Term Loan from Scheduled Bank *	7,675	1,541	8,686	462
ii) WCTL from Scheduled Bank *	5,722	1,473	6,878	444
iii) FITL from Scheduled Bank *	4,131	3,391	5,993	2,750
iv) Term Loan from Scheduled Bank **	25,005	-	18,743	512

* Refer Note 39a of Notes to Accounts for details of securities provided.

Terms of repayment for loan –

Term loan and WCTL: Loan shall be repaid in 27 quarterly ballooning installment commencing from 30.09.2016 and last installment due 31.03.2023.

FITL: Loan shall be repaid in 17 quarterly ballooning installment commencing from 31.03.2016 and last installment due on 31.03.2020

** Term loan taken by Tantara Raxaultollways Pvt. Ltd. and Tantara Sanjauli Parkings Pvt. Ltd. for BOT projects are secured by first charge on all intangible and tangible properties and assets as well as the revenue and the receivables for the projects. These are also covered by corporate guarantee from Tantara Constructions Ltd (Holding Company).

** Repayment of Term Loans are under moratorium and are to be paid in 46 quarterly installment starting from 31st March, 2018 in case of Tantara Raxaultollways Pvt Ltd and in 106 monthly installments starting 1st June, 2017 in case of Tantara Sanjauli Parkings Pvt Ltd with interest rate of BR + 1.50% per annum and BR + 2.85% per annum respectively.

Default in repayment of loan and interest

(₹ in lakhs)

Period of Default (In days)	Principal	Interest
0 – 120	1,350	2,706
121 – 240	618	1,740
241 – 365	755	1,142
Total	2,723	5,588

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 4 LONG TERM BORROWINGS (contd.)

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
	Non current	Current	Non current	Current
iv) Deferred Payment Liabilities				
Equipment and Vehicle Loans from:				
Non-Banking Finance Companies etc.	-	1,431	-	1,644
Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Directors				
	-	1,431	-	1,644
Total (a)	42,533	7,836	40,300	5,812

UNSECURED

(₹ in lakhs)

	31st March, 2017		31st March, 2016	
	Non current	Current	Non current	Current
RUPEE LOAN				
Term Loan from Promoters	-	-	1,494	-
Term Loan from Directors	-	-	615	-
Advance against Contracts				
From Contractees (partially interest bearing)	1,416	5,116	3,015	5,386
Total (b)	1,416	5,116	5,124	5,386
Total Long Term Borrowings (a + b)	43,949	12,952	45,424	11,198

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

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Deferred Tax Liability		
Timing Difference on Depreciable Assets	667	810
Deferred Tax Asset		
Expenses allowable against taxable income in future years	199	207
Deferred Tax Liability	468	603

Note : 6 OTHER LONG TERM LIABILITIES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Security Deposit and Retention money	2,222	2,007
	2,222	2,007

Note : 7 LONG TERM PROVISIONS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Retirement Benefits		
- Gratuity	202	218
- Leave encashment	118	189
	320	407

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 8 SHORT TERM BORROWINGS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
SECURED		
Cash Credit from Scheduled Banks (Repayable on demand)	40,877	39,635
Secured by way of charge:		
On pari-passu basis among consortium members primarily by 1st hypothecation charge of entire stock, book debts and other current assets of the company both present and future along with South Indian Bank.		
These are additionally secured by second charge on entire fixed assets 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) with Corporate Guarantee of M/s Tantia Infrastructure Pvt. Ltd		
Short Term Loans from Scheduled Banks	*2,574	2,574
Secured by Personal Guarantee of Chairman & Managing Director backed by Corporate Guarantee and equitable mortgage of land owned by Castal Extrusions Pvt Ltd. (Refer Note : 39c)		
Total (a)	43,451	42,209
* The entire amount is lying overdue		
UNSECURED		
From Non-Banking Finance Companies (Repayable on demand)	368	298
Deposits from Bodies Corporate (Refer Note 51)	4,182	3,766
Advance from Nigolice		72
Advance against Materials (Interest free)	258	1,476
Total (b)	4,808	5,612
Total Short Term Borrowings (a + b)	48,259	47,821

Note : 9

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Trade Payables (including dues to MSMED vendors)	13,077	15,246

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

	31st March, 2017	31st March, 2016
Principal amount remaining unpaid	-	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	-	-

Based on the information received from the vendors, the Company has not come across any vendor who is covered under the Micro, Small and Medium Enterprise Development Act, 2006.

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 10 OTHER CURRENT LIABILITIES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Current maturities of long term debt (Refer note – 4)	12,952	11,198
Interest accrued and due	7,271	2,689
Unpaid dividend	3	4
Others		
- Statutory liabilities	1,262	1,721
- Liabilities for employees	626	486
(Includes ₹41 (Previous Year ₹42) payable to Directors)		
- Liabilities for expenses	790	1,256
- Others	640	69
	23,544	17,423

Note : 11 SHORT TERM PROVISIONS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Retirement Benefits	225	102
Total	225	102

Note : 12 FIXED ASSETS

(₹ in lakhs)

Sl. no	Particulars	Gross Block				Depreciation/Amortisation				Net Block	
		As at 1st Apr 2016	Additions	Disposals	At 31st Mar 2017	Upto 31st Mar 2016	For the Year	Deductions	Upto 31st Mar 2017	As at 31st Mar 2017	As at 31st Mar 2016
A)	Tangible Assets										
1	Freehold Land	397	-	-	397	-	-	-	-	397	397
2	Building, Workshop & Office Shed	273	-	-	273	41	4	-	45	228	232
3	Plant & Machinery	10,845	117	1,084	9,878	6,658	789	506	6,941	2,937	4,186
4	Construction Accessories	2,838	-	733	2,105	1,422	148	122	1,448	657	1,416
5	Testing & Survey Equipments	187	-	-	187	125	15	-	140	47	62
6	Air Conditioner	52	1	-	53	44	4	-	48	5	8
7	Computer	179	3	-	182	173	6	-	179	3	6
8	Office Equipments	93	2	-	95	74	6	-	80	15	19
9	Vehicles	845	21	32	834	574	62	25	611	223	271
10	Furniture & Fixtures	107	-	-	107	38	2	-	40	67	69
	Sub-total (a)	15,816	144	1,849	14,111	9,149	1,036	653	9,532	4,579	6,666
	Previous Year	15,721	155	60	15,816	7,823	1,374	49	9,149	6,667	7,898
B)	Intangible Assets										
1	Software	85	-	-	85	83	1	-	84	1	2
2	Intangible assets under construction		2,732	-	2,732	-	137	-	137	2,595	-
	Sub Total (b)	85	2,732	-	2,817	83	138	-	221	2,596	2
	Previous Year	85	-	-	85	82	1	-	83	2	3
	Grand Total (a + b)	15,901	2,876	1,849	16,928	9,232	1,174	653	9,753	7,175	6,668
	Total Previous Year	15,806	155	60	15,901	7,905	1,375	1,726	9,232	6,669	7,901

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 13 NON CURRENT INVESTMENTS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unquoted, Trade, Long Term at Cost)		
Non-Trade		
In Related Company		
In Equity instruments		
Andromeda Communications (P) Ltd.	29	29
7,000 Equity Shares (Prev. Yr. 7,000) of ₹10/- each, fully Paid-up		
Total (a)	29	29
In Others		
In Equity instruments		
Universal Realtors (P) Ltd.	4	4
40,000 Equity shares (Prev. Yr. 40,000) of ₹10/- each, fully paid up		
Total (b)	4	4
Investment in Government Securities		
National Saving Certificate, Deposited with Sales Tax Authorities, Mizoram	0	0
Total (c)	0	0
Investment in Joint Ventures as per Accounting Standard 27		
RBM-TANTIA JOINT VENTURE (Jointly Controlled Entity) (% of Profit Share 99.999)	101	101
Total (d)	101	101
Grand Total (a + b + c + d)	135	135

Note : 14 LONG TERM LOANS AND ADVANCES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Security Deposits and retention money	1,140	2,497
Other Loans & Advances:		
Prepaid Expenses	62	16
Advances recoverable in cash or in kind or for value to be received	137	142
	1,339	2,655

Note : 15 OTHER NON-CURRENT ASSETS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Deferred Revenue Expenses	71	119
Preliminary Expenses	2	3
	73	122

Note : 16 INVENTORIES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(As taken, valued and certified by the management)		
Construction Materials	5,514	5,737
Construction Contract Work-in-progress	18,050	17,330
Stores & Spares	691	823
Loose Tools	544	601
	24,799	24,491

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 17 TRADE RECEIVABLES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Other Debts	5,283	7,806
Exceeding Six Months *	14,692	18,302
	19,975	26,108

* Includes old receivable from different clients, which are at different stages of arbitration. No provision has been made against the same as the management believes that final outcome of the arbitration shall result in recovery of the outstanding dues.

Note : 18 CASH AND BANK BALANCES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Cash and Bank balances consists of the following		
a) Cash and Cash equivalents		
i) Balances with Banks		
In current Accounts	2,267	784
ii) Cash on Hand	63	388
iii) Cheque in Hand	-	690
Total (a)	2,330	1,862
b) Other Bank Balances		
i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed share Application)	3	4
ii) Balances with Banks		
In Deposit Accounts (Less than 12 months)	1,988	2,362
In Deposit Accounts (Beyond 12 months)	-	-
(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)		
Total (b)	1,991	2,366
Grand Total (a + b)	4,321	4,228

Note : 19 SHORT TERM LOANS AND ADVANCES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
(Unsecured, considered good)		
Security Deposits & Earnest Money	5,079	4,659
Other Loans & Advances		
Prepaid Expenses	178	222
Loan to Non Banking Financial Company	500	-
Advances recoverable in cash or in kind or for value to be received	5,016	5,119
	10,773	10,000

Note : 20 OTHER CURRENT ASSETS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Interest accrued but not due on Bank deposits	119	119
Works Contract Tax receivable	5,360	4,206
Unbilled Revenue	29,633	30,257
Deferred Revenue Expenses	24	113
Income Tax Advance (including Income Tax Deducted at Source, Net of Provision for taxation)	3,684	4,287
Subsidy Receivable (Excise)	-	8
Others	8,920	6,337
	47,740	45,327

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 21 REVENUE FROM OPERATIONS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Sale of Services		
Contract Receipts (Gross)	25,535	29,337
Sale of Product		
RMC Sale	1046	1,588
Less : Excise Duty	(22)	(34)
Other operating revenues		
Miscellaneous Business income	11	-
	26,570	30,891

Note : 22 OTHER INCOME

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Interest		
On Bank Deposits	155	211
From others	235	13
Profit from sale of Fixed Asset	9	4
Miscellaneous Income	897	280
	1,296	508

Note : 23 COST OF MATERIAL CONSUMED

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Construction Materials	6,822	6,991
Consumable Materials	906	598
Stores & Spares	130	235
Carriage Inwards (Including material re-handling)	470	800
	8,328	8,624

Note : 24 CONTRACT OPERATING EXPENSES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Contract Execution Expenses	11,072	15,037
Equipment Hire Expenses	1,506	1,006
Machinery Repairing Charges		
- Plant & Machinery	385	321
- Others	66	84
Power & Fuel	1,633	1,286
Site Expenses	130	131
Works Contract Tax & Others Taxes	203	133
Consultancy Fees	186	162
Survey & Inspection Expenses	-	14
	15,181	18,174

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 25 CHANGE IN WORK IN PROGRESS

(₹ in lakhs)

	31st March, 2017	31st March, 2016
At the Beginning of the Year	17,330	18,016
Less: At the end of the Year	18,050	17,330
	(720)	686

Note : 26 EMPLOYEE BENEFITS EXPENSES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Salary and Bonus	1,322	1,297
Contribution towards Employees Provident Fund, ESIC and other funds	46	61
Staff Welfare Expenses	93	91
Employees Retirement Benefits (Refer Note 42)	127	47
	1,588	1,496

Note : 27 FINANCE COST

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Interest expenses		
To Banks		
- on Working Capital Loans	4,721	3,501
- on WCTL	1,808	1,722
- on FITL	985	727
To NBFC on Equipment Finance Loan	165	271
To Others	816	739
Other borrowing cost		
Bank Commission & Other Charges	520	475
	9,015	7,435

Note : 28 OTHER EXPENSES

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Rent	149	163
Rates and Taxes	448	537
Insurance	61	68
Printing & Stationery	21	17
Directors' Fees	4	1
Auditor's Remuneration:		
Audit Fees	8	7
Tax Audit Fees	2	2
Other Services	2	2
Light Vehicles Running Expenses	14	17
Travelling & Conveyance	250	260
Loss on Sales/Adjustment of Fixed Assets	537	5
Advertisement	5	5
Computer Maintenance	4	6
Legal Expenses	79	43
Security Guard Expenses	118	106
Telephone Expenses	63	64
Donation	0	-
Bad Debt Written Off	-	282
Miscellaneous Expenses	351	231
	2,117	1,814

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 29 PROVISION FOR TAXATION

(₹ in lakhs)

	31st March, 2017	31st March, 2016
Income Tax for the year	3	-
Income Tax for earlier year	-	-
Deferred Taxes	(135)	(224)
	(132)	(224)

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

Note : 30 The Subsidiaries, Joint Ventures and Associate companies considered in the Consolidated Financial Statements are:

Name of the Entity	Country of Incorporation	Proportion of Ownership Interest	
		Current Year	Previous Year
Subsidiaries of the Company			
Tantia Infrastructure Private Limited	India	100%	100%
Tantia Raxaultollway Private Limited (through its subsidiary)	India	74%	74%
Tantia Sanjauliparkings Private Limited	India	100%	100%
Tantia Batala-Beas Tollway Private Limited	India	100%	100%
Joint Ventures (Jointly Controlled Entity)			
RBM-Tantia	India	99.999%	99.999%
JMC-Tantia	India	50.00%	50.00%
Tantia-DBC	India	75.00%	75.00%
Tantia-Soma	India	50.00%	50.00%
IVRCL-Tantia	India	50.00%	50.00%
Tantia-Freyssinet Gilcon	India	50.00%	50.00%
Tantia-TBL	India	50.00%	50.00%
Tantia-SPML	India	-	-
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%
TCL-UTM	India	60.00%	-
Tantia-PREMCO	India	51.00%	51.00%

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

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 31 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

Sl. no.	Particulars	31st March, 2017	31st March, 2016
1	Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹1,483 (Previous year ₹1,794) 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 ₹47,500 (Previous Year ₹47,500). Total figure as shown above includes ₹2,930 (Prev. Yr. ₹13,599) relating to Joint Venture.	47,500	47,500
2	Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	8,161	8,465
3	The Company has provided an undertaking to pay in the event of default for loan given by the Banks to its Subsidiaries including fellow Subsidiaries. Outstanding amount of default on account of principal as on 31st March, 2017 was Nil (Previous Year Nil) and on account of interest is ₹527 (Previous Year ₹513).		
4	The Income Tax scrutiny assessment of the Company has been completed up to the Assessment Year 2014-15. The Income Tax Department has gone for appeal before ITAT in connection with Assessment for the Assessment Year(s) 2009-10 to 2012-13 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 ₹2037. 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. Further, the Company has preferred an appeal before Honorable CIT Appeal for Assessment Year(s) 2013-14 & 2014-15, impact of the same for Assessment Year 2013-14 is NIL as MAT is applicable and that for Assessment Year 2014-15, if the CIT Appeal order is passed in favour of the department the impact of further liability of the Company will be maximum to the extent of ₹1,289.		

Note : 32 CAPITAL COMMITMENT

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

Note : 33 OTHER COMMITMENT

The Company has a commitment towards purchase of construction materials for various projects aggregating to ₹78 (Prev. Yr ₹18) for which purchase orders have been raised before 31st March, 2017.

Note : 34 DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT:

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

Income Tax provision has not been considered in the accounts as there was no taxable income. However, adjustments for deferred tax have given effect in the accounts.

Note : 36 DEBTORS & CREDITORS CONFIRMATION

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

Note : 37

A contract awarded to the Company by the Road Construction Department, Bihar State Government, Patna, for development and widening of roads in Patna had been prematurely terminated by the Govt. of Bihar on 30th April, 2008. Being aggrieved by this action on the part of Government of Bihar, the Company approached the Hon'ble High Court of Calcutta for remedial action. In response, an Arbitrator was appointed in the matter to adjudicate the claim filed by the Company. The Arbitrator had published an award in favour of the Company which was contested by the Road Construction Department, Bihar State Government, in the Hon'ble Supreme Court of India. After consideration of the matter, the Hon'ble Supreme Court rejected the applicant's petition, during the year ended 31st March, 2016. Accordingly, the Company is now entitled to receive from the Road Construction Department, Bihar State Government, Patna, monies along with interest, with effect from January 27, 2012 till the date of payment. No accounting effect had been considered in the accounts of 2016-17 under conservative approach.

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

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:

(₹ in lakhs)

Particulars	2016-17	2015-16
The amount of contract revenue recognized as revenue in the period	27,480	39,002
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,79,315	1,85,142
The amount of advances received	12,924	15,663
The amount of retentions	5,881	6,647
Gross amount due from customers	29,633	30,257
Gross amount due to customers	-	-

Note : 39 CORPORATE DEBT RESTRUCTURING

a. The Company (hereinafter referred to as the 'Borrower'), has availed various financial facilities from the secured lenders.

At the request of the borrower, the Corporate Debt Restructuring Proposal ('CDR Proposal') of the borrower was referred to Corporate Debt Restructuring Cell ("CDR Cell") by the consortium of senior lenders led by the State Bank of India. The CDR Proposal, as recommended by SBI, the lead lender was approved by CDR Empowered Group ('CDR EG') and communicated to the Company vide Provisional Letter of Approval dated 23rd March, 2015. The Cut Off Date (COD) for CDR Proposal was 1st July, 2014.

The Key features of the CDR Proposal are as follows:

- Restructuring of existing fund-based and non-fund based financial facilities, subject to renewal and reassessment every year.
- The term loan availed by the company from the South Indian Bank Ltd., which had an amount outstanding of ₹92.45 cr, as on the cut-off date, i.e. 01.07.2014, is to be repaid in 27 quarterly installments after a moratorium period of 24 months, from the COD.
- Conversion of various irregular/outstanding/devolved financial facilities into Working Capital Term Loan ('WCTL'). Repayment of the said WCTL to begin after moratorium of 24 months from the COD and to be made in 27 structured quarterly installments commencing from the quarter ending 30th September, 2016 to 31st March, 2023.
- The interest payable on WCTL, Cash Credit and Term Loan during the moratorium period of 18 months from the COD is to be converted to Funded Interest Term Loan (FITL). The said FITL to be repaid in 17 quarterly installments commencing from quarter ending 31st March, 2016 and ending on 31st March, 2020.
- The rate of interest applicable to Term Loan, WCTL, FITL and fund-based working capital facilities shall be 11% for initial two years and thereafter with annual reset option.
- The Promoters and Promoter Group of the Company to contribute ₹21 cr upfront in the form of equity shares. In addition, they shall pledge their entire unencumbered shareholding (58.59%) in favour of the lenders in demat format with voting rights. Additional security to be created for the lenders including but not limited to the personal guarantee of Promoters.

The sharing of securities among the bankers is as:-

Sl. no.	Description	Bankers under Consortium and CDR Mechanism	Bankers not under Consortium but under CDR Mechanism
1	No of Banks	10	1
2	Name of Banks	State Bank of India (Lead Bank) and also the Monitoring Institution (MI) Allahabad Bank IDBI Bank Ltd Andhra Bank Axis Bank Oriental Bank of Commerce Punjab National Bank Standard Chartered Bank (Refer 39 d) Indian Overseas Bank State Bank of Travancore	South Indian Bank (SIB). On 21.03.2017, SIB advised the Company to the effect that, pursuant to the Assignment Agreement dated 17.03.2017, they (SIB) have assigned to Phoenix ARC Pvt Ltd, under section 5 of SARFAESI Act, the entire financial assistance granted to the Company together with all underlying securities, rights, title and interest in respect thereof.

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 39 CORPORATE DEBT RESTRUCTURING (contd.)

Sl. no.	Description	Bankers under Consortium and CDR Mechanism	Bankers not under Consortium but under CDR Mechanism
3	Nature of facilities granted after CDR packages	FBWC – ₹393.00 cr WCTL – ₹92.09 cr FITL – ₹77.45 cr Non-Fund based – ₹475.00 cr	Term Loan – ₹92.45 cr FITL – ₹15.30 cr
4	Securities :		
	A) Primary:		
	i) 1st hypothecation charge on the Companies entire stock book debts and other current assets on pari passu basis with working capital lenders	Yes for FBWC/NFB	Yes for Term Loan and FITL
	ii) Exclusive 1st charge backed by equitable mortgage of Landed property at Bhabanipur, Purba Medinipur in the name of Infravision Developers LLP and another landed property at P.S. Barasat, Dist. North 24 Parganas, in the name of Monobal Vyapaar LLP.	No	Yes for Term Loan and FITL
	iii) 1st charge on entire fixed assets of the Company excluding those which are under exclusive equipment finance, on pari passu basis with CDR lenders excluding South Indian Bank	Yes for FBWC/WCTL/FITL	No
	iv) 1st charge on Company's factory land, office shed, building and structure on it at Jalan Complex, on pari passu basis, with all CDR lenders excluding South Indian Bank	Yes for FBWC/ NFB/WCTL/FITL	No
	B) Collateral:		
	i) 2nd charge on entire fixed assets including land and building of the Company (excluding those under Equipment Finance Scheme) on pari-passu basis with all CDR lenders including South Indian Bank	Yes for FBWC/NFB	Yes for Term Loan/FITL
	ii) 1st charge on Commercial building at DD 30, Salt Lake City, 7th floor, Kolkata – 700064 on pari-passu basis with other working capital lenders (excluding South Indian Bank).*	Yes for FBWC/NFB/WCTL/FITL	2nd charge available for both the facilities
	iii) 1st charge on Commercial building at DD 30, Salt Lake City, 8th & 9th floors, Kolkata – 700064 on pari-passu basis with other working capital lenders (excluding South Indian Bank) – Mortgage creation pending.*	Yes for FBWC / NFB / WCTL / FITL	2nd charge available for both the facilities
	iv) 2nd charge, on exclusive security given to South Indian Bank, on pari-passu basis with other working capital lenders.	Yes for FBWC / NFB / WCTL / FITL	No
	v) Pledge of 1,10,28,498 nos of unencumbered equity shares of the Company with face value of ₹10 each being 58.59% of the Company's total Equity Share Capital (in the name of promoters and promoters group) on pari-passu basis with all the CDR lenders	Yes for FBWC / NFB / WCTL / FITL	Yes for Term Loan / FITL
	vi) 2nd charge on Factory Land, Office Shed & Building and Structure on it at Jalan Complex, Howrah	No	Yes for Term Loan / FITL
	vii) Personal and Corporate Guarantee	a) Sri Ishwari Prasad Tantia b) Rahul Tantia c) Tantia Infrastructure Pvt Ltd (Corporate Guarantee has been extended upto the amount of investment made by the Company in Tantia Infrastructure Pvt Ltd)	a) Sri Ishwari Prasad Tantia b) Rahul Tantia c) Tantia Infrastructure Pvt Ltd (Corporate Guarantee has been extended up to the amount of investment made by the Company in Tantia Infrastructure Pvt Ltd)

*Regarding creation of the additional collateral securities, stipulated by the lenders, the status thereof, as on 30.05.2017 is as follows:

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 39 CORPORATE DEBT RESTRUCTURING (contd.)

Sl. no.	Description of security	Present status
1	Pledge of newly issued shares worth ₹21.00 cr	The matter regarding pledge of the newly issued shares is pending as the listing exercise is in process.
2	1st charge on commercial space in 7th floor of "Andromeda", DD-30, Sector 1 Salt Lake City, Kolkata 700 064.	Formalities for creation of equitable mortgage in favor of JLF banks, through MI, were completed by TCL in January 2017.
3	1st charge on commercial space in 8th and 9th floors of "Andromeda", DD-30, Sector 1 Salt Lake City, Kolkata 700 064.	The requisite administrative clearance from Urban Development Department (UDD), Govt of West Bengal, is in the process of being procured by TCL. Thereafter, the registration formalities and Equitable Mortgage of the properties would be completed by TCL shortly. In the meantime, as an interim measure, the Company has pledged certain shares of an unlisted Company held by promoters and their relatives to the lenders.

b. Right to Recompense:

As per the CDR package, approved by the lenders, Right to Recompense shall be available to the lenders who have participated in the CDR mechanism, on a yearly basis and is required to be calculated annually and disclosed in the annual report each year. For the year ended 31st March, 2017, the necessary computation in respect of the liability under the Right to Recompense clause has been arrived at ₹53 cr (approx).

c. Loan availed from Vijaya Bank- Status of Repayment:

During 2014-15, the Company received a notice from Vijaya Bank under the SARFAESI Act (2002) with respect to outstanding fund based facility of ₹25 cr that had been availed from the said bank during 2011. On restructuring of the facility it was secured by way of mortgage of land owned by a third party. Vijaya Bank has, under SARFAESI Act (2002), taken symbolic possession of the said land. As per the CDR Package, Vijaya Bank shall liquidate their dues with the sale proceeds of the exclusive security charged to them and any shortfall in recovery will have to be met by the promoters from their own resources. Further, Vijaya Bank will not resort to any legal action against the Company, which may jeopardize implementation of the CDR package.

d. Standard Chartered Bank:

Standard Chartered Bank (SCB), who was originally part of the consortium financing the Company, decided to opt out of the Restructuring Package under the CDR Mechanism. Further, they also filed an application in DRT praying for appropriation of the proceeds of receivables owing to the Company against Jubilee Bridge Project, in respect of which the Company had in the past agreed to routing of such proceeds through that Bank. DRT decided that 5% of the proceeds of relative receivables should be appropriated and sent by the Railways to SCB towards gradual reduction of that Bank's dues owing by the Company. Aggrieved by this decision of DRT, the other JLF Banks, who have agreed to support the Company under the CDR Package by extending various concessions, decided to contest the aforesaid decision of the DRT in the Debt Recovery Appellate Tribunal (DRAT). As of now, the matter is pending with the DRAT.

Note : 40 Promoter Contribution

As a part of the CDR Package, the Promoters were required to contribute, by way of additional equity, ₹2,100 lacs. In the financial year 2014-15, the amount, as required, had been brought into the Company by way of unsecured loan from Promoters. The said amount has subsequently been converted into equity shares during the current financial year. The process of listing the same is in progress.

Note : 41 Disposal of Fixed Assets

I. Repossession of Assets:

During the year, due to inadequacy of resources arising from certain projects, the Company was unable to meet its financial commitments made to Tata Capital Finance Ltd on account of certain fixed assets which were being utilized at various sites of the Company. Consequently as a measure of full and final settlement, Tata Capital took over the possession of some of these assets against a liability of ₹50 lacs.

II. Sale of Fixed Assets

The Company had deployed in its Udhampur Project a wide array of fixed assets which included a tunnel boring machine. The said project had already been completed in the year 2013-14 and demobilization was in process. However, some of the equipments deployed thereat could not be lifted as the local suppliers thereof resisted lifting of the aforesaid equipment until their outstanding dues were fully cleared. The Company was compelled to negotiate with them for releasing the equipment and manpower associated there. Ultimately, final agreement on the matter could be reached whereby one Company came forward and agreed to take over those Fixed Assets for a total consideration of ₹90.48 lakhs (excluding VAT). The said party has made payments to the local suppliers including compensation to the land owner.

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 42 Employee Benefits

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.

(₹ in lakhs)

Particulars	31st March, 2017	31st March, 2016
Defined Contribution Plan –		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to Employees Provident Fund	23	26
Contribution to Employees State Insurance	6	5

(₹ in lakhs)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation	Gratuity(Funded)		Leave Encashment (Non Funded)	
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
Obligation at the period beginning (April 1)	218	222	291	263
Current Service Cost	13	14	91	34
Interest Cost	17	18	21	21
Actuarial (Gain)/Loss	(47)	(29)	(47)	(22)
Benefits paid	(0)	(7)	12	5
Obligation at the year end (March 31)	202	218	344	291
Change in Plan Assets				
Plan assets at period beginning, at fair value	44	42	-	-
Expected return on plan assets	4	3	-	-
Actuarial (Gain)/Loss	-	-	NA	NA
Contributions	-	6	-	-
Benefits paid	(0)	(7)	-	-
Plan Assets at the year end, at fair value	48	44	-	-
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	48	44	-	-
Present value of the defined benefit obligations at the end of the year	202	218	344	291
Liability/(Assets) recognized in the Balance Sheet	153	173	344	291
Cost for the year				
Current service cost	13	14	91	34
Interest cost	17	18	21	21
Expected return on plan assets	(4)	(3)	-	-
Actuarial (gain)/loss	(46)	(29)	(47)	(22)
Net Cost recognized in the Statement of Profit and Loss	(20)	0	65	33
Assumptions used to determine the benefit obligations:				
Interest rate	8.00%	8.00%	7.50%	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%	7.00%	7.00%

* Provision for gratuity for the year has been made on the basis of actuarial valuation made by LIC.

Note : 43 Managerial Remuneration

The Companies Act, 2013 is in force w.e.f. 1st April, 2014 and consequently the remuneration paid to Chairman and Managing Director for the Financial Year 2013-14 (which is governed by the Companies Act, 1956) has been determined to have exceeded the amount actually payable by ₹42 lacs. The Company is taking appropriate steps to seek from the concerned authorities waiver in respect of recovery of the aforesaid amount from the Chairman and Managing Director failing which the said amount would be recovered from him (the Chairman and Managing Director).

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 44 SEGMENT INFORMATION

Business Segment

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

Infrastructure

Consists of execution of construction contracts and other infrastructure activities

Ready Material Concrete

Consists of production of Ready Mix Concrete

Information about Business Segment:

Current year operation of the Company was mainly from construction activities. The Company was also having operation from Ready Mix Concrete division which as per AS – 17 is not a Reportable Segment. Accordingly, no disclosure under AS – 17 for Reportable Segment has been made.

Note : 45 DISCLOSURE ON RELATED PARTY TRANSACTIONS AS PER AS 18 ON "RELATED PARTY DISCLOSURES" ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

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

Sl. no.	Nature of Relation	Name of the Entity
A	Holding Company	Nigolice Trading (P) Ltd. *
B	Associate Companies and Enterprises over which the key management personnel and its relatives are able to exercise significant influence:	Castal Extrusion Private Limited Andromeda Communications (P) Ltd Prism Impex Pvt Ltd Greenzen Bio Pvt Ltd Tantia Agrochemicals Pvt Ltd
C	Key Management Personnel (KMP) :	Mr. I. P. Tantia (Chairman & Managing Director) Mr. B. L. Ajitsaria (Director – Business Development) Mr. Rahul Tantia (Director - Operations) Mr. Murare Lal Agarwala (Director - Projects) Mr. Sandip Bose (Director) Ms. Rohini Sureka (Chief Financial Officer)
D	Relatives of Key Management Personnel (KMP)	Mr. Siddhartha Tantia Ms. Laxmi Tantia

*The stake holding of Nigolice Trading Pvt Ltd in Company was to the extent of 43.74 % upto 19th November, 2016. Consequent on conversion of unsecured loans to the tune of ₹21.08 cr in the Company, in compliance with the stipulation envisaged under the CDR Package, the shareholding of Nigolice Trading Pvt Ltd in the Company increased to 53.09%. As a result of this, effective from 20th November, 2016 Nigolice Trading Pvt Ltd has become the Holding Company of Tantia Constructions Limited.

Particulars of Transactions during the year:

(₹ in lakhs)

Nature of Transactions	Year	Holding Company	Fellow / Company / Trust	Key Management Personnel and Relatives	Total
Remuneration paid/payable	16-17	-	-	252	252
	15-16	-	-	259	259
Rent paid	16-17	-	2	22	24
	15-16	-	3	44	47
Interest paid	16-17	-	-	-	-
	15-16	-	88	-	88
Refund of unsecured loan	16-17	1,494	-	615	2,109
	15-16	-	-	-	-
Reimbursement of expenses	16-17	-	4	5	9
	15-16	-	10	5	15
Advances given	16-17	-	-	-	-
	15-16	-	533	-	533
Refund of advances given	16-17	-	-	-	-
	15-16	-	533	-	533
Equity contribution (Refer Note – 39)	16-17	1,494	-	615	2,109
	15-16	-	-	-	-
Outstanding balance payable	16-17	-	7	36	43
	15-16	-	1,509	665	2,174

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 46 THE EARNINGS PER SHARE (BASIC & DILUTED, COMPUTED AS PER THE REQUIREMENT UNDER ACCOUNTING STANDARD 20 ON "EARNINGS PER SHARE".

Particulars	(₹ in lakhs)	
	2016-17	2015-16
BASIC		
Net Profit after tax for the year attributable for equity shareholders	(8,685)	(7,981)
Weighted number of shares for EPS computation	2,24,37,398	1,88,23,066
Earnings per share	(38.70)	(42.39)
DILUTED		
Net profit after tax for the year	(8,685)	(7,981)
Adjusted profit after tax for the year available for equity shareholders	(8,685)	(7,981)
Weighted average number of shares for EPS computation	2,24,37,398	1,88,23,066
Diluted earnings per share	(38.70)	(42.39)

Note : 47

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 : 48 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT, 2013.

Expenditure/Remittance in foreign currency	(₹ in lakhs)			
	2016-17		2015-16	
A Value of imports calculated on CIF basis:				
(i) Capital goods	-	-	-	-
B Expenditure in foreign currencies:				
(i) Travelling expenses	-	-	-	-
(ii) Consultancy Charges	-	-	-	-
(iii) Interest	-	-	-	-
(iv) Payment to sub-contractor	-	-	-	-
C Value of construction materials consumed (including raw material):				
(i) Imported	-	-	-	-
(ii) Indigenous	8,404	100.00%	9,723	100.00%
D Value of spare parts & components consumed:				
(i) Imported	-	-	-	-
(ii) Indigenous	1,060	100.00%	884	100.00%
E Earnings in foreign currency (on accrual basis)	-	-	-	-
Export of goods or services on F.O.B. basis and work bills realized on contracts	-	-	-	-

Note : 49 DISCLOSURE PERTAINING TO ACCOUNTING STANDARD 29 – "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT LIABILITIES" ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA ARE GIVEN BELOW.

Particulars	(₹ in lakhs)	
	Dividend including Corporate Tax on Dividend (including preference shares)	Employee benefits
Balance as on 1.4.2016	-	509
Balance as on 1.4.2015	1	479
Add: Provisions made (2016-17)	-	127
(2015-16)	-	47
Less: Payments (2016-17)	-	90
(2015-16)	1	17
Less: Adjustments (2016-17)	-	-
(2015-16)	-	-
Closing Balance as on 31.03.2017	-	546
Closing Balance as on 31.03.2016	-	509

Notes to consolidated financial statements as at and for the year ended 31st March, 2017 (contd.)

Note : 50

The Company had given advance to one of its sub-contractors for execution of various jobs in some projects. After adjustment of their bill against the advance so granted, the Company was unable to fully recover the remaining amount of advances despite close follow-up. Therefore, during the current financial year the Company took possession of some of the fixed assets of the subcontractor worth ₹165 and the said assets were sold to one of its subsidiaries at a consideration of ₹170. Thereby, the Company had earned a profit of ₹5 (Refer Note 22).

Note : 51

In the normal course of conduct of business, the Company has encountered problems on certain fronts in the matter of meeting obligations to various parties. In some of these cases, there have been instances of the parties/creditors including Bodies Corporate concerned, approaching the courts for legal remedy by seeking winding up of the Company's affairs. Relative petitions were combined by Hon'ble High Court. Based on hearings held so far, the High Court has expressed the view that unsecured creditors stake in Tantia Constructions Ltd being rather low vis-a-vis the stake of the Secured Creditors, viz various Banks, a decision to wind up the Company would depend on the decision of Secured Creditors. The matter is sub-judice. The amount of dues involving all the winding up petitions, against the Company, being heard by the aforesaid court, is of the order of ₹1,741.

Note : 52

In terms of notification no G.S.R.308 (E) dated 30th March 2017 of Ministry of Corporate Affairs, necessary disclosures on details of Specified Bank Notes and other denomination notes held and transacted during the period from 8th November, 2016 to 30th December 2016 are provided as under:-

Particulars	Specified Bank Notes	Other Denomination Notes	(₹ in lakhs)
			Total
Closing Balance as on 08.11.2016	21	67	88
Add: Permitted receipts	-	66	66
Less: Permitted payments	-	75	75
Less: Amount deposited in banks	21	6	27
Closing cash in hand on 30.12.2016	-	51	51

Note : 53

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

Note : 54

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

In terms of our report of even date attached

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

I.P. TANTIA
Chairman & Managing Director

RAHUL TANTIA
Director (Operations)

CA S. K. MUSTAPHI
Partner
Membership No. 051842

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

Dated : 30th May, 2017
Place : Kolkata

Disclaimer

In this Annual Report we have disclosed forwardlooking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



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