



Focused on emerging stronger

Tantia Constructions Limited Annual report 2015-16



Disclaimer

In this Annual Report we have disclosed forward-looking 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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Corporate Information

Board of Directors

Mr. Ishwari Prasad Tantia

Chairman & Managing Director

Mr. Banwari Lal Ajitsaria

Director (Business Development)

Mr. Rahul Tantia

Director (Operations)

Mr. Murare Lal Agarwala

Director (Projects)

Mr. Sandip Bose

Whole-Time Director

Mr. Tarun Chaturvedi

Independent, Non-Executive Director

Mr. Bajrang Lal Tulsian

Independent, Non-Executive Director

Mr. Shaleen Khemani

Independent, Non-Executive Director

Mr. Sandeep Kumar Saraogi

Independent, Non-Executive Director

Mrs. Madhuchhanda Chatterjee

Independent, Non-Executive Director

Mr. Shaleen Khemani

Independent, Non-Executive Director

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

L. B. Jha & Co.

S. S. Kothari & Co.

ARSK & Associates

Registrar and Share Transfer Agents (RTA)

Maheshwari Datamatics Private Limited

6, Mangoe Lane, 2nd Floor, Kolkata - 700 001

Phone: +91 33 2243 5029 / 5809/ 2248 2248

Fax: +91 33 2248 4787

E-mail: mdpl@cal.vsnl.net.in

Principal Bankers

State Bank of India

Allahabad Bank

Andhra Bank

Axis Bank Ltd

IDBI Bank Ltd

Oriental Bank of Commerce

Punjab National Bank

Indian Overseas Bank

State Bank of Travancore

South Indian Bank

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

Statement from the Chairman and Managing Director



Dear valued shareholders,

On behalf of the Board of Tantia Constructions Limited, it is my pleasure to present the 51st annual report and audited financial statements for the year ended 31st March 2016.

India – economic overview

The progressive policies of the central government that are focused on driving some far-reaching, policy-driven structural reforms are bound to evolve India's economic growth prospects into the next trajectory. The country reported a GDP growth of 7.6% in 2015-16, the fastest growing among large global economies. Rightly so, the country is widely perceived to be an island of hope, remaining relatively insulated from the adverse impacts of the global economic crisis.

With the policy-makers clear on a pro-growth business stance through the well-articulated 'maximum governance, minimum government' model coupled

with the possible implementation of the revolutionary goods and services tax (GST) paired with the prediction of above-average monsoons during the current season, the Indian economy is widely expected to report a GDP growth of 7.7-7.8% during the current fiscal year of 2016-17.

Infrastructure – brightening horizons

It is without doubt that India is at an attractive inflection point with regards to its infrastructure sector that is clearly one of the few large opportunities available globally.

Since infrastructure development is critical to India's economic growth and

progress, the country's Hon'ble Finance Minister recently mentioned that the nation needs over US\$ 1.5 trillion in investments in the next decade. Earlier, many operational, financial and socio-political bottlenecks had resulted in intransigence in contract negotiations, protracted dispute resolutions and stiff and long-drawn challenges in land acquisition and procuring environmental and other regulatory clearances. However, the central government-constituted 'Kelkar Committee', which was established to recommend an agenda for rejuvenating the public-private partnership (PPP) programme, has provided encouraging suggestions to transform the Indian construction industry and is a step in the right direction.

With a view to ensure liquidity for a sector that is typically capital-intensive, the Government has provided for a planned outlay of US\$ 15 billion in the 2016 Union Budget for the Indian roads sector alone. Particularly, the hybrid annuity model (HAM) of road development has sought to enable the developer to manage risks better and is a bold step to also meet the government's ambitious target of developing 30-km of roads per day. The government has also proposed setting-up the National Investment and Infrastructure Fund with an initial outlay of ₹200 billion, wherein a 49% stake would be contributed by the government.

It is clear that the new government has done well to start the process of laying a solid foundation for infrastructure-driven economic growth.

Pressing industry requirements – to help serve the nation better

Since long, the construction industry has made a request for effecting a structural and substantive change to the dispute resolution mechanism seeking payment of awarded amounts on closure of arbitration and making it mandatory that an appeal against the same would only be permitted under

exceptional circumstances.

Another key reform-oriented request has been to ensure that the full land parcel is made available before project award so that work could proceed on schedule and disputes relating to idling are eliminated from the system. I am confident that both these requests, if actioned, will bring about a tangible, qualitative change in the manner in which projects are executed and infrastructure is created in India, the benefits of which will be visibly seen within the short to medium-term. To me, the ambitious GDP growth and job creation targets set by the Government will then be a reality.

Tantia Constructions – focused on emerging stronger

On a standalone basis, the Company's turnover stood at ₹40,554 lakhs as compared with ₹52,330 lakhs reported in the previous year. The Company's net loss declined to ₹3,036 lakhs for the year under review, against a net loss of ₹6,111 lakhs recorded in the previous year.

The decline in the losses was mainly a result of our focus on implementing a progressive turnaround in profitability. Towards this extent, even in a challenging business landscape, we embraced several proactive steps that included an aggressive focus on claims realisations, cost optimization, monetization of assets and cautious and selective bidding for new projects that would ultimately enhance the quality of our execution pipeline. We also focused on streamlining the organisation and reinforcing our systems and processes with an emphasis on leveraging the Company's core competencies.

As on 31 March 2016, our order book stood at ₹3,98,103 lakhs providing good revenue visibility into the future.

Way forward – towards a better future

Going into 2016-17, we will continue to strive to set higher benchmarks

of performance and strengthen our engagement with our stakeholders. We will focus on building our physical capacities as well as human resource capabilities and seek to diversify our geographic presence as well as de-risk our portfolio by tapping into attractively evolving segments of the construction sector that are supported by win-win operational models and are secure in their funding.

At Tantia Constructions, I am proud of our depth of talent. Our Company's leadership team including Board of Directors and senior management function as a unified team, aligned with our overarching purpose of creating infrastructure that enhances economic progress and helps create a better quality of life for its citizens. We unambiguously believe that our people are our key assets. We have a team of deeply committed, motivated, energetic and knowledgeable human resources that reinforces our functional capabilities.

Acknowledgements

I am grateful to our entire stakeholder family – company colleagues, business partners, customers and others for reposing their faith in us, our members on the Board for their wisdom and continuous support, our employees for their resolve and unstinted devotion and you, our shareholder, for reposing your trust and faith in us. Thank you for your support for the past 51 years of our journey and we hope you continue your association with us well into the future too.

In closing, I must tell you that as an enterprise, we will do everything we can to emerge stronger.

Best wishes,

I.P. Tantia
Chairman and Managing Director

REPORT OF THE BOARD OF DIRECTORS

Dear shareholders,

Your Directors have pleasure in presenting the 51st Annual Report together with the Audited Statement of Accounts of Tantia Constructions Limited ("the Company") for the year ended March 31, 2016.

FINANCIAL PERFORMANCE

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

(₹ in Lakhs)

PARTICULARS	STANDALONE	
	2015-16	2014-15
Revenue from operations (net) and other income	41060	53436
Profit/(loss) before interest, depreciation & tax (EBITDA)	5089	5575
Finance charges	7197	9506
Depreciation	1221	2107
Profit before tax (PBT)	(3329)	(6038)
Provision for tax	(293)	73
Profit after tax (PAT)	(3036)	(6111)
Balance brought forward from the previous year	—	—
Profit available for appropriations	—	—
Appropriations:		
Interim equity dividend	—	—
Proposed final equity dividend	—	—
Tax on equity dividend	—	—
Previous year tax on equity dividend	—	—
General reserve	1415	1415
Surplus carried to the next year's account	—	—

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

REPORT OF THE BOARD OF DIRECTORS (Contd.)

DIVIDEND

During the year under review, with a view to conserve the resources for future development of the Company, your Directors do not recommended any dividend for the year ended March 31, 2016.

SUMMARY OF OPERATIONS

During the year, the net revenue from operations of your Company declined by 22.50% from ₹ 52330 lakhs to ₹ 40554 lakhs. For FY2016, your Company's loss after tax stood at ₹ 3036 lakhs vis-à-vis loss after tax of ₹ 6111 lakhs in the previous year. Your Company continues to be under Corporate Debt Restructuring Schemes.

TRANSFER TO RESERVES

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

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2016 was ₹ 18,82,30,660/-.

During the year under review, the Company has not issued shares with differential voting rights, neither granted stock options nor issued sweat equity shares.

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 (March 31, 2016) and date of the report (May 30, 2016).

INDUSTRY SCENARIO

Infrastructure sector is one of the key drivers of economic development in a developing country like India. In recent years, India has consistently increased investment on infrastructure from 5% of GDP in the 10th Five Year Plan period to 9% in the 11th Five Year Plan. India needs ₹ 31 trillion (USD 454.83 billion) to be spent on infrastructure development over the next five

years, with 70% of funds needed for power, roads and urban infrastructure segments.

However, development in basic infrastructure is still relatively slower compared to other countries. The 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 delay in project awarding, 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 of ₹ 70,000 crores in investment in infrastructure in 2015-16 over the previous year with a focus on railways and roads. 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 reduction in poverty. 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

REPORT OF THE BOARD OF DIRECTORS (Contd.)

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, 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 BOARD

Audit Committee

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

Stakeholders' Relationship Committee

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

Corporate Social Responsibility Committee

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

Corporate Social Responsibility (CSR) Policy

The CSR policy is uploaded on the Company's website. Further, the Report on CSR activities/initiatives is enclosed as **Annexure A**.

FINANCE

Cash and cash equivalent as at March 31, 2016, was ₹ 3391 lakhs. The Company continues to focus on the judicious management

of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

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 B**.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism Policy (VMP) to deal with instances 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 Company's website, www.tantiagroup.com → Investor's Corner → Policies → Vigil Mechanism Policy.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Companies Act, 2013, your Directors hereby confirm:

- a. That in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. That proper and sufficient care has been taken 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;
- d. That the annual financial statements have been prepared on a going concern basis;
- e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

REPORT OF THE BOARD OF DIRECTORS (Contd.)

AUDITORS

Statutory Auditors

M/s. Konar Mustaphi & Associates, (Firms' Registration No: 314125E) Chartered Accountants, Kolkata, have been appointed as Statutory Auditors of the Company for a period of 5 (Five) years at the previous 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 4 (four) 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.

- a) *Para (vii) to the Annexure A to the Independent Auditors Report regarding delay in payment of statutory dues outstanding for more than 6 months.*
- b) *Note 42 to the Financial Statement in relation to excess payment of Managerial Remuneration for the Financial Year 2013-14 for which the Management is in the process of taking approval of the Central Government. During the financial year 2015-16 an amount of ₹ 90 lakhs has been paid / provided as Remuneration to the Chairman and Managing Director which exceeded the eligible limit by ₹ 30 lakhs, for which necessary approval from the shareholders is being obtained by the Company.*
- c) *Note 8 to the Financial Statement regarding non-payment 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.*

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

- a) *With respect to the Auditor's observation made in para (vii) of the Annexure to Auditor's Report, your directors wish to inform that all necessary measures are being made for repayment of statutory liabilities with interest.*

b) & c) As regards to emphasis of matter expressed by the Auditors in their Report with regards to Note nos 42 and 8 of Standalone Financial Statement, attention is hereby drawn that Note nos 42 and 8 of Standalone Financial Statement are self-explanatory and therefore not call for any further comments.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed with 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 2015-2016 on a remuneration of ₹ 85,000/- 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 Member's 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 M.R. & 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 is annexed herewith as "Annexure C".

The Company is pleased to inform that there were no qualification/reservation/adverse remarks made by the secretarial auditor.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that of provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in AOC-2 is not required. Further, there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

REPORT OF THE BOARD OF DIRECTORS (Contd.)

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The statement is supported by a Certificate from the Managing Director and the CFO.

None of the Directors has any pecuniary relationships or transactions vis-à-vis 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'sCorner/Policies/Related Party Transaction Policy](http://www.tantiagroup.com/Investor'sCorner/Policies/RelatedPartyTransactionPolicy).

SUBSIDIARY COMPANIES

During the year under review, your Company is having 4 (four) subsidiary companies namely - Tantia Infrastructure Private Limited, Tantia Batala-Beas Tollway Private Limited, Tantia Sanjauliparkings Private Limited and Tantia Raxaultollway Private Limited, out of which, the first 3 (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 'D'** 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 on our website at www.tantiagroup.com/Investor'sCorner/AnnualReport.

Further, a brief business overview of each of the subsidiaries and associates is given hereunder:-

Tantia Infrastructure Private Limited - The Company is engaged in executing various infrastructure projects.

Tantia Batala-Beas Tollway Private Limited - The Company is in the process to enhance its resources, technology and manpower to strengthen its future capabilities by the development and operations and maintenance of Batala-Mehta-Beas Road (MDR-66) on design, build, finance, operate and transfer (DBFOT) basis in the state of Punjab.

Tantia 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 a Public Private Partnership (PPP) format.

Tantia Raxaultollway Private Limited - The Company is a special

purpose vehicle (SPV) incorporated specifically to execute the project received from the National Highways Authority of India (NHAI) for two-laning of the 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 the state of Bihar under NHDP Phase-III on design, build, finance, operate and transfer on BOT (toll) basis. The Company has already started the execution of the 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'sCorner/Policies/MaterialSubsidiaryPolicy).

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 a part of this Annual Report.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for the selection and appointment of directors, senior management and their remuneration. The nomination and remuneration policy is uploaded on the Company's website. The brief of the policy adopted by the Company is as follows:

The Company's policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a director is enclosed in **Annexure 'E'**.

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 systems 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 the internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

REPORT OF THE BOARD OF DIRECTORS (Contd.)

DIRECTORS AND KEY MANAGERIAL PERSONNEL

APPOINTMENT OF DIRECTORS:

During the year under review, no person was appointed as a Director of the Company.

However, Mr. I. P. Tantia, Chairman & Managing Director and Mr. R. Tantia, Director (Operations) were re-appointed for a period of 3 (three) years and Mr. B. L. Ajitsaria, Director (Business Development) for a period of 1 (one) year w.e.f April 1, 2016.

At the previous Annual General Meeting held on September 29, 2015, the Members had also appointed the existing Independent Director, Mr. Sandeep Kumar Saraogi, as Independent Director under the Act for a period of 5 years with effect from September 29, 2015 till March 31, 2020.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. T. Chaturvedi, Mr. S. Khemani, Mr. B.L. Tulsian, Mr. S.K. Saraogi and Mrs. M. Chatterjee 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 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.

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. I.P. Tantia and Mr. B.L. Ajitsaria retire by rotation and are eligible for re-appointment.

KEY MANAGERIAL PERSONNEL

Ms N. Bajoria ceased to be Company Secretary of the Company w.e.f. March 31, 2016.

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, your Company has transferred ₹ 59,332.50/- (Rupees Fifty Nine Thousand Three Hundred and Thirty Two Paise Fifty only) to the Investor Education and Protection Fund (IEPF) relating to unpaid dividend of the financial year 2007-08.

DEPOSITS

The Company did not accept any deposit from the public during the Financial Year ended March 31, 2016, as per Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014.

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 F".

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 the employees drawing remuneration in excess of the limits set out in the said Rules are also provided in "Annexure F" 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 G".

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are given 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.

REPORT OF THE BOARD OF DIRECTORS (Contd.)

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 the productive asset and resource base 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 which indicates 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 the part of the annual report.

CORPORATE GOVERNANCE REPORT

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and erstwhile Clause 49 of the Listing Agreement with Stock Exchanges 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 the 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 their 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 and 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**

Place: Kolkata

I.P. Tantia

Date: May 31, 2016

Chairman & Managing Director

CORPORATE SOCIAL RESPONSIBILITY (CSR)

ANNEXURE - A

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The brief outline of company's policies is as follows:

- 1.1.1. The main objective of the Policy is to establish the basic principles and the general framework of action for management to undertake and fulfil its corporate social responsibility.
- 1.1.2. In alignment with the vision of the Company, the Company, through its CSR initiatives, will create value in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community as a whole.
- 1.1.3. Corporate Social Responsibility is a form of corporate self regulation integrated into a business model. Therefore, the Policy will function as a built-in, self regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

The CSR Policy has been uploaded on the website of the Company: www.tantiagroup.com →Investor's Corner→Policies→CSR Policy

2. **The Composition of the CSR Committee:** The Committee consists of 3 (three) directors, 2 (two) Independent, Non- Executive Directors and 1 (one) whole time director of the company.

Mrs. Madhuchanda Chatterjee	Chairman, Independent, Non – Executive Director
Mr. Bajrang Lal Tulsian	Member, Independent, Non – Executive Director
Mr. Sandip Bose	Member, Executive Director

3. **Average net profit of the company for last three financial years:**

Particulars	Amount (₹ in Lakhs)
Net Profit before Tax as per Financial Year 2014-15	(6038.00)
Net Profit before Tax as per Financial Year 2013-14	212.00
Net Profit before Tax as per Financial Year 2012-13	1245.00
Total (A)	(4581.00)
Average of Annual Net Profit of the preceding three financial Years {B= A/3}	(1527.00)

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Prescribed CSR Expenditures for the Financial Year 2015-16: Not Applicable

5. **Details of CSR spent during the financial year: N.A.**

6. **Our CSR Responsibilities:** We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

I.P. Tantia (Chairman & Managing Director)	M. Chatterjee (Chairman CSR Committee)
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EXTRACT OF ANNUAL RETURN

ANNEXURE - B

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[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 Limited
iv)	Category / Sub-Category of the Company	Public Limited Company / Limited By Shares
v)	Address of the Registered office and contact details	25/27, Netaji Subhas Road, Kolkata-700 001 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 6, Mangoe Lane, 2nd floor, Kolkata-700 001 Ph : 033 2243 5029 / 5809 / 2248 2248 E-mail : mdpl@cal.vsnl.net.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.N.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Construction of roads and railways	421	96.09%
2.	Manufacture of ready-mix and dry-mix concrete and mortars	Class:2395 Group:239	3.91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.N	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held by Company	Applicable Section
1	Tantia Raxaultollway Private Limited 25/27, Netaji Subhas Road, Kolkata-700 001	U70109WB2011PTC157230	Subsidiary	25.94% in the Equity Share Capital	2 (87)
2	Tantia Infrastructure Private Limited 25/27, Netaji Subhas Road, Kolkata-700 001	U45201WB2006PTC110836	Subsidiary	100% in the Equity Share Capital 25.42% in the Preference Share Capital	2 (87)
3	Tantia Sanjauliparkings Private Limited 25/27, Netaji Subhas Road, Kolkata-700 001	U70109WB2010PTC155717	Subsidiary	100% in the Equity Share Capital 83.18% in the Preference Share Capital	2 (87)
4	Tantia Batala-Beas Tollway Private Limited 25/27, Netaji Subhas Road, Kolkata-700 001	U45400WB2012PTC185105	Subsidiary	100% in the Equity Share Capital	2 (87)

EXTRACT OF ANNUAL RETURN (Contd.)

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	1629186	0	1629186	8.66	1629186	0	1629186	8.66	0
(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.	9399312	0	9399312	49.94	9399312	0	9399312	49.94	0
(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):-	11028498	0	11028498	58.5903	11028498	0	11028498	58.5903	0
(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 Promoter (A) = (A) (1) + (A) (2)	11028498	0	11028948	58.59	11028498	0	11028498	58.59	0
B. Public shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	332682	0	332682	1.77	332682	0	332682	1.77	0
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	0	0	0	0
Sub-total (B) (1):-	332682	0	332682	1.77	332682	0	332682	1.77	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1988946	0	1988946	10.57	1198535	0	1198535	6.37	(4.20)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh as on 01.04.2015	3075112	15459	3090571	16.42	3388978	15459	3404437	18.09	1.67
Individual shareholders holding nominal share capital upto ₹ 2 lakh as on 31.03.2016									

EXTRACT OF ANNUAL RETURN (Contd.)

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	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh as on 01.04.2015	1953957	0	1953957	10.38	2367006	0	2367006	12.56	2.20
Individual shareholders holding nominal share capital excess of ₹ 2 lakh as on 31.03.2016									
NBFCs registered with RBI	0	0	0	0	200	0	200	0.01	0.01
c) Others (specify)									
(i) Trusts	1000	0	1000	0.05	1978	0	1978	0.01	0.01
(ii) Clearing Member	35609	0	35609	0.19	81488	0	81488	0.43	0.24
(iii) Non Resident Individual	391803	0	391803	2.08	408242	0	408242	2.1688	0.09
Sub-total (B) (2):-	7446427	15459	7461886	39.64	7446427	15459	7461886	39.64	0.01
Total Public Shareholding (B) = (B) (1) + (B) (2)	7779109	15459	7794568	41.41	7779109	15459	7794568	41.41	0.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand total (A + B + C)	18807607	15459	18823066	100	18807607	15459	18823066	100	0.01

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	948976	5.04	0	948976	5.04	100	0
Rahul Tantia	680210	3.61	0	680210	3.61	100	0
Nigolice Trading Pvt Ltd	8233806	43.74	44.20	8233806	43.74	100	0
Tantia Financial Services Ltd	1165506	6.19	0	1165506	6.19	100	0
Total	11028498	58.59	44.20	11028498	58.59	100	0

In connection with the financial assistance provided to the Company by the State Bank of India, Commercial Branch, having its address at 24, Park Street, Kolkata 700 016;

- The shares of Mr. Ishwari Prasad Tantia were pledged w.e.f. May 8, 2015
- The shares of Mr. Rahul Tantia were pledged w.e.f. May 8, 2015
- The shares of M/s Nigolice Trading Private Limited were pledged w.e.f. April 22, 2015
- The shares of M/s Tantia Financial Services Limited were pledged w.e.f. May 26, 2015

iii) Change in Promoters' Shareholding: NIL

EXTRACT OF ANNUAL RETURN (Contd.)

iv) Shareholding pattern of the 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 (01-04-2015)		Shareholding at the end of the year (31-03-2016)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Anand Shaktikumar Sancheti	710698	3.76	710698	3.76
Neeta Jatin Jhaveri*	0	0	544863	2.89
Hamilton Technologies (I) Pvt. Ltd	372184	1.98	372184	1.98
United India Insurance Company Limited	332682	1.77	332682	1.77
Amal N. Parikh	274236	1.46	274236	1.46
Anuj Shantilal Badjate	277935	1.48	229935	1.22
Vinod Dugar	200000	1.06	200000	1.06
MC Jain Infoservices Private Limited	147500	0.78	147500	0.78
Appollance Agencies Pvt. Ltd	145699	0.77	110000	0.58
Shoshanna Mercantiles Private Limited	100000	0.53	100000	0.53
Religare Finvest Ltd **	635000	3.37	0	0

* Neeta Jatin Jhaveri became a part of the top-10 shareholders w.e.f. 31st March, 2016 as per downloads of Beneficial Ownership provided by the Depositories.

** Religare Finvest Ltd. ceased to be a part of top-10 shareholder w.e.f. 31st March, 2016 as per downloads of Beneficial Ownership provided by the Depositories

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	948976	5.04	948976	5.04
Increase / Decrease in shareholding during the year	No change during the year			
At the end of the year	948976	5.04	948976	5.04
R. Tantia, Executive Director				
At the beginning of the year	680210	3.61	680210	3.61
Increase / Decrease in shareholding during the year	No change during the year			
At the end of the year	680210	3.61	680210	3.61
B. L. Ajitsaria, Executive Director				
At the beginning of the year	199	0.01	199	0.01
Increase / Decrease in shareholding during the year	No change during the year			
At the end of the year	199	.001	199	.001
M. L. Agarwala, , Executive Director				
At the beginning of the year	2300	0.01	2300	0.01
Date-wise Increase / Decrease in shareholding during the year	No change during the year			
At the end of the year	2300	.012	2300	.012
S. Bose, Executive Director				
At the beginning of the year	1380	0.01	1380	0.01

EXTRACT OF ANNUAL RETURN (Contd.)

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
Date wise Increase / Decrease in shareholding during the year	No change during the year			
At the end of the year	1380	.007	1380	.007
R. Sureka, Chief Financial Officer				
At the beginning of the year	5198	0.028	5198	0.028
Date-wise Increase / Decrease in shareholding during the year	No change during the year			
At the end of the year	5198	0.028	5198	0.028
N. Bajoria*				
At the beginning of the year	0	0	0	0
Date-wise Increase / Decrease in shareholding during the year	No change during the year			
At the end of the year	0	0	0	0

* Ms. N. Bajoria ceased to be Company Secretary and Compliance Officer w.e.f. March 31, 2016.

Messrs T. Chaturvedi, S. Khemani, S.K. Saraogi, B.L. Tulsian and Mrs. M. Chatterjee, Independent, Non-Executive Directors, did 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	6,08,71,40,789	23,91,69,104	-	6,32,63,09,893
ii) Interest due but not paid	13,89,92,576	-	-	13,89,92,576
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	6,22,61,33,365	23,91,69,104	-	6,46,53,02,469
Change in Indebtedness during the financial year				
· Addition	67,23,80,351	14,56,109	-	67,38,36,460
· Reduction	75,94,065	-	-	75,94,065
Net change	66,47,86,286	14,56,109	-	66,62,42,395
In debtedness at the end of the financial year				
i) Principal amount	6,75,19,27,075	24,06,25,213	-	6,99,25,52,288
ii) Interest due but not paid	17,56,99,306	-	-	17,56,99,306
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	6,92,76,26,380	24,06,25,213	-	7,16,82,51,593
Turnover	4,05,55,81,848			
Networth	1,06,39,07,615			

EXTRACT OF ANNUAL RETURN (Contd.)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹)

S.N.	Particulars of remuneration	Name of MD, WTD and / or Manager				
		I.P. Tantia	R. Tantia	B.L. Ajitsaria	S. Bose	M.L. Agarwala
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,00,000	42,00,000	42,00,000	25,50,000	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,00,000	6,00,000	6,00,000	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
	Total (A)	90,00,000	48,00,000	48,00,000	25,50,000	30,00,000
	Ceiling as per the Act	₹ 120,00,000 as per Schedule V of the Companies Act, 2013, subject to approval of shareholders by Special Resolution at the ensuing Annual General Meeting	₹ 48,00,000 as per Schedule XIII of the Companies Act, 1956	₹ 48,00,000 as per Schedule XIII of the Companies Act, 1956	₹ 48,00,000 as per Schedule XIII of the Companies Act, 1956	₹ 48,00,000 as per Schedule XIII of the Companies Act, 1956

B. Remuneration to other directors:

1. Independent Directors

(₹)

S. N.	Particulars of remuneration	Name of directors					Total amount
		S. Khemani	T. Chaturvedi	M. Chatterjee	B.L. Tulsian	S.K. Saraogi	
	Fee for attending Board / Committee meetings						
	Board meeting	40,000	20,000	20,000	40,000	30,000	1,50,000
	Audit Committee meeting	20,000	10,000	-	-	-	30,000
	Nomination and Remuneration Committee	20,000	-	-	20,000	15,000	55,000
	CSR Committee	-	-	5,000	5,000	-	10,000
	Finance Committee	-	5,000	-	-	-	5,000
	Shareholders Relationship Committee Meeting	20,000	-	-	20,000	-	40,000
	- Commission						
	- Others, please specify						
	Total (1)	1,00,000	35,000	25,000	85,000	45,000	2,90,000

EXTRACT OF ANNUAL RETURN (Contd.)

2. Other Non-Executive Director		
Particulars of remuneration	Name of directors	Total amount
· Fee for attending Board / Committee meetings	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		
		R. Sureka (CFO)	N. Bajoria (Company Secretary)*	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,00,000	4,56,000	19,56,000
	(b) Value of perquisites u/s 17(2) of 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	4,56,000	19,56,000

* Ms. N. Bajoria ceased to be Company Secretary and Compliance Officer w.e.f. March 31, 2016.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NONE

For and on behalf of the Board of Directors

Tantia Constructions Limited

Place: Kolkata

Date: May 31, 2016

I.P. Tantia

Chairman & Managing Director

SECRETARIAL AUDIT REPORT

ANNEXURE - C

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

*[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, 2016 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, 2016 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);

SECRETARIAL AUDIT REPORT (Contd.)

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- (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, effective from 1st July, 2015.
- (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. MGT-14 for Appointment of Internal Auditor and Secretarial Auditor has not been filed in pursuance of the provisions of Section 179 of the Companies Act 2013.
- b. The Company has a case filed under section 314 of Companies Act, 1956 with a Court (compounding under Section 621).
- c. The Company will comply with the provision of Clause 49(V) (A) of Listing Agreement relating to appointment of at least one Independent Director in its material non-listed subsidiary Company.
- d. As per Reg.14 of SEBI (LODR), 2015 the company is in due of payment of fees or charges, to recognized stock exchange for the year ended 31.03.2016.

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 in compliance with 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 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 : 30.05.2016

SECRETARIAL AUDIT REPORT (Contd.)

"ANNEXURE – A"

(TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016)

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 are 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 : 30.05.2016

SECRETARIAL AUDIT REPORT (Contd.)

ANNEXURE D

Form AOC 1

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

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

Part A: "Subsidiaries"

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	31/03/2016	31/03/2016	31/03/2016	31/03/2016
Reporting currency and Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	(₹)	(₹)	(₹)	(₹)
Share Capital	17,490,000	40,370,400	38,163,000	1,00,000
Reserves & Surplus	67,409,820	705397955	1,893,463,716	-
Total Assets	347,883,451	920704 517	4,116,040,278	8,47,605
Total Liabilities	347,883,451	920704517	4,116,040,278	8,47,605
Investments	-	762918000	-	-
Turnover	-	3,60,00,000	141,904,547	-
Profit before taxation	-	(46,94,219)	(2,596,097)	-
Provision for taxation	-	68,46,747	-	-
Profit after taxation	-	(1,15,40,966)	-	-
Proposed Dividend	-	-	-	-
% of shareholding	100% in Equity Share Capital of the Company 83.18% in Preference Share Capital of the Company	100% in both Equity & Preference Share Capital of the Company	25.94% in Equity Share Capital of the Company	100% in Equity Share Capital of the Company

ANNEXURE-D

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	31/03/2016	31/03/2016	31/03/2016	31/03/2016
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

SECRETARIAL AUDIT REPORT (Contd.)

Name of Associates/Joint Ventures	RBM-TANTIA (JV)	JMC-TANTIA (JV)	TANTIA-DBC (JV)	TANTIA-SIMPLEX (JV)
Amount of Investment in Associates/Joint Venture (In Lacs)	101	7	3	-
Extent of Holding %	99.99%	50%	75%	88.43%
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	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	2.55	0.04
6. Profit/Loss for the year (In Lacs)	-	(0.03)	-	(0.03)
Considered in Consolidation	-	(0.02)	-	(0.03)
Not considered in consolidation	-	(0.01)	-	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	31/03/2016	31/03/2016	31/03/2016	31/03/2016
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)	-	(0.37)	(0.03)	(0.03)
Considered in Consolidation	-	(0.18)	(0.01)	(0.01)
Not considered in consolidation	-	(0.19)	(0.02)	(0.02)

SECRETARIAL AUDIT REPORT (Contd.)

Name of Associates/Joint Ventures	TANTIA-SPML (JV)	TANTIA-GONDWANA (JV)	TANTIA-CCIL (JV)	TANTIA-SEC (JV)
1. Latest audited Balance Sheet Date	31/03/2016	31/03/2016	31/03/2016	31/03/2016
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	27	1	33
Extent of Holding%	50%	99.80%	74%	52%
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)	1.49	26.86	0.54	314.50
6. Profit/Loss for the year (In Lacs)	-	0.20	-	18.18
Considered in Consolidation	-	0.20	-	9.65
Not considered in consolidation	-	0	-	8.53

Name of Associates/Joint Ventures	TANTIA-YSCC (JV)	TANTIA-TUNDI (JV)	TANTIA-PREMCO (JV)	TANTIA-MPPL (WILO) (JV)	TANTIA-NMTPL (JV)
1. Latest audited Balance Sheet Date	31/03/2016	30/06/2016	31/03/2016	31/03/2016	31/03/2016
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.	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	NA
Amount of Investment in Associates/Joint Venture (In Lacs)	-	-	3	2	33
Extent of Holding %	51%	50%	51%	95%	99.20%
3. Description how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
5. Net worth attribute to Shareholding as per latest audited Balance Sheet (In Lacs)	-	-	32.16	2.34	33.22
6. Profit/Loss for the year (In Lacs)	-	-	1.04	-	-
Considered in Consolidation	-	-	0.53	-	-
Not considered in consolidation	-	-	0.51	-	-

SECRETARIAL AUDIT REPORT

Name of Associates/Joint Ventures	TANTIA-NAYAK (JV)	TANTIA-SOMA(JV)	TANTIA-OTBL (JV)	TANTIA-EDCL (JV)
1. Latest audited Balance Sheet Date	31/03/2016	31/03/2016	31/03/2016	31/03/2016
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)	-	-	-	-
Extent of Holding %	51%	50%	50%	51%
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)	-	13.26	2.34	33.22
6. Profit/Loss for the year (In Lacs)	-	(0.04)	-	-
Considered in Consolidation	-	(0.02)	-	-
Not considered in consolidation	-	(0.02)	-	-

On behalf of the Board

I.P. Tantia Chairman & Managing Director

R. Sureka Chief Financial Officer

P. Todi Company Secretary

REMUNERATION POLICY

ANNEXURE - E

REMUNERATION POLICY OF TANTIA CONSTRUCTIONS LIMITED FOR THE BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

PREAMBLE

- a. The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "**Executives**") along with their relatives. The expression "senior management" means personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of management one level below the executive directors, including the functional heads.
- b. The policy will be reviewed every year by the **NOMINATION AND REMUNERATION COMMITTEE** of the Board of Directors.

1. AIMS & OBJECTIVES

The aims and objectives of this remuneration policy may be summarized as follows:

- a. The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and other executive levels.
- b. The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholders' interests, industry standards and relevant Indian corporate regulations.
- c. The remuneration policy will ensure that the interests of Board members and senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for-performance" principle.
- d. The remuneration policy will ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- e. Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities

handled by him, his individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and their individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

- f. Based on the recommendations of the Committee, remuneration by way of commission to the Non-Executive Directors is to be decided by the Board of Directors, and distributed to them based on their participation and contribution at Board/certain Committee meetings as well as time spent on matters other than at meetings.
- g. The Company does not have a stock option scheme for its Executive Directors, KMP and employees.
- h. The policy shall be disclosed in the Board's Report.

2. COMMENCEMENT

This remuneration policy governs policy relating to directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 commenced on or after 1st April, 2014.

3. PRINCIPLES OF REMUNERATION

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive levels in order to achieve the Company's strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behaviour that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The policy is built on the following principles:

- i. **Vision and strategy** - Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- ii. **Transparent** – The policy and its execution are clear and practical.

REMUNERATION POLICY (Contd.)

- iii. **Aligned within the Company's objectives** – The remuneration policy is aligned with the Company's short-term and long-term objectives, compatible with those of management and other employees.
- iv. **Long-term orientated** – The incentives focus on long-term value creation.
- v. **Compliant** – The Company adopts the highest standards of good corporate governance.
- vi. **Simple** – The policy and its execution are as simple as possible and easily understandable to all stakeholders.
- vii. **Internal equity** - The Company shall remunerate the board members, KMP and senior management in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- viii. **External equity** - The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore, the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- ix. **Flexibility** - Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislations.
- x. **Performance-driven remuneration** - The Company shall entrench a culture of performance-driven remuneration through the implementation of the Performance Incentive System.
- xi. **Affordability and sustainability** - The Company shall ensure that remuneration is affordable on a sustainable basis.

4. DEFINITIONS

- a. **"Board of Directors"** or **"Board"**, in relation to a Company, means the collective body of the directors of the Company;
- b. **"Chief Executive Officer"** means an officer of a Company who has been designated as such by it;
- c. **"Company Secretary"** or **"Secretary"** means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980, who is appointed by a Company to perform the functions of a company secretary under this Act;
- d. **"Chief Financial Officer"** means a person appointed as the Chief Financial Officer of a Company;
- e. **"Director"** means a director appointed to the Board of a Company;
- f. **"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads;
- g. **"Key Managerial Personnel"**, in relation to a Company, means—
 - i. the chief executive officer or the managing director or the manager;
 - i. the whole-time director;
 - ii. the company secretary; and
 - iii. the chief financial officer; or
 - iv. such other officer as may be prescribed
- h. **"Manager"** means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of a Company, and includes a director or any other person occupying the position of a manager, by whatever name called, whether under a contract of service or not;
- i. **"Managing Director"** means a director who, by virtue of the articles of a Company or an agreement with the Company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a director occupying the position of managing director, by whatever name called.

Explanation—For the purposes of this clause, the power to do administrative acts of a routine nature when so authorised by the Board such as the power to affix the common seal of the Company to any document or to draw and endorse any cheque on the account of the Company in any bank or to draw and endorse any negotiable instrument or to sign any certificate of share or to direct registration of transfer of any share, shall not be deemed to be included within the substantial powers of management.

REMUNERATION POLICY (Contd.)

- j. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
- k. **“Whole-Time Director”** includes a director in the whole-time employment of the Company

5. NOMINATION AND REMUNERATION COMMITTEE

The Members of the Nomination and Remuneration Committee shall be appointed by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors.

- a. **Composition** - The Members of the Nomination and Remuneration Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.
- b. **Responsibility & duties** - The responsibility and duties of Nomination and Remuneration Committee are as follows:
 - i. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out evaluation of every director’s performance.
 - ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
 - iii. Formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc, for executives and reviewing it on a periodic basis.
 - iv. Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognized.
 - v. Formulating the policy to ensure that:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c. **The Committee shall:**
 - i. Review the ongoing appropriateness and relevance of the remuneration policy;
 - ii. Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
 - iii. Obtain reliable, up-to-date information about remuneration in other companies;
 - iv. Ensure that no director or executive is involved in any decisions as to their own remuneration.
- d. **The Committee shall:**
 - i. Recommend the Board size and composition including the proportion of promoter vs. independent directors.
 - ii. Recommending budget for Board-related expenses.
 - iii. Recommending to the Board of Directors regarding the remuneration payable to relative of director(s) and evaluation of the same from time to time.
 - iv. Conduct annual review of the Committee’s performance and effectiveness at the Board level.
 - v. Remuneration package of the following:
 - vi. Employee Stock Option Plan - approve subscription and allotment of shares to eligible employees under the shareholder approved Employee Stock Option Plan.
 - vii. Contracting professional help to advise the Nominating Committee on matters relating to the terms of reference of the committee requiring independent input from outside experts.

REMUNERATION POLICY (Contd.)

- viii. Recommend and review succession plans for the Managing Director/Chairman.
 - ix. Review and approve succession plans for the senior management (all the direct reportees to the Managing Director).
 - x. Powers as may be delegated by the Board of Directors from time to time subject to the provisions of the Memorandum and Articles of Association of the Company and Companies Act, 2013.
 - xi. Evolve policy for authorizing expenses of Chairman & Managing Director.
 - xii. Review the ongoing appropriateness and relevance of the remuneration policy.
 - xiii. Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled.
 - xiv. Obtain reliable, up-to-date information about remuneration in other/peer companies.
 - xv. Ensure that no director or executive is involved in any decisions as to their own remuneration.
- e. **Without prejudice to the generality of the terms of reference to the Remuneration Committee set out above, the Remuneration Committee shall:**
- i. Operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
 - ii. Liaise with the trustee/custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors; and
 - iii. Review the terms of executive directors' service contracts from time to time.

6. SELECTION AND APPOINTMENT OF THE BOARD MEMBERS

The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The Board Members should be qualified, independent and have positive attributes. Directors will be

sought who possess the highest personal and professional ethics, integrity, values and experience, expertise and diversity that will best complement Board effectiveness at the time. They should take the decision in such manner which is not prejudicial in the interest of the stakeholders of the Company. Directors take the necessary steps in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate the management's working as part of a team in an environment of collegiality and trust.

In the evaluation of Board Members, the Nomination Committee will have regard to normally accepted nomination criteria, including:

- (a) Honesty and integrity;
- (b) The ability to exercise sound business judgment;
- (c) Appropriate experience and professional qualifications;
- (d) Absence of conflicts of interest or other legal impediments to serving on the Board;
- (e) Willingness to devote the required time; and
- (f) Availability to attend Board and Committee meetings.

7. SELECTION OF BOARD MEMBERS/EXTENDING INVITATION TO A POTENTIAL DIRECTOR TO JOIN THE BOARD

Nomination and Remuneration Committee periodically evaluate the Board's performance, ascertain their availability and make suitable recommendations to the Board. The Committee identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board then makes an invitation (verbal/written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

8. PROCEDURE FOR SELECTION AND APPOINTMENT OF EXECUTIVES OTHER THAN BOARD MEMBERS

- a. The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel and produce a written document thereon;
- b. The Committee may conduct a wide-ranging search for candidates for the positions of KMP and SMP within the Company, within enterprises controlled by the Company or within enterprises in which the

REMUNERATION POLICY (Contd.)

Company holds equity and on the human resources market;

- c. The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
- d. A meeting of the Committee shall be convened and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of KMP and SMP;
- e. Before the selection of KMP or SMP, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;
- f. The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

9. COMPENSATION STRUCTURE

Compensation structure/policy (fixed/variable/incentive schemes for KMP & SMP/ID sitting fees/WTD/MD packages including all its components - basic salary, HRA, conveyance allowance, commission, if any, as per the Rules of the Company.

10. INDEPENDENT DIRECTOR

- a. Fees in respect of Independent Directors may be such as may be prescribed.
- b. He shall not be entitled to any stock option and may receive remuneration by way of fees provided under sub-section (5) of Section 197 of the Companies Act, 2013, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

11. ROLE OF INDEPENDENT DIRECTORS

- a. The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval.
- b. The Independent Directors shall have the power and authority to determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and, where necessary, recommend removal of executive directors, key managerial personnel and senior management.
- c. The Independent Directors shall submit its recommendations/proposals/decisions to the

Committee which the Committee shall consult and take to the Board of Directors.

12. RETIREMENT POLICY FOR DIRECTORS

The Company has adopted the guidelines for retirement age wherein Managing and Executive Directors retire at the age of 65 years. Any Executive Director who is retained on the Company's Board beyond the age of 65 years as executive director for special reasons may continue as a director at the discretion of the Board but in no case beyond the age of 70 years. The retirement age for independent directors is 80 years. The Company has also adopted a policy for offering special retirement benefits including pension, ex-gratia and medical to Managing and Executive Directors which has also been approved by the Members of the Company. In addition to the above, the retiring managing director is entitled to residential accommodation or compensation in lieu of accommodation on retirement. The quantum and payment of the said benefits are subject to an eligibility criteria of the retiring director and is payable at the discretion of the Board in each individual case on the recommendation of the Remuneration Committee.

13. DISCLOSURES IN BOARD'S REPORT

- a. Every listed Company shall disclose in the Board's Report, the ratio of the remuneration of each director to the median employee's remuneration and such other details as may be prescribed.
- b. **Following disclosures shall be mentioned in the Board of Directors' report under the heading "Corporate Governance", if any, attached to the Financial Statements:-**
 - i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
 - ii. Details of fixed components and performance-linked incentives along with the performance criteria;
 - iii. Services contracts, notice period and severance fees;
 - iv. Stock option details, if any, and whether the same has been at a discount as well as the period over which accrued and over which exercisable.

14. APPROVAL AND PUBLICATION

- a. This remuneration policy, as framed by the Committee, shall be recommended to the Board of Directors for its approval.

REMUNERATION POLICY (Contd.)

This policy shall be hosted on the Company's website www.tantiagroup.com.

- b. The policy shall form a part of Director's Report to be issued by the Board of Directors in terms of Companies Act, 2013.

15. SUPPLEMENTARY PROVISIONS

- a. This policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.
- b. Any matters not provided for in this policy shall be handled in accordance with relevant state laws

and regulations and the Company's Articles of Association. If this policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail and this policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.

The right to interpret this policy vests in the Board of Directors of the Company.

PARTICULARS OF EMPLOYEES

ANNEXURE - F

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 the financial year -

Name of Directors & Key Managerial Personnel	Designation	Ratio of remuneration to the median remuneration of all employees	Increase in remuneration over the last year
Mr. I.P. Tantia	Chairman & Managing Director	48.93:1	-
Mr. B.L. Ajitsaria	Whole Time Director	26.10:1	-
Mr. R. Tantia	Whole Time Director	26.10:1	-
Mr. M.L. Agarwala	Whole Time Director	16.31:1	133.33%
Mr. S. Bose	Whole Time Director	13.87:1	166.67%
Mr. T. Chaturvedi	Independent, Non-Executive Director	0.19:1	(61.11)%
Mr. B.L. Tulsian	Independent, Non-Executive Director	0.46:1	13.33%
Mr. S.K. Saraogi	Independent, Non-Executive Director	0.24:1	45%
Mr. S. Khemani	Independent, Non-Executive Director	0.54:1	17.65%
Mrs. M .Chatterjee	Independent, Non-Executive Director	0.14:1	(58.33)%
Ms. Rohini Sureka	Independent, Non-Executive Director	8.16:1	-
Ms. Neha Bajoria*	Company Secretary	2.48:1	-

* Ms. Neha Bajoria ceased to be Company Secretary and Compliance Officer of the Company w.e.f. March 31, 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 except Mr. M.L. Agarwala and Mr. S. Bose whose remuneration increased with effect from January 1, 2016, from ₹ 2,00,000/- p.m. to ₹ 4,00,000/- p.m. and ₹ 1,50,000/- p.m. to ₹ 4,00,000/- p.m., respectively, pursuant to approval of shareholders resolution by way of postal ballot results dated March 28, 2016.

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 7.51% during the year.

iii) **The number of permanent employees on the rolls of the Company** - The number of employees as on 31st March, 2016 was 382.

iv) **The explanation on the relationship between the average increase in remuneration and the Company's performance** - There was an average decrease in remuneration of all the employees to 12.68% during the year.

Compared to the previous year 2014-15, the figures of the current year 2015-16 reflect that:

a. Gross turnover, PBT and EPS have reduced by 23.08%, 44.87% and 50.32% respectively.

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 the highest paid director to that of the employees who are not directors but receive remuneration in excess of the**

PARTICULARS OF EMPLOYEES

highest paid director during the year - No employee's remuneration for the year 2015-16 exceeded the remuneration of any of the directors.

vii) Affirmation that the remuneration is as per the 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 annexed to the "Director's 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 and 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 and 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	65 years	Chairman & Managing Director	₹ 90,00,000/-	₹ 54,42,749/-	B E (Civil)	41 years	1st April, 1991	Nil

CONSERVATION OF ENERGY

ANNEXURE - G

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 alternative sources of energy	
(iii)	The capital investment on energy conservation equipment	

B. TECHNOLOGY ABSORPTION

(i)	The efforts made towards technology absorption	Not applicable
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	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	2015-16	2014-15
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 the total turnover (%)		

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lakhs)

Particulars	2015-16	2014-15
Foreign exchange earnings	-	38
Foreign exchange outgo	-	-

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global economic review

The International Monetary Fund (IMF) cut its global growth forecasts for the next two years, citing Britain's historic exit from the European Union (EU), among other factors. The move included a nearly full percentage point reduction in the UK's 2017 growth projections. Cutting its World Economic Outlook forecasts for the fifth time in 15 months, the IMF said it now expects the global GDP to grow at 3.1% in 2016 and at 3.4% in 2017. The IMF also indicated that despite recent improvements in Japan and Europe and a partial recovery in commodity prices, the UK's 'Brexit' vote had created a sizeable amount of uncertainty that would take its toll on investment, market and consumer confidence, going forward.

Indian macroeconomic overview

The Indian economy emerged as the fastest growing large economy in the world with a GDP growth of 7.6% in 2015-16, up 40 bps over the previous year's 7.2% growth. Amidst the global uncertainties, India remains a bright spot and a beacon of hope with a large and dynamic demographic advantage, rising incomes, growing aspirations and structural policy reforms initiated by the Government.

To foster growth and take it to even higher levels (with the Finance Ministry anticipating an 7.75-8% GDP growth in the current fiscal year), the Government has announced various ambitious plans under the Make in India, Smart City, UDAY and Start-up India platforms. Though these efforts have demonstrated the potential to improve the macro-economic factors driving GDP growth, demand, investments and consumer spending is yet to witness a significant upswing. The Budget 2016 contained several positive measures in the areas of foreign direct investment, support for start-ups, and progress on GST, among others. Coupled with the anticipation of above average monsoons in the current season, these measures are expected to benefit the economy, going forward.

Indian construction sector review

The infrastructure and construction sector, a key driver of the Indian economy directly co-related with propelling the country's overall development, is a priority focus area of the Government. Resultantly, it has focused on establishing policies that will ensure the time-bound creation of world-class infrastructure. The infrastructure sector principally includes power, bridges, dams, roads and highways and urban infrastructure, among others.

A report by the India Brand Equity Foundation (IBEF) has indicated that the country needs USD 454.83 billion to be invested in infrastructure development over the next five years with 70% of the funds needed for power, roads and urban infrastructure segments. The Indian power sector itself has an investment potential of USD 250 billion in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment, according to the Ministry of Coal, Power and Renewable Energy. Besides, foreign direct investment (FDI) received in the construction development sector from April 2000 to December 2015 was USD 24.18 billion, according to the Department of Industrial Policy and Promotion (DIPP).

It is widely acknowledged that the sense of confidence is returning to the country's infrastructure and construction sectors and is quite visible in the number of broad-based sectoral developments.

The Indian Railways is poised to be a big investment driver with its own Five-Year Plan that envisages a capital outlay of ₹ 8.56 lakh crores and indicates the dramatic impact railway investments will soon have on the economy.

India has the second largest road network in the world at 4.7 mn km. This road network transports more than 60% of all goods in the country and 85% of the total passenger traffic. Road transportation has gradually increased over the years with the improvement in connectivity between cities, towns and villages in the country.

The country's roads sector is poised for a big leap with the Government anticipating the award of 25,000-km of highway projects during the current year, consistent with the overall target of achieving 30-km of road construction per day and progressively taking this up to 40-km per day.

The value of roads and bridges infrastructure in India is projected to grow at a 17.4% CAGR over FY12-17. The country's roads and bridges infrastructure, which was valued at USD 6.9 bn in 2009, is expected to touch USD 19.2 bn by 2017. The financial outlay for road transport and highways grew at a 19.4% CAGR in the period FY09-14. The plan outlay for 2015-16 stepped up budgetary support for road transport and highways to ₹ 42,912 crores (USD 6.43 bn).

The combination of rural roads, rural electrification, irrigation and rural housing could be transformational for India's vast rural landscape.

The Smart City project and consistent investments in upgrading transportation and social infrastructure is expected to rejuvenate

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

the country's urban space.

The Ujwal Discom Assurance Yojana (UDAY) and the ambitious target of reaching 100 GW of solar power by 2021 through the Jawaharlal Nehru National Solar Mission augur well for the country's non-renewable and renewable energy scenario. With ports and airports forming a significant part of the cycle of priorities, investments in these sectors are bound to pick-up as the country moves forward.

Business overview

Tantia Constructions Limited is a leading infrastructure services company operating across the various segments of the infrastructure industry with good positions in major markets. As a recognised infrastructure establishment with over five decades of continuous operations, we are committed to contribute to the development efforts of the nation.

The Company commenced operations through venturing into the Indian Railways and, over the years, extended its activities to other infrastructure segments. As a strategic step forward, the Company also entered into the production of ready-mix concrete (RMC). The Company continues to operate in its existing markets whilst exploring avenues and opportunities for further diversification. Our focus is to establish enduring relationships with our customers by exceeding their expectations and gaining their trust through exceptional execution and delivery.

Future 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 of ₹ 70,000 crores in investment in infrastructure in 2015-16 over the previous year with a focus on railways and roads. 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 reduction in poverty. 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.

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. Over the years, the system has evolved to meet the day-to-day needs as well as the size and operational necessities of the organisation. The Company is among the first in India to be accredited with the ISO 9001:2000 from DNV, the Netherlands in 2001, which was further upgraded as ISO 9001:2008 in the year 2010. The Company renewed the Certificate TUV Nord Management System as per DIN EN ISO 9001:2008 awarded to our RMC units at Narayanpur and Taratala in Kolkata.

Risks and concerns

Your Company has embraced suitable measures to mitigate the various risks associated with its operational activities. Adequate insurance policies have been taken to protect the health and safety of employees and limit the potential loss of residential and commercial property. Growth and demand is dependent on general economic conditions and a decline can adversely affect the Company's business and earnings. Increasing competition from domestic and international construction companies affect market share and profitability. Uncertainties in Government policies can significantly affect operations.

The Company has developed in-built systems and procedures for handling risk in carrying out the business to drive sustainable advantage for all stakeholders and to ensure continuity of

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

business. The risk management framework establishes the management of risk across all service areas and functions of the Company and has in place the procedures to inform the Board members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the Company's management controls risk through a well-defined framework.

Strengths and opportunities

- Wide range of expertise spanning over 50 years in the construction sector and professional and competent senior management team
- Well-established brand recognition and goodwill owing to innovative marketing strategies
- Strategically-located projects with a focus on unlocking higher margins
- The Company's brand recall has improved through its focus on quality and timely execution capabilities

Weaknesses and threats

- Bureaucracy causing delays in approvals and change in policies
- Low entry barriers resulting in the entry of several small-

scale and unorganized regional players

- Cautious approach by banks in extending credit facilities
- Longer working capital cycle
- Delays in obtaining environmental clearances, land acquisition issues 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

A comparative study of the Company's financial performance, as compared with the previous financial year, is given hereunder:

(₹ in crores)

Particulars	2015-16	2014-15
Income from operations	400.56	522.80
EBIDTA	50.91	55.25
Cash profit	(18.15)	(40.04)
Net profit/(loss)	(30.36)	(61.11)
Earnings per share (₹)	(16.13)	(32.47)

Share capital: The Company's paid-up share equity capital stood at ₹ 18.82 crores as on 31 March 2016.

Reserves and surplus: The Company's reserves declined from ₹ 11,793 crores in 2014-15 to ₹ 8757 crores in 2015-16 on account of losses incurred during the year.

Income from operations: The Company's turnover moderated from ₹522.80 crores in 2014-15 to ₹400.56 crores in 2015-16 due to the slowdown in growth of the infrastructure sector throughout the country.

EBIDTA: The Company's EBIDTA also declined from ₹ 55.25 crores in 2014-15 to ₹ 50.91 crores in 2015-16.

Net loss: The Company's net losses stood at ₹ 30.36 crores as on 31 March 2016.

Gross block: The Company's gross block declined from ₹ 140.37 crores in 2014-15 to ₹ 141.30 crores in 2015-16.

Current assets: The Company's current assets increased from ₹ 989.40 crores in 2014-15 to ₹ 1,030.47 crores in 2015-16.

Internal control systems

The 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 a Risk Assessment and Minimization Procedure and the same is periodically reviewed by the Board Members. The Company has an internal process to facilitate formulation and revision of policies and guidelines to

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

align with the changing needs. Internal audit is conducted on a regular basis and the 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 an adequate Internal Control System to identify risk at appropriate times and to ensure that the Executive Management controls the risk in a well-defined framework towards the best interest 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 which 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 focuses on creating an environment that assists the employees to enhance their sense of pride in their work, thereby contributing to better productivity. The Company through its effective and dynamic HR policies and systems has always encouraged its workers to innovate and apply new ideas so as to achieve quantum leaps in both size and scale of operations. The Company believes that its real strength lies in the commitment and quality of its people. The employees are provided an opportunity to grow and prosper. The authority and responsibility chain is

clearly defined and the employees are free to convey their ideas and suggestions to their superiors. Team meetings are held at frequent intervals to improve communication and interactions between the employees. Industrial relations remained stable throughout the financial year 2015-16. As on 31 March 2016, the number of people employed by the Company was 389.

Ongoing training of employees is organized in order to develop basic and advanced skills so that they can manage constantly evolving technologies, complex business systems and interpersonal relations within the workplace and ensure that each employee continually updates those skills so that s/he can be as productive as possible in the job to which s/he is assigned with. Going ahead, the Company will continue to invest in its people to strengthen its delivery model.

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 statutes or other incidental factors.

REPORT ON CORPORATE GOVERNANCE

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. SEBI, vide its notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2 September 2015, notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations, 2015'), which were made applicable with effect from 1 December 2015 and repealed the erstwhile Clause 49 of the listing agreement with the stock exchanges. This Report, therefore, states the compliance status as per the 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 that good Corporate Governance is a continuous exercise and it ensures:

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

Our objective is to enhance shareholders' value and protect the interests of other stakeholders by improving the corporate performance and accountability. A good corporate governance framework supports in building a sustainable value in the business and across the society; it is not just about protecting stakeholders' 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 protecting the interests of the stakeholders.

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

1. BOARD OF DIRECTORS

a) Composition

In order to maintain the independency of the Board, the Company has adopted the policy to have an appropriate mix of Executive and Non-Executive Directors on the Board. As on March 31, 2016, the Board consisted of 10 Directors belonging to different fields and possessing vast experience in civil engineering, construction, railways, banking and insurance, finance and accounts, taxation, CSR, business management and other related fields. The composition of the Board is in conformity with the Listing Regulations. The day-to-day management of the Company was carried out by the 5 Executive Directors of the Company. As on March 31, 2016, 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. B.L. Ajitsaria
	Mr. M.L. Agarwala
	Mr. S. Bose
Independent, non-executive director	Mr. T. Chaturvedi
	Mr. B.L. Tulsian
	Mrs. M. Chatterjee
	Mr. S. Khemani
	Mr. S.K. Saraogi

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Composition of the Board and other provisions related to Board and Committee(s) are in compliance with the Listing Regulations. All the Independent, Non-Executive Directors qualify the conditions for being Independent, Non-Executive Director as prescribed under the 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 the Independent, Non-Executive Directors are liable to retire by rotation. None of the directors are members of more than 10 committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

The names of the directors and the details of other chairmanship/directorship/committee membership of each director as on March 31, 2016 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	—	1	—	—
Mr. R. Tantia (DIN: 00056898)	Promoter, Executive Director	—	10	—	—
Mr. B.L. Ajitsaria (DIN: 00053981)	Executive Director	—	—	—	—
Mr. M.L. Agarwala (DIN: 02266069)	Executive Director	—	1	—	—
Mr. S. Bose (DIN: 02129454)	Executive Director	—	—	—	—
Mr. S. Khemani (DIN: 00049743)	Independent, Non-Executive Director	—	—	—	—
Mr. T. Chaturvedi (DIN: 02309045)	Independent, Non-Executive Director	—	—	—	—
Mr. B.L. Tulsian (DIN: 06885029)	Independent, Non-Executive Director	—	—	—	—
Mrs. M. Chatterjee (DIN: 02510507)	Independent, Non-Executive Director	—	—	—	—
*Mr. S.K. Saraogi (DIN:00967373)	Independent, Non-Executive Director	1	3	—	—

Notes:

- Other directorships exclude foreign companies and alternate directorships.
- 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 March 31, 2016

The Board met 4 (four) times during the financial year 2015-16. 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.	29/05/2015	10	8
2.	13/08/2015	10	5
3.	14/11/2015	10	6
4.	09/02/2016	10	6

*Mr. S.K. Saraogi was appointed as an additional director of the Company at the Board meeting held on February 13, 2015. Further, he was appointed as an Independent, Non Executive Director at the meeting of the shareholders held on September 29, 2015.

c) 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.

d) Preparation of agenda and schedules of Board meetings:

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Company places before the Board all those details as required under Listing Regulations. Detailed agenda notes are sent to the directors. All the 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, purchase 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.

e) 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 the Vice-Presidents, General Manager and Managers, who can provide additional information and insights into the items being discussed.

The required information as enumerated in the 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 the compliance in law and spirit.

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

In compliance with the provisions of the Listing Regulations, the brief resume and other details relating to Director(s) seeking appointment/re-appointment are given as a part of the Notice convening the 51st Annual General Meeting.

g) Disclosure of relationship between directors inter-se:

Mr. R. Tantia, Director (Operations), is the 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 the prescribed rules under the Companies Act, 2013.

h) 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)
1.	Mr. I.P. Tantia	4	3	Yes
2.	Mr. R. Tantia	4	3	Yes
3.	Mr. B. L. Ajitsaria	4	2	No
4.	Mr. M.L. Agarwala	4	1	Yes
5.	Mr. S. Bose	4	1	No
6.	Mr. S. Khemani	4	4	Yes
7.	Mr. T. Chaturvedi	4	2	No
8.	Mr. B.L. Tulsian	4	4	Yes
9.	Mrs. M. Chatterjee	4	2	No
10.	Mr. S.K. Saraogi	4	3	Yes

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 the 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

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 the Audit Committee are in accordance with the 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 the 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 the Audit Committee

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 the 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 the 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 Audit Committee of the Company comprises of 3 (three) Directors - 2 (two) of whom are Independent, Non-Executive Directors and 1 (one) is Promoter, Executive Director as on March 31, 2016. All of them are financially literate and possess 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 the requirements of the 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 is the Secretary to the Committee. The Chairman of the Audit Committee was not present at the previous Annual General Meeting of the Company held on September 29, 2015. As on March 31, 2016, the constitution of the Audit Committee was as follows:

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

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.	29/05/2015	3	2
2.	13/08/2015	3	2
3.	14/11/2015	3	2
4.	09/02/2016	3	3

d. Attendance of each member at the Audit Committee meetings held during the year ended March 31, 2016

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

B. NOMINATION AND REMUNERATION COMMITTEE

The Board has noted the scope, role and composition of the Nomination and Remuneration Committee pursuant to the 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 the Managing Director/Chairman;
- Review and approve succession plans for the Senior

Management (all the Direct Reportees to the Managing Director).

a. Remuneration policy

This remuneration policy is being framed and formulated in adherence with the provisions of the Listing Regulations and Section 178 of the Companies Act, 2013, and rules made thereunder.

The Independent, Non-Executive Directors are being remunerated by way of sitting fees for the meeting of the 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 performance of the Company 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 and 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 of 3 (three) independent, Non-Executive Directors as on March 31, 2016. The composition of the committee is in line with the requirements of the 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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Company secretary is the Secretary to the Committee. The constitution of the Nomination and Remuneration Committee was as follows:

Name of director	Category
Mr. S. Khemani	Chairman <i>Independent, non-executive director</i>
Mr. B. L. Tulsian	Member <i>Independent, non-executive director</i>
Mr. S. K. Saraogi	Member <i>Independent, non-executive director</i>

The Nomination and Remuneration Committee met 4 (four) times during the year ended March 31, 2016. The details are as follows:

S. N.	Date	Committee strength	No. of directors present
1.	29/05/2015	3	3
2.	13/08/2015	3	3
3.	14/11/2015	3	2
4.	09/02/2016	3	2

c. **Attendance of each member at the Nomination and Remuneration Committee meetings held during the year ended March 31, 2016.**

S.N.	Name	No. of meetings held	No. of meetings attended
1.	Mr. S. Khemani	4	4
2.	Mr. B.L. Tulsian	4	4
3.	Mr. S.K. Saraogi	4	3

d. **Criteria for performance evaluation:**

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

- i. Is the composition of the Board appropriate with the right mix of knowledge and skills required to drive organizational performance in light of the future strategy?
- ii. Members of the Board meet all applicable independence requirements.
- iii. 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.
- iv. The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
- v. 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.

- vi. The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization 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 the directors prior to Board meetings meets expectations in terms of length and level of detail and Board members come prepared to the 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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

- 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 laid down the criteria for making payments to 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/Investors/Corner/Policy/Remuneration Policy](http://www.tantiagroup.com/Investors/Corner/Policy/Remuneration%20Policy))

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. N. Bajoria, the Company Secretary was the Compliance Officer of the Company till March 30, 2016.

Composition and size

The Stakeholders' Relationship Committee comprises 3 (three) directors - 2 (two) of whom are Independent, Non-Executive Directors and 1 (one) is Promoter, Executive Director, as on March 31, 2016. The Chairman of the Stakeholders' Relationship Committee is an Independent, Non-Executive Director. The composition of the committee is in line with the requirements of the 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. The constitution of the Stakeholders' Relationship Committee was as follows:

Name of Director(s)	Category
Mr. S. Khemani	Chairman Independent, non-executive director
Mr. B. L. Tulsian	Member Independent, non-executive director
Mr. R. Tantia	Member Promoter, executive director

The Stakeholders' Relationship Committee met four (4) times during the year ended March 31, 2016. The details are as follows:

S. N.	Date	Committee strength	No. of members present
1.	29/05/2015	3	3
2.	13/08/2015	3	3
3.	14/11/2015	3	2
4.	09/02/2016	3	3

b. Attendance of each member at the Stakeholders' Relationship Committee meetings held during the year ended March 31, 2016.

S.N.	Name	No. of meetings held	No. of meetings attended
1.	Mr. S. Khemani	4	4
2.	Mr. R. Tantia	4	3
3.	Mr. B. L. Tulsian	4	4

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Company has a share department under the Company Secretary who monitors the activities of the Registrar and Share Transfer Agents (RTA) and looks into the matters relating to shareholder grievances. Share transfer/ transmission is 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, 2015	—
Number of complaints received during the year	—
Number of complaints redressed during the year	—
Number of complaints pending on March 31, 2016	—

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 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 implementation of the framework of 'Corporate Social Responsibility Policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever

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 March 31, 2016. 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. The constitution of the Committee was as follows:

Name of director(s)	Category
Mrs. M. Chatterjee	Chairperson Independent, non-executive director
Mr. B.L. Tulsian	Member Independent, non-executive director
Mr. S. Bose	Member Executive director

The Corporate Social Responsibility Committee met once (1) during the year ended March 31, 2016. The details are as follows:

S. N.	Date	Committee strength	No. of members present
1.	29/05/2015	3	3

c. Attendance of each member at the Corporate Social Responsibility Committee meetings held during the year ended March 31, 2016.

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	1

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:

REPORT ON CORPORATE GOVERNANCE (Contd.)

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

b. Composition and size

The Finance Committee of the Company 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 March 31, 2016. The Chairman of the Finance Committee is an Independent, Non-Executive Director. The Company Secretary acts as the Secretary to the Committee. The constitution of the Board was as follows:

Name of Director	Category
Mr. T. Chaturvedi	Chairman Independent, non-executive director
Mr. R. Tantia	Member Promoter, executive director
Mr. S. Bose	Executive director

The Finance Committee met 1 (once) during the year ended March 31, 2016. The details are as follows:

S. N.	Date	Committee strength	No. of members present
1.	03/12/2015	3	3

c. Attendance of each member at the Finance Committee meetings held during the year ended March 31, 2016.

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

3. MEETING OF INDEPENDENT DIRECTORS:

The Independent, Non-Executive Directors of the Company had met during the year on March 28, 2016 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's management and the Board.

The Company had also further, during the year, conducted

familiarisation programme for Independent Directors of the Company and the details of such familiarisation programmes are disseminated on the website of the Company (www.tantiagroup.com/InvestorsCorner/Policies/FamiliarisationProgrammeForIndependentDirectors).

a. Meeting and attendance

During the financial year ended March 31, 2016, the Independent Directors' meeting was held as follows:

S. N.	Date	Committee strength	No. of members present
1.	28/03/2015	5	5

REPORT ON CORPORATE GOVERNANCE (Contd.)

b. Attendance of each member at the Independent Directors' meetings held during the year ended March 31, 2016.

S. N.	Name	No. of meetings held	No. of meetings attended
1.	Mr. T. Chaturvedi	1	1
2.	Mr. S. Khemani	1	1
3.	Mr. B.L. Tulsian	1	1
4.	Mr. S.K. Saraogi	1	1
5.	Mrs. M. Chatterjee	1	1

4. REMUNERATION PAID TO DIRECTORS

Of the total 10 (ten) directors, 5 (five) 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 the approval of the 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 March 31, 2016, is given in the table below:**

(₹ in lakhs)

Name of director(s)	Salary and other benefits				Sitting fees	Stock option, if any (No.)
	Salary (including house rent allowance)	Commission	Contribution to Provident Fund	Other perquisites	Board meeting(s)/ Committee meeting(s)	
Mr. I.P. Tantia	90.00	--	10.08	--	--	--
Mr. B.L. Ajitsaria	48.00	--	0.22	--	--	--
Mr. R. Tantia	48.00	--	--	--	--	--
Mr. M.L. Agarwala	30.00	--	--	--	--	--
Mr. S. Bose	25.50	--	3.06	--	--	--
Mr. T. Chaturvedi	--	--	--	--	0.35	--
Mr. S. Khemani	--	--	--	--	1.00	--
Mr. B.L. Tulsian	--	--	--	--	0.85	--
Mrs. M. Chatterjee	--	--	--	--	0.25	--
Mr. S.K. Saraogi	--	--	--	--	0.45	--

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. April 1, 2016 to March 31, 2019) and the contract of Mr. B.L. Ajitsaria, Executive Director of the Company is for 1 (one) year (w.e.f. April 1, 2016 to March 31, 2017), whereas the service contract(s) of Mr. M.L. Agarwala, Executive Director of the Company will expire on December 15, 2016, and service contract(s) of Mr. Sandip Bose, the Executive Director of the Company, was for 3 years (w.e.f. 3rd August, 2015 to 2nd August, 2018).

ii. **Notice period:** 1 – 6 months notice by either party.

iii. **Severance fees:** No fees payable by either party.

There were no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company other than receiving sitting fees during the Financial Year ended March 31, 2016.

b) **Details of shareholding of directors as on March 31, 2016**

As on March 31, 2016, the Company had 5 (five) Executive Directors and 5 (five) Independent, Non-Executive Directors. The shareholding of all the Executive Directors are as follows:

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of director	No. of shares held	Percentage of holding (%)
Sri I.P. Tantia	948976	5.04
Mr. B.L. Ajitsaria	199	0.01
Mr. R. Tantia	680210	3.61
Mr. M.L. Agarwala	2300	0.01
Mr. S. Bose	1380	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 and date	Time
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.
2012-13	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata-700 017	Friday 20th September, 2013	3.00 P.M.

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

Financial year	Subject
2014-15	Appointment of Mr. S.K. Saraogi as an Independent, Non-Executive Director of the Company for a period of 5 (five) years from the day of the AGM (September 29, 2015) till February 12, 2020.
	Approval for re-appointment and payment of remuneration to Mr. S. Bose, as a Whole-time Director for a period of 3 (three) years w.e.f. April 1, 2015.
	Approval for waiver of excess remuneration paid to Mr. I.P. Tantia for the Financial Year 2013-14.
	Approval for waiver of excess remuneration paid to Mr. I.P. Tantia for the Financial Year 2013-14, 2014-15 and 2015-16.
2013-14	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 March 31, 2019.
	Appointment of Mr. T. Chaturvedi as an Independent Director of the Company who shall hold office from the day of AGM (September 9, 2014) till March 31, 2019.
	Appointment of Mr. U.S. Agarwal as an Independent Director of the Company who shall hold office from the day of AGM (September 9, 2014) till March 31, 2019.
	Appointment of Mrs. M. Chatterjee as an Independent Director of the Company who shall hold office from the day of AGM (9th September, 2014) till March 31, 2019.
	Appointment of Mr. B.L. Tulsian as an Independent Director of the Company who shall hold office from the day of AGM (9th September, 2014) till March 31, 2019.
	Resolution passed under section 180(1)(c) of the Companies Act, 2013, in suppression of resolution passed under section 293(1)(d) of Companies Act, 1956, for fixing the borrowing power not exceeding ₹ 1200 crores.
	Resolution passed under section 180(1)(a) of the Companies Act, 2013, for power to the Board to mortgage assets of the Company.
	Amendment of Articles of Association of the Company by alteration of point no. 94 of Articles of Association of the Company.
2012-13	Approval for re-appointment and payment of remuneration to Mr. I.P. Tantia, as a Chairman & Managing Director for a period of three years w.e.f. April 1, 2013.
	Approval for re-appointment and payment of remuneration to Mr. B.L. Ajitsaria, as a director (Business Development) for a period of three years w.e.f. April 1, 2013.
	Approval for re-appointment and payment of remuneration to Mr. R. Tantia, as a director (Operations) of the Company for a period of three years w.e.f. April 1, 2013.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Financial year	Subject
	Approval for re-appointment and payment of remuneration to Mr. M. L. Agarwala, as a Director (Projects) of the Company for a period of three years w.e.f. December 16, 2013.
	Approval for payment of revised remuneration to Mr. S. Bose, as a Whole-Time Director of the Company for a period of two years w.e.f. April 1, 2013.
	Approval for waiver of excess remuneration paid to Mr. I.P. Tantia.
	Approval of remuneration paid to Mr. B.L. Ajitsaria during the financial year 2012-13.
	Approval of remuneration paid to Mr. R. Tantia during the financial year 2012-13.
	Approval of remuneration paid to Mr. M.L. Agarwala during the financial year 2012-13.
	Approval of remuneration paid to Mr. S. Bose during the financial year 2012-13.

iii) Postal ballot

During the year ended March 31, 2016, the Board of Directors proposed the following special resolution for approval from shareholders by way of postal ballot, the results of which were declared on March 28, 2016, are given hereunder:

1. Conversion of unsecured loan to allotment of equity share capital through private placement.
2. Increase in remuneration of Mr. S. Bose, Whole Time Director.
3. Increase in remuneration of Mr. M.L. Agarwala, Director (Projects).

None of the businesses proposed to be transacted at the ensuing 51st 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 the 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 in the website of the Company (www.tantiagroup.com/InvestorsCorner/Policies/PolicyforDeterminingMaterialSubsidiaries).

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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 Institutional Investors or to 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 transaction

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. (45)} 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, which may have potential conflict with the interest of the Company. Details of RPT in form AOC

2 attached to the Board report may also be referred for further details.

The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with RPT and the Related Party Transactions are disseminated in the website of the Company ([www.tantiagroup.com/Investors Corner/Policies/PolicyofRelatedPartyTransactions](http://www.tantiagroup.com/Investors_Corner/Policies/PolicyofRelatedPartyTransactions)).

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 March 31, 2016, 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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

iv. Code of conduct for the Board of Directors and the Senior Management

The standards for business conduct provide that the directors and the 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/CodeofConduct](http://www.tantiagroup.com/InvestorsCorner/Policies/CodeofConduct)).

v. Inter-se relationships

There is no relationship between Directors and Key Managerial Personnel of the Company that would unethically conflict with the interest of the Company and its shareholders.

2. RISK MANAGEMENT

The Company has laid down a Risk Assessment and Minimization Procedure and the same is periodically reviewed by Board Members. The Company is having adequate Internal Control Systems to identify the risk at the appropriate time and to ensure that the Executive Management Controls the Risk in a properly defined framework in the best interest 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 involved in any foreign exchange transactions thus there is no foreign exchange risk involved.

4. Compliance Report on non-mandatory requirements under Listing Regulations

- i. The Chairman of the Company is an Executive Director. Mr. I. P. Tania is the CEO and Chairman & Managing Director of the Company
- ii. 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 the Code on Corporate Governance:

- i. Your Board of Directors are pleased to inform you 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 March 31, 2016. The necessary disclosures as required under Listing Regulations have been provided in other parts 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	Thursday, September 1, 2016 at 3.00 P.M.
Venue	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700 017
Book Closure Date	Thursday, August 25, 2016 to Thursday, September 1, 2016 (both days inclusive)
Financial Year	April 1, 2015 to March 31, 2016
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. 30.06.2016	Second week of August, 2016
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2016	Second week of November, 2016
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2016	Second week of February, 2016
Audited Financial Results (4th Quarter/Annual)	Y.E. 31.03.2017	Fourth week of May, 2017

*Actual dates may vary

c) Particulars of Dividend for the year ended 31.03.2016

The Board of Directors has not proposed any dividend during the Financial Year 2015-16.

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

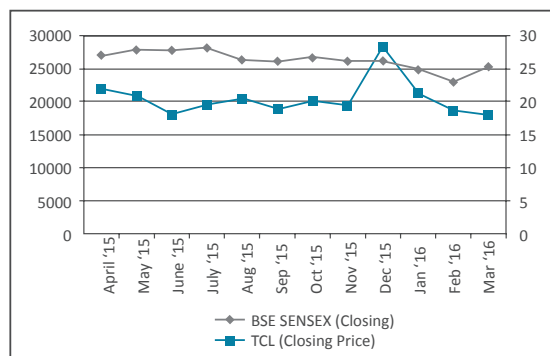
e) The monthly high and low quotations, as well as the volume of Equity Shares traded at the BSE and the NSE are provided in the following tables:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
April 15	30.50	17.00	122139	30.90	17.20	295811
May 15	22.90	19.80	20241	22.10	19.40	56196
June 15	21.10	16.30	26743	20.90	16.00	53864
July 15	22.90	18.00	41566	23.00	16.30	105062
Aug 15	29.05	18.20	224754	29.25	18.50	413933
Sep 15	21.00	17.75	23311	21.20	17.00	61285
Oct 15	23.85	18.40	54892	23.90	18.30	88092
Nov 15	21.95	18.55	27945	21.70	18.50	57421
Dec 15	30.15	19.20	277948	29.80	19.55	448138
Jan 16	28.30	19.50	64431	28.90	18.30	97204
Feb 16	22.95	17.25	26132	23.00	16.70	63144
March 16	21.50	16.00	80972	22.40	16.15	111149

GENERAL SHAREHOLDER INFORMATION (Contd.)

f) Performance chart in comparison to the BSE SENSEX

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



g) Shareholding pattern as on March 31, 2016

Particulars	2015-2016	
	No. of shares held	Percentage (%)
Shares held by		
A. Shareholding of Promoter and Promoter Group		
Individual/Hindu Undivided Family	1629186	8.66
Central/State Government	-	-
Bodies Corporate	9399312	49.94
Financial Institutions/Banks	-	-
Any other	-	-
Total Shareholding of Promoter and Promoter Group (A)	11028498	58.59
B. Public Shareholding		
1. Institutions		
Mutual funds and UTI	-	-
Banks, Financial Institutions, Non-Government Institutions	332682	1.77
Venture Capital Funds	-	-
Insurance Companies	-	-
Foreign Institutional Investors (FIIs)	-	-
Foreign Venture Capital Investors	-	-
Qualified Foreign Investors	-	-
Any other	-	-
Sub-total (B1)	332682	1.77
2. Non-institutions		
Private Corporate Bodies	1198535	6.38
Indian Public	5771443	30.67
NRI/OCBs/Foreign Nationals	408242	2.17
Any other	200	-
Trusts and Clearing Member	83466	0.44
Sub-total (B2)	7461886	39.64
Total Public Shareholding (B)	7794568	41.41
Grand Total	18823066	100.00

GENERAL SHAREHOLDER INFORMATION (Contd.)

h) Distribution of shareholding as on March 31, 2016

No. of Shares/(Share Range)	Number of shareholders	Percentage of shareholders (%)	Number of shares held	Percentage of holding (%)
Upto 500	8382	85.80	1054821	5.60
501-1000	647	6.62	529990	2.82
1001-2000	356	3.65	552890	2.94
2001-3000	128	1.31	326972	1.74
3001-4000	51	0.52	178870	0.95
4001-5000	56	0.57	267976	1.42
5001-10000	73	0.75	518061	2.75
10001 and above	76	0.78	15393486	81.78
Total	9769	100	18823066	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, 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 the 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 March 31, 2016.*

k) Dematerialization of Shares and Liquidity

The shares of the Company are compulsorily traded in dematerialized form on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the RTA are entrusted with the responsibility of dematerialization of the Company's shares. Shares held in demat and physical modes as on March 31, 2016 are as follows:

Category	Number of		% of total equity
	Shareholders	Shares	
Dematerialized mode			
a) NSDL	6137	15234387	80.94
b) CDSL	3605	3573220	18.98
Sub-total	9742	18807607	99.92
Physical mode	27	15459	0.082
Total	9769	18823066	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 March 31, 2016, and no instruments are pending for conversion. As a result, there is no impact likely on the Equity.

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

Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, all unclaimed/unpaid dividend pertaining to the Company remaining unpaid or unclaimed for a period of seven years from the date they became due

GENERAL SHAREHOLDER INFORMATION (Contd.)

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 March 31, 2016 are as follows:

Financial year	Unpaid/Unclaimed dividend as on 31.03.2016 (₹)	Date of declaration of dividend	Due date for transfer to IEPF
2008-09	70242.00	09/09/2009	09/09/2016
2009-10	115900.50	15/09/2010	15/09/2017
2010-11	148517.50	16/09/2011	16/09/2018
2011-12	61885.50	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 2007-08 amounting to ₹ 59,332.50/- 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 the SEBI LODR (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of unclaimed equity shares which were previously issued and allotted by the Company during its public issue of equity shares in the year 2006 are given hereunder:

Aggregate number of shareholder(s) and the outstanding shares in the suspense account lying at the beginning of the year (01-04-2015)	Number of shareholder(s) who approached the Company for transfer of shares from suspense account during the year (2015-16)	Number of shareholder(s) to whom shares were transferred from suspense account during the year (2015-16)	Aggregate number of shareholder(s) and the outstanding shares in the suspense account lying at the end of the year (31-03-2016)
a. Aggregate no. of shareholders - 2	None	None	a. Aggregate no. of shareholders - 2
b. Outstanding shares as on 1 st April, 2015 – 250 equity shares			b. Outstanding shares as on March 31, 2016 – 250 equity shares

The voting rights on the 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 infrastructural development and the Company's constructions sites are spread across the country, however, your Company produces Ready-Mix Concrete (RMC) at the following plants:

RMC-1 Village: Pamohi, Plot No. 267 P.O. & P.S.: Garchuk Guwahati - 781035, Assam Email: rmc3@tantiagroup.com	RMC-2 Khagaul Road, Mustafapur Near Lekhanagar More (Opp. Dav School) Danapur, Patna Bihar - 801103 Email: rmc5@tantiagroup.com
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GENERAL SHAREHOLDER INFORMATION (Contd.)

p) Designated E-Mail Address for Investor Relations

- i. As per Regulation 46 of the SEBI LODR (Listing Obligations and Disclosure Requirements) Regulations, the designated e-mail address for investor relations is:

E-mail: cs@tantiagroup.com

- ii. In order to support the initiative of the Ministry of Corporate Affairs ('MCA') 'Green Initiative in Corporate Governance' allows 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 their 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 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 the Practicing Company Secretary

The Company has received the quarterly 'Reconciliation of Share Capital Audit Report' from Sri Mohan Ram Goenka, a Practicing Company Secretary, who has carried out 'Reconciliation of Share Capital Audit' to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit confirms that the total issued/paid-up capital is equal to the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. As on March 31, 2016, there was no difference between the issued and listed capital and 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 September 1, 2016.

t) Address for Correspondence

<p>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</p>	<p>i) Registrar and Share Transfer Agents (RTA) Maheshwari Datamatics Private Limited 6, Mangoe Lane, 2nd Floor, Kolkata-700 001 Tel No: + 91 33 2243 5029/5809, 2248 2248 Fax: + 91 33 2248 4787 E-mail: mdpl@cal.vsnl.net.in</p>
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CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Tantia Constructions Limited

1. We have examined all the relevant records of Tantia Constructions Limited for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the period from April 01, 2015 to November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from December 01, 2015 up to March 31, 2016. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KONAR MUSTAPHI & ASSOCIATES**
Chartered Accountants
(Firm's Registration No. 314125E)

S. K. Mustaphi
Partner
(Membership No. 51842)

Place: Kolkata
Dated: May 31, 2016

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 March 31, 2016 and that to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2016 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting 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:
- i) significant change in internal control, if any, over financial reporting during the year under reference;
 - ii) significant change in accounting policies, if any, during the year requiring disclosures in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: May 31, 2016

I.P. Tantia
Chairman &
Managing Director

Rohini Sureka
Chief Financial Officer
(CFO)

DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO) AS REQUIRED UNDER LISTING REGULATIONS

All the Members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management Personnel for the Financial Year ended March 31, 2016.

Place : Kolkata
Date : May 31, 2016

I.P. Tantia
Chairman & Managing Director

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 March 31, 2016, 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 and the Order under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and

other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 the 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 March 31, 2016, and its loss and its cash flows for the year ended on that date.

5. Emphasis of Matters

We draw attention to:

- a) Para vii to the Annexure A to the Independent Auditors Report regarding delay in payment of statutory dues including dues outstanding for more than 6 months.
- b) Note 42 to the Financial Statement in relation to excess payment of Managerial Remuneration for the Financial Year 2013-14 for which the Management is in the process of taking approval of the Central

INDEPENDENT AUDITOR'S REPORT (Contd.)

Government. During the financial year 2015-16, an amount of ₹ 90 lakhs have been paid / provided as Remuneration to the Chairman and Managing Director which exceeded the eligible limit by ₹ 30 lakhs, for which necessary approval from the shareholders is being obtained by the Company.

- c) Note 8 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.

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:
- 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.
 - 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.
 - 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.
 - 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 March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to 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 knowledge and belief and according to the information and explanations given to us:

- The Company has disclosed the impact of pending litigations as at March 31, 2016 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.
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KONAR MUSTAPHI & ASSOCIATES
Chartered Accountants
FRN: 314125E
CA S. K. Mustaphi

Place: Kolkata
Date: 31st May, 2016

Partner
Membership. No: 051842

INDEPENDENT AUDITOR'S REPORT (Contd.)

"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 March 31, 2016:

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme of physical verification of its Fixed Assets by which 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. Accordingly, the physical verification of the Fixed Assets has been carried out by the Management during the year and no material discrepancies were noticed on such verification.
- c) 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 March 31, 2016 for a period of more than 6 months from the date they became payable are as under:

Nature of Dues	Amount (₹ in Lakhs)
Provident Fund	111.11
Tax Deducted at Source	722.02
Sales Tax	32.36
Service Tax	167.39
STDS	67.71

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 lakhs)	Period to which the amount relates	Forum where dispute is pending
Sales Tax	West Bengal	Appeal Demand	210.32	2005-06	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	343.31	2006-07	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	561.30	2007-08	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	853.13	2008-09	Revisionary Board
Sales Tax	West Bengal	Appeal Demand	2235.63	2009-10	Revisionary Board
Sales Tax	West Bengal	Assessment Demand	706.11	2010-11	Revisionary Board
Sales Tax	West Bengal	Assessment Demand	947.93	2011-12	Revisionary Board
Sales Tax	West Bengal	Assessment Demand	1,512.86	2012-13	Revisionary Board
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)	306.84	2011-12	Revisionary Board
Sales Tax	West Bengal	Penalty Notice (for wrong input tax credit)	258.82	2012-13	Revisionary Board

- viii. According to the records of the Company as examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to Banks. There were no loans or borrowings payable to the Government or financial institutions 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 are 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. In our opinion, Managerial Remuneration for the year ended March 31, 2016 has been paid / provided in excess by ₹30 lakhs over eligible limit for which necessary approval is being obtained by the Company from the shareholders.
- An amount of ₹42 lakhs has been paid in excess to the Chairman and Managing Director for the Financial Year 2013-14 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- xiv. The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- 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 directors 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

Place: Kolkata

Date: 31st May, 2016

Partner

Membership. No: 051842

INDEPENDENT AUDITOR'S REPORT (Contd.)

“Annexure B” to the Independent Auditors’ Report referred to in paragraph 6(f) of the Independent Auditor’s Report to the members of Tantia Constructions Ltd on the Standalone Financial Statements for the year ended March 31, 2016.

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 March 31, 2016 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 the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KONAR MUSTAPHI & ASSOCIATES

Chartered Accountants

FRN: 314125E

CA S. K. Mustaphi

Place: Kolkata

Date: 31st May, 2016

Partner

Membership. No: 051842

BALANCE SHEET as at 31st March 2016

₹ In Lakhs

	Notes	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund :			
Share capital	2	1,882	1,882
Reserves & surplus	3	8,757	11,793
		10,639	13,675
(2) Non-current liabilities			
Long-term borrowings	4	27,701	29,479
Deferred tax liabilities	5	503	796
Other long term liabilities	6	2,007	2,027
Long-term provisions	7	407	382
		30,618	32,684
(3) Current liabilities			
Short-term borrowings	8	49,923	46,475
Trade payables	9	10,936	9,144
Other current liabilities	10	17,237	13,924
Short-term provisions	11	102	98
		78,198	69,641
Total		1,19,455	1,16,000
II ASSETS			
Non current assets			
(1) Fixed Assets :	12		
Tangible assets		5,097	6,175
Intangible assets		2	3
Capital work in progress		19	3
Non current investments	13	8,643	8,633
Long-term loans and advances	14	2,528	2,014
Other non-current assets	15	119	232
		16,408	17,060
(2) Current assets			
Inventories	16	24,337	24,232
Trade receivables	17	28,012	24,597
Cash & Bank balances	18	3,391	3,211
Short-term loans and advances	19	10,172	12,285
Other current assets	20	37,135	34,615
		1,03,047	98,940
Total		1,19,455	1,16,000
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

Dated : 31st May, 2016

Place : Kolkata

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2016

₹ In Lakhs

	Note	Year ended March 31, 2016	Year ended March 31, 2015
I INCOME			
Revenue from operations	21	40,556	52,280
Other income	22	506	1,106
Total Revenue		41,062	53,386
II EXPENSES			
Cost of material consumed	23	13,197	18,027
Contract operating expenses	24	18,934	28,863
(Increase)/decrease in work in progress	25	440	(2,370)
Employee benefits expenses	26	1,556	1,782
Finance cost	27	7,197	9,506
Depreciation and amortisation expenses	12	1,221	2,107
Other expenses	28	1,844	1,559
Total expenses		44,389	59,474
Profit/(Loss) before exceptional & extraordinary Items & Tax		(3,327)	(6,088)
Exceptional items		—	—
Profit/(Loss) before extraordinary items & tax		(3,327)	(6,088)
Extraordinary items		—	—
Profit/(Loss) before Tax		(3,327)	(6,088)
Tax expense :			
Current tax	29	—	—
Income Tax for earlier Year	29	—	—
Deferred tax	29	(293)	73
		(3,034)	(6,161)
Profit/(Loss) of joint venture (net of tax)		(2)	50
Profit/(Loss) for the year		(3,036)	(6,111)
Earnings per Equity Share of ₹ 10/- each			
Basic (₹)	47	(16.13)	(32.47)
Diluted (₹)		(16.13)	(32.47)
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

Dated : 31st May, 2016

Place : Kolkata

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

CASH FLOW STATEMENT for the period ended 31st March 2016

₹ In Lakhs

	31st March 2016		31st March 2015	
A Cash Flow from Operating Activities				
Net Profit / (Loss) before Tax		(3,327)		(6,088)
Add/(Less) Adjustment for :				
Depreciation	1,221		2,107	
(Profit)/Loss on sales of Fixed Assets (Net)	1		(877)	
Foreign Exchange Fluctuation	—		—	
Interest Income	(223)		(217)	
Interest on Borrowings	6,711		8,548	
Direct Tax Refund	—	7,710	—	9,561
Operating Profit before working Capital changes		4,383		3,473
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Debtors	(3,415)		4,211	
Loans & advances	1,599		(1,149)	
Earmarked Bank balances	1		0	
Other Current assets	(1,498)		(870)	
Inventories	(105)		(215)	
Trade payables, Liabilities & Provisions	1,945	(1,473)	(8,764)	(6,787)
Cash Generated from Operations		2,910		(3,314)
Direct Taxes paid		(873)		85
Cash Flow before extraordinary items		2,037		(3,229)
Extra-Ordinary items		—		—
Net Cash From Operating Activities		2,037		(3,229)
B Cash flow from Investing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(169)		(111)	
Sale/discard of Fixed Assets	10		3,476	
Interest Income	187		204	
Investment in Joint Ventures & others	(12)		(1,814)	
Investment in Fixed deposit	(79)	(63)	(46)	1,709
Net Cash used in investing Activities.		(63)		1,709
C Cash Flow from Financing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Share Capital issue	—		(14)	
Net Cash inflow		—		(14)
Long term borrowings	1,142		12,503	
Short term borrowing	3,448		(3,981)	
Interest Paid	(6,463)		(7,179)	
Dividend Paid	0		(4)	
Tax on Dividend	1		(1)	
Dividend & Unclaimed Share Application Money Deposited	—	(1,872)	—	1,338
Net Cash from financing Activities		(1,872)		1,324
D Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)		102		(196)

CASH FLOW STATEMENT for the period ended 31st March 2016

₹ In Lakhs

	31st March 2016		31st March 2015	
E Add: Balance at the beginning of the Year		928		1,124
Cash & Cash equivalents at the close of the year		1,030		928
Note :				
Cash & Cash equivalents				
- Balances with banks in Current Accounts		665		261
- Cash in hand		365		667
Cash & Cash equivalents (As per Note 18a)*		1,030		928
*i) Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client		2,357		2,278
ii) Earmarked Bank balances against Dividend and Unclaimed Share Application		4		5
Total (As per Note 18b)		2,361		2,283
Total [As per Note 18(a + b)]		3,391		3,211

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

Dated : 31st May, 2016

Place : Kolkata

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016

Note 1

A. Corporate Information

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

B. Summary of significant accounting policies

1. Basis of Preparation of Financial Statements

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

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

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

2. Use of Estimates:

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

3. Change in Accounting Policies :

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

4. Inventories

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

5. Fixed Assets

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

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

Intangible assets comprise of License fees 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.

Intangible Assets

These are amortized over the best estimates of its useful life.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

7. Impairment of Assets

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

8. Revenue Recognition

On Construction Contracts:

- The contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the Financial Statements on the basis of percentage completion method.
- The stage of completion of contracts is measured by reference to the proportion that the contract costs incurred for work completed upto the reporting date bear to the estimated total contract costs for each contract.
- Losses on contracts are fully accounted for as an expense immediately when it is certain that the total contract costs will exceed the total contract price. Total contract cost is 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 which 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.
 - ii. Amount that is probable, if accepted by the client, to be measured reliably by the Company.

On Sale of Goods:

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

9. Foreign Currency Transactions

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

10. Investment

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

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

11. Employee Benefit (Retirement and Post Employment Benefit)

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

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.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

III. Leave Encashment

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

12. Borrowing Costs

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

13. Segment Reporting

Identification of Segments

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

Allocation of common costs

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

Segment Policies

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

14. Earnings Per Share

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

adjusted for the effects of all dilutive potential equity share, attributable to the equity 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.

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 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.
- b) In respect of its interest in the Jointly Controlled Entity, the same is recognized as an Investment in accordance with Accounting Standard (AS) 13, "Accounting for Investment".

17. Provision, Contingent Liabilities & Contingent Assets

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

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

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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 2A		
SHARE CAPITAL:		
Authorized:		
390,00,000 Equity Shares (Prev. Yr. 390,00,000) of ₹ 10/- each	3,900	3,900
10,00,000 10.5% Cumulative Preference Shares (Prev. Yr. 10,00,000) of ₹ 10/- each	100	100
	4,000	4,000
Issue, Subscribed and paid up :		
1,88,23,066 Equity Shares (Prev. Yr. 1,88,23,066) of ₹ 10/- each	1,882	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)		
Nil 10.5% Cumulative Preference Shares (Prev. Yr. Nil) of ₹ 10/- each fully paid up	—	—
	1,882	1,882

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

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	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	—	—	—	—
Bought Back during the year	—	—	—	—
Outstanding at the End of the year	1,88,23,066	1,882	1,88,23,066	1,882

Note: 2 B(ii) - Reconciliation of the number of 10.50% Cumulative Redeemable Preference Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	No of Shares	Amount	No of Shares	Amount
Number of Shares outstanding at the Beginning of the year	—	—	1,40,000	14
Issued during the year	—	—	—	—
Redemption during the year	—	—	1,40,000	14
Outstanding at the End of the year	—	—	—	—

Note: 2 C - The rights, preferences and restrictions attaching to each class of shares**Class : Equity Shares**

i) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of shares held by the shareholder.

Note: 2 D (i) - 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 31 st March 2016		As at 31 st March 2015	
	No of Shares	% holding	No of Shares	% holding
Nigolice Trading Pvt Ltd	82,33,806	43.74	82,33,806	43.74
Tantia Financial Services Ltd	11,65,506	6.19	11,65,506	6.19
Ishwari Prasad Tantia	9,48,976	5.04	9,48,976	5.04

* As per conditions imposed by CDREG promoters and promoter group had pledged their entire unencumbered shareholding aggregated to 11028498 Equity Shares of the Company in favour of lenders (Consortium Banks).

Note: 2 D (ii) - 10.50% Cumulative Preference Shares in the Company had by each share holder holding more than 5 percent shares specifying the number of shares held

Name of Share Holder	As at 31 st March 2016		As at 31 st March 2015	
	No of Shares	% holding	No of Shares	% holding
	—	—	—	—
	—	—	—	—
	—	—	—	—

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 3		
RESERVES & SURPLUS :		
Capital Reserve		
Balance as per the last Financial Statement	100	100
Addition during the Year	-	-
Balance (a)	100	100
The Company had received ₹ 100 against future call option of 7,14,285 Share warrants in the F. Y. 2008-09. The call was not exercised by the applicants and as per the terms of the issue of warrant, the said amount was forfeited and credited to Capital Reserve during the year 2008-09.		
Capital Redemption Reserve		
Balance as per the last Financial Statement	14	-
Transfer from Surplus	-	14
Balance (b)	14	14
The Company had issued 140000 10.5% cumulative preference shares at par value of ₹ 10 each in the Financial Year ending on 31 st March 2005 which were redeemed at the option of the shareholders 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	-	-
Balance (c)	6,767	6,767
General Reserve :		
Balance as per the last Financial Statement	1,415	1,415
Add: Transferred from Surplus	-	-
Balance (d)	1,415	1,415
Surplus		
Balance as per the last Financial Statement	3,497	9,627
Add: Profit for the Year	(3,036)	(6,111)
Transfer to		
- Capital Redemption Reserve	-	14
- Dividend on Cumulative Preference Share	-	4
- Proposed Dividend on Equity Share	-	-
- Income Tax on Proposed Dividend	-	1
Balance (e)	461	3,497
Total Reserves and Surplus (a + b + c + d + e)	8,757	11,793

	Non current	Current	Non current	Current
NOTE 4				
LONG TERM BORROWINGS				
SECURED				
i) Term Loan from Scheduled Bank *	8,686	462	9,148	-
ii) WCTL from Scheduled Bank *	6,878	444	6,890	-
iii) FITL from Scheduled Bank *	5,993	2,750	3,793	464

* Refer Note 38 of Notes to Accounts.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	Non current	Current	Non current	Current
NOTE 4 (Contd.)				
iv) Deferred Payment Liabilities				
Equipment and Vehicle Loans from:				
Banks				
Non-Banking Finance Companies etc. **	-	97	2	250
Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Chairman & Managing Director.				
	-	97	2	250
Total (a)	21,557	3,753	19,833	714
** Overdue more than 2 years ₹ 43 and interest rate(s) restricted to 10.30% as per approved CDR Scheme				
UNSECURED				
RUPEE LOAN				
Term Loan from Promoters *	1,494	-	1,494	-
Term Loan from Directors *	615	-	615	-
Advance against contracts				
From Contractees	2,625	4,919	4,816	4,247
From Subsidiaries :				
Tantia Raxaultollway Pvt Ltd (Interest Free)	1,019	2,596	1,988	3,374
Tantia Sanjauliparkings Pvt Ltd (Interest Free)	-	-	-	150
From Joint Venture	391	463	733	326
Total (b)	6,144	7,978	9,646	8,097
Total Long Term Borrowings (a + b)	27,701	11,731	29,479	8,811

* Term loan received from Promoter and Director is in accordance with stipulation as specified in CDR package (Refer Note – 38 & 39)

	31 st March 2016	31 st March 2015
NOTE 5		
Disclosure on Deferred Tax as per AS 22 on “Accounting for Taxes on Income”		
DEFERRED TAX LIABILITY :		
Fixed Assets as per Accounts	5,099	6,179
Fixed Assets as per Income Tax	3,010	3,315
Deferred Tax Liability (Timing Difference)	2,089	2,864
DEFERRED TAX ASSET :		
- Provisions for Employee benefits	509	443
- Bonus Provision	100	78
Deferred Tax Asset (Timing Difference)	609	521
Net Deferred Tax Liability	1,480	2,343
Tax Impact On Net Liability @ 33.99%	503	796
Deferred Tax Liability	503	796

	31 st March 2016	31 st March 2015
NOTE 6		
OTHER LONG TERM LIABILITIES :		
Security Deposit and Retention money	2,007	2,027
	2,007	2,027

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 7		
LONG TERM PROVISIONS :		
Retirement Benefits		
- Gratuity	218	216
- Leave encashment	189	166
Deferred Tax Liability	407	382

	31 st March 2016	31 st March 2015
NOTE 8		
SHORT TERM BORROWINGS :		
SECURED		
Cash Credit from Scheduled Banks	39,635	37,750
Secured by way of charge:		
On pari-passu basis among consortium members primarily by 1 st 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.		
During the year 2014-15, the company received a notice from Vijaya Bank under the SARFAESI ACT (2002) with respect to the fund based facility of Rs. 25 crores availed from the said bank. The fund based facility was secured by way of mortgage of land owned by a third party which was taken on rent by the Company for the purposes of setting up of one Ready Mix Concrete plant. As part of the proceedings under the SARFAESI Act (2002), Vijaya Bank has taken symbolic possession of the said land. As per the CDR Package (Referred to in detail in Note 38), 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. Vijaya Bank will not resort to any legal action against the company, which will jeopardize the implementation of the CDR package.		
Total (a)	42,209	40,324
* The entire amount is lying overdue		
UNSECURED		
From Non-Banking Finance Companies	298	283
Deposits from Bodies Corporate	* 3,766	3,898
Advance against materials	3,650	1,970
Total (b)	7,714	6,151
Total Short Term Borrowings (a + b)	49,923	46,475

* Many of the Body Corporates from whom Unsecured Loans were availed had filed winding up petition at High Court and in most of the cases the Court has directed to pay principal amount with interest in installments fixed by the Court with the condition that in case of default, the winding up petition will automatically stand revived.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 9		
TRADE PAYABLES (INCLUDING DUES TO MSMED VENDORS) :	10,936	9,144
	10,936	9,144

Details of dues to Micro and Small enterprises as defined under the MSMED Act 2006:

	31 st March 2016	31 st March 2015
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	-	-

	31 st March 2016	31 st March 2015
NOTE 10		
OTHER CURRENT LIABILITIES :		
Current Maturities of Long term debt (Refer note – 4)	11,731	8,811
Interest accrued and due	2,153	1,905
Advance from Subsidiaries	362	247
Unpaid Dividend	4	5
Others		
- Statutory Liabilities	1,272	1,286
- Liabilities for Employees	475	646
[Includes ₹ 42 (Previous Year ₹ 133) payable to Directors]		
- Liabilities for Expenses	1,214	997
- Others	26	27
	17,237	13,924

	31 st March 2016	31 st March 2015
NOTE 11		
SHORT TERM PROVISIONS :		
Retirement Benefit (a)	102	97
	102	97
Proposed Dividends on		
Equity Shares	-	-
Cumulative Preference Shares	-	-
Total (b)	-	-
Provision for		
Tax on Dividends (c)	-	1
Total (a + b + c)	102	98

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

SL No.	Particulars	GROSS BLOCK		DEPRECIATION/AMORTISATION			NET BLOCK			
		At 1 st April 2015	Additions	Disposals	At 31 st March 2016	upto 31 st March 2015	For the Year	Deductions upto 31 st March 2016	As at 31 st March 2016	As at 31 st March 2015
A) Tangible Assets										
1	Free Hold Land	397	-	-	397	-	-	-	397	397
2	Work shop & Office Shed	273	-	-	273	4	41	232	236	236
3	Plant & Machinery	9,839	129	5	9,963	980	6,552	3,411	4,262	4,262
4	Construction Accessories	1,957	-	-	1,957	89	1,330	627	716	716
5	Testing & Survey Equipments	186	1	-	187	23	125	62	84	84
6	Air Conditioner	52	-	-	52	6	44	8	14	14
7	Computer	176	3	-	179	9	172	7	13	13
8	Office Equipments	90	3	-	93	14	74	19	30	30
9	Vehicles	875	17	55	837	92	572	265	351	351
10	Furniture & Fixtures	107	-	-	107	3	38	69	72	72
	Sub Total (a) :	13,952	153	60	14,045	1,220	8,948	5,097	6,175	6,175
	Previous Year	18,273	111	4,432	13,952	2,106	7,777	6,175	10,769	10,769
B) Intangible Assets										
1	Software	85	-	-	85	1	83	2	3	3
	Sub Total (b) :	85	-	-	85	1	83	2	3	3
	GRAND TOTAL (a + b)	14,037	153	60	14,130	1,221	9,031	5,099	6,178	6,178
	Total Previous Year	18,358	111	4,432	14,037	2,107	7,859	6,178	10,773	10,773

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 13		
NON CURRENT INVESTMENTS		
(Unquoted, Long Term at Cost)		
In Subsidiaries		
In Equity instruments		
Tantia Sanjauliparkings Private Limited	100	100
1000000 Equity Shares (Prev. Yr. - 1000000) of ₹ 10/- each, fully paid up		
Tantia Raxaultollway Private Limited	2	2
172 Equity Shares (Prev. Yr. - 172) of ₹ 1000/- each, fully paid up		
Tantia Infrastructure Private Limited	100	100
10000 Equity Shares (Prev. Yr. - 10000) of ₹ 1000/- each, fully paid up		
Tantia Batala-Beas Tollway Private Limited	1	1
100 Equity Shares (Prev. Yr. - 100) of ₹ 1000/- each, fully paid up		
Total (a)	203	203
In Preference instruments		
Tantia Sanjauliparkings Private Limited	623	623
62300 Preference Shares (Prev. Yr. - 62300) of ₹ 100/- each, fully paid up		
Tantia Infrastructure Private Limited	7,537	7,537
303704 Preference Shares (Prev. Yr. - 303704) 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 Operation) (% of Profit Share 50)	7	7
TANTIA-DBC JOINT VENTURE (Jointly Controlled Operation) (% of Profit Share 75)	3	3
TANTIA-SIMPLEX JOINT VENTURE (Jointly Controlled Operation) (% of Profit Share 88.43)	-	1
TANTIA-BSBK JOINT VENTURE (Jointly Controlled Operation) (% of Profit Share 50)	-	0
IVRCL-TANTIA JOINT VENTURE (Jointly Controlled Operation) (% of Profit Share 50)	2	2
TANTIA -FREYSSINET JOINT VENTURE (Jointly Controlled Operation) (% of Profit Share 50)	8	8
TANTIA-TBL JOINT VENTURE (Jointly Controlled Operation) (% of Profit Share 50)	24	24

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 13 (Contd.)		
TANTIA-SPML JOINT VENTURE (Jointly Controlled Operation) (% of Profit Share 50)	3	3
TANTIA - GONDWANA (JV) (Jointly Controlled Operation) (% of Profit Share 99.80)	27	25
TANTIA - CCIL (JV) (Jointly Controlled Operation) (% of Profit Share 74)	1	0
TANTIA - SEC (JV) (Jointly Controlled Entity) (% of Profit Share 52)	33	36
TANTIA - YSCC (JV) (Jointly Controlled Entity) (% of Profit Share 51)	-	6
TANTIA - TUNDI (JV) (Jointly Controlled Entity) (% of Profit Share 50)	-	-
TANTIA - PREMCO (JV) (Jointly Controlled Entity) (% of Profit Share 51)	3	2
TANTIA - MPPL (WILO) (JV) (Jointly Controlled Entity) (% of Profit Share 95)	2	19
TANTIA - NMTPL (JV) (Jointly Controlled Entity) (% of Profit Share 99.20)	33	-
Total (f)	247	237
Grand Total (a + b + c + d + e + f)	8,643	8,633

	31 st March 2016	31 st March 2015
NOTE 14		
LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposits & Retention Money	2,497	1,967
Other Loans & Advances		
Prepaid Expenses	16	32
Advances recoverable in cash or in kind or for value to be received	15	15
	2,528	2,014

	31 st March 2016	31 st March 2015
NOTE 15		
OTHER NON CURRENT ASSETS :		
(Unsecured, considered good)		
Deferred Revenue Expenses	119	232
	119	232

	31 st March 2016	31 st March 2015
NOTE 16		
INVENTORIES		
(As taken, valued and certified by the management)		
Construction Materials	5,661	5,094
Construction Contract Work-in-progress	17,252	17,692
(Work-in-progress is valued at cost and reflects the work done but not certified)		
Stores & Spares	823	713
Loose Tools	601	733

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 16 (Contd.)		
a) Stock of raw materials, stores and spares and fuel (except for those relating to Construction activities) are valued at cost (weighted average basis) or net realizable value whichever is lower.		
b) Cost of Raw materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).		
c) The cost of inventories comprises all cost of purchase, cost of conversion and other incidental cost incurred in bringing the inventories to their present location and condition.		
d) Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.		
	24,337	24,232

	31 st March 2016	31 st March 2015
NOTE 17		
TRADE RECEIVABLES		
(Unsecured, considered good)		
Other Debts	8,186	7,912
Exceeding Six Months *	19,826	16,685
Of the total Debts:		
Receivable from Subsidiaries :		
Tantia Raxaul Tollways Pvt Ltd ₹ 3,257 (Prev. Year ₹ Nil)		
Tantia Sanjauliparkings Pvt Ltd ₹ 320 (Prev. Year ₹ 289)		
Receivable from Joint Ventures ₹ 4,514 (Prev. Year ₹ 3,783)		
	28,012	24,597

* 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.

	31 st March 2016	31 st March 2015
NOTE 18		
CASH AND BANK BALANCES		
Cash and Bank balances consists of the following		
a) Cash and Cash equivalents		
i) Balances with Banks		
In current Accounts	665	261
ii) Cash on hand	365	667
Total (a)	1,030	928
b) Other Bank Balances		
i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed Share Application)	4	5
ii) Balances with Banks		
In Deposit Accounts (Less than 12 months)	2,357	2,278
In Deposit Accounts (Beyond 12 months)		
(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)		
Total (b)	2,361	2,283
Grand Total (a + b)	3,391	3,211

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 19		
SHORT-TERM LOANS AND ADVANCES :		
(Unsecured, considered good)		
Security Deposits & Earnest Money	4,613	4,589
Advance to Associates and Related Companies		
- Tantia Financial Services Ltd	0	-
Advance to Subsidiaries		
- Tantia Sanjauliparkings Pvt Ltd	300	290
- Tantia Batala-Beas Tollway Pvt Ltd	1	1
Other Loans & Advances		
Prepaid Expenses	223	220
Advances recoverable in cash or in kind or for value to be received	5,035	7,185
	10,172	12,285

* Loans and advances to Subsidiaries have been given for business purpose.

	31 st March 2016	31 st March 2015
NOTE 20		
OTHER CURRENT ASSETS :		
Interest accrued but not due on Bank deposits	116	80
Works Contract Tax receivable	2,857	1,944
Unbilled Revenue	30,257	29,522
Deferred Revenue Expenses	113	158
Income Tax Advance (including Income Tax Deducted at Source, Net of Provision for taxation)	3,778	2,905
Subsidy Receivable (Excise)	8	-
Others	6	6
	37,135	34,615

	31 st March 2016	31 st March 2015
NOTE 21		
REVENUE FROM OPERATIONS		
Sale of Services		
Contract Receipts (Gross)	39,002	43,654
Sale of Product		
RMC Sale	1,588	8,716
Less : Excise Duty	(34)	(180)
Other operating revenue		
Misc Business income	-	90
	40,556	52,280

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 22		
OTHER INCOME :		
Interest		
On Bank Deposits	210	196
From others	13	21
Profit from adjustments of Fixed Asset	4	877
Miscellaneous Income	279	12
	506	1,106

	31 st March 2016	31 st March 2015
NOTE 23		
COST OF MATERIAL CONSUMED		
Construction Materials	9,723	16,031
Consumable Materials	629	1,201
Stores & Spares	255	212
Carriage Inwards (Including material re-handling)	2,590	583
	13,197	18,027

	31 st March 2016	31 st March 2015
NOTE 24		
CONTRACT OPERATING EXPENSES :		
Contract Execution Expenses	14,541	22,538
Equipment Hire Expenses	1,330	1,555
Machinery Repairing Charges		
- Plant & Machinery	402	445
- Others	98	123
Power & Fuel	1,673	2,331
Site Expenses	173	217
Works Contract Tax & Other Taxes	536	1,350
Consultancy Fees	172	290
Survey & Inspection Expenses	9	14
	18,934	28,863

	31 st March 2016	31 st March 2015
NOTE 25		
(INCREASE)/DECREASE IN WORK IN PROGRESS		
At the Beginning of the Year	17,692	15,322
Less : At the end of the Year	17,252	17,692
	440	(2,370)

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 26		
EMPLOYEE BENEFITS EXPENSES		
Salary and Bonus	1,336	1,552
Contribution towards Employees Provident Fund, ESIC and other funds	61	53
Staff Welfare Expenses	112	129
Employees Retirement Benefits	47	48
	1,556	1,782

	31 st March 2016	31 st March 2015
NOTE 27		
FINANCE COST		
Interest expenses		
To Banks		
- on Working Capital Loans	3,500	6,631
- Banks on WCTL	1,722	847
- Banks on FITL	727	48
To Non-Banking Finance Companies on Equipment Finance Loan	20	135
To Others	742	887
Other borrowing cost		
Bank Commission & Other Charges	486	958
	7,197	9,506

	31 st March 2016	31 st March 2015
NOTE 28		
OTHER EXPENSES:		
Rent	183	241
Rates and Taxes	529	369
Insurance	68	46
Printing & Stationery	20	33
Directors' Fees	1	3
Auditor's Remuneration:		
Audit Fees	7	7
Tax Audit Fees	2	1
Other Services	2	1
Internal Audit & Other Certificate Fees	-	1
Light Vehicles Running Expenses	17	20
Travelling & Conveyance	275	290
Loss on Sale of Fixed Assets	5	-
Advertisement	5	8
Computer Maintenance	6	7
Legal Expenses	43	35
Security Guard Expenses	106	156
Telephone Expenses	64	66
SAP – Maintenance	-	8

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 28 (Contd.)		
Contribution towards CSRB	-	20
Donation	-	1
Bad Debt Written Of	282	-
Miscellaneous Expenses	229	246
	1,844	1,559

	31 st March 2016	31 st March 2015
NOTE 29		
PROVISION FOR TAXATION		
Income tax for the year	-	-
Income tax for earlier year	-	-
Deferred taxes	(293)	73
	(293)	73

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

Sl. No.		31 st March 2016	31 st March 2015
	NOTE 30		
	CONTINGENT LIABILITIES AND COMMITMENTS		
1.	Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹ 1,794 (Previous year ₹ 1,695) 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 ₹ 47,200). Total figure as shown above includes ₹ 13,599 (Prev. Yr. 14,049) relating to Joint Venture.	47,500	47,200
2.	Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	8,465	6,694
3.	The Company has provided an undertaking to pay in the event of default for loan given by the Banks to its Subsidiaries including fellow Subsidiaries. Outstanding amount of default as on 31 st March, 2016 was excluding Nil (Previous Year Nil) interest outstanding of ₹ 30 (Previous Year ₹ 54).		
4.	The Income Tax usual scrutiny assessment of the Company has been completed up to Assessment Year 2013-14. The Income Tax Department has gone for Appeal before ITAT in connection with Assessment for Assessment Year 2006-07 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 Rs. 2901.88. 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 C I T Appeal for Assessment Year 2013-14, impact of the same is NIL as MAT is applicable.		

31. CAPITAL COMMITMENT

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

32. OTHER COMMITMENTThe Company has a commitment towards purchase of Construction Materials for various projects aggregating to ₹ 18.32 (Prev. Yr ₹ 3.60) for which purchase orders have been raised before 31st March 2016.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

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.

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.

35. DEBTORS & CREDITORS CONFIRMATION

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

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 March 31, 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 2015-16 under conservative approach.

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	2015-16	2015-16
The amount of contract revenue recognized as revenue in the period	39,002	43,654
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,85,142	1,80,614
The amount of advances received	15,663	17,604
The amount of retentions	6,647	6,107
Gross amount due from customers	30,257	29,522
Gross amount due to customers	-	-

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 crores, as on the cutoff 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 March 31, 2016 and ending on March 31, 2020.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

- 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 Rs. 21 Crores 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 :-

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 Indian Overseas Bank State Bank of Travancore	South Indian Bank
3	Nature of facilities granted after CDR packages	FBWC – 393.00 crores WCTL – 92.09 crores FITL – 77.45 crores Non Fund Based – 475.00 crores	Term Loan – 92.45 crores FITL – 15.30 crores
4	Securities :		
	A) Primary :		
	i) 1st hypothecation charge on the Company's 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 Manobal 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 building at DD 30, Salt Lake City 7th Floor, 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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

Sl. No.	Description	Bankers under Consortium and CDR Mechanism	Bankers not under Consortium but under CDR Mechanism
	iii) 1st charge on Landed property of the Company at Rajarhat on pari passu basis with all Working Capital Lenders – 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 11028498 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) Mr. 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) Mr. 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 the additional Collateral Securities, stipulated by the Lenders, the Company is in process of completing the relative formalities, which is expected to be completed shortly. In the meantime, as an interim measure, the Company has pledged certain shares 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 March 31, 2015, no such calculation was necessary as implementation of the package commenced only on March 31, 2015. For the year ended March 31, 2016, the necessary computation in respect of the liability under the Right to Recompense has been computed and has been arrived at ₹ 23.62 crores.

39. PROMOTER CONTRIBUTION :

As a part of the CDR Package, the Promoters were required to contribute, by way of additional equity, ₹ 21 crores in the financial year 2014-15. The amount, as required, had been brought into the Company. The formalities, in this connection, comprising Board approval, conduct of postal ballot etc have since been completed. Pending compliance with all the other requirements, framed by SEBI and other regulatory Authorities, shares are yet to be allotted against the said amount (₹ 21 crores). Therefore, the said amount continues to be shown as an unsecured loan (Refer Note – 4) on March 31, 2016.

40. DEPRECIATION :

The Company has provided depreciation in accordance with Schedule II of the Companies Act, 2013 from the financial year 2014-15. Accordingly, unamortized carrying value is being depreciated over the remaining useful life. The fixed asset whose life had expired as on 1st April, 2014 had also been adjusted with the depreciation during the previous financial year. This has resulted in higher depreciation totaling ₹ 2,107 against ₹ 1,221 during the current financial year.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

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	31 st March 2016	31 st March 2015
Defined Contribution Plan –		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to employees Provident fund -	26	27
Contribution to Employees State Insurance	5	7

Reconciliation of opening and closing balances of the present value of the Defined benefit obligation	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Obligation at the period beginning (April 1)	222	-	263	259
Current Service Cost	14	-	34	24
Interest Cost	18	-	21	21
Actuarial (Gain)/Loss	(29)	-	(22)	(33)
Benefits paid	(7)	-	5	8
Obligation at the year end (March 31)	218	-	291	263
Change in Plan Assets				
Plan assets at period beginning, at fair value	42	-	-	-
Expected return on plan assets	3	-	-	-
Actuarial (Gain)/Loss	-	-	NA	NA
Contributions	6	-	-	-
Benefits paid	(7)	-	-	-
Plan Assets at the year end, at fair value	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	44	-	-	-
Present value of the defined benefit obligations at the end of the year	218	-	291	263
Liability/(Assets) recognized in the Balance Sheet	173	-	291	263
Cost for the year				
Current service cost	14	-	34	24
Interest cost	18	-	21	21
Expected return on plan assets	(3)	-	-	-
Actuarial (gain)/loss	(29)	-	(22)	(33)
Net Cost recognized in the Statement of Profit and Loss	0	-	33	12
Assumptions used to determine the benefit obligations:				
Interest rate	8.00%	-	8.00%	8.00%
Estimated rate of return on plan assets	8 – 9%	-	NA	NA
Expected rate of increase in Salary	3.00%	-	7.00%	6.00%

* Provision for Gratuity for the year has been made on the basis of actuarial valuation made by LIC with due adjustment for the previous year (as it was made on estimated basis).

42. MANAGERIAL REMUNERATION :

The Companies Act, 2013 has been made effective 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 be excess by ₹ 42 lakhs. The Company is taking appropriate steps to seek redressal of this excess amount from the concerned authorities failing which the said amount will be recovered from the Chairman and Managing Director.

Managerial Remuneration for the year ended March 31, 2016 amounting to ₹ 90 lakhs have been paid / provided to the Chairman and Managing Director. As per the provision of Companies Act, 2013 (Section 197 read with Schedule V), the eligible limit is ₹ 60 lakhs. Hence, an amount of ₹ 30 lakhs has been paid / provided in excess which needs to be approved by the shareholders. Action is being taken to get approval of the shareholder's as required.

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

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 turnover of the Company was mainly from Construction activities and as turnover from Ready Mix Concrete division was less than 10% of the total turnover, the requirement of disclosure under AS – 17 is not applicable.

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 :

SI No.	Nature of Relation	Name of the Entity
A	Associate Companies and Enterprises over which the key management personnel and its relatives are able to exercise significant influence:	Nigolice Trading (P) Ltd.
		Castal Extrusion Private Limited
		Andromeda Communications (P) Ltd
		Prism Impex Pvt Ltd
		Greenzen Bio Pvt Ltd
		Tantia Agrochemicals Pvt Ltd
B	Subsidiaries :	Tantia Sanjauliparkings (P) Ltd.
		Tantia Infrastrucure (P) Ltd.
		Tantia Raxaultollway (P) Ltd.
		Tantia Batala-Beas Tolloway (P) Ltd
C	Joint Ventures:	RBM Tantia (JV)
		Tantia BSBK (JV)
		JMC Tantia (JV)
		Tantia DBC (JV)
		Tantia Simplex (JV)
		Tantia Soma (JV)
		Tantia Nayak (JV)
		Tantia TBL (JV)
		Tantia SPML (JV)
		Tantia Freyssinet Gilcon (JV)
		Tantia OTBL (JV)
		Tantia Gondwana (JV)
		Tantia CCIL (JV)
		Tantia EDCL (JV)
		Tantia SEC (JV)
		Tantia YSCC (JV)
		IVRCL Tantia (JV)

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

SI No.	Nature of Relation	Name of the Entity
		Tantia Premco (JV)
		Tantia Tundi (JV)
		Tantia MPPL (WILO) (JV)
		Tantia NMTPL (JV)
D	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 (Vice President - Finance & Accounts)
E	Relatives of Key Management Personnel (KMP) :	Mr. Siddhartha Tantia
		Ms Laxmi Tantia

Particular of Transactions during the year.

Nature of Transactions	Year	Fellow / Company / Trust	Subsidiaries	Joint Venture	Key Management Personnel and Relatives	Total
Rendering of Services	15-16	-	12,303	2,875	-	15,178
	14-15	-	2,141	2,677	-	4,818
Interest Received	15-16	-	-	3	-	3
	14-15	-	-	7	-	7
Remuneration Paid/payable	15-16	-	-	-	259	259
	14-15	-	-	-	255	255
Rent paid	15-16	3	-	-	44	47
	14-15	5	-	-	44	49
Hire Charges paid	15-16	-	360	-	-	360
	14-15	-	156	-	-	156
Interest paid	15-16	88	-	-	-	88
	14-15	50	-	-	-	50
Purchase of Material	15-16	-	-	-	-	-
	14-15	1	-	-	-	1
Purchase of Shares	15-16	-	-	-	-	-
	14-15	1,930	-	-	-	1,930
Re-imbusement of expenses	15-16	10	-	-	5	15
	14-15	22	-	-	7	29
Advances given	15-16	533	11	-	-	544
	14-15	-	286	-	-	286
Advances Taken	15-16	-	5,878	-	-	5,878
	14-15	-	1,847	1,047	-	2,894
Refund of Advances given	15-16	533	-	-	-	533
	14-15	1,158	-	-	-	1,158
Refund of Advances taken	15-16	-	6,677	-	-	6,677
	14-15	-	814	-	-	814
Loan Taken	15-16	-	-	-	-	-
	14-15	1,494	-	-	615	2,109
Refund of Loan Taken	15-16	-	-	-	-	-
	14-15	1,626	-	-	-	1,626

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

Nature of Transactions	Year	Fellow / Company / Trust	Subsidiaries	Joint Venture	Key Management Personnel and Relatives	Total
Investment in Joint Ventures	15-16	-	-	13	-	13
	14-15	-	-	(66)	-	(66)
Share of Profit/(Loss)	15-16	-	-	(2)	-	(2)
	14-15	-	-	50	-	50
Security Deposit Paid	15-16	-	-	-	-	-
	14-15	-	-	-	-	-
Investment in Shares	15-16	-	-	-	-	-
	14-15	-	-	-	-	-
Outstanding balances receivable	15-16	-	722	4,350	13	5,085
	14-15	73	430	3,864	21	4,388
Outstanding balance payable	15-16	1,509	2,898	333	678	5,418
	14-15	1,502	6,834	861	734	9,931

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

Particulars	2015-16	2014-15
BASIC		
Net Profit after tax for the year attributable for equity shareholders	(3,036)	(6,111)
Weighted number of shares for EPS computation	1,88,23,066	1,88,23,066
Earnings Per Share	(16.13)	(32.47)
DILUTED		
Net Profit after tax for the year	(3,036)	(6,111)
Adjusted profit after tax for the year available for equity shareholders	(3,036)	(6,111)
Weighted average number of shares for EPS computation	1,88,23,066	1,88,23,066
Diluted Earnings Per Share	(16.13)	(32.47)

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

Name of JV	Year	Assets	Liabilities	Turnover	Other Income	Expenses
JMC Tantia JV	15-16	30	30	-	-	0
	14-15	30	30	-	-	1
Tantia DBC JV *	15-16	12	12	-	-	-
	14-15	12	12	-	-	-
Tantia Freyssinet Gilcon JV	15-16	18	18	-	-	0
	14-15	18	18	-	-	0
Tantia-Gondwana JV	15-16	1,129	1,129	656	2	658
	14-15	813	813	824	11	834
IVRCL-Tantia JV	15-16	95	95	-	-	0
	14-15	95	95	-	-	0
Tantia-Simplex JV	15-16	0	0	-	-	0
	14-15	26	26	-	-	0
Tantia-Soma JV	15-16	13	13	-	-	0
	14-15	13	13	-	-	0
Tantia-SPML JV *	15-16	2	2	-	-	-
	14-15	2	2	-	-	-
Tantia-BSBK JV	15-16	35	35	-	-	-
	14-15	35	35	-	-	-
Tantia-CCIL JV	15-16	1,106	1,106	-	-	-
	14-15	1,106	1,106	-	5	5

NOTES TO FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

Name of JV	Year	Assets	Liabilities	Turnover	Other Income	Expenses
Tantia-TBL JV	15-16	12	12	-	-	0
	14-15	12	12	-	-	0
Tantia-SEC JV *	15-16	764	764	1,174	1	1,166
	14-15	839	839	1,420	6	1,410
Tantia-Premco JV *	15-16	46	46	34	1	34
	14-15	43	43	125	-	124
Tantia-YSCC JV *	15-16	22	22	-	-	-
	14-15	22	22	54	-	54
Tantia-EDCL JV *	15-16	9	9	-	-	0
	14-15	8	8	-	-	0
Tantia-NMTPL JV	15-16	1,493	1,493	1,081	-	1,081
	14-15	1,326	1,326	1,604	-	1,604
Tantia-WILO (MPPL) JV	15-16	1,365	1,365	1,082	1	1,083
	14-15	1,254	1,254	238	-	238

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

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.

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

Expenditure / Remittance in Foreign Currency

	2015-16		2014-15	
A Value of imports calculated on CIF Basis:				
(i) Capital Goods	-	-	-	-
B Expenditure in foreign currencies:				
(i) Traveling expenses	-	-	-	-
(ii) Consultancy Charges	-	-	-	-
(iii) Interest	-	-	-	-
(iv) Payment to Subcontractor	-	-	-	-
C Value of Construction Materials consumed:				
(i) Imported	-	-	-	-
(ii) Indigenous	9,723	100.00%	16,031	100.00%
D Value of Spare Parts & Components consumed:				
(i) Imported	-	-	-	-
(ii) Indigenous	884	100.00%	1,413	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	-	-	-	-

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

NOTES TO FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

Particulars	Dividend including Corporate Tax on Dividend (Including Preference shares)	Employee benefits
Balance as on 1.4.2015	1	479
Balance as on 1.4.2014	5	439
Add: Provisions made (2015-16)	-	47
(2014-15)	5	48
Less: Payments (2015-16)	1	17
(2014-15)	4	8
Less: Adjustments (2015-16)	-	-
(2014-15)	-	-
Closing Balance as on 31.03.2016	-	509
Closing Balance as on 31.03.2015	1	479

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

51. '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
Dated : 31st May, 2016
Place : Kolkata

ROHINI SUREKA
Chief Financial Officer

PRITI TODI
Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of
Tantia Constructions Limited

1. Report on 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, 2016, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of 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 entities are responsible for maintenance of adequate 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 the 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of 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 terms 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 2016;
- (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 the 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) Delay in payment of statutory dues including dues outstanding for more than 6 months.
- b) Note 42 to the Financial Statement in relation to excess payment of Managerial Remuneration for the Financial

INDEPENDENT AUDITOR'S REPORT (Contd.)

Year 2013-14 for which the Management is in the process of taking approval of the Central Government. During the financial year 2015-16 an amount of ₹ 90 lakhs have been paid / provided as Remuneration to the Chairman and Managing Director which exceeded the eligible limit by ₹ 30 lakhs for which necessary approval from the Shareholder's is being obtained by the Company.

- c) Note 8 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.

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 ₹ 41160 lakhs as at Mar 31, 2016, the Group's share of total revenues of ₹ 1419 lakhs and net cash flows amounting to ₹ 25 lakhs 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, insofar 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 6 (Six) Jointly Controlled Entities whose financial statements reflects total assets (net) of ₹ 856 lakhs as at March 31st, 2016, total revenues of ₹ 1210 lacs and net cash flows amounting to ₹ 10 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. Our opinion, in so far as it relates to the amounts included in respect of these 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 purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the 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 the 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 written representations received from the directors of the Holding Company as on 31st March 2016, and taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditor of its subsidiary company, none of the directors of the Group is disqualified as on 31st March 2016, 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 the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report of the Holding Company and its Subsidiary Companies, where applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company', Subsidiary Companies' and the Jointly Controlled Entities' Internal Financial Control over financial reporting.
- g. With respect to the other matters to be included in the Auditor's 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 31st March 2016 in its Consolidated Financial Statements in accordance with the generally accepted accounting practice. (Refer Note 31 of 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. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

For **KONAR MUSTAPHI & ASSOCIATES**

Chartered Accountants

FRN: 314125E

CA S. K. Mustaphi

Place: Kolkata

Date: 31st May, 2016

Partner

Membership. No: 051842

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

(Referred to in paragraph 7(f) under ' Report on Other Legal and 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 Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2016, we have audited the Internal Financial Controls over Financial Reporting of Tantia Constructions Limited (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 Boards of Directors of the Holding Company, its Subsidiary 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.

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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 and the audit evidence 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its Subsidiary 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place : Kolkata

Date : 31st May, 2016

Partner

Membership. No: 051842

CONSOLIDATED BALANCE SHEET as at 31 March 2016

₹ In Lakhs

	Notes	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund :			
Share capital	2	1,882	1,882
Reserves & surplus	3	16,104	19,496
		17,986	21,378
Minority Interest		-	2
(2) Non-current liabilities			
Long-term borrowings	4	45,424	42,322
Deferred tax liabilities	5	603	828
Other long term liabilities	6	2,007	2,027
Long-term provisions	7	407	382
		48,441	45,559
(3) Current liabilities			
Short-term borrowings	8	47,821	45,399
Trade payables	9	15,246	9,750
Other current liabilities	10	17,423	12,879
Short-term provisions	11	102	99
		80,592	68,127
Total		1,47,019	1,35,066
II ASSETS			
Non current assets			
(1) Fixed Assets :			
Tangible assets		6,667	7,898
Intangible assets		2	4
Capital work in progress		27,278	20,833
Goodwill on Consolidation		6	6
Non current investments	13	135	135
Long-term loans and advances	14	2,655	2,131
Other non-current assets	15	122	235
		36,865	31,242
(2) Current assets			
Inventories	16	24,491	24,577
Trade receivables	17	26,108	23,203
Cash & Bank balances	18	4,228	3,425
Short-term loans and advances	19	10,000	12,147
Other current assets	20	45,327	40,472
		1,10,154	1,03,824
Total		1,47,019	1,35,066
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

Dated : 31st May, 2016

Place : Kolkata

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31 March 2016

₹ In Lakhs

	Note	Year ended March 31, 2016	Year ended March 31, 2015
I INCOME			
Revenue From operation	21	30,891	51,738
Other income	22	508	1,112
Total Revenue		31,399	52,850
II EXPENSES			
Cost of material consumed	23	8,624	17,084
Contract operating expenses	24	18,174	28,526
(Increase)/decrease in work in progress	25	686	(2,405)
Employee benefits expenses	26	1,496	1,728
Finance cost	27	7,435	9,641
Depreciation and amortisation expenses	12	1,375	2,147
Other expenses	28	1,814	1,504
Total expenses		39,604	58,225
Profit/(Loss) before exceptional & extraordinary Items & Tax		(8,205)	(5,375)
Exceptional items		-	-
Profit/(Loss) before extraordinary items & tax		(8,205)	(5,375)
Extraordinary items		-	-
Profit/(Loss) before Tax		(8,205)	(5,375)
Tax expense :			
Current tax	29	0	1
Income Tax for earlier Year	29	(0)	-
Deferred tax	29	(224)	104
		(7,981)	(5,480)
Profit/(Loss) of joint venture (net of tax)		-	33
Profit/(Loss) for the year		(7,981)	(5,447)
Earning per Equity Share of ₹ 10/- each			
Basic (₹)	46	(42.39)	(28.94)
Diluted (₹)		(42.39)	(28.94)
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

Dated : 31st May, 2016

Place : Kolkata

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT for the period ended 31 March 2016

₹ In Lakhs

	31 st March 2016		31 st March 2015	
A Cash Flow from Operating Activities				
Net Profit / (Loss) before Tax		(8,205)		(5,375)
Add/(Less) Adjustment for :				
Depreciation	1,375		2,147	
(Profit)/Loss on sales of Fixed Assets (Net)	5		(877)	
Foreign Exchange Fluctuation	-		-	
Interest Income	(225)		(217)	
Interest on Borrowings	6,960		8,701	
Direct Tax Refund		8,115	-	9,754
Operating Profit before working Capital changes		(90)		4,379
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Debtors	(2,905)		4,224	
Loans & advances	1,623		(552)	
Earmarked Bank balances	(1)		-	
Other Current assets	(3,599)		(2,521)	
Inventories	86		296	
Trade payables, Liabilities & Provisions	6,111	1,315	(9,458)	(8,011)
Cash Generated from Operations		1,225		(3,632)
Direct Taxes paid		(1,107)		268
Cash Flow before extraordinary items		118		(3,364)
Extra-Ordinary items		-		-
Net Cash From Operating Activities		118		(3,364)
B Cash flow from Investing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Purchase of Fixed Assets	(6,599)		(5,196)	
Sale/discard of Fixed Assets	6		3,588	
Interest Income	189		205	
Investment in Joint Ventures & others	0		17	
Investment in Fixed deposit	(79)	(6,483)	(31)	(1,417)
Net Cash used in investing Activities.		(6,483)		(1,417)
C Cash Flow from Financing Activities				
Add/(Less) (Increase)/decrease in Assets/Liabilities :				
Share Capital issue	-		(91)	
Share Premium Account	-		(1,853)	
Minority Interest			1	
Grant Received	4,586		2,256	
Net Cash inflow		4,586		313
Long term borrowings	7,042		16,467	
Short term borrowing	2,422		(5,140)	
Interest Paid	(6,960)		(6,995)	
Dividend Paid	1		(4)	
Tax on Dividend	(1)		-	
Dividend & Unclaimed Share Application Money Deposited		2,504	-	4,328
Net Cash from financing Activities.		7,090		4,641
D Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)		725		(140)

CONSOLIDATED CASH FLOW STATEMENT for the period ended 31 March 2016

₹ In Lakhs

	31 st March 2016		31 st March 2015	
E Add: Balance at the beginning of the Year		1,138		1,278
Cash & Cash equivalents as the close of the year		1,863		1,138
Note :				
Cash & Cash equivalents				
- Balances with banks in Current Accounts		784		465
- Cash in hand		388		673
- Cheque in hand		690		-
Cash & Cash equivalents (As per Note 18a)*		1,862		1,138
*i) Excluding balances with the bank in the form of Fixed Deposit pledged as Security / Margin with Bank for BG Limit and Lien with Client		2,362		2,282
ii) Earmarked Bank balances against Dividend and Unclaimed Share Application		4		5
Total (As per Note 18b)		2,366		2,287
Total [As per Note 18(a + b)]		4,228		3,425

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

Dated : 31st May, 2016

Place : Kolkata

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016

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.
- d) The financial statements of the subsidiaries, joint ventures and the associates used in the consolidation are drawn up to the same reporting date i.e. 31st March, 2016.
- 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 211 (3C) (which continues to be applicable in term of general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013) read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

3. Use of Estimates:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

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. 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) and is provided based on useful life of the assets as prescribed in Schedule – II to the Companies Act, 2013.

Intangible Assets

These are amortized over the best estimates of its useful life.

8. Inventories

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

9. Revenue Recognition

On Construction Contracts:

- ❖ The contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the Financial Statements on the basis of percentage completion method.

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

On Sale of Goods:

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

10. Foreign Currency Transactions

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

11. Investment

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

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

12. Employee Benefit (Retirement and Post Employment Benefit)

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

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.

13. Borrowing Costs

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

14. Segment Reporting

Identification of Segments

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

Allocation of common costs

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

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and

presenting the financial statements of the Company as a whole.

15. Earnings Per Share

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

18. Provision, Contingent Liabilities & Contingent assets

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 2A		
SHARE CAPITAL :		
Authorized :		
390,00,000 Equity Shares (<i>Prev. Yr. 390,00,000</i>) of ₹ 10/- each	3,900	3,900
10,00,000 10.5% Cumulative Preference Shares (<i>Prev.Yr. 10,00,000</i>) of ₹ 10/- each	100	100
	4,000	4,000
Issue, Subscribed and paid up :		
1,88,23,066 Equity Shares (<i>Prev. Yr. 1,88,23,066</i>) of ₹ 10/- each	1,882	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)		
Nil 10.5% Cumulative Preference Shares (<i>Prev. Yr. Nil</i>) of ₹ 10/- each fully paid up	—	—
	1,882	1,882

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

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	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	—	—	—	—
Bought Back during the year	—	—	—	—
Outstanding at the End of the year	1,88,23,066	1,882	1,88,23,066	1,882

Note : 2 B(ii) - Reconciliation of the number of 10.50% Cumulative Redeemable Preference Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	No of Shares	Amount	No of Shares	Amount
Number of Shares outstanding at the Beginning of the year	—	—	1,40,000	14
Issued during the year	—	—	—	—
Redemption during the year	—	—	1,40,000	14
Outstanding at the End of the year	—	—	—	—

Note : 2 B (iii) – A reconciliation of the number of 16% Cumulative Redeemable Preference Share outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	No of Shares	Amount	No of Shares	Amount
At the Beginning of the year	—	—	77,206	77
Issued during the Year	—	—	—	—
Transfer during the year	—	—	77,206	77
Outstanding at the end of the Year	—	—	—	—

The Company was holding 248120, 16% Cumulative Redeemable Preference Share of Tantia Infrastructure Pvt Ltd (a subsidiary) at the beginning of financial year 2012-13, further the Company subscribed for 55584, 16% Cumulative Redeemable Preference Share issued during the financial year 2012-13. Out of the total holding of 303704 shares, the Company transferred 77206 shares to Prism Impex Pvt Ltd and the Company's holding was 226498 shares as on March 31, 2013. During the financial year 2014-15 those 77206 shares held by Prism Impex Pvt Ltd was transferred to the Holding Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

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

Class : Equity Shares

i) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

Note : 2 D (i) - 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 31 st March 2016		As at 31 st March 2015	
	No of Shares	% holding	No of Shares	% holding
Nigolice Trading Pvt Ltd	82,33,806	43.74	82,33,806	43.74
Tantia Financial Services Ltd	11,65,506	6.19	11,65,506	6.19
Ishwari Prasad Tantia	9,48,976	5.04	9,48,976	5.04

* As per conditions imposed by CDREG promoters and promoters group had pledged their entire unencumbered shareholding aggregated to 11028498 Equity Shares of the Company in favour of lenders (Consortium Banks).

Note : 2 D (ii) – 10.50% Cumulative Preference 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 31 st March 2016		As at 31 st March 2015	
	No of Shares	% holding	No of Shares	% holding
	—	—	—	—
	—	—	—	—

Note : 2 D (iii) – 16% Cumulative Preference 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 31 st March 2016		As at 31 st March 2015	
	No of Shares	% holding	No of Shares	% holding
	—	—	—	—
	—	—	—	—

	31 st March 2016	31 st March 2015
NOTE 3		
RESERVES & SURPLUS :		
Capital Reserve		
Balance as per the last Financial Statement	100	100
Addition during the Year	-	-
Balance (a)	100	100
The Company had received ₹ 100 against future call option of 7,14,285 Share warrants in the F. Y. 2008-09. The call was not exercised by the applicants and as per the terms of the issue of warrant, the said amount was forfeited and credited to Capital Reserve during the year 2008-09.		
Capital Redemption Reserve		
Balance as per the last Financial Statement	14	-
Transfer from Surplus	-	14
Balance (b)	14	14

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

The Company had issued 140000 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 equivalents 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	-	-
Balance (c)	6,767	6,767
General Reserve :		
Balance as per the last Financial Statement	1,415	1,415
Add: Transferred from Surplus	-	-
Balance (d)	1,415	1,415
Grant		
Balance as per the last Financial Statement	7,250	4,994
Add: Received during the year	4,585	2,256
Balance (e)	11,836	7,250
Surplus		
Balance as per the last Financial Statement	3,951	9,415
Add : Profit for the year	(7,981)	(5,447)
Transfer to		
- Capital Redemption Reserve	-	14
- Dividend on Cumulative Preference Share	-	4
- Proposed Dividend on Equity Share	-	-
- Income Tax on Proposed Dividend	-	1
Balance (f)	(4,028)	3,950
Total Reserves and Surplus (a + b + c + d + e + f)	16,104	19,496

	Non current	Current	Non current	Current
NOTE 4				
LONG TERM BORROWINGS				
SECURED				
i) Term Loan from Scheduled Bank *	8,686	462	9,148	-
ii) WCTL from Scheduled Bank *	6,878	444	6,890	-
iii) FITL from Scheduled Bank *	5,993	2,750	3,793	464
iv) Term Loan from Scheduled Bank	18,743	512	14,831	204
• Term loan taken by Tantia Raxaultollways Pvt. Ltd. and Tantia Sanjauli Parkings Pvt. Ltd. for BOT Projects are secured by first charge on all intangible and tangible properties and assets as well as the revenue and the receivables for the projects. These are also covered by corporate guarantee from Tantia Constructions Ltd (Holding Company)				
• Repayment of Term Loans are under moratorium and are to be paid in 46 quarterly installment starting from June 30, 2016 and in 106 monthly installments starting June 1, 2017 with interest rate of BR + 1.50% per annum and BR + 2.85% per annum respectively.				
* Refer Note 39 & 40 of Notes to Accounts.				

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	Non current	Current	Non current	Current
NOTE 4 (Contd.)				
v) Deferred Payment Liabilities				
Equipment and Vehicle Loans from:				
Non-Banking Finance Companies etc. *	-	1,644	2	1,999
Secured by way of hypothecation of assets financed by them and Personal Guarantees of the Chairman & Managing Director.				
Payable in 16-17 ₹ 1,644 with rate(s) ranges from 12.57% to 17.83%				
	-	1,644	2	1,999
Total (a)	40,300	5,812	34,664	2,667
Overdue more than 2 years ₹ 43				
UNSECURED				
RUPEE LOAN				
Term Loan from Promoters *	1,494	-	1,494	-
Term Loan from Directors *	615	-	615	-
Advance against contracts				
From Contractees	3,015	5,386	5,549	4,591
Total (b)	5,124	5,386	7,658	4,591
Total Long Term Borrowings (a + b)	45,424	11,198	42,322	7,258

* Term loan received from Promoter and Director is in accordance with stipulation as specified in CDR package (Refer Note – 39 & 40)

	31 st March 2016	31 st March 2015
NOTE 5		
Disclosure on Deferred Tax as per AS 22 on “Accounting for Taxes on Income”		
DEFERRED TAX LIABILITY :		
Fixed Assets as per Accounts	6,669	7,891
Fixed Assets as per Income Tax	4,286	4,934
Deferred Tax Liability (Timing Difference)	2,383	2,957
DEFERRED TAX ASSET :		
- Provisions for Employee benefits	509	443
- Bonus Provision	100	78
Deferred Tax Asset (Timing Difference)	609	521
Net Deferred Tax Liability	1,774	2,436
Tax Impact On Net Liability @ 33.99%	603	828
Deferred Tax Liability	603	828

	31 st March 2016	31 st March 2015
NOTE 6		
OTHER LONG TERM LIABILITIES :		
Security Deposit and Retention money	2,007	2,027
	2,007	2,027

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 7		
LONG TERM PROVISIONS :		
Retirement Benefits		
- Gratuity	218	216
- Leave encashment	189	166
	407	382
	31 st March 2016	31 st March 2015
NOTE 8		
SHORT TERM BORROWINGS :		
SECURED		
Cash Credit from Scheduled Banks	39,635	37,750
Secured by way of charge:		
On pari-passu basis among consortium members primarily by 1st hypothecation 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 2nd 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.		
During the year 2014-15, the company received a notice from Vijaya Bank under the SARFAESI ACT (2002) with respect to the fund based facility of ₹ 25 crores availed from the said bank. The fund based facility was secured by way of mortgage of land owned by a third party which was taken on rent by the Company for the purposes of setting up of one Ready Mix Concrete plant. As part of the proceedings under the SARFAESI Act (2002), Vijaya Bank has taken symbolic possession of the said land. As per the CDR Package (Referred to in detail in Note 39), 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. Vijaya Bank will not resort to any legal action against the company, which will jeopardize the implementation of the CDR package.		
Total (a)	42,209	40,324
* The entire amount is lying overdue		
UNSECURED		
From Non-Banking Finance Companies	298	283
Deposits from Bodies Corporate	* 3,766	3,897
Advance from Nigolice	72	-
Advance against materials	1,476	895
Total (b)	5,612	5,075
Total Short Term Borrowings (a + b)	47,821	45,399

* Many of the Body Corporate from whom Unsecured Loans were availed had filed winding up petition at High Court and in most of the cases Court has directed to pay principal amount with interest in installments fixed by the Court with the condition that in case of default, the winding up petition will automatically stand revived.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 9		
TRADE PAYABLES (INCLUDING DUES TO MSMED VENDORS) :	15,246	9,750
	15,246	9,750

Details of dues to Micro and Small enterprises as defined under the MSMED Act 2006:

	31 st March 2016	31 st March 2015
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.	-	-

	31 st March 2016	31 st March 2015
NOTE 10		
OTHER CURRENT LIABILITIES :		
Current Maturities of Long term debt (Refer note – 4)	11,198	7,258
Interest accrued and due	2,689	2,356
Unpaid Dividend	4	5
Others		
- Statutory Liabilities	1,721	1,373
- Liabilities for Employees (Includes ₹ 42 (Previous Year ₹ 133) payable to Directors)	486	646
- Liabilities for Expenses	1,256	999
- Others	69	242
	17,423	12,879

	31 st March 2016	31 st March 2015
NOTE 11		
SHORT TERM PROVISIONS :		
Retirement Benefits (a)	102	98
Proposed Dividends on		
Equity Shares	-	-
Cumulative Preference Shares	-	-
Total (b)	-	-
Provision for		
Tax on Dividends (c)	-	1
Total (a + b + c)	102	99

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

NOTE 12

FIXED ASSETS

SL No.	Particulars	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK			
		At 1st April 2015	Additions	Disposals	At 31st March 2016	upto 31st March 2015	For the Year	Deductions	upto 31st March 2016	As at 31st March 2016	As at 31st March 2015
A) Tangible Assets											
1	Free Hold Land	397	-	-	397	-	-	-	-	397	397
2	Work shop & Office Shed	273	-	-	273	37	4	-	41	232	236
3	Plant & Machinery	10,719	131	5	10,845	5,603	1,060	5	6,658	4,187	5,116
4	Construction Accessories	2,838	-	-	2,838	1,259	163	-	1,422	1,416	1,579
5	Testing & Survey Equipments	186	1	-	187	102	23	-	125	62	84
6	Air Conditioner	52	-	-	52	38	6	-	44	8	14
7	Computer	176	3	-	179	164	9	-	173	6	12
8	Office Equipments	90	3	-	93	60	14	-	74	19	30
9	Vehicles	883	17	55	845	525	93	44	574	271	358
10	Furniture & Fixtures	107	-	-	107	36	2	-	38	69	71
	Sub Total (a) :	15,721	155	60	15,816	7,823	1,374	49	9,149	6,667	7,898
	Previous Year	18,294	1,864	4,437	15,721	7,404	2,147	1,726	7,823	7,898	10,891
B) Intangible Assets											
1	Software	85	-	-	85	82	1	-	83	2	3
	Sub Total (b) :	85	-	-	85	82	1	-	83	2	3
	Previous Year	85	-	-	85	81	1	-	82	3	4
	GRAND TOTAL (a + b)	15,806	155	60	15,901	7,906	1,375	49	9,232	6,669	7,901
	Total Previous Year	18,379	1,864	4,437	15,806	7,484	2,148	1,726	7,904	7,902	10,895

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 13		
NON CURRENT INVESTMENTS		
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 Securitias		
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

	31 st March 2016	31 st March 2015
NOTE 14		
LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposits & Earnest Money	2,497	1,967
Other Loans & Advances		
Prepaid Expenses	16	32
Advances recoverable in cash or in kind or for value to be received	142	132
	2,655	2,131

	31 st March 2016	31 st March 2015
NOTE 15		
OTHER NON CURRENT ASSETS :		
(Unsecured, considered good)		
Deferred Revenue Expenses	119	232
Preliminary Expenses	3	3
	122	235

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 16		
INVENTORIES		
(As taken, valued and certified by the management)		
Construction Material	5,737	5,115
Construction Contract Work-in-progress (Work-in-progress is valued at cost and reflects the work done but not certified)	17,330	18,016
Stores & Spares	823	713
Loose Tools	601	733
a) Stock of raw materials, stores and spares and fuel (except for those relating to Construction activities) are valued at cost (weighted average basis) or net realizable value whichever is lower.		
b) Cost of Raw materials, stores, spares and fuel used in construction activities are valued at cost (weighted average basis).		
c) The cost of inventories comprises all cost of purchase, cost of conversion and other incidental cost incurred in bringing the inventories to their present location and condition.		
d) Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.		
	24,491	24,577

	31 st March 2016	31 st March 2015
NOTE 17		
TRADE RECEIVABLES		
(Unsecured, considered good)		
Other Debts	7,806	8,491
Exceeding Six Months *	18,302	14,712
	26,108	23,203

* 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.

	31 st March 2016	31 st March 2015
NOTE 18		
CASH AND BANK BALANCES		
Cash and Bank balances consists of the following		
a) Cash and Cash equivalents		
i) Balances with Banks		
In current Accounts	784	465
ii) Cash on hand	388	673
iii) Cheque in hand	690	-
Total (a)	1,862	1,138
b) Other Bank Balances		
i) Earmarked balances with Banks		
In current Accounts (Dividend & Unclaimed Share Application)	4	5
ii) Balances with Banks		
In Deposit Accounts (Less than 12 months)	2,362	2,282
In Deposit Accounts (Beyond 12 months)		
(Fixed deposit receipts pledged as Security/ Margin with Bank for BG Limit and Lien with Client)		
Total (b)	2,366	2,287
Grand Total (a + b)	4,228	3,425

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 19		
SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposits & Earnest Money	4,659	4,628
Other Loans & Advances		
Prepaid Expenses	222	221
Advances recoverable in cash or in kind or for value to be received	5,119	7,298
	10,000	12,147

* Loans and advances to Subsidiaries have been given for business purpose.

	31 st March 2016	31 st March 2015
NOTE 20		
OTHER CURRENT ASSETS		
Interest accrued but not due on Bank deposits	119	82
Works Contract Tax receivable	4,206	3,212
Unbilled Revenue	30,257	29,522
Deferred Revenue Expenses	113	159
Income Tax Advance (including Income Tax Deducted at Source, Net of Provision for taxation)	4,287	3,179
Subsidy Receivable (Excise)	8	-
Others	6,337	4,318
	45,327	40,472

	31 st March 2016	31 st March 2015
NOTE 21		
REVENUE FROM OPERATION		
Sale of Services		
Contract Receipts (Gross)	29,337	43,112
Sale of Product		
RMC Sale	1,588	8,716
Less : Excise Duty	(34)	(180)
Other operating operations		
Misc Business income	-	90
	30,891	51,738

	31 st March 2016	31 st March 2015
NOTE 22		
OTHER INCOME :		
Interest		
On Bank Deposits	211	196
From others	14	21
Profit on Sale of Fixed Asset	-	877
Miscellaneous Income	283	18
	508	1,112

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 23		
COST OF MATERIAL CONSUMED		
Construction Materials	6,991	15,140
Consumable Materials	598	1,168
Stores & Spares	235	197
Carriage Inwards (Including material re-handling)	800	579
	8,624	17,084

	31 st March 2016	31 st March 2015
NOTE 24		
CONTRACT OPERATING EXPENSES :		
Contract Execution Expenses	15,037	22,642
Equipment Hire Expenses	1,006	1,465
Machinery Repairing Charges		
- Plant & Machinery	321	426
- Others	84	116
Power & Fuel	1,286	2,108
Site Expenses	131	187
Works Contract Tax & Other Taxes	133	909
Consultancy Fees	162	289
Survey & Inspection Expenses	14	13
	18,174	28,526

	31 st March 2016	31 st March 2015
NOTE 25		
(INCREASE)/DECREASE IN WORK IN PROGRESS		
At the Beginning of the Year	18,016	15,611
Less : At the end of the Year	17,330	18,016
	686	(2,405)

	31 st March 2016	31 st March 2015
NOTE 26		
EMPLOYEE BENEFITS EXPENSES		
Salary and Bonus	1,297	1,505
Contribution towards Employees Provident Fund, ESIC and other funds	61	53
Staff Welfare Expenses	91	122
Employees Retirement Benefits	47	48
	1,496	1,728

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 27		
FINANCE COST		
Interest expenses		
To Banks		
- on Working Capital Loans	3,501	6,631
- Banks on WCTL	1,722	847
- Banks on FITL	727	48
To Non-Banking Finance Companies on Equipment Finance Loan	271	134
To Others	739	1,041
Other borrowing cost		
Bank Commission & Other Charges	475	940
	7,435	9,641

	31 st March 2016	31 st March 2015
NOTE 28		
OTHER EXPENSES:		
Rent	163	234
Rates and Taxes	537	383
Insurance	68	42
Printing & Stationery	17	32
Directors' Fees	1	3
Auditor's Remuneration:		
Audit Fees	7	7
Tax Audit Fees	2	1
Other Services	2	1
Internal Audit & Other Certificate Fees	0	1
Light Vehicles Running Expenses	17	20
Travelling & Conveyance	260	281
Loss on Sale of Fixed Assets	5	-
Advertisement	5	8
Computer Maintenance	6	7
Legal Expenses	43	36
Security Guard Expenses	106	155
Telephone Expenses	64	66
SAP – Maintenance	-	9
Contribution towards CSRB	-	20
Donation	-	1
Bad Debt Written Of	282	-
Miscellaneous Expenses	231	197
	1,814	1,504

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

	31 st March 2016	31 st March 2015
NOTE 29		
PROVISION FOR TAXATION		
Income tax for the year	-	1
Income tax for earlier year	-	-
Deferred taxes	(224)	104
	(224)	105

Amounts are presented in ₹ in lakhs except for per share data and quantitative information.

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-NAYAK	India	51.00%	51.00%
TANTIA-EDCL	India	51.00%	51.00%
TANTIA-SEC	India	51.00%	51.00%
TANTIA-SEC	India	53.00%	53.00%
TANTIA-YSCC	India	51.00%	51.00%
TANTIA-TUNDI	Nepal	50.00%	50.00%
TANTIA-PREMCO	India	51.00%	51.00%
TANTIA-OTBL	Bangladesh	50.00%	50.00%

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

S I . No.		31 st March 2016	31 st March 2015
	NOTE 31		
	CONTINGENT LIABILITIES AND COMMITMENTS		
1.	Counter guarantees given to Consortium Banks in respect of Contracts in India. ₹ 1,794 (Previous year ₹ 1,695) 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 ₹ 47,200). Total figure as shown above includes ₹ 13,599 (Prev. Yr. 14,049) relating to Joint Venture.	47,500	47,200
2.	Sale Tax Liability / Works Contract Tax Liability for which the company has preferred an appeal before the Appellate Authorities.	8,465	6,694
3.	The Company has provided an undertaking to pay in the event of default for loan given by the Banks to its Subsidiaries including fellow Subsidiaries. Outstanding amount of default as on 31st March, 2016 was Nil (Previous Year Nil) excluding interest outstanding of ₹ 30 (Previous Year ₹ 54).		
4.	The Income Tax usual scrutiny assessment of the Company has been completed upto Assessment Year 2013-14. The Income Tax Department has gone for Appeal before ITAT in connection with Assessment for Assessment Year 2006-07 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 a maximum to the extent of ₹ 2901.88. 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 C I T Appeal for Assessment Year 2013-14, impact of the same is NIL as MAT is applicable.		

32. CAPITAL COMMITMENT

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

33. OTHER COMMITMENT

The Company has a commitment towards purchase of Construction Materials for various projects aggregating to ₹ 18.32 (Prev. Yr ₹ 3.60) for which purchase orders have been raised before 31st March 2016.

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.

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.

36. DEBTORS & CREDITORS CONFIRMATION

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

- 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 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 March 31, 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 2015-16 under conservative approach.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

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

Particulars	2015-16	2015-16
The amount of contract revenue recognized as revenue in the period	39,002	43,654
The aggregate amount of costs incurred and recognized profits (less recognized losses) upto the reporting period	1,85,142	1,80,614
The amount of advances received	15,663	17,604
The amount of retentions	6,647	6,107
Gross amount due from customers	30,257	29,522
Gross amount due to customers	-	-

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 Crores, as on the cutoff 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 March 31, 2016 and ending on March 31, 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 Crores 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 :-

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 Indian Overseas Bank State Bank of Travancore	South Indian Bank

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

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 crores WCTL – 92.09 crores FITL – 77.45 crores Non Fund Based – 475.00 crores	Term Loan – 92.45 crores FITL – 15.30 crores
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 building at DD 30, Salt Lake City 7th Floor, 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
	iii) 1st charge on Landed property of the Company at Rajarhat on pari passu basis with all Working Capital Lenders – 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 11028498 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)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

* Regarding the additional Collateral Securities, stipulated by the Lenders, the Company is in process of completing the relative formalities, which is expected to be completed 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 March 31, 2015, no such calculation was necessary as implementation of the package commenced only on March 31, 2015. For the year ended March 31, 2016, the necessary computation in respect of the liability under the Right to Recompense has been computed and has been arrived at ₹ 23.62 crores.

40. PROMOTER CONTRIBUTION :

As a part of the CDR Package, the Promoters were required to contribute, by way of additional equity, ₹ 21 crores in the financial year 2014-15. The amount, as required, had been brought into the Company. The formalities, in this connection, comprising Board approval, conduct of postal ballot etc have since been completed. Pending compliance with all the other requirements, framed by SEBI and other regulatory Authorities, shares are yet to be allotted against the said amount (₹ 21 crores). Therefore, the said amount continues to be shown as an unsecured loan (Refer Note – 4) on March 31, 2016.

41. DEPRECIATION :

The Company has provided depreciation in accordance with Schedule II of the Companies Act, 2013 from the financial year 2014-15. Accordingly, unamortized carrying value is being depreciated over the remaining useful life. The fixed asset whose life had expired as on 1st April, 2014 had also been adjusted with the depreciation during the previous financial year. This has resulted higher depreciation totaling ₹ 2,107 against ₹ 1,221 during the current financial year.

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.

Particulars	31 st March 2016	31 st March 2015
Defined Contribution Plan –		
Company has recognized the following amounts in the Profit & Loss Account for the year.		
Contribution to employees Provident fund -	26	27
Contribution to Employees State Insurance	5	7

Reconciliation of opening and closing balances of the present value of the Defined benefit obligation	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Obligation at the period beginning(April 1)	222	-	263	259
Current Service Cost	14	-	34	24
Interest Cost	18	-	21	21
Actuarial (Gain)/Loss	-29	-	-22	-33
Benefits paid	-7	-	5	8
Obligation at the year end (March 31)	218	-	291	263
Change in Plan Assets				
Plan assets at period beginning, at fair value	42	-	-	-
Expected return on plan assets	3	-	-	-
Actuarial (Gain)/Loss	-	-	NA	NA
Contributions	6	-	-	-
Benefits paid	-7	-	-	-
Plan Assets at the year end, at fair value	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	44	-	-	-
Present value of the defined benefit obligations at the end of the year	218	-	291	263
Liability/(Assets) recognized in the Balance Sheet	173	-	291	263
Cost for the year				
Current service cost	14	-	34	24
Interest cost	18	-	21	21

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

Reconciliation of opening and closing balances of the present value of the Defined benefit obligation	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Expected return on plan assets	-3	-	-	-
Actuarial (gain)/loss	-29	-	-22	-33
Net Cost recognized in the Statement of Profit and Loss	0	-	33	12
Assumptions used to determine the benefit obligations:				
Interest rate	8.00%	-	8.00%	8.00%
Estimated rate of return on plan assets	8 – 9%	-	NA	NA
Expected rate of increase in Salary	3.00%	-	7.00%	6.00%

* Provision for Gratuity for the year has been made on the basis of actuarial valuation made by LIC with due adjustment for the previous year (as it was made on estimated basis).

43. MANAGERIAL REMUNERATION :

The Companies Act, 2013 has been made effective 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 be excess by ₹ 42. The Company is taking appropriate steps to seek redressal of this excess amount from the concerned authorities failing which the said amount will be recovered from the Chairman and Managing Director.

Managerial Remuneration for the year ended March 31, 2016 amounting to ₹ 90 lakhs have been paid / provided to the Chairman and Managing Director. As per the provision of Companies Act, 2013 (Section 197 read with Schedule V), the eligible limit is ₹ 60 lakhs. Hence, an amount of ₹ 30 lakhs has been paid / provided in excess which needs to be approved by the Shareholders. Action is being taken to get approval of the Shareholder's as required.

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 turnover of the Company was mainly from Construction activities and as turnover from Ready Mix Concrete division was less than 10% of the total turnover, the requirement of disclosure under AS – 17 is not applicable.

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 :

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

₹ In Lakhs

SI No.	Nature of Relation	Name of the Entity
C	Relatives of Key Management Personnel (KMP) :	Sri Siddhartha Tantia
		Ms Laxmi Tantia

Particulars of Transactions during the year:

Nature of Transactions	Year	Fellow / Company / Trust	Key Management Personnel and Relatives	Total
Remuneration Paid/payable	15-16	-	259	259
	14-15	-	255	255
Rent paid	15-16	3	44	47
	14-15	5	44	49
Interest paid	15-16	88	-	88
	14-15	50	-	50
Purchase of Material	15-16	-	-	-
	14-15	1	-	1
Purchase of Shares	15-16	-	-	-
	14-15	1,930	-	1,930
Re-imbursement of expenses	15-16	10	5	15
	14-15	22	7	29
Advances given	15-16	533	-	533
	14-15	-	-	-
Refund of Advances given	15-16	533	-	533
	14-15	1,158	-	1,158
Loan Taken	15-16	-	-	-
	14-15	1,494	615	2,109
Refund of Loan Taken	15-16	-	-	-
	14-15	1,626	-	1,626
Outstanding balance receivable	15-16	-	13	13
	14-15	73	21	94
Outstanding balance payable	15-16	1,509	678	2,187
	14-15	1,502	734	2,236

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

	2015-16	2014-15
BASIC		
Net Profit after tax for the year attributable for equity shareholders	-7,981	-5,447
Weighted number of shares for EPS computation	1,88,23,066	1,88,23,066
Earnings Per Share	-42.39	-28.94
DILUTED		
Net Profit after tax for the year	-7,981	-5,447
Adjusted profit after tax for the year available for equity shareholders	-7,981	-5,447
Weighted average number of shares for EPS computation	1,88,23,066	1,88,23,066
Diluted Earnings Per Share	-42.39	-28.94

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS as at and for the year ended 31st March, 2016 (Contd.)

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

Expenditure / Remittance in Foreign Currency

₹ In Lakhs

	2015-16		2014-15	
A Value of imports calculated on CIF Basis:				
(i) Capital Goods	-	-	-	-
B Expenditure in foreign currencies:				
(i) Traveling expenses	-	-	-	-
(ii) Consultancy Charges	-	-	-	-
(iii) Interest	-	-	-	-
(iv) Payment to Subcontractor	-	-	-	-
C Value of Construction Materials consumed:				
(i) Imported	-	-	-	-
(ii) Indigenous	9,723	100.00%	16,031	100.00%
D Value of Spare Parts & Components consumed:				
(i) Imported	-	-	-	-
(ii) Indigenous	884	100.00%	1,413	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	-	-	-	-

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.

₹ In Lakhs

Particulars	Dividend including Corporate Tax on Dividend (Including Preference shares)	Employee benefits
Balance as on 1.4.2015	1	479
Balance as on 1.4.2014	5	439
Add: Provisions made (2015-16)	-	47
(2014-15)	5	48
Less: Payments (2015-16)	1	17
(2014-15)	4	8
Less: Adjustments (2015-16)	-	-
(2014-15)	-	-
Closing Balance as on 31.03.2016	-	509
Closing Balance as on 31.03.2015	1	479

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

51. '0' represents amount less than ₹ 50,000/-.

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

Dated : 31st May, 2016

Place : Kolkata

ROHINI SUREKA

Chief Financial Officer

PRITI TODI

Company Secretary

NOTICE

NOTICE is hereby given that the 51st Annual General Meeting of the Members of Tantia Constructions Limited will be held at “Bharatiya Bhasha Parishad”, 36A, Shakespeare Sarani, Kolkata- 700017, on Thursday, the 1st day of September, 2016 at 3 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2016 together with the Reports of the Auditors and Board of Directors thereon.
2. To re-appoint Mr. I.P. Tantia (DIN: 00057004), Chairman & Managing Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Mr. B.L. Ajitsaria (DIN: 00053981), Whole – time Director who retires by rotation and being eligible, offers himself for re-appointment.
4. **Ratification of Statutory Auditor**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 139, 142 and other applicable provisions, if any, of Companies Act, 2013 and Rules made thereunder and pursuant to recommendation of Audit Committee of Board of Directors, **the Company hereby ratifies the appointment of** M/s. Konar Mustaphi & Associates, Chartered Accountants (Firm’s Registration. No.314125E), as the Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the 54th Annual General Meeting of the Company, subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit, certificate fees and all applicable taxes in India, if any.”

SPECIAL BUSINESS:

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

Re-appointment and remuneration payable to Mr. I.P. Tantia

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V as amended up to date, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) including any statutory modification or re-enactment thereof and subject to approval of Central Government and subject to all such approvals as may be necessary, the Company hereby approves the terms of re-appointment of and remuneration payable to Mr. I .P. Tantia as a Chairman & Managing Director of the Company for a period of 3 (three) years with effect from April 1, 2016 on terms set out in the explanatory statement annexed hereto and as per the Agreement entered into between the Company and Mr. I.P. Tantia, a copy whereof, initialled by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which Agreement is hereby specifically approved.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, the remuneration as mentioned in explanatory statement paid to Mr. I.P. Tantia, as a Chairman & Managing Director of the Company shall be treated as minimum remuneration as provided under the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the said Agreement in such manner as may be agreed to between the Board of Directors and Mr. I .P. Tantia from time to time and the terms of the aforesaid Agreement shall be suitably modified to give effect to such alteration and/or variation, provided however that the said alteration shall not have the effect of increasing the overall remuneration exceeding the overall ceiling as stipulated in Schedule V appended to the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to above resolutions, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be, in their absolute discretion, deemed necessary, expedient, usual or proper in the best interest of the Company.”

6. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as *Special Resolution*:**

Re-appointment and remuneration payable to Mr. B.L. Ajitsaria

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V, as amended up to date, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) including any statutory modification or re-enactment thereof and subject to such consent and approvals as may be necessary, the Company hereby approves the terms of re-appointment of and remuneration payable to Mr. B.L. Ajitsaria, as a Director (Business Development) of the Company for a period of 1 (one) year with effect from April 1, 2016 on terms set out in the explanatory statement and as per the Agreement entered into between the Company and Mr. B.L. Ajitsaria, a copy whereof, initialled by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which Agreement is hereby specifically approved.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, the remuneration as mentioned in explanatory statement paid to Mr. B.L. Ajitsaria, as a Director (Business Development) of the Company shall be treated as minimum remuneration as provided under the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the said Agreement in such manner as may be agreed to between the Board of Directors and Mr. B.L. Ajitsaria from time to time and the terms of the aforesaid Agreement shall be suitably modified to give effect to such alteration and/or variation, provided however that the said alteration shall not have the effect of increasing the overall remuneration exceeding the overall ceiling as stipulated in Schedule V appended to the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to above resolutions, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be, in their absolute discretion, deemed necessary, expedient, usual or proper in the best interest of the Company.”

7. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution as *Special Resolution*:**

Re-appointment and remuneration payable to Mr. R. Tantia

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V, as amended up to date, and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) including any statutory modification or re-enactment thereof and subject to such consent and approvals as may be necessary, the Company hereby approves the terms of re-appointment of and remuneration payable to Mr. R. Tantia, as a Director (Operations) of the Company for a period of 3 (three) years with effect from April 1, 2016 on terms set out in the explanatory statement and as per the Agreement entered into between the Company and Mr. R. Tantia, a copy whereof, initialled by the Chairman of the meeting for the purposes of identification, has been submitted to this meeting, which Agreement is hereby specifically approved.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, the remuneration as mentioned in explanatory statement paid to Mr. R. Tantia, as a Director (Operations) of the Company shall be treated as minimum remuneration as provided under the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the said Agreement in such manner as may be agreed to between the Board of Directors and Mr. R. Tantia from time to time and the terms of the aforesaid Agreement shall be suitably modified to give effect to such alteration and/or variation, provided however that the said alteration shall not have the effect of increasing the overall remuneration exceeding the overall ceiling as stipulated in Schedule V appended to the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to above resolutions, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be, in their absolute discretion, deemed necessary, expedient, usual or proper in the best interest of the Company.”

8. **To consider and, if thought fit, to pass the following resolution as an *Ordinary Resolution*:**

Ratification of Remuneration of Cost Auditor for the financial year 2016-17

“**RESOLVED THAT** pursuant to provisions of Sections 148 and other applicable provisions if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for time being in force) , the remuneration of Ms. S Chhaparia & Associates, Cost Accountants, Kolkata, appointed by the board of Director of the Company as the Cost Auditor to conduct the audit of Cost Records maintained by the Company for the Financial Year 2016-17 at ₹ 50,000 plus service tax as applicable, and reimbursement of out of pocket expenses incurred, be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For Tantia Constructions Limited

(Priti Toddi)

Company Secretary

A-33367

Place: Kolkata

Date: May 31, 2016

Note:

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

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

2. The relative Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), with respect to the special business set out in Item Nos. 5 to 9 above, is annexed hereto.
3. The relevant details as required under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 of the stock exchanges, of persons seeking appointment/re-appointment relating to Item Nos. 2,3, 5,6 7 and 8 of the Notice are also annexed.
4. Corporate Members/Societies intending to send their Authorized Representatives are requested to send a certified copy of the Resolution of the Board of Directors of the Company, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the meeting on their behalf at the said AGM, preferably before 48 hours before the scheduled time of commencement of the AGM for making necessary arrangement(s).
5. Members/Proxy-holders are requested to produce, the attached Attendance Slip duly filled in, at the entrance for admission to the meeting hall. Members who hold shares in dematerialized form are requested to write their Name with Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Name with Folio Number in the attendance slip for the purpose of identification of their membership at the AGM.
6. In case of joint holders attending the AGM, only such joint holder who is first in the order of names will be entitled to vote by show of hands or at poll.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, August 25, 2016 to Thursday, September 1, 2016 for the purpose of AGM (*both days inclusive*).
8. The Audited Accounts of the Company for the year ended March 31, 2016, the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon and all other documents annexed to the Balance Sheet, are available for inspection by the Members at the Registered Office of the Company at 25-27, Netaji Subhas Road, Kolkata- 700 001 on working days during 11.00 A.M. to 1.00 P.M. upto the date of this AGM. Members of the Company may also note that the Notice calling 51st Annual General Meeting and the Annual Report relating to Financial Year 2015-16 will also be available on the Company's Website: www.tantiagroup.com for the download.
9. Non-Resident Indian Members are requested to inform the Company's RTA immediately of :
 - a) the change in Residential Status on return to India for permanent settlement, if any.
 - b) the particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin Code Number, if not furnished earlier or intimate changes in the particulars of the Banking Account, if any.
10. Members desirous of obtaining any information/ clarification (s) concerning the Audited Accounts of the Company for the financial year ended March 31, 2016 and operation of the Company are requested to send their query at least 10 days prior to the date of AGM to the Company Secretary at the registered office of the Company.
11. Pursuant to provisions of Section 72 of Act read with Rule 19(1) of the Companies (Share Capital and Debenture Rules), 2014, members can avail of the nomination facility in respect of shares held by them in physical form by submitting their details in Form No. SH-13 as prescribed under the aforesaid Rule to the Company or RTA. A copy of the said Form No. SH-13 may be obtained from the Company Secretary at the Registered Office of the Company on written request.
12. Members holding shares in physical form are requested to advise any change of address, bank details etc. immediately to the Company's Registrar and Share Transfer Agents (RTA), M/s Maheshwari Datamatics Private Limited (MDPL).
13. Pursuant to provisions of Section 205A(5) of the Companies Act, 1956/ Section 124 of the Companies Act, 2013 (once notified), dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of the dividends paid by the Company and respective due dates for claim by the

Shareholders:

Financial Year	Date of Declaration of Dividend	Last date for claim
2008-09	09/09/2009	08/09/2016
2009-10	15/09/2010	14/09/2017
2010-11	16/09/2011	15/09/2018
2011-12	21/09/2012	20/09/2019

The Company has uploaded the information of unclaimed/unpaid dividend in respect of the financial year from 2008-09 onwards, on the website of the IEPF viz. www.iepf.gov.in and under "Investors" section on the Website of the Company: www.tantiagroup.com

Further, the Company shall not be in a position to entertain the claims of Shareholders for the unclaimed dividends after the last date as mentioned in the table. In view of the above, the Shareholders are advised to send all the un-encashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF.

In compliance with the provisions of Section 205A read with Section 205C of the Companies Act, 1956/ Section 124 of the Companies Act, 2013 (once notified), the Company has transferred Unpaid Dividend relating to the Financial Year 2007-08 amounting to Rs. 59332.50/- to the Investor Education and Protection Fund (IEPF) maintained by the Central Government.

14. Electronic copy of the Annual report for financial year 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depositories unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
15. In order to support the initiative of Ministry of Corporate Affairs (MCA) 'Green Initiative in Corporate Governance' allowing paperless compliances by the Companies through electronic mode, the Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Members, who have not registered their e-mail addresses with the Company, are requested to register their e-mail addresses with the concerned Depository Participants (DPs)/Registrar and Share Transfer Agents (RTA)/Company for receiving the Report and Accounts, Notices etc. in electronic mode. Even after registering for e-communication, the Shareholders of the Company shall be entitled to receive such communication in physical form, upon request.
16. Members may also note that the Annual Report for FY 2015-16 will also be available on the Company's website www.tantiagroup.com for their download.
17. In Compliance with the provisions of the Act, the electronic copy of the Notice calling 51st Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Notice of the 51st Annual General Meeting of the Company inter -alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their votes on resolutions through e-voting services provided by Central Depository Services (India) Limited (CDSL). In order to enable its Members, who do not have access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice; the Company is enclosing a Ballot Form with the Notice. Instructions for voting through Ballot Form are given at the back of the said form and instructions for e-voting are given at Note No.22 annexed to this Notice. Resolution(s) passed by Members through Ballot Forms or e-voting is/are deemed to have been passed as if they have been passed at the AGM.

18. The facility for voting, either through electronic voting system or ballot form or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
19. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
20. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
21. In case a Member is desirous of obtaining a duplicate Ballot Form, he may send an e-mail to cs@tantiagroup.com by mentioning their Folio/DP ID and Client ID No.

22. Instructions for e-voting are as under:

- (i) The voting period begins on Monday, August 29, 2016 at **9.00 A.M.** and ends on Wednesday, August 31, 2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 25, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Tanta Constructions Ltd on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

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

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

(xxii) Those members, who do not have access to e-voting facility, if they so desire, may contact Company Secretary at the Registered Office 25/27, Netaji Subhas Road, Kolkata- 700 001 for assistance in casting the votes. Outstation members may call +9133 4019 0000 or mail to cs@tantiagroup.com for any guidance.

23. Information relating to Director(s) seeking appointment/re-appointment at the forthcoming 51st Annual General Meeting as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Stock Exchange(s) form integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

Item No 5

Tenure of Mr. I . P. Tantia, Chairman & Managing Director of the Company expired on March 31, 2016. However, the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, at their meeting held on February 9, 2016, have approved his remuneration package including remuneration to be paid in the event of loss or inadequacy of profit in any financial year and re-appointed him as the Chairman & Managing Director of the Company for a further period of 3 (three) years with effect from April 1, 2016, pursuant to applicable provisions of the Companies Act, 2013, on the following remuneration:

a) Salary :

₹ 7, 00,000/- per month.

b) Perquisites :

Perquisites applicable to the Chairman & Managing Director are as follows:

- i) House Rent Allowance- ₹ 50,000/- per month.
- ii) 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.
- iii) Leave Travel Concession/Allowance for self and family, in accordance with the rules of the Company.
- iv) Fees of Clubs (subject to maximum of 2 clubs and admission fees only).
- v) Personal Accident Insurance Premium subject to maximum of Rs. 10,000.
- vi) Company’s contribution to provident fund and Gratuity which shall not be included in the computation of limits for remuneration or perquisites.

vii) Annual 30 days Leave with full pay and allowances and right to accumulate and encashment as per the rules of the Company.

c) Minimum Remuneration:

Where in any financial year during the currency of the tenure of Mr. I . P. Tantia, as Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company will consider the remuneration by way of salary, perquisites as minimum Remuneration, subject to the ceiling limits prescribed under Schedule V and other applicable provisions of the Companies Act, 2013.

d) General:

- i) He shall not be paid any sitting fees for attending meeting(s) of the Board or Committee(s) thereof.
- ii) Subject to the superintendence, control and direction of the Board, he shall exercise substantial managerial powers in general and specific powers as may from time to time be lawfully entrusted to and conferred upon him by the Board.
- iii) Basic Salary or part thereof shall be paid directly to him, after all statutory deductions, in India.
- iv) The appointment is terminable by either party giving the other 1 months notice in writing without assigning any reason and without liability to pay any compensation.

However, as noted from the recent quarterly results, the Company's profits are inadequate to remunerate Mr. I . P. Tantia, as a Chairman & Managing Director for his current tenure. In terms of Section II of Part II Schedule V to the Companies Act, 2013, the re-appointment and payment of remuneration to Chairman & Managing Director requires approval of shareholders by way of a Special Resolution at the General Meeting of the Company.

Remuneration payable during financial year 2016-17

The provisions relating to managerial remuneration contained in the Companies Act, 2013 were notified with effect from April 1, 2014. The limit for remuneration as per Section II of Part II of Schedule V is as under:

Where the effective capital is		Limit of yearly remuneration payable shall not exceed (Rupees)
(i)	Negative or less than 5 crores	30 lakhs
(ii)	5 crores and above but less than 100 crores	42 lakhs
(iii)	100 crores and above but less than 250 crores	60 lakhs
(iv)	250 crores and above	60 lakhs plus 0.01% of the effective capital in excess of Rs. 250 crores:

Provided that the above limits shall be doubled if the resolution passed by the shareholders is a special resolution.

The effective capital of your Company as on March 31, 2016 is ₹ 340.09 Crores respectively. Therefore, in terms of above, the Company can pay a maximum amount of Rs. 1.20 Crores to each of the Directors by passing a special resolution.

In view of the above, the Nomination and Remuneration Committee and the Board of Directors have at their respective meetings held on February 9, 2016 gave its approval for payment of the above said remuneration to Mr. I P Tantia by complying with the provisions of Companies Act, 2013. Hence approval of the members is sought by way of special resolution seeking approval/ ratification of remuneration payable to Mr. I P Tantia during financial year 2016-17.

The Information as required by second proviso (iv) of Paragraph B of Section-II of Part-II of Schedule-V of the Companies Act, 2013, is given in the Annexure to the Notice.

The Board recommends the resolution for your approval in the interest of the Company.

None of the Directors except Mr. I.P. Tantia and Mr. R. Tantia are either directly or indirectly, concerned or interested in the proposed resolution.

This may be treated as an abstract for the purpose of Section 190 of the Companies Act, 2013.

Item No. 6

Tenure of Mr. B.L. Ajitsaria, Director (Business Development) of the Company expired on March 31, 2016. However, the Board of Director, based on recommendations of the Nomination and Remuneration Committee, at their meeting held on February 9, 2016, have approved his remuneration package including remuneration to be paid in the event of loss or inadequacy of profit in any financial year and re-appointed him as the Director (Business Development) of the Company for a further period of 1 (one year) from April 1, 2016, pursuant to applicable provisions of the Companies Act, 2013, on the following remuneration:

a) Salary :

₹ 3,50,000/- per month.

b) **Perquisites :**

Perquisites applicable to the Director (Business Development) are as follows:

- i) House Rent Allowance- Rs. 50,000/- per month.
- ii) 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.
- iii) Leave Travel Concession/Allowance for self and family, in accordance with the rules of the Company.
- iv) Fees of Clubs (subject to maximum of 2 clubs and admission fees only).
- v) Personal Accident Insurance Premium subject to maximum of Rs. 10,000.
- vi) Company's contribution to provident fund and Gratuity which shall not be included in the computation of limits for remuneration or perquisites.
- vii) Annual 30 days Leave with full pay and allowances and right to accumulate and encashment as per the rules of the Company.

c) **Minimum Remuneration:**

Where in any financial year during the currency of the tenure of Mr. B.L. Ajitsaria, the Company has no profits or its profits are inadequate, the company will consider the remuneration by way of salary, perquisites as minimum Remuneration, subject to the ceiling limits prescribed under Schedule V and other applicable provisions of the Companies Act, 2013.

d) **General:**

- i) He shall not be paid any sitting fees for attending meeting(s) of the Board or Committee(s) thereof.
- ii) Subject to the superintendence, control and direction of the Board, he shall exercise substantial managerial powers in general and specific powers as may from time to time be lawfully entrusted to and conferred upon him by the Board.
- iii) Basic Salary or part thereof shall be paid directly to him, after all statutory deductions, in India as required to meet his personal maintenance expenses.
- iv) The appointment is terminable by either party giving the other 1 month notice in writing without assigning any reason and without liability to pay any compensation.

However, as noted from the recent quarterly results, the Company's profits are inadequate to remunerate Mr. B.L. Ajitsaria, as a Director (Business Development) for his current tenure. In terms of Para (B) of Section II of Part II Schedule V to the Companies Act, 2013, the re-appointment and payment of remuneration to Director (Business Development) requires approval of shareholders by way a Special Resolution at the General Meeting of the Company. *The Board recommends the resolution for your approval in the interest of the Company.*

None of the Directors other than Mr. B.L. Ajitsaria himself is either directly or indirectly, concerned or interested in the proposed resolution.

This may be treated as an abstract for the purpose of Section 190 of the Companies Act, 2013.

Item No. 7

Tenure of Mr. R. Tanta, Director (Operations) of the Company expired on March 31, 2016. However, the Board of Directors, based on recommendations of the Nomination and Remuneration Committee, at their meeting held on February 9, 2016, have approved his remuneration package including remuneration to be paid in the event of loss or inadequacy of profit in any financial year and re-appointed him as the Director (Operations) of the Company for a further period of 3(three) years from April 1, 2016, pursuant to applicable provisions of the Companies Act, 2013, on the following remuneration.

a) **Salary :**

₹ 3,50,000/- per month.

b) **Perquisites :**

Perquisites applicable to the Director (Operations) are as follows:

- i) House Rent Allowance- Rs. 50,000/- per month.
- ii) 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.
- iii) Leave Travel Concession/Allowance for self and family, in accordance with the rules of the Company.

- iv) Fees of Clubs (subject to maximum of 2 clubs and admission fees only).
 - v) Personal Accident Insurance Premium subject to maximum of Rs. 10,000.
 - vi) Company's contribution to provident fund and Gratuity which shall not be included in the computation of limits for remuneration or perquisites.
 - vii) Annual 30 days Leave with full pay and allowances and right to accumulate and encashment as per the rules of the Company.
- c) **Minimum Remuneration:**

Where in any financial year during the currency of the tenure of Mr. R. Tantia, the Company has no profits or its profits are inadequate, the company will consider the remuneration by way of salary, perquisites as minimum Remuneration, subject to the ceiling limits prescribed under Schedule V and other applicable provisions of the Companies Act, 2013.

d) **General:**

- i) He shall not be paid any sitting fees for attending meeting(s) of the Board or Committee(s) thereof.
- ii) Subject to the superintendence, control and direction of the Board, he shall exercise substantial managerial powers in general and specific powers as may from time to time be lawfully entrusted to and conferred upon him by the Board.
- iii) Basic Salary or part thereof shall be paid directly to him, after all statutory deductions, in India as required to meet his personal maintenance expenses.
- iv) The appointment is terminable by either party giving the other 1 (one) month notice in writing without assigning any reason and without liability to pay any compensation.

However, as noted from the recent quarterly results, the Company's profits are inadequate to remunerate Mr. R. Tantia, as a Director (Operations) for his current tenure. In terms of Para (B) of Section II of Part II Schedule V to the Companies Act, 2013, the re-appointment and payment of remuneration to Director (Operations) requires approval of shareholders by way a Special Resolution at the General Meeting of the Company.

The Board recommends the resolution for your approval in the interest of the Company.

None of the Directors except Mr. R. Tantia and Mr. I.P. Tantia are either directly or indirectly, concerned or interested in the proposed resolution.

This may be treated as an abstract for the purpose of Section 190 of the Companies Act, 2013.

Item No. 8

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s S Chhaparia & Associates, Cost Accountants, Kolkata at a remuneration of Rs 85,000/- (Rupees Eighty five thousand) plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the Company for the financial year ended March 31, 2016.

In respect of financial year 2016-17, the Board, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s S Chhaparia & Associates, Cost Accountants, Kolkata at a remuneration of Rs 50,000/- (Rupees Fifty thousand) plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the Company for the financial year ended March 31, 2017.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

THE STATEMENT AS REQUIRED UNDER SECTION II, PART II OF THE SCHEDULE V OF THE COMPANIES ACT, 2013 WITH REFERENCES TO THE ITEM NO(S). 5-7 ARE AS FOLLOWS:

I. General Information:

(1)	Nature of Industry:	Civil Engineering, Construction and Infrastructure Development. L74210WB1964PLC026284 25/27 Netaji Subhas Road, Kolkata-700001
(2)	Date or expected date of commencement of commercial production:	Existing Company. The Company is not a manufacturing Company. However, it commenced its business immediately after incorporation on December 4, 1964.

(3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Existing Company, not applicable.
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(4) Financial performance based on given indicators.

Sl. No.	Particulars	Audited figure as on 31.03.2016 (₹ in Lakh)	Audited figure as on 31.03.2015 (₹ in Lakh)	Audited figure as on 31.03.2014 (₹ in Lakh)	Audited figure as on 31.03.2013 (₹ in Lakh)	Audited figure as on 31.03.2012 (₹ in Lakh)
1	Revenue from Operations	40556	52280	74597	63920	62613
2	Total Expenditure	44389	59474	75064	63418	61263
3	Interest	7197	9506	9684	7605	7246
4	Profit Before Taxation (PBT)	(3327)	(6088)	147	1138	1467
5	Profit After Taxation(PAT)	(3036)	(6111)	609	847	877

(5) Export performance and net foreign exchange collaborations : Nil

(6) Foreign Investment of Collaborators, if any : Nil

II. Information about the Appointee

	Particulars	Mr. I.P. Tantia		Mr. B.L. Ajitsaria		Mr. R. Tantia	
(1)	Background details	Mr. I.P. Tantia, aged about 64 years, is the Chairman & Managing Director ("CMD") of Tantia Constructions Limited. He is a Civil Engineering professional, having more than four decades experience in construction industry and has been acknowledged for his vision and commitment. His experience clubbed together with his grass root knowledge of the business has played an instrumental role in the exponential growth and success of the Company. He is the back bone of the company and in the face of the global financial crisis and the economic downturn his experience and knowledge is very important and very much required for the Company.		Mr. B.L. Ajitsaria, aged about 59 years, is in charge of Business Development and associated with Tantia Constructions Limited since 1975..		Mr. Rahul Tantia, aged about 42 years, son of Mr. I.P. Tantia, a Commerce Graduate, he has been with the Company for more than a decade	
(2)	Past Remuneration	Finanical Year	Remuneration Paid (₹)	Finanical Year	Remuneration Paid (₹)	Finanical Year	Remuneration Paid (₹)
		2012-13	90 Lakhs	2012-13	48 Lakhs	2012-13	48 Lakhs
		2013-14	90 Lakhs (subject to approval of Central Government in terms of Resolution at Item No. 9 of Notice)	2013-14	48 Lakhs	2013-14	48 Lakhs
		2014-15	90 Lakhs	2014-15	48 Lakhs	2014-15	48 Lakhs
		2015-16	90 Lakhs	2015-16	48 Lakhs	2015-16	48 Lakhs

(3)	Recognition or awards	<p>1. He is Trustee and Executive Committee member of Bharatiya Bhasha Parishad.</p> <p>2. He is a member of the various industry associations and also actively associated with many social service organizations.</p>	He is a member of the various industry associations and also actively associated with many social service organizations.	He is a member of the various industry associations and also actively associated with many social service organizations.
(4)	Job profile and his suitability	Subject to the superintendence, control and direction of the Board, he exercises substantial managerial powers in general and specific powers as may from time to time be lawfully entrusted to and conferred upon him by the Board. As a Chairman & Managing Director, he has played a key role in making the Company one of the key players in the Infrastructure Sector in India.	Subject to the superintendence, control and direction of the Board, he exercises substantial managerial powers in general and specific powers as may from time to time be lawfully entrusted to and conferred upon him by the Board. He manages the company's contacts and relationships across the world and possesses a rich insight into project execution and control. After being in charge of execution for a significant time, he was brought in to spearhead the business development activities of the Company with its varied clientele.	Subject to the superintendence, control and direction of the Board, he exercises substantial managerial powers in general and specific powers as may from time to time be lawfully entrusted to and conferred upon him by the Board. Currently is in charge of operations of the Company, managing deadline-oriented projects in eastern India and has been instrumental in providing entry into heavy structural steel girder fabrication and erection business. He is having in-depth experience in well-sinking, cantilever erection technologies, as well as client liaisoning and contract interpretations, he steers the projects of the Company to regular earnings and completion.
(5)	Remuneration proposed	Existing Salary Rs. 7,00,000/- per month & perquisites as more fully described in the Explanatory Statement.	Existing Salary Rs. 3,50,000/- per month & perquisites as more fully described in the Explanatory Statement.	Existing Salary Rs. 3,50,000/- per month & perquisites as more fully described in the Explanatory Statement.
(6)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin).	The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to presence of business across the nation.	The proposed remuneration is commensurate with the size and nature of business of the Company and the functions and responsibility of the appointee. The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to presence of business across the nation.	The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to presence of business across the nation.

(7)	P e c u n i a r y relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr. I.P. Tantia is a Promoter Director of the Company. He is holding 948976 Equity Shares consisting of 5.04% of the paid-up equity capital of the Company out of which 24000 (0.13%) Equity Shares held as a Karta of Ishwari Prasad Tantia HUF. Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company. Mr. R. Tantia, Promoter Director of the Company is son of Mr. Ishwari Prasad Tantia. No other managerial personnel have any relationship with Mr. I.P.Tantia. However, the entire Promoters of the Company are related to each other.	Mr. B.L. Ajitsaria is an Executive Director of the Company. He is holding <u>199</u> Equity Shares of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company. No other managerial personnel have any relationship with Mr. B.L. AjitaMr.a.	Mr. Rahul Tantia is a Promoter Director of the Company. He is holding 680210 Equity Shares consisting of 3.61% of the paid-up equity capital of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company. Mr. Rahul Tantia, Promoter Director of the Company is son of Mr. Ishwari Prasad Tantia, Chairman and Managing Director. No other managerial personnel have any relationship with Mr. Rahul Tantia. However, the entire Promoters of the Company are related to each other.
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III. Other Information:

(1)	Reasons of loss or inadequate profits.	There are various reasons which brought inadequacy of profit to pay Managerial Remuneration which can be outlined as under: a. Cautious approach of Banks and low exposure in Infrastructure Sector. b. Increase in Finance Cost. c. Longer working capital cycle. d. Stagnant and low construction margins. e. Rising input costs for cement, steel and other construction materials. f. Delays in obtaining environmental clearances, land acquisitions and rehabilitation.
(2)	Steps taken or proposed to be taken for improvement.	The Company has taken various steps to overcome the aforesaid issues. The Senior Management of the Company is working very hard to bring liquidity into the Company, improve profit margin, reduce costs and increase profit as a whole.
(3)	Expected increase in productivity and profits in measurable terms.	The total order book position as on March 31, 2016 was Rs. 3981.03 Crores. The construction industry growth is expected to improve over the next few years, as a result of the government's commitment to improving the country's infrastructure. Since, our order books continue to be strong, we are very optimistic about future growth.

(1)	The shareholders of the Company shall be informed of the remuneration package of the managerial person	As more fully described in the Explanatory Statement above.
(2)	The following disclosures shall be mentioned in the Board of Director's report under the heading " <i>Corporate Governance</i> ", if any attached to the Annual Report: (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors; (ii) Details of fixed component and performance linked incentives along with the performance criteria; (iii) Service contracts, notice period, severance fees; (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	The remuneration package and other terms applicable to the Directors has been disclosed in the Corporate Governance Report forming part of the Annual Report of the Company for the Year ended March 31, 2016.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

The aforesaid information shall also be treated for the purpose of disclosure as required under Regulation 36(3) of Securities Exchange and Board of India (Listing Obligations and Disclosure requirements) Regulations 2015.

Dear Shareholder,

Sub: Voting through electronic means

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility to the members in relation to the businesses to be transacted at the 51st Annual General Meeting to be held on Thursday, the September 1, 2016 at 3.00 p.m. at “Bharatiya Bhasha Parishad”, 36A, Shakespeare Sarani, Kolkata- 700 017.

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

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

Commencement of e-voting	From: 9.00 a.m. of Monday, August 29, 2016
End of e-voting period	Upto : 5.00 p.m. of Wednesday, August 31, 2016

E-voting shall not be allowed beyond 5.00 p.m. of Wednesday, August 31, 2016. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off-Date may cast their votes electronically. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date for the purpose of e-voting i.e. August 25, 2016.

Please read the instructions given herein below for exercising vote.

These details and instructions form an integral part of the Notice calling 51st Annual General Meeting of the Company to be held on Thursday, September 1, 2016.

1. Instructions for e-voting are as under:

- (i) The voting period begins on Monday, 29th day of August, 2016 at 9.00 A.M. and ends on Wednesday, 31st day of August, 2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 25th day of August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Tantia Constructions Ltd on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

For Tantia Constructions Limited

Place: Kolkata
Dated: May 31, 2016

Priti Todi
Company Secretary
A-33367

ATTENDANCE SLIP
51st Annual General Meeting
Thursday, 1st September, 2016 at 3.00 P.M.

Registered Folio No./DP Id / Client Id	
Name and address of the Member(s)	
Joint Holder(s)	
No. of shares held	

I / We hereby record my / our presence at the 51st ANNUAL GENERAL MEETING of the Company to be held at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700017 on Thursday, 1st day of September, 2016 at 3.00 P.M.

.....
Name of Member/ Proxy (In BLOCK LETTERS)

.....
Signature of Member/Proxy

Please cut here and bring the Attendance Slip duly signed, to the meeting and hand it over at the entrance. Duplicate slips will not be issued at the venue of the Meeting.

ELECTRONIC VOTING PARTICULARS

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions proposed at the 51st AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM and e-voting at the AGM).

EVEN (Remote E- Voting Event Number)	User ID	PASSWORD/PIN
150812005		

1. Please refer to the AGM Notice for e-voting instructions
2. The remote e-voting period commences on August 29, 2016 (9.00 a.m) and ends on August 31, 2016 (5.00 p.m.). Please read the e-voting instructions in the Notice carefully before exercising your vote

CIN : L74210WB1964PLC026284

Registered Office : 25-27, N. S. Road, Kolkata – 700 001

Phone : +9133 2230 1896/6284, Fax : +9133 2230 7403

Email : cs@tantiagroup.com, Website : www.tantiagroup.com

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Tantia Constructions Limited Registered office: 25/27, Netaji Subhas Road, Kolkata-700001 CIN: L74210WB1964PLC026284 Phone : +9133 2230 1896/6284, Fax : +9133 2230 7403 Web: www.tantiagroup.com Email: secretarial@tantiagroup.com
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BALLOT PAPER (51st AGM 2016)

S. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Share

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Resolutions	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of Financial Statement for the year ended March 31,2016			
2.	Re-appointment of Mr. I.P. Tantia, Chairman & Managing Director who retires by rotation and offers himself for re-election.			
3.	Re-appointment of Mr. B. L. Ajitsaria, Director (Business Development) who retires by rotation and offers himself for re-election.			
4.	Ratification of Re- appointment of M/s Konar Mustaphi & Associates, Chartered Accountants as Statutory Auditors and fixing their remuneration.			
5.	Re -appointment and remuneration payable to Mr. I.P. Tantia, Chairman & Managing Director for a period of 3 (three) years w.e.f. April 1, 2016.			
6.	Re -appointment and remuneration payable to Mr. R. Tantia, Director (Operations) for a period of 3 (three) years w.e.f. April 1, 2016.			
7.	Re -appointment and remuneration payable to Mr. B.L. Ajitsaria, Director (Business Development) for a period of 1 (one) year w.e.f. April 1, 2016.			
8.	Ratification of Remuneration payable to Cost Auditor for Financial Year 2016-17			

Place :

Date :

(Signature of the shareholder*)

* as per company records

**Form No MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014]

CIN: **L74210WB1964PLC026284**

Name of the Company: **TANTIA CONSTRUCTIONS LIMITED**
 Registered Office: **25/27, NETAJI SUBHAS ROAD, KOLKATA - 700001**
 Name of the Member(s):
 Registered Address:
 E-mail Id:
 Folio No/Client ID:
 DP ID:

**51st Annual General Meeting
Thursday, 1st September, 2016 at 3.00 P.M**

I/We, being the member (s), holding shares of the above named company, hereby appoint

1. Name:..... Address:.....
E-mail Id:..... Signature:..... or failing him
2. Name:..... Address:.....
E-mail Id:..... Signature:..... or failing him
3. Name:..... Address:.....
E-mail Id:..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 51st Annual General Meeting of the company, to be held on Thursday, 1st day of September, 2016 at 3.00 p.m. at "Bharatiya Bhasha Parishad", 36A, Shakespeare Sarani, Kolkata- 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

	Resolutions	Optional (v)	
		For	Against
	I. Ordinary Business		
1)	Adoption of Financial Statement for the year ended 31 st March, 2016		
2)	Re-appointment of Mr. I.P. Tantia, Chairman & Managing Director of the Company who retires by rotation and offers himself for re-election.		
3)	Re-appointment of Mr. B . L. Ajitsaria, Director (Business Development) who retires by rotation and offers himself for re-election.		
4)	Ratification of Re- appointment of M/s Konar Mustaphi & Associates, Chartered Accountants as Statutory Auditors and fixing their remuneration.		
	II. Special Business		
1)	Re -appointment and remuneration payable to Mr. I.P. Tantia, Chairman & Managing Director for a period of 3 (three) years w.e.f. April 1, 2016.		
2)	Re -appointment and remuneration payable to Mr. R. Tantia, Director (Operations) for a period of 3 (three) years w.e.f. April 1, 2016.		
3)	Re -appointment and remuneration payable to Mr. B.L. Ajitsaria, Director (Business Development) for a period of 1 (one) year w.e.f. April 1, 2016.		
4)	Ratification of Remuneration payable to Cost Auditor for Financial Year 2015-16		

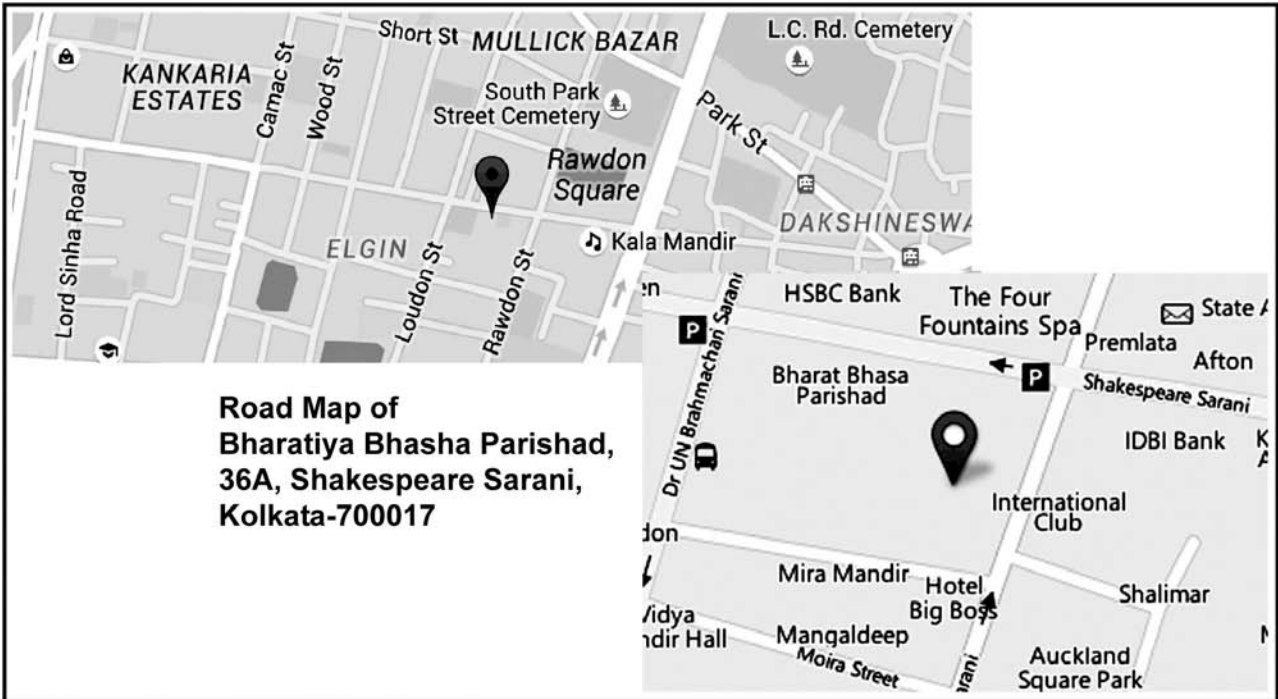
Signed this..... day of, 2016
 Member's Folio/DP ID & Client ID.....
 Signature of the shareholder:
 Signature of the Proxy holder(s).....

Affix One
 Rupee
 Revenue
 Stamp

Notes:

1. A Proxy need not be a member of the Company
2. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 25-27, Netaji Subhas Road, Kolkata-700 001, not less than 48 hours before the commencement of the AGM i.e. by 3.00 p.m. on August 29, 2016
3. A person can act as a proxy on behalf of member not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

In case of joint holders, the signature of any holder will be sufficient, but names of all joint holders should be stated.





CIN: L74210WB1964PLC026284
Visit us at: www.tantiagroup.com