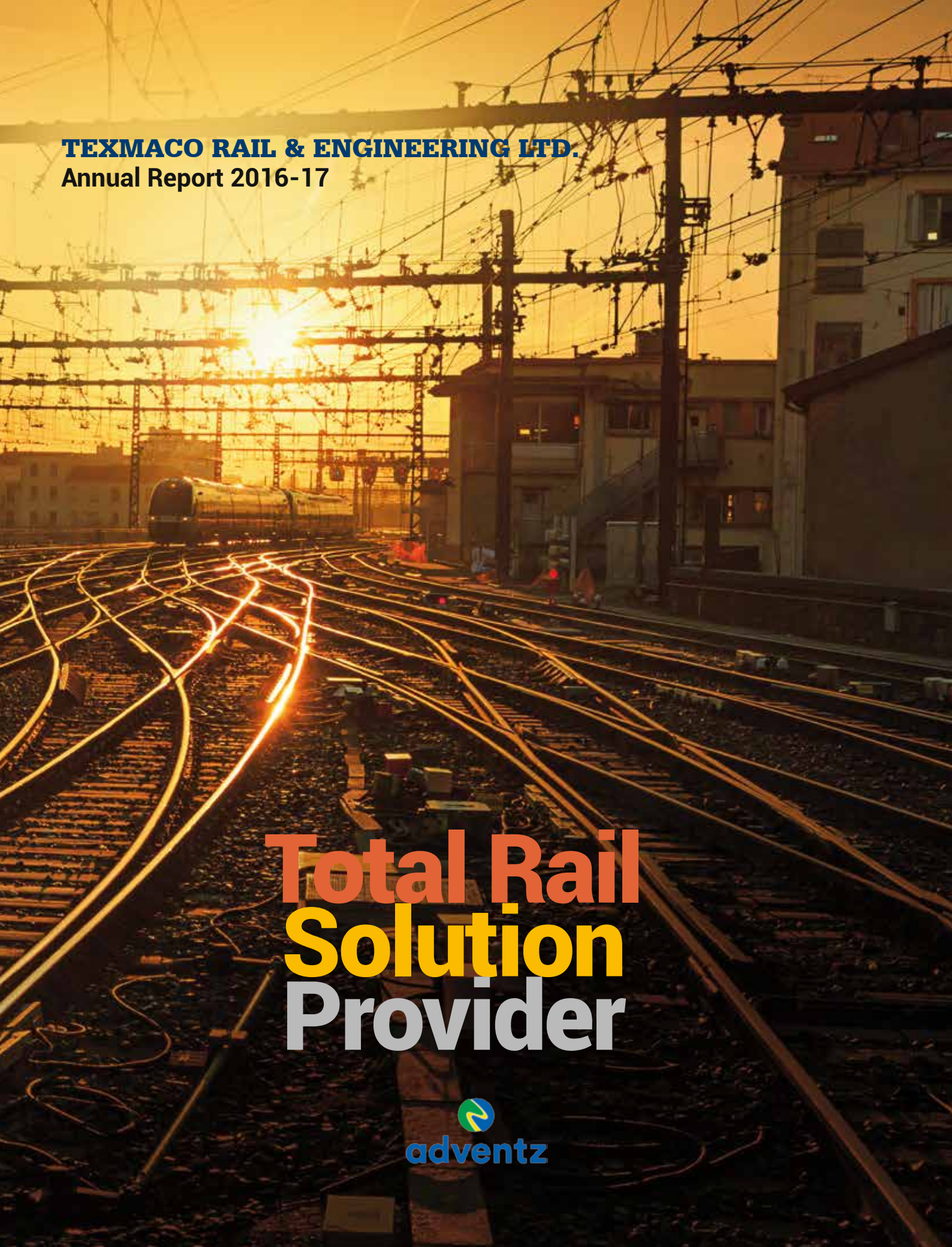
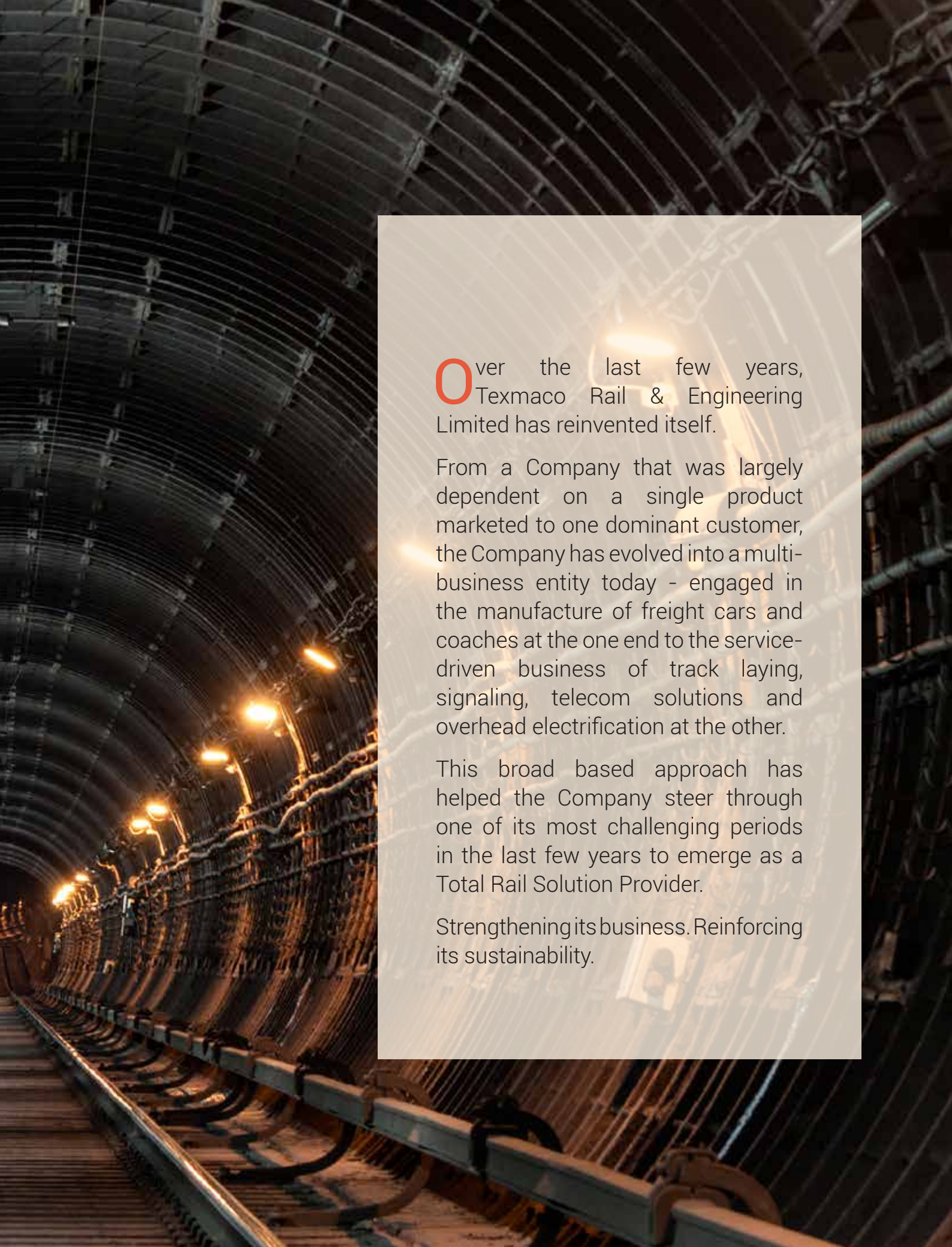

TEXMACO RAIL & ENGINEERING LTD.
Annual Report 2016-17
Total Rail
Solution
Provider
adventz



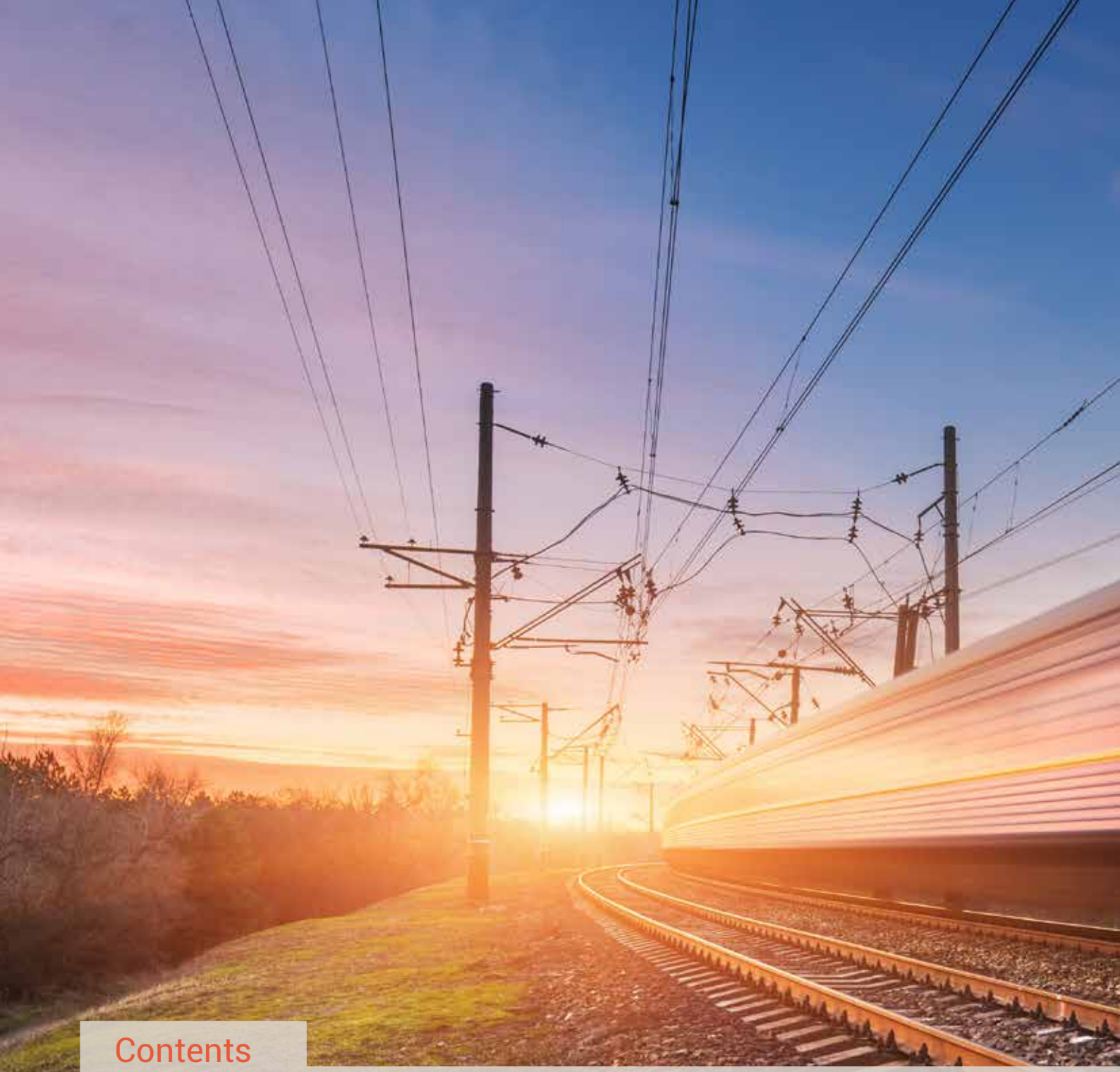


Over the last few years, Texmaco Rail & Engineering Limited has reinvented itself.

From a Company that was largely dependent on a single product marketed to one dominant customer, the Company has evolved into a multi-business entity today - engaged in the manufacture of freight cars and coaches at the one end to the service-driven business of track laying, signaling, telecom solutions and overhead electrification at the other.

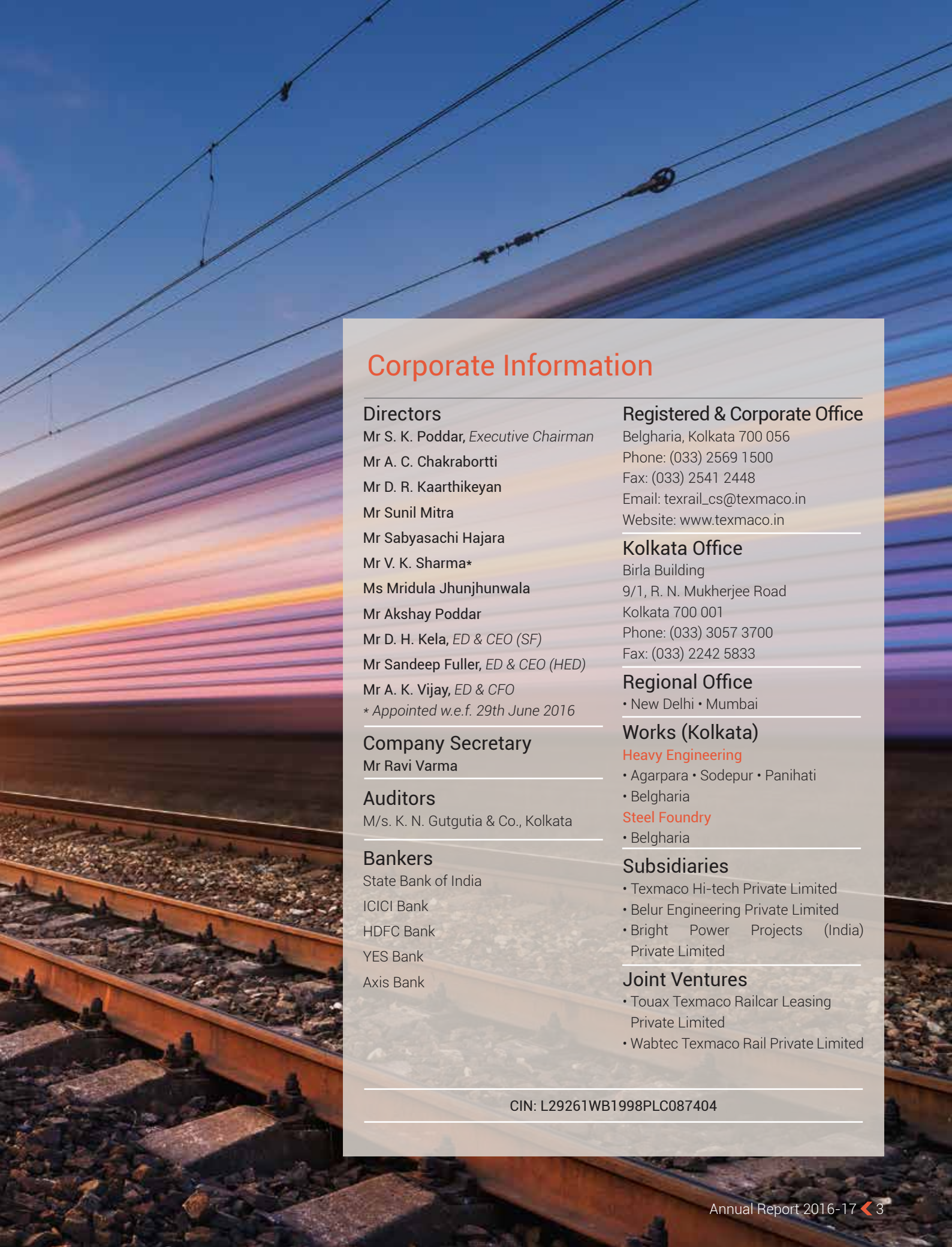
This broad based approach has helped the Company steer through one of its most challenging periods in the last few years to emerge as a Total Rail Solution Provider.

Strengthening its business. Reinforcing its sustainability.



Contents

Corporate Information	03	Business Units	04	Chaiman's Message	06
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Corporate Information

Directors

Mr S. K. Poddar, *Executive Chairman*

Mr A. C. Chakrabortti

Mr D. R. Kaarthikeyan

Mr Sunil Mitra

Mr Sabyasachi Hajara

Mr V. K. Sharma*

Ms Mridula Jhunjhunwala

Mr Akshay Poddar

Mr D. H. Kela, *ED & CEO (SF)*

Mr Sandeep Fuller, *ED & CEO (HED)*

Mr A. K. Vijay, *ED & CFO*

** Appointed w.e.f. 29th June 2016*

Company Secretary

Mr Ravi Varma

Auditors

M/s. K. N. Gutgutia & Co., Kolkata

Bankers

State Bank of India

ICICI Bank

HDFC Bank

YES Bank

Axis Bank

Registered & Corporate Office

Belgharia, Kolkata 700 056
Phone: (033) 2569 1500
Fax: (033) 2541 2448
Email: texrail_cs@texmaco.in
Website: www.texmaco.in

Kolkata Office

Birla Building
9/1, R. N. Mukherjee Road
Kolkata 700 001
Phone: (033) 3057 3700
Fax: (033) 2242 5833

Regional Office

• New Delhi • Mumbai

Works (Kolkata)

Heavy Engineering

• Agarpara • Sodepur • Panihati
• Belgharia

Steel Foundry

• Belgharia

Subsidiaries

• Texmaco Hi-tech Private Limited
• Belur Engineering Private Limited
• Bright Power Projects (India) Private Limited

Joint Ventures

• Touax Texmaco Railcar Leasing Private Limited
• Wabtec Texmaco Rail Private Limited

CIN: L29261WB1998PLC087404

Business Units

Rolling Stock

- High Payload Stainless / High Tensile Steel Freight Wagons
- Commodity Specific Wagons for Bulk Transport
- Special Purpose New Design Freight Wagons
- Bottom Discharge Coal Hopper Wagons
- Container Flat Rakes
- Tank Wagons (SS & MS)
- Defence Equipment Wagons
- Chemical Carrying Wagons
- Auto Car Wagons
- Brake Vans (type BVCM & BVZI)

Steel Foundry

Domestic

- High Speed Bogies
- H.T. Couplers
- Draft Gears
- Draw Bars
- Tight Lock Couplers
- CMS Crossings
- Industrial Castings for:
  - Earth Moving Equipment
  - Hydro Power Projects

Exports

- High Axle Load Bogie Castings
- Shroud Castings
- CMS Frogs
- Rotary Yokes• Brake Vans

Rail EPC

Design, Supply, Installation & Commissioning

- Main Line Railway Tracks
- Metro Railway Tracks
- Buildings, Platforms & Foot Over Bridges
- Bridges & Culvert for Railways
- Railway Signaling
- Railway Telecom
- Automatic Fare Collection

Railway Overhead & other Electrification

- Railways Electrification
- Other Power Supply Installation

Hydro-mechanical Equipment

- Gates in a wide range : Radial /Vertical/Mitre/Torispherical Flap type/ Hinged type
- Penstocks / Pressure Shaft Liners
- Bifurcation, Trifurcation, Transition, Expansion Joints, Manifolds,

Fixed & Rocker Supports and Specials

- Stoplogs / Bulkhead Gates
- Hydraulic, Rope Drum, Hoists, Screw Hoists, Travelling Hoists etc.
- Knife Edge Gate Valve (Screw / hydraulic / Electric Acuator operated) / Filling-in-valves
- Trashracks / Screens
- Trash Rack Cleaning Machines
- Goliath / EOT Cranes / Lifting Beams
- Refurbishment / replacement & overhauling of HM equipment of old hydro projects / barrages



Traction & Coaching

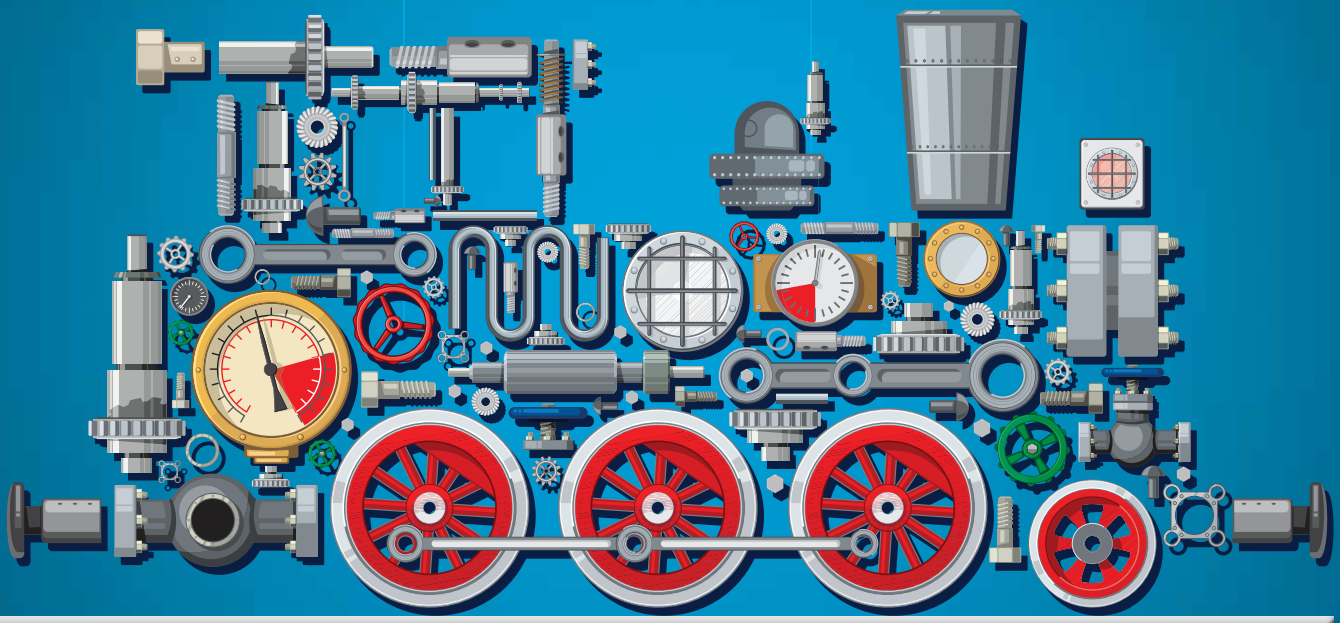
- Railway Traction
- EMU Coaches
- Coach Bogies & Underframes
- Loco Shells & Components

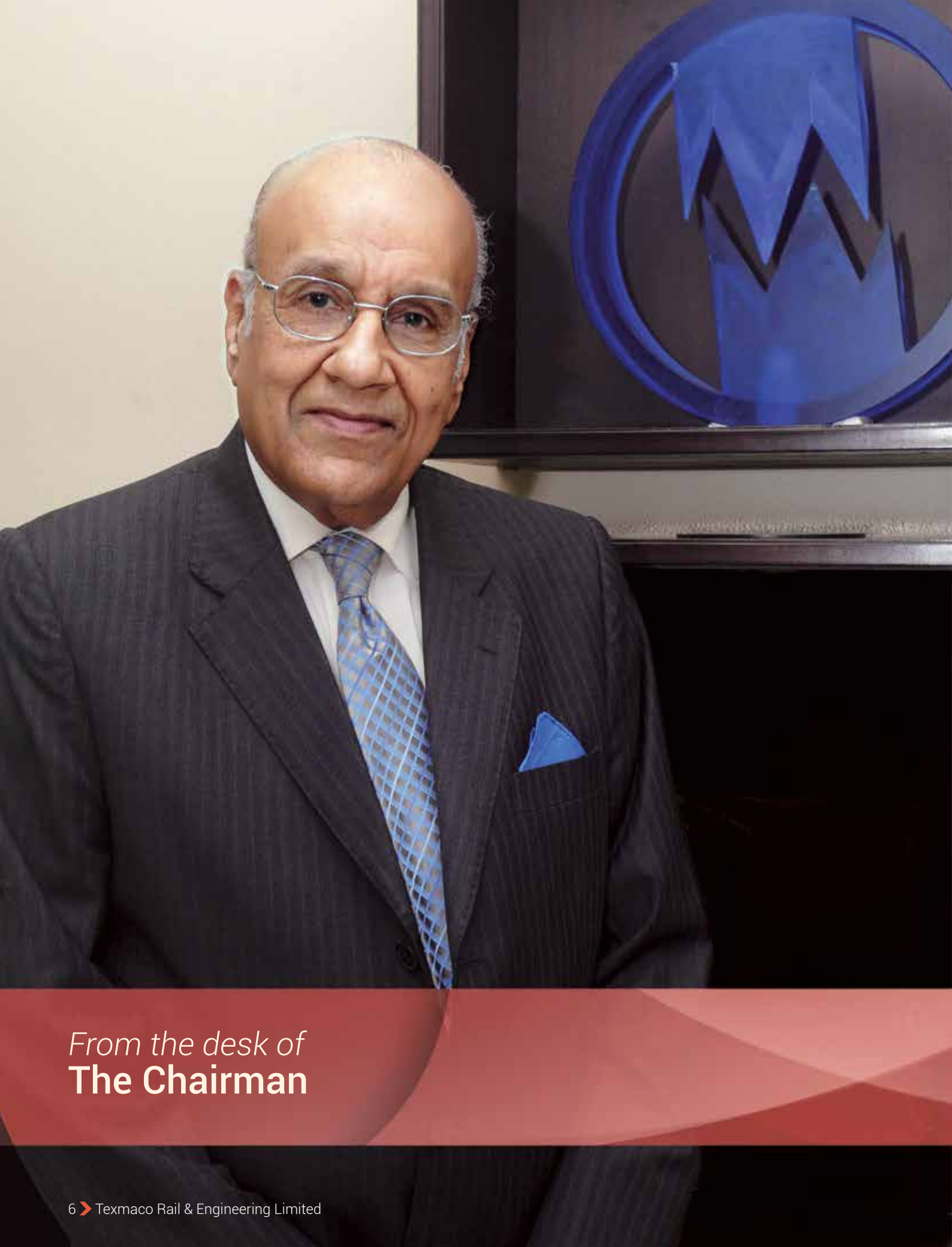
Process Equipment & Others

- Horton Sphere
- Cryogenic Vessels
- Clay Filter
- Gas Cooler
- Cold Box
- Heat Exchanger
- Agro Machinery

Bridges and other Steel Structures

- Industrial Structure
- Fabrication and erection of Steel Bridges in Railways and Roadways.
- Steel/Concrete Flyovers
- All types of bridges – Concrete and Steel.
- Fabrication and erection of Bailey Bridges
- Ship Hull Blocks





From the desk of
The Chairman

Path Breaking Initiatives

We are witnessing phenomenal policy changes and initiatives in the third year of the present Indian government under Prime Minister Narendra Modi. Of these, India's biggest transformational indirect tax reform would be the Goods and Services Tax (GST), which has been debated and stretched over some 17 years. Fortunately, there is a consensus between the Centre and the States, and the historic step of a 'single' national tax GST is just days away. The omnibus GST will replace a maze of Central and State taxes and will enable India to function as one single economic unit without barriers, facilitating a seamless inter-state flow of trade and commerce.

Another key measure taken by the Govt. of India was 'demonetisation' in November 2016, which, going forward, is expected to generate robust growth in the economy. Hopefully, there would be a great many opportunities emerging in the coming quarters following a series of reforms and initiatives announced in the Budget FY 2017-18. Besides, the improving industrial climate in West Bengal also augurs well for your Company's expansion and diversification programmes.

The Economy

It would be contextual to recall what The Economist had to say in a survey of the Indian economy in June 1991. It said, "Nowhere in the world is the gap between what might have been achieved and what has been achieved as great as it is in India." And come Modi Government, the acceleration of structural reforms has provided a strong sustained growth impetus in the country. The IMF expects India to cross 8% GDP growth in the next 3 years and remain the fastest growing large economy until 2022. It bears mention that India's growth rate is four times the average of any OECD country and twice the global average.

The macro-economic indicators, such as, fiscal deficit, inflation and Current Account Deficit are at stable and prudent levels. There is a surge in FDI, as India has emerged as one of the most promising global investment destinations. The opportunities are aplenty in India with the new initiatives, such as Make-in-India, Digital India, Start-up India, Smart Cities etc.

Further, a major initiative has been taken to spur development on India's 2500 km long East Coast Economic Corridor, in line with GoI's Act East Policy. India is also getting actively engaged to enhance trade relationships with BRICS countries, which constitute 43% of the world's population, 30% of the world's GDP and 17% share of the world's trade.

Rail Sector

The Railways Sector, in which your Company is a key player, holds a strategic position in India's freight transport infrastructure. It is admittedly cost-effective, environment friendly and more reliable, but despite these advantages, the modal share of the Indian Railways has not picked up commensurate with the growth of the country's economy. The two key reasons impeding the growth of freight traffic have been: **network congestion and under-investment** in Railways. Consequently, the requirement for wagons has been sluggish and has lately affected the Company's operations in the Wagon Division.

Your Company, therefore, took some significant steps to reinvent itself as a **'total rail solution provider'.** From a position of vulnerability, being largely dependent on wagon manufacture, the Company has substantially broad-based its product range from the manufacture of freight cars to the service-driven EPC business of track laying, signalling, rail telecom and overhead electrification.

Expanding Network

The Ministry of Railways is seized of the situation, introduced a host of policy initiatives and committed massive investment to modernise rail infrastructure and boost of freight traffic. As against a spending ₹30,000 / ₹40,000 crore in a year in railway infrastructure, almost ₹3 lakhs crore has been invested in the last two-and-a-half years.

To address the problem of network congestion, the Eastern and Western

The IMF expects India to cross 8% GDP growth in next three years and remain the fastest growing large economy until 2022. It bears mention that India's growth rate is four times the average of any OECD country and twice the global average.

Dedicated Freight Corridors (DFCs) are being developed at a rapid pace and expected to be commissioned in December 2019. The DFCs will equip IR to run freight trains at 100 kmph with a substantial increase in pay load. This will bring about a quantum jump in rail transportation capacity while significantly reducing operating costs. The capacity augmentation of all freight routes is likely to be completed in the next two to three years.

The EPC Arms

Your Company's two recent acquisitions, Kalindee Rail Nirman (Engineers) Ltd. (Kalindee) and Bright Power Projects (India) Pvt. Ltd., the former being a major player in track work and signalling etc. and the latter in railway electrification (planned at 5000 km/year from current level of around 2000 km), hold a great promise for the future of your Company. These EPC arms have helped the Company in garnering unique credentials in the railway and metro infrastructure space.

Kalindee, after its major presence in the domestic market for decades, is now seeking to aggressively venture into the offshore railway business. It is focussing on projects funded under bilateral credit in neighbouring countries like Bangladesh, Sri Lanka, Myanmar, and countries in the Middle East and Africa.

Challenges

Skill development is one of the major challenges facing the Indian economy. India is blessed with a young population, which constitutes its demographic dividend We need to leverage this potential. Necessary measures are required, however, to create enough jobs and the workers to be suitably trained and skilled to minimise a workforce-skill mismatch.

Human Capital and Core Values

While we are always striving for sustained growth and a profitable performance, we maintain high standards and transparent alignment in what we believe, say and do. To us, the challenge of growth is 'Inclusiveness' and we consider the well-being of society at large with a keen desire to bring about positive change. We create a vision to dream and look beyond.

Corporate Governance guides the way we run our business in an evolving eco-environment through various CSR activities while maintaining accountability for all stake-holders. We lay a special emphasis on women's empowerment and are trying to touch their lives by enabling the economic independence.

We will continue to inspire more people to add to human welfare in all we do.



S.K. Poddar

Moments of Pride



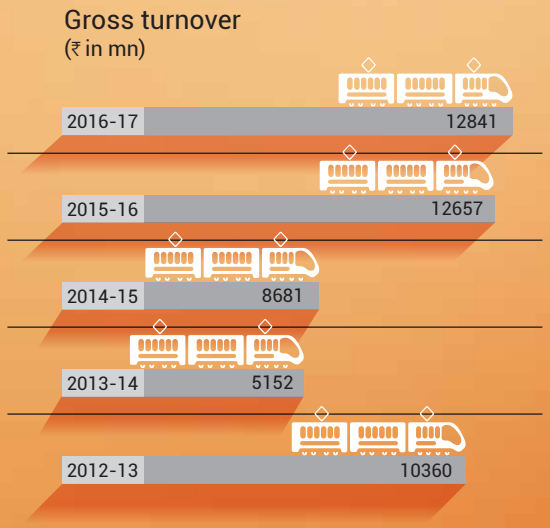
The Group Chairman Mr Saroj Poddar
being conferred
The insignia of the French Commandeur de l'Ordre National du Mérite
(Commander in the National Order of Merit),
by The Ambassador of France to India,
H.E. Mr Alexandre ZIEGLER
at a formal reception on the
19th August 2016,
at the Oberoi Grand, Kolkata.

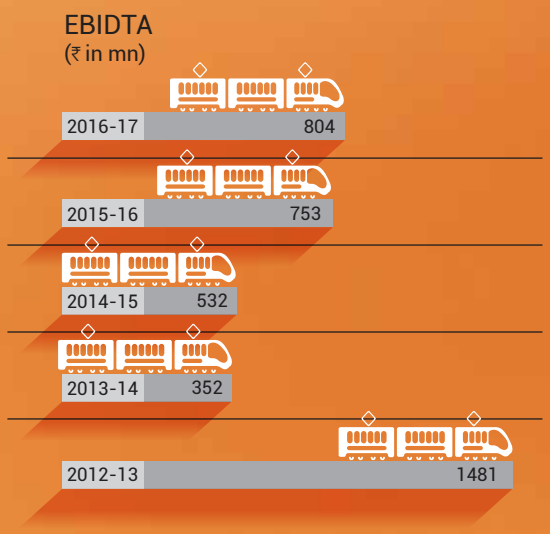
The **'Order of Merit'** is one of the **Highest Civilian Orders** awarded for contribution to the bilateral ties between India and France in the economic domain.

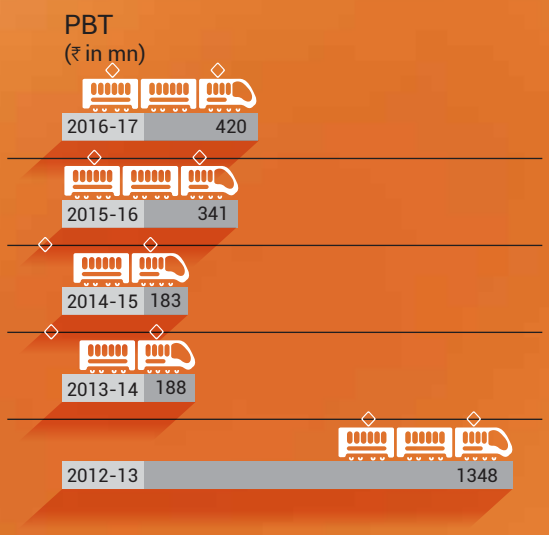


The Group Chairman Mr Saroj Poddar
is being honoured
The Economic Times Lifetime Achievement Award 2017
as a recognition for the contributions made to the Indian industry through promoting business ties across the globe.

The Award is being presented by **Dr. Amit Mitra, the Hon'ble Finance Minister of West Bengal,** at the Bengal Corporate Awards 2017 function on 8th February 2017.

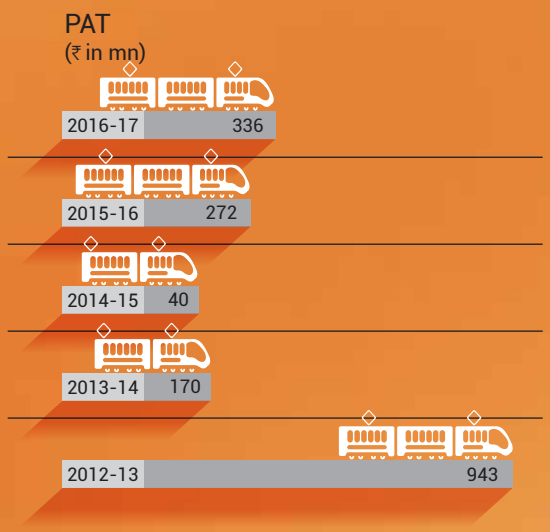


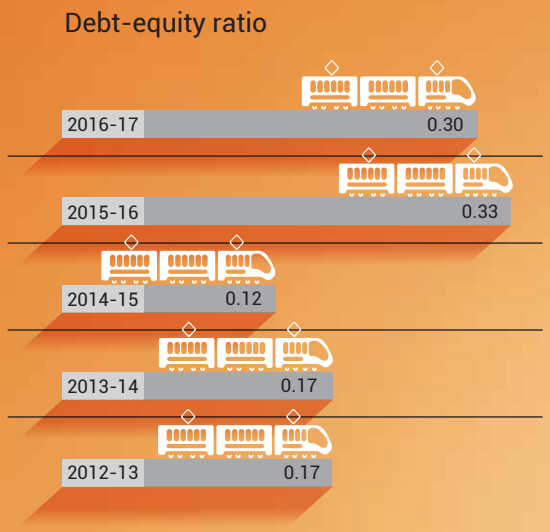


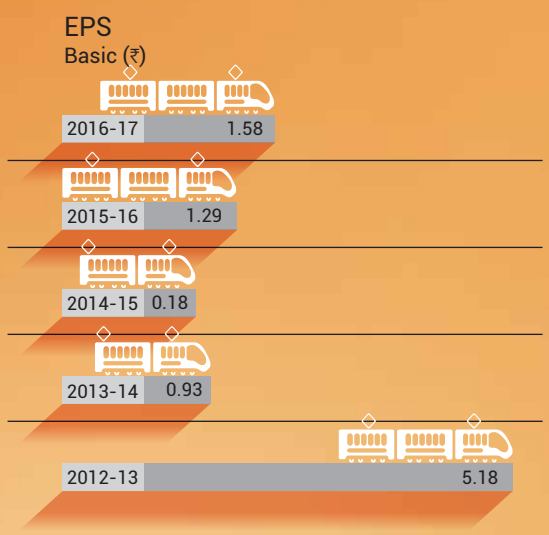


Financial highlights of the last ten years

	07-08	08-09	09-10	10-11	11-12
Gross sales **	94,352.84	109,125.45	112549.43	111750.32	94514.54
Other income	596.37	796.95	1452.96	1866.49	2560.74
Gross profit (PBDT)	10,958.15	12,273.12	15086.20	18424.71	14543.52
Profit before tax	10,072.12	11,137.72	13937.64	17566.21	13625.72
Tax for the year	3,099.10	3,508.36	4592.03	5418.16	4320.03
Profit after tax	6,973.02	7,629.36	9345.01	12147.60	9305.72
Extraordinary items	63.95	45.38	41.13	-	-
Profit after tax and extraordinary items	6,909.07	7,583.98	9304.48	12147.60	9305.72
Equity	1,107.83	1,107.83	1271.83	1817.83	1820.27
Free reserves	21,567.28	28,409.95	52978.05	40571.05	47837.94
Equity share book value (₹) ##	206.08	26.64 *#*	42.65	23.00	27.28
Rate of dividend	75%	75%	90%	100%	100%







(₹ in lakhs)

12-13	13-14	14-15	15-16*	16-17*
103596.50	51,517.43	86808.45	113091.93	118777.78
3096.69	2,289.02	3184.43	4492.58	4730.61
14415.85	3049.72	3499.17	4869.00	5817.36
13476.67	1,875.94	204.20	3414.27	4201.46
4049.76	178.72	(196.27)	693.81	844.16
9426.91	1,697.22	400.47	2720.46	3357.30
-	-	-	-	-
9426.91	1,697.22	400.47	2720.46	3357.30
1820.27	1820.27	2100.64	2192.95	2194.15
55135.23	56300.04	97232.94	87476.34	91204.94
31.29	31.93	47.29	40.89	42.57
100%	25%	25%	25%	25%

* *Figures of 2014-15, 2015-16 and 2016-17 have been restated post merger of Kalindee Rail Nirman (Engineers) Limited into Texmaco Rail & Engineering Limited.*

** *Invoiced value varies depending on free-issue materials used by the Company for the production of Wagons and Hydro-Mechanical Equipment.*

\#\# *Computed on the post-rights equity base of ₹1,107.83 lakhs as per scheme of arrangement in 2007-08.*

*Equity Shares of the Company were split to ₹ 1 Per share (previous year ₹ 10 per share) with effect from 9th January 2009.*



Bogie Hopper Wagon
(type BOBSN)
with Side Discharge
for carrying iron ore

Products

Texmaco Rail successfully completed the fabrication and erection of the **Bhairab Bridge in Bangladesh**, an engineering marvel across the mighty river Meghna.

The bridge is 1km long and plays an important role in upgrading the Dhaka-Chittagong Railway Corridor.



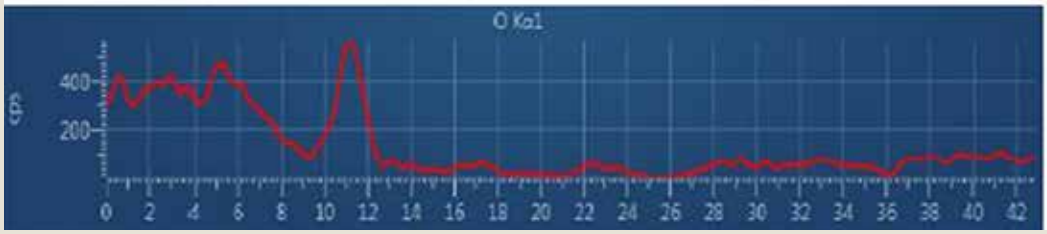
Loco Shell
Manufacturing at Agarpara

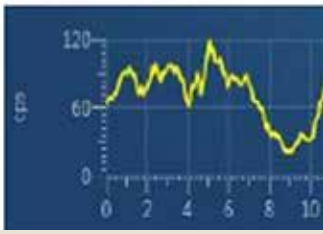
Milk Tank Van *(type MTV)*
for the transportation of milk
(capacity 45145 Ltrs.
- inside temperature of 2º Centigrade)




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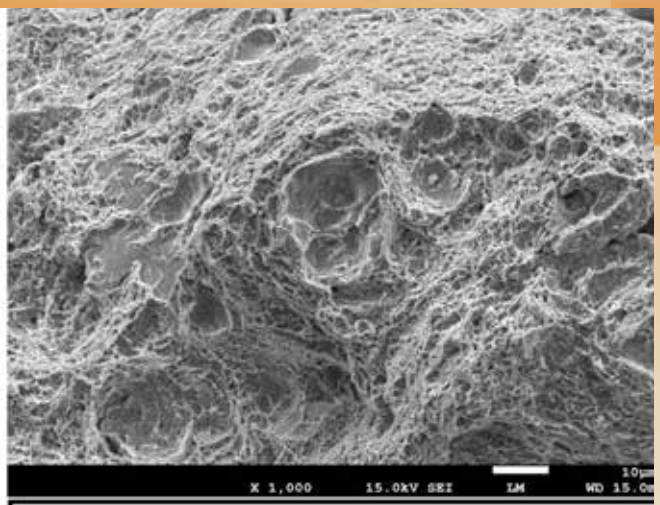

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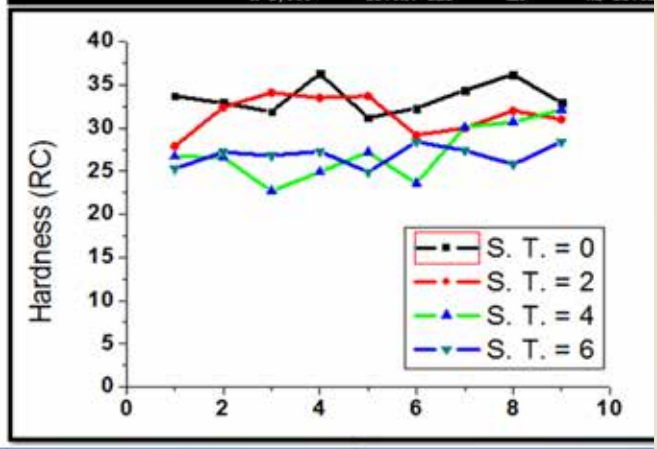


3



4









5

Process

1. KMCRL Metro Rake under Carriage Refurbishment and Recambering at Sodepur Works
2. Study and analysis of Casting Microstructure at the Texmaco R&D Centre

3-5. Tooling for Sydney Metro bogie.

Corporate Social Responsibility

Physiotherapy Camp organised by
Texmaco Arogyam Physio Centre at a local club.



Observation of International Yoga Day
at the Texmaco Yoga Fitness Centre





Green working environment



Festival of Lights being celebrated



Inter-departmental cricket tournament
at the Texmaco playground

Mega event: TEXMAHOTSAV November 2016
at the K K Birla Kala Kendra







World environment day, 5th June'2017–
spreading environment awareness

Work-Life Balance

Kalindee Rail Nirman : Rail EPC Expands Overseas

(A Division of Texmaco Rail & Engineering Limited)



Installation of crossing in the Metro tunnel

After engraving its presence in the domestic market for more than four decades, Kalindee Rail Nirman is seeking to venture into the offshore railway business more aggressively, especially in the India Line-of Credit-funded projects in neighbouring countries like Bangladesh, Sri Lanka, Myanmar and others in the Middle East and Africa.



Equipment installation for indoor signaling



Semi-mechanised track linking



Ballast-less track in a circular tunnel



Semi-mechanised track installation

Touax Texmaco Railcar Leasing Private Limited

(A Joint Venture company)



A complete rake of
BG Bogie Container Flat Wagon
(type BLCM) being dispatched
from our Agarpara works for
leasing out.



Nagpur Metro MIHAN TSS work in progress

Bright Power Projects

(A Subsidiary company)

Stringing of High Rise OHE

The Industry's Acclamation





Mr Ramesh Maheshwari
(Corporate Advisor)
being honoured with
Lifetime Achievement Award
by
The Indian Foundry Congress



Report of the Directors

Your Directors have pleasure in presenting the 7th Operational Annual Report of the Company along with the Audited Financial Statements of the Company for the year ended 31st March 2017.

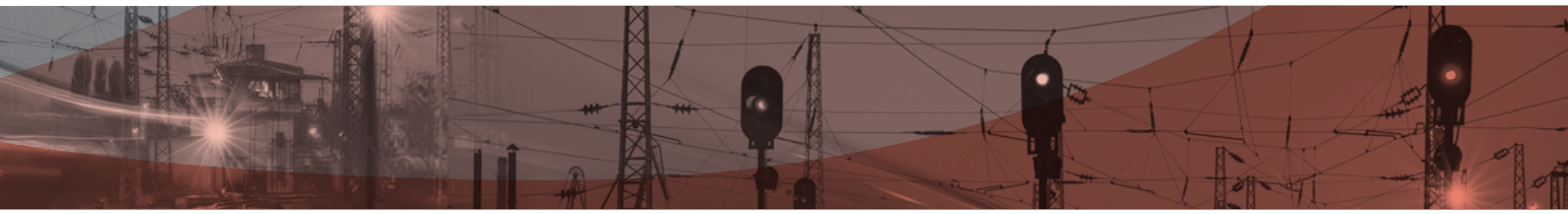
FINANCIAL RESULTS

(₹ in Lakhs)

	2016-17	2015-16
Operating Profit (PBIDT)	8,038.88	7,533.12
Less: Interest (Net)	2,221.52	2,664.11
Gross Profit (PBDT)	5,817.36	4,869.01
Less: Depreciation	1,615.90	1,454.74
Profit before Taxation	4,201.46	3,414.27
Less: Provision for Taxation		
Current Tax	1,085.00	515.36
MAT Credit entitlement	(541.00)	(144.44)
Deferred Tax Liability/(Asset)	215.43	322.89
Income Tax for earlier years	84.73	-
Profit after Taxation	3,357.30	2,720.46
Add: Balance brought forward from previous year	11,276.14	9,687.75
	14,633.44	**12,408.21**
Appropriations		
Proposed Dividend on Equity Shares (Incl.Tax)	632.73	632.73
General Reserve	500.00	500.00
Balance Carried Forward	1,35,00.71	11,276.14
	14,633.44	**12,408.21**

During the year, Kalindee Rail Nirman (Engineers) Limited (Kalindee), a subsidiary of the Company, merged with the Company in terms of the Scheme of Amalgamation duly approved by the Shareholders and the Hon'ble High Courts of Calcutta and Delhi vide their orders dated 26th February 2016 and 19th December 2016 respectively, effective date being 1st April 2014. The results are accordingly after incorporating the financial results of Kalindee for 2014-15, 2015-16 and 2016-17. The financial reporting includes a new segment i.e. Rail EPC.

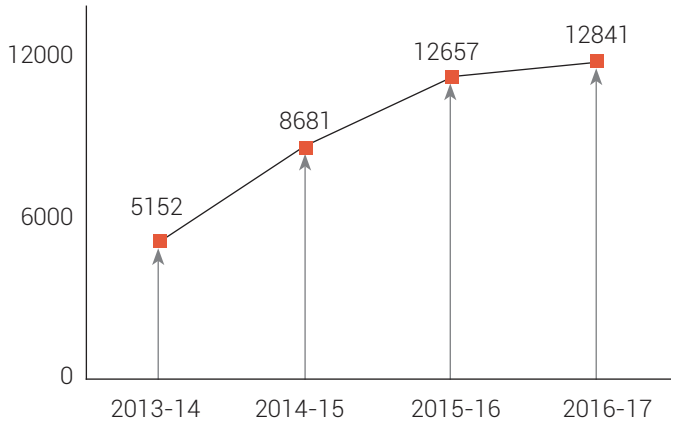
The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standard) Rules 2015 enabling implementation of Ind AS. Pursuant to this notification, your Company and its subsidiaries, associates and joint ventures have adopted Ind AS with effect from 1st April 2016. Accordingly, the standalone and consolidated financial statements for the year ended 31st March 2017, and 31st March 2016 including transition date balance sheet as at 1st April 2015 have been prepared in accordance with Ind AS. The effect of transition to Ind AS has been given in detail in Financial Statement section.



During the year under review, your Company's overall performance was impacted due to general sluggishness in the economy and inadequate order at un-remunerative prices released by the Railways.

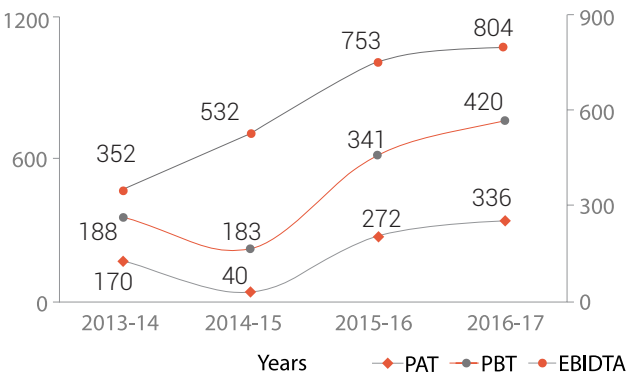
The Gross Turnover for the year stood at INR 12,841.37 mn, net of the value of free-supply inputs (including steel and components) of over INR 1,326.62 mn, provided to your Company by the Indian Railways and other clients for some large value contracts.

Gross Turnover *(INR in mn)*



The Gross Profit for the year (PBDT) and Profit Before Tax (PBT) were INR 581.74 mn and INR 420.15 mn respectively. The Net Profit was INR 335.73 mn, after providing net tax liability of INR 84.41 mn for the year, created in the Profit and Loss Account in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

Financials *(INR in mn)*



Dividend

Your Directors recommend payment of a dividend of 25% for the year ended 31st March 2017.

THE MANAGEMENT DISCUSSION AND ANALYSIS

Your Company, post-merger of Kalindee and majority acquisition of Bright Power Projects (India) Pvt. Ltd. has emerged as a strong 'Total Rail Solution' Company and had been successful in insulating its working of the Company from the extreme vagaries of erratic wagon procurement policy of the Indian Railways.

Fortunately, the Railways is now fully focused on improvement of its vast but ageing infrastructure and has committed to invest more than INR 80,00,000 mn capital expenditure to ramp up the infrastructure which presently is highly congested as around 16% network is handling more than 60% of the entire traffic with capacity utilisation of 150 to 160%. Railways' plan to de-congesting the route by heavily investing in doubling and tripling the tracks and its speedy electrification along and push for completion of DFC Projects shall augur well for the Rail EPC, Rolling Stock and other Heavy Engineering Divisions of your Company. The Railway has also planned to retrofit and refurbish its 40,000 old coaches which has opened up newer business opportunities for your Company. The expansion of metro network all over India is emerging news for its Rail EPC business. The infrastructure created by your Company over the years shall start bringing the fruit with large opportunities being thrown open in Rail Sector.

HEAVY ENGINEERING DIVISION

A. Rolling Stock

a. Freight Car

The planned wagon procurement by Indian Railways for FY 2016-17, for which tender for 12,277 wagons was floated, was looked upon to provide succor to the order starved wagon industry. Though your Company has emerged as the lowest bidder for certain wagons in the tender for 12,277 wagons, and the Railways chose to re-tender a part quantity of 2500 of wagon where the Company was L1, it managed to get order for a meagre quantity of 1338 wagons, with price though marginally better than the previous order, is still uneconomical. Railways however, failed to maintain continuity of free steel supply resulting in low production during the year. Against the re-tendered quantity, the Company did not fetch any order as the other parties quoted a lower price.

During the year, your Company had executed a total order for 2092 wagons, valued at INR 5,166 mn, including Non-IR Wagons. This included the Prestigious Defence Wagon Order which was executed partly in 2015-16 and the balance in 2016-17, within the scheduled delivery time. The Company

had also developed a proto type of milk tank wagon which is of complicated design.

During the year under review, your Company bagged another prestigious order valued INR 436 mn (ex-works) for LPG Tank wagon from a leading Oil Marketing company.

On the Export front, your Company bagged orders worth INR 445 mn from Africa and South East Asia.

The feasibility of Loading and Unloading of Fly Ash in BTAP Wagon was examined during the year, followed by a successful field trial jointly with NTPC and the Cement Industry. This is likely to open up markets for movement of Fly Ash through Railways.

Feasibility of transporting LCVs and HCVs in Car Carrying Wagon (converted) was demonstrated to our Valued Customers licensed under AFTO, Reputed Truck Manufacturers and RDSO. Work on further modifications in the design is underway to enhance the reliability.

The Modified Coil Carrying Wagon developed by your Company has been cleared by RDSO for commercial use and enquiries for the same have started coming from logistic companies and steel manufacturers.

The development of proto type of RDSO's New Design of Parcel Van for IR is nearing completion.

b. Coaching

Your Directors are pleased to report that the development order received from a Railway Coach Factory, for manufacture of Under Frames for AC-3 Tier Coaches has been completed successfully. The Coach factory had since erected the coaches on it and successfully rolled them out. This development is in line with the Railways policy to outsource major sub-assemblies and will be providing a new area of manufacture to your Company for which it is geared up.

c. Locomotive Components / Assemblies

Your Company has diversified into manufacture of Electric Locomotive Shells and Sub-Assemblies and is successfully supplying Complete Shell Assemblies and other Loco Shell and under carriage components to Locomotive plants in India. These are now under regular production.

Your Company also has developmental orders in hand for manufacture of Underframe Assembly for Twin Cab Goods Diesel Locomotive and Underframe Assembly for Twin Cab Passenger Diesel Locomotive. Both the Underframes are presently under development.

Your Company has received an order from Alstom for manufacture of E-Loco car body shells for 480 Dual Locomotives to be manufactured at Madhepura, spread over a period of 7 years, with a total order value of approx INR 5000 mn.

The Company is well poised and equipped to support Alstom in this prestigious project for the fabrication of new generation locomotives for heavy haulage, high speed movement of freight on DFC and other routes of Indian Railways.

This will establish your Company as a premier supplier of Assemblies and Sub-Assemblies for modern locomotives in the forthcoming years.

B. Hydro Mechanical Eqpt.

The execution of contracts under Hydro Mechanical Division of your Company has suffered adversely due to continued political agitation in north east India and prevailing conditions due to after effect of earthquake in certain sites in Nepal.

Fortunately, these bottlenecks are getting eased and progress at sites is now picking up and will go into full swing during the current financial year. With a strong order book of more than INR 3800 mn and a number of new projects announced by the Government in the Hydro Power segment, where your Company has the strong credentials, the future for the division looks promising.

C. Bridges & other Steel Structures

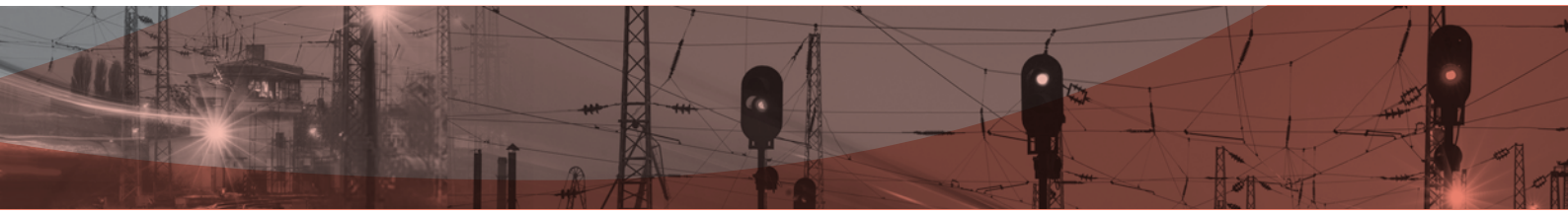
Your Company, during the year, had completed fabrication and erection of a major bridge (9 x 102.4 meters span) weighing 7800T, at Bhairab in Bangladesh. This is the longest Railway Bridge ever constructed in Bangladesh since partition of the Country at the end of the British Rule in 1947. During this year, your Company had also executed an order for the Bridge girders for Titas Bridge in Bangladesh.

Presently the division is executing an order for Sri Lanka.

The division, post execution of the above orders, has earned valuable credentials in the field of construction and erection of Steel Bridges for Railways and, being eligible, has also participated in certain large value tenders in India and abroad.

STEEL FOUNDRY DIVISION

In spite of the decline in off-take of Wagons in 2016-17 owing to lack of Railway demand for Rolling Stock, the overall performance of the Foundry division has been satisfactory. The production and dispatch during the year were 16444 MT & 17207 MT against 17353 MT and 17433 MT respectively



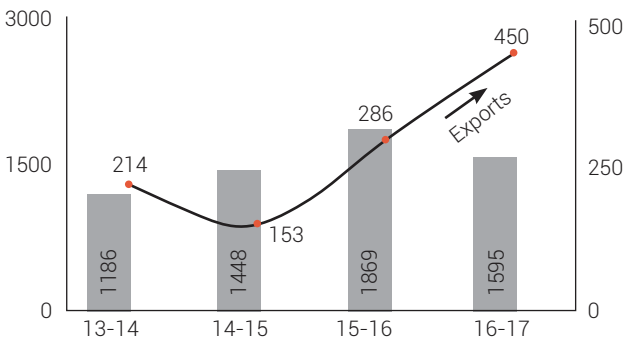
in the previous year. The turnover of the Foundry stood at INR 2037 mn. The Foundry continues to retain its status as the leading supplier of Railway Castings, both in bogie & coupler, with a market share of around 31%.

On the export front, your Directors are pleased to inform that the Foundry had achieved the highest ever export turnover of INR 450 mn compared to INR 286 mn during the previous year. After successful development and stabilisation of one type of bogie castings for North American market, the Foundry has now developed another type of bogie castings for the North American market which was successfully tested and passed at AAR laboratory in USA. With the achievement of this milestone, the Foundry is now exporting both types of castings of bogies to North America. Apart from these designs, the Foundry has also developed bogie casting for South America which has also successfully completed AAR testing. Presently a new design bogie casting developed by the Foundry for South East Asian market has been shipped for testing to AAR in USA. Thus, the Foundry has gained credentials for development of multiple designs of bogies for export markets and widened its base to generate more business.

Your Directors are also glad to inform that the Foundry has further developed 35 new products for use in mining industry globally. The field trial results of the products are satisfactory and the Foundry is geared up to grow in the field of export of industrial castings for mining applications.

During the year, the Foundry has also received an approval from RDSO for manufacture and supply of all 4 types of Cast Manganese Steel Crossings to the Indian Railways. Orders for these Crossings received from Zonal Railways are being executed regularly.

Steel Foundry
Turnover / Exports *(INR in mn)*



RAIL EPC DIVISION

Kalindee Rail Nirman (Engineers) Limited (Kalindee) was merged with the Company by the orders of the Hon'ble High Courts at Calcutta and Delhi dated 26th February 2016 and 19th December 2016 respectively, the effective date being 1st April 2014. Post approval of the Hon'ble High Courts at Calcutta and Delhi and the filing of necessary forms with the Registrar of Companies, Kalindee now stands fully merged with the Company. It is now known as Rail EPC Division of the Company with the trade name of 'Kalindee Rail Nirman' and is actively engaged in Rail EPC contracts of national and international importance, including the projects of Dedicated Freight Corridor.

The Division is focussing on the upcoming metro projects in Ahmedabad, Nagpur and Mumbai and also exploring opportunities in neighbouring countries as well as in the Middle East and African countries. The Division is served by a high-tech State of Art ERP programme run on SAP backbone linked with all work sites online.

It has forayed into high-tech projects, both in Rail EPC and Metro, and has built up a team of experienced professionals to navigate the unit into a new era of growth and opportunities with the added technical and financial strength of the combined entity.

SUBSIDIARY COMPANIES

i. Bright Power Projects (India) Pvt. Ltd

During the year, Bright Power, a pioneer in the field of overhead Electrification of Railway system, had achieved a turnover of INR 1,775 mn with an EBITDA of INR 215 mn. Bright Power has now expanded with projects of Rail Electrification in 14 States.

Bright Power has received its maiden order for substations and Electrification in Metro Segment from Nagpur Metro. This will establish your Company's presence in Metros too.

The Government is giving a major push to Rail Electrification and setting up Metros in urban locations since the last two years. The requirement of Electrification works had doubled year on year. This will help Bright Power in acquiring higher volumes in coming years. Bright Power is well poised in Rail EPC contract and their contribution to the consolidated profit is relatively significant.

ii. Texmaco Hi-tech Private Limited

The working for this year continued to be quite challenging due to the need to develop newer markets and products,



post exit of the JV partner UGL, Australia. The plant was set up especially to meet the export demand of Australia, which due to changed market scenarios, dried up.

Texmaco Hi-tech, since, through the process of consolidation has been successful in developing newer markets and products both for domestic and export, and is well on a revival path.

The orders have now started flowing from global companies like GE Transportation & Alstom Transportation and renowned indigenous customers including the Indian Railways.

It is hoped that the capacity available in the unit will be gainfully utilised for high precision components, such as, bogies, cab structures, booms, etc., for locomotives, coaches and material handling equipment with substantial demand potential from the year 2018-19, when execution of bulk orders after completion of product development cycle will start.

Texmaco Hi-tech during the year has not contributed to the overall performance of the Company.

iii. Belur Engineering Private Limited

During the year, the Company has incorporated a wholly owned subsidiary namely Belur Engineering Private Limited, primarily to supplement the Heavy Engineering business of the Company. Belur Engineering has acquired approximately 5 acres of industrial land at Sodepur to assist your Company in expanding its footprint in the new segments of Heavy Engineering i.e., Bridges and Heavy Engineering Structures.

Belur Engineering was incorporated on 20th February 2017 and hence, no significant contribution was made to the overall performance of the Company.

JOINT VENTURES

i. Touax Texmaco Railcar Leasing Private Limited

Railway is working hard on regaining its market share of freight traffic and with a major freight rebate scheme being introduced for large shippers, a positive development is expected. The establishment of the Rail Development Authority for rationalisation of passenger tariff and cargo freight rates is also expected to have a large impact. Freight and Haulage charges are expected to be rationalised to reflect actual market conditions and not political subsidisation. The Railway Board has a target to set up an additional 55 PFT (Private Freight Terminals) this year. Adding positively to these measures will be the introduction of GST, with which the easing up of logistics operations by eliminating multiple check points will have a positive bearing on the Wagon leasing business of JV Company.

Besides the macro-economic thrust as described above, the micro-economic factors are already turning positive compared to those of the previous years. There is already an increase in the export-import volumes at all the major ports. All hitherto stabled rakes are back into circulation with statistics indicating that no private wagons are idle and whatever IR stock is idling, it is due to the operational imbalances and not for want of traffic. Hence, there is a renewed interest from the industry for introduction of fresh rolling stock.

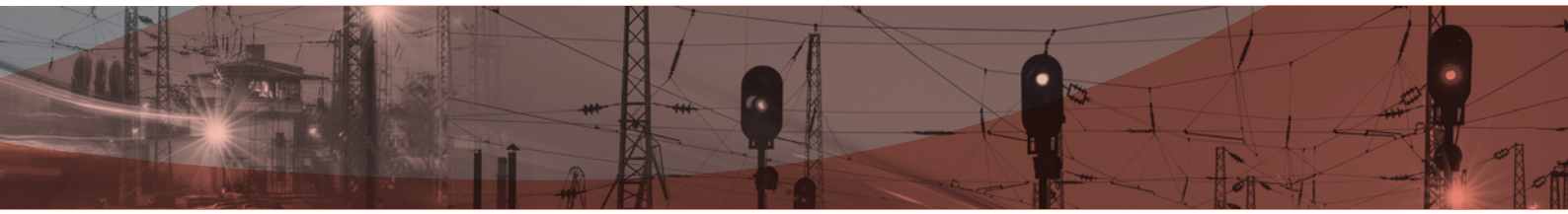
The JV company has turned profitable and has reported a modest profit during the year. The JV company has also tied up with leading banks for financing the leasing activity.

The JV company is gradually strengthening its position in the market and in few years will also become a significant contributor to the overall performance of the Company.

ii. Wabtec Texmaco Rail Private Limited

Wabtec Texmaco Rail Private Limited, Texmaco's JV Company with Wabtec Corporation, USA, completed its first full year of operations in December 2016. The JV company sales in financial year 2016-17, mainly comprising of Draft Gears and Composition Brake Blocks, were approx. INR 470 mn. The JV company won orders for Draft Gears from all major Wagon manufacturers during the year and enjoyed about 65% market share by selling around 9,500 units. The JV company supplied Composition Brake Blocks to Sri Lanka Railways and Bangladesh Railway during the year and initiated actions for approval & subsequent supply of Composition Brake Blocks to the Indian Railways. The JV company has successfully tested its prototype Bogie Mounted Brake System (BMBS) during the year and has planned field trials of its BMBS units with the Indian Railways by September 2017. The JV company new facility is under construction on Texmaco Southern land, Belgharia, and the JV plans to relocate to the new facility by March 2018.

The JV company is gradually strengthening its position in the market and in few years will also become a significant contributor to the overall performance of the Company.



EXPORTS

During the year, your Company has shown a significant improvement in its overall export performance which stood at INR 502 mn compared to INR 488 mn in previous financial year. The Company made further breakthrough in North American market by developing newer types of castings for American Rail Road.

Your Company further bagged orders for 50 wagons from South Asian countries.

The Company has successfully executed a major contract for supply of Railway Bridge to Bangladesh through IRCON-AFCON.

In Rail EPC front, the execution of Bangladesh contract is nearing completion and the Company is well poised to secure new businesses in neighbouring countries for Rail EPC. The execution of Hydro Mechanical orders in Nepal suffered during the year due to natural calamity. However, the execution picked up towards the end of the year and major execution of the order is executed in the current year.

R & D ACTIVITIES

A. Steel Foundry Division

The R & D Centre of the Company is a registered and recognised Centre under the Ministry of Scientific Research & Cultural Affairs and is engaged in carrying out new research work for the development of its various products & processes. It has helped the Company to develop new products, improve products life through process innovations, develop light & efficient designs for higher and faster transportation of goods & specialised cargos. This has enabled your Company in saving precious energy and resources and improving cost effectiveness.

a) New Product Development:

(1) 6 coil bogie castings for North American market by developing unique metallurgical and process improvement enabling the Company to develop export market to USA.

The developed castings have passed the stringent static and dynamic fatigue testing to which it was subjected to at AAR Lab.

(2) Bogie Castings for Thailand Railways.

(3) Yokes for the North American market. Our product has been tested and approved by Cardwell.

(4) Indigenous Development of High Capacity Draft Gears for the Indian Railways against importation.

(5) High Axle Load Low Weight 25 Ton Bogie Castings have been developed for the Indian Railways.

b) New Process Development:

(1) Two new grades SS-2500 & SS-5000 with improved wear resistance properties for ground excavating application.

(2) A new etchant to identify the grain boundaries in a tempered martensitic microstructure.

Apart from the above, the Steel Foundry Division has also undertaken the following projects.

(1) Development of process on tempering time on the weld repaired castings of grade B+ to ensure improved strength.

(2) Root cause analysis and process innovation to eliminate cold lap in Blue Tooth Pointer castings.

(3) Root cause analysis and process innovation to eliminate the match plate failures.

(4) Analysis of temperature distribution in normalising furnace and its impact on microstructure and lug fracture of components and developing new process to improve the microstructure characteristics of castings.

(5) Analysis of abnormal failures in operations across several grades and components.

(6) Undertaken Research analysis on feasibility of reclaiming No-Bake sand through thermal treatment for re-use in the Foundry.

The findings from these projects has helped to develop new manufacturing processes to improve product quality.

c) The R & D department of Steel Foundry Division has also initiated collaborative projects with reputed academic institutions like the Indian Institute of Engineering Science & Technology (IIEST), National Institute of Foundry & Forge Technology (NIFFT) and Amity University with the aim of developing new products & processes and improving the quality and life cycle of the products.

The results of one such collaborative project "Effect of austenising temperature, soaking time and tempering temperature on Charpy Impact Toughness of Gr-E steels" with NIFFT, Ranchi, has been accepted for presentation at 19th International Conference on Material Strength and Metallurgical Engineering (ICMSME) to be held at London on 18-19th December 2017.

B. Heavy Engineering Division

1. Rolling Stock

A new design double deck Auto Car Carrying Wagon 'BDDAC', with substantially superior capabilities over the existing product, is being developed under the Technical guidance & support of a renowned European firm. The development required a number of new concepts which has been tried out successfully. The wagon will now undergo an extensive field trial under the aegis of RDSO, a Research wing of Railways prior to its final acceptance for use in Indian Railways network.

Your Company has also undertaken development of a new design Double Deck Container Carrying Flat Wagon (Bogie Flat Container Wagon) with technical support of a renowned international company.

2. Hydro-mechanical Eqpt.

The Hydro-mechanical division has, after extensive research, developed for the first time a new design for Penstock bifurcation, having crescent girder construction with varied contours for heavy sections of thickness up to 150mm. The design has been accomplished with a detailed Finite Element Analysis (FEA) study which was thereafter, approved by the European consultants. These Penstock bifurcations are to be installed at the inlet of turbines of hydro power plants and are subjected to extreme conditions of hydro-dynamic loading. The criticality starts from selection of raw materials to the complex process of manufacturing and testing. Appropriate processes for fabrication were established including necessary Non-Destructive & Hydraulic Testing.

IT SERVICES

The IT department has implemented progressive measures through advance firewall to protect the IT network of the organisation from external threats and dedicated to maintain a secured environment to prevent data loss. All the manufacturing units, corporate and administrative offices are integrated through secured online connectivity with high bandwidth.

All divisions of the Company are maintaining ERP applications to track regular business operations of the organisation, like Procurement, Inventory, Production, Sales and Finance, with its own in-house team.

HUMAN RELATIONS

Human Relations (HR) aims on improving the Company's bottom line through its knowledge of how human capital affects organisational success. It participates in corporate decision-making, underlining current staffing assessments and projections for future workforce needs, based on business demand, and engaging in promoting awareness on Health, Safety and Environment.

The pragmatic policies on Human Relations / Employee relations has helped the organisation to achieve high performance and building up the morale and satisfaction levels throughout the workforce by creating bond, harmony and unity with a sense of brotherhood all across the organisation.

The Human Resource Development has been the priority of the organisation and constant efforts through re-skilling, up-skilling & multi-skilling are being made through structured programmes of skill building to make the workforce future ready and have a competitive edge. The management has also initiated training and development programmes for young aspiring leaders to take up greater challenges.

OPPORTUNITIES & THREATS

The traditional comfort of assured wagon orders from the Indian Railways continues to elude this year also. The margins have been under pressure and may continue as such in short term due to excess capacity in the wagon industry and poor demand from the Railways.

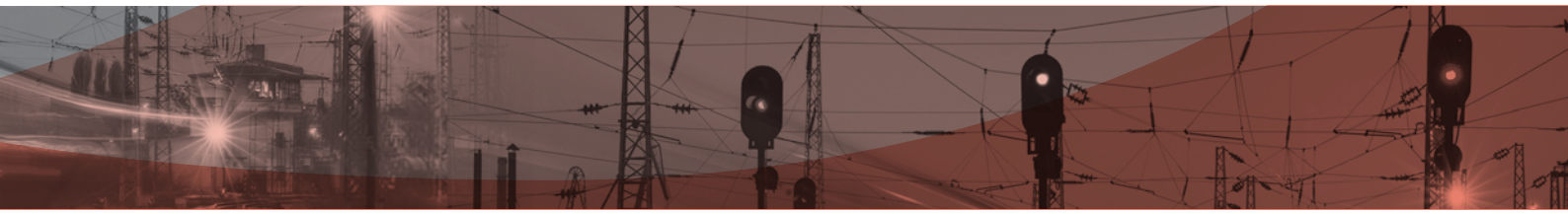
With the recent successes in certain state elections, the Central Government is expected to kick start a number of economic reforms including the GST, which would invariably lead to an economic resurgence, thereby leading to improved logistics need which shall also have a positive impact on the requirement of wagons, a major product for the Company.

In order to de-risk the business, Kalindee has been merged into your Company and the Rail EPC front is showing a lot of promise. This is due to the fact that the Government, in keeping with its objective of upgrading Railway infrastructure, has a large expansion of Rail infrastructure in the pipeline.

Kalindee has managed to get some prestigious orders in this field and is in contention for certain major projects, local and abroad.

The overseas market, especially the neighbouring countries, is also seeing an upsurge in Railway Infrastructure projects.

Your Company is now working with some major multinationals for large Indian Railways orders of Locomotives which shall in due course transform the total work culture and outlook of the Company.



With the Governments' focus on robust Railway infrastructure, the demand for wagons shall also pick up in near future.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed towards betterment of the socially and economically deprived and it continues to take initiatives and meaningful actions in the areas of Education, Health, Environment and Women Empowerment.

Your Company is actively engaged in providing community service to the local people and promote their quality of life through several welfare activities by the Texmaco Neighbourhood Welfare Society (TNWS). The Company has contributed in setting up a Wellness Hub that includes "Texmaco Arogyam Physio Centre", a State-of-the-Art Gym, and "Yoga Fitness Centre", surrounded by green environs at its premises, managed by TNWS. With a view towards Conservation of Environment, the Company has taken up another drive of upgrading the existing ECO Park and planted around 1000 trees. To promote Sports amongst youth in the local area, a playground has been developed with Floodlights. All these initiatives towards a sustained social responsibility distinguish the Company from others in the business sector.

The Company places utmost importance to CSR activities and have initiated a series of CSR programmes specially on healthcare, education and general well-being of society at large. It however, could not spend the requisite amount as prescribed under Section 135 of the Companies Act, 2013 towards CSR activities as the projects undertaken by the Company were in the process of being stabilised. The Company had spent INR 23.62 lakhs out of INR 29.74 lakhs towards CSR expenditure. The Annual Report on CSR activities is enclosed as **Annexure A.**

GREEN INITIATIVES

Your Company has started a sustainability initiative with the aim of going green and minimising the impact on environment. Your Company has already started sending Annual Report, Notices, etc., through e-mails to the Shareholders, whose e-mail IDs are registered with their Depository Participants. In case Shareholder wishes to receive a printed copy, they may please send a request to the Company, after which a printed copy of the Annual Report will be sent. Members are requested to support this initiative by registering / updating their e-mail IDs for receiving Annual Report, Notices, etc., through e-mail.

PARTICULARS OF EMPLOYEES

The number of employees as at 31st March 2017 was 1919. In terms of the provisions of Section 197(12) of the Companies Act, 2013 (Act) read with Rules 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 is provided as **Annexure B.**

The disclosures pertaining to the remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure C.**

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

Information as required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed as **Annexure D.**

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Meetings of the Board

During the year under review, six Board Meetings were held on 30th May 2016, 25th July 2016, 3rd September 2016, 27th October 2016, 30th January 2017 and 14th February 2017.

Change in Directors and Key Managerial Personnel

During the year, Mr V. K. Sharma, Executive Director (Retd.), RBI, was appointed as an Additional Independent Director w.e.f. 29th June 2016 and his appointment was approved as Independent Director of the Company by the Shareholders at the Annual General Meeting held on 26th September 2016. Mr A. K. Vijay, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. The Board has recommended his re-appointment.

Board Evaluation

The Company has formulated a Policy for performance evaluation of Independent Directors, Board Committees and other Directors, by fixing certain criteria, which was approved by the Nomination and Remuneration Committee and adopted by the Board. The criteria for the evaluation include their functioning as Members of Board or Committees of

the Directors. A structured questionnaire, evolved through discussions within the Board, has been used for this purpose. Further on the basis of recommendations of the Nomination and Remuneration Committee and the performance review by Independent Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

Appointment of Directors and Remuneration Policy

The Nomination and Remuneration Committee has approved the criteria to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board of eminent qualified professionals, entrepreneurs with diverse backgrounds and experience in business, governance, education and public service.

Based on the recommendations of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company.

The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance against set of objectives. A copy of the policy is enclosed as **Annexure E.**

Declaration by Independent Directors

All Independent Directors of your Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE AND AUDITORS

Composition of Audit Committee

The composition of the Audit Committee is provided in the Report on Corporate Governance as attached to the Directors' Report.

Statutory Auditors

Messrs K. N. Gutgutia & Co., Chartered Accountants, the present Statutory Auditors of the Company, who have been distinguished Auditors for few decades, are retiring in compliance with the Section 139 of the Companies Act, 2013 at the conclusion of the forthcoming Annual General Meeting. The Company acknowledges the valuable services rendered by Messrs K. N. Gutgutia & Co.

The Board of Directors of the Company on due consideration is proposing to appoint Messrs L. B. Jha & Co., Chartered Accountants, a reputed practising firm as Statutory Auditors for a period of 5 years from the conclusion of the forthcoming Annual General Meeting.

Messrs L. B. Jha & Co., has consented the proposed appointment and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3)(g) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. The Audit Committee and the Board of Directors recommend the appointment of Messrs L. B. Jha & Co., Chartered Accountants as Statutory Auditors of the Company.

Cost Auditors

Your Company has appointed Messrs DGM & Associates, Cost Accountants, for conducting the Cost Audit for FY'18 in terms of the provisions of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 issued by the Ministry of Corporate Affairs.

Secretarial Audit Report

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 Messrs S. R. & Associates, Company Secretaries, as Secretarial Auditor, to conduct the Secretarial Audit of the Company for the FY'2016-17.

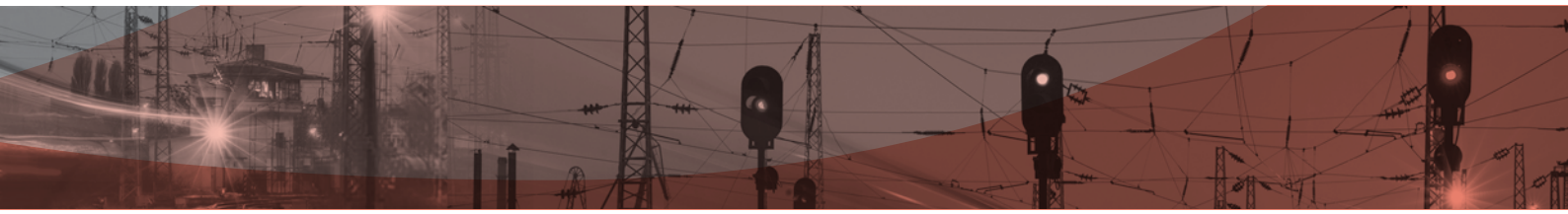
The Secretarial Audit Report is enclosed as **Annexure F.**

Whistle Blower Policy

The details on the Whistle Blower Policy are provided in the Report on Corporate Governance as attached to the Directors' Report.

INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorised, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorised use or disposition. In addition, there are operational and fraud risk



controls, covering the entire spectrum of internal financial controls. The system is commensurate with the size and the nature of operations of the Company.

The Audit Committee regularly reviews the internal control system to ensure that it remains effective and aligned with the business requirements.

The Risk Management Policy adopted by the Company has in its scope, the establishment of a process for risk assessment, identification of risks both internal and external, and a detailed process for evaluation and treatment of risks and is reviewed periodically by the Audit Committee. The objectives pertaining to Risk Management is to monitor and review the risk management plan of the Company including identification therein of elements of risks, if any, and such other related functions.

DISCLOSURES

(a) There has been no change in the nature of business of the Company during the year under review.

(b) There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

(c) There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of Financial year and the date of this Report.

(d) Share Capital & ESOP

During the year, your Company has allotted 2,18,875 Equity Shares of ₹1 each to eligible Employees pursuant to exercise of Options under the Texmaco Employee Stock Option Scheme 2014.

The Company, pursuant to the Scheme of Amalgamation between the Company and Kalindee Rail Nirman (Engineers) Limited ('Kalindee') and their respective shareholders and creditors ('Scheme'), has allotted 89,12,395 Equity Shares of ₹1/- each to the Equity Shareholders of Kalindee i.e. 106 Equity Shares of ₹1/- each of the Company against every 100 Equity Shares of the Kalindee of ₹10/- each held by them in Kalindee as on Record Date i.e. 10th February 2017, post approval of the Scheme by the Hon'ble High Courts at Calcutta and Delhi. Such shares rank *pari passu* with the existing shares of your Company. Consequent to the above allotments, the paid up capital of the Company has increased to 21,94,14,993 Equity Shares of ₹1/- each, as on 31st March 2017.

Disclosures with respect to the Stock Options, as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are available in the Notes to the Financial Statements and can also be accessed on the Company's website www.texmaco.in.

(e) **Deposits**

During the year, the Company has not accepted any Deposits under the Companies Act, 2013.

(f) **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment which meets at regular intervals. No complaints pertaining to sexual harassment were received during FY 2016-17.

OTHER INFORMATION

Extract of Annual Return

The extract of Annual Return in Form no. MGT 9 as on the financial year ended 31st March 2017 is enclosed as **Annexure G**.

Dividend Distribution Policy

The Dividend Distribution Policy of the Company is attached as a separate **Annexure H** forming a part of this Report.

Related Party Transactions

All related party transactions during the financial year were entered in the ordinary course of business and on arm's length basis. All related party transactions are reported to and approved by the Audit Committee and Board of Directors. There were no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel which may have a potential conflict of interest with the Company at large and as such disclosure in Form AOC-2 is not required.

The Company has also formulated a policy on dealing with Related Party transactions and the same is disclosed on the Company's website. The web link for accessing such policy is http://texmaco.in/webfiles/texmaco/file/RELATED%20PARTY%20TRANSACTION%20POLICY.PDF.

Particulars of Loans, Guarantees and Investments

The details of Loans, Corporate Guarantees and Investments made during the year under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the Note nos. 1.04, 1.14, 1.36, 1.03 and 1.09 respectively to the Financial Statements of the Company.

Corporate Governance

A separate report on Corporate Governance pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **Annexure I** and forms a part of this Report.

Business Responsibility Report

A separate report on Business Responsibility pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **Annexure J** and forms a part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT U/S 134(5) OF THE COMPANIES ACT, 2013

Your Directors state:

(a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) that such accounting policies are applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) that proper and sufficient care had 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 accounts of the Company have been prepared on a going concern basis;

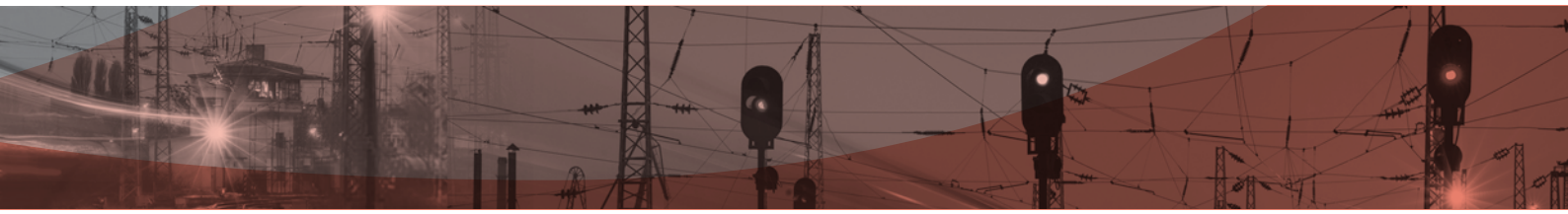
(e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

For and on behalf of the Board

Place: Kolkata
Dated: 22nd May 2017

S. K. Poddar
Chairman



ANNEXURE - A

Annual Report on Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) 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.**

   Our projects and initiatives are guided by our CSR Policy, and reviewed closely by the CSR Committee institutionalised and adopted by the Board of Directors as per the Section 135 of the Companies Act, 2013. The policy is available on the website of the Company www.texmaco.in

   Driven by passion to make a difference to the society, the Company is committed to upholding the highest standards of corporate social responsibility. The Company has continued its progress on community initiatives with renewed vigour and devotion.

2. **The Composition of the CSR Committee:**

   a) Mr D. H. Kela — Chairman

   b) Mr Sunil Mitra — Member

   c) Mr A. K. Vijay — Member

3. **Average Net Profits of the Company for the last three financial years:**

   Average profit (₹ in lakhs) 1486.98

4. **Prescribed CSR expenditure:**

   2% of the net profit (₹ in lakhs) 29.74

5. **Details of CSR spent during the year:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹ in Lakhs)	Amount spent on the projects or programs: 1) Direct expenditure on projects or Programs (₹ in Lakhs)	Amount spent on the projects or programs: 2) Overheads	Amount spent: Direct or through implementing agency
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Health & Sanitation, Drinking Water	Local Area		6.48	-	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹ in Lakhs)	Amount spent on the projects or programs		Amount spent: Direct or through implementing agency
					1) Direct expenditure on projects or Programs (₹ in Lakhs)	2) Overheads	
2	Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly, and the differently abled and livelihood enhancement projects	Education	Local Area		2.30	-	Direct
3	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the clean ganga fund set up by the Central Government for rejuvenation of river ganga	Ecological Balance	Local Area		14.84	-	Direct
	Total			**29.74**	**23.62**		

6. In case the Company has failed to spend the 2% of the average net profit of the last 3 years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board's Report.

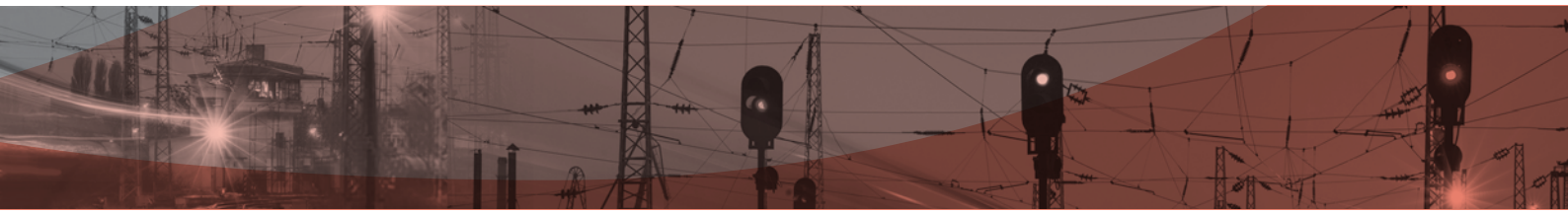
The reason for not spending a part of the prescribed amount towards CSR activities have been provided in the Directors' Report.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the Policy of the Company.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in line with the CSR objectives and Policy of the Company.

S. K. Poddar
Chairman

D. H. Kela
Chairman of the Committee



ANNEXURE-B

Particulars of employees under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report

Name	Designation	Age (Years)	Remuneration (₹)	Qualifications	Experience (Years)	Date of Commencement of Employment	Previous Employment
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Top Ten Employees in terms of the Remuneration drawn during the year including the employees who were in receipt of remuneration aggregating ₹1,02,00,000 or more for the year/₹8,50,000 or more per month for the part of the year.							
1. Poddar Saroj Kumar	Executive Chairman	71	3,66,19,412	B.Com (Hons)	48	01-01-2006	M/s. Poddar Heritage Investments Limited
2. Maheshwari Ramesh	Corporate Advisor	84	1,36,81,678	M.Com., L.L.B.	61	01-02-1962	M/s. F & Cosler (India) Limited & Sister Concerns
3. Kela Damodar Hazarimal	Executive Director	76	1,04,17,220	B.E.(Metallurgy)	51	14-11-2000	M/s. Hindusthan Engineering & Industries Limited
4. Fuller Sandeep	Executive Director	51	91,67,504	B.Tech & PGD in Management	31	01-02-2014	M/s. L & T Limited
5. Mohan Kumar Mysore Subbanna	Chief Executive (Projects)- Kalindee Rail Nirman	51	55,50,336	BE (Electrical)	29	15-01-2014	L & T Limited
6. Vijay Ashok Kumar	Executive Director	64	55,18,920	ACA, ACS	40	17-10-2001	M/s. Hindusthan Engineering & Industries Limited
7. Kejriwal Prakash Chandra	CFO - Kalindee Rail Nirman	49	43,34,520	FCA	25	01-04-2015	Duncans Tea Limited
8. Bharthuar Varun	Chief Executive - Corp. Projects	65	41,63,990	Fellow of the Institution of Mechanical Engineers, UK.	40	01-08-13	East Central Railway
9. Jain Jitendra Kumar	COO - Kalindee Rail Nirman	50	39,84,580	M. Tech (IIT)	26	16-10-2016	DIMTS Limited
10. Nagaraju Tummala Venkata	COO - Steel Foundry Division	51	31,93,775	B. Tech (Metallurgy)	29	07-10-2015	Hinduja Foundries

***Notes*:**

1. *Remuneration as shown above includes Salary, House Rent, LTA, Medical Benefits, Bonus, Contribution to Provident Fund, Superannuation Fund, etc., as per the Company's rules;*
2. *Mr Saroj Kumar Poddar is related to Mr Akshay Poddar, Director of the Company;*
3. *Employees named above are Wholetime/ contractual employees of the Company;*
4. *Other terms and conditions are as per the Company's rules.*

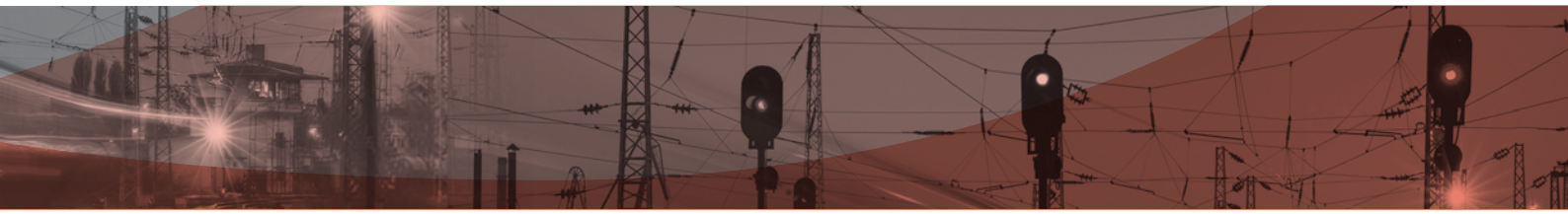
ANNEXURE - C

Disclosure relating to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. The ratio of remuneration of the Director(s) to the median remuneration of the employees of the Company for the financial year ended 31st March 2017 is as below:

Sl. No.	Name of Directors(s) / KMP	Designation	Ratio of Remuneration to Median Remuneration of all the employees	Increase in remuneration over previous Financial Year (in %)
(i)	Mr S. K. Poddar	Executive Chairman	214:1	-
(ii)	Mr Ramesh Maheshwari*	Corporate Advisor	80:1	-
(iii)	Mr D. H. Kela	Executive Director & CEO (SF)	60:1	-
(iv)	Mr Sandeep Fuller	Executive Director & CEO (HED)	54:1	-
(v)	Mr A. K. Vijay	Executive Director & CFO	32:1	-
(vi)	Mr V. K. Sharma	Independent Director	2:1	-
(vii)	Mr A.C. Chakrabortti	Independent Director	4:1	-
(viii)	Mr D. R. Kaarthikeyan	Independent Director	3:1	-
(ix)	Mr Akshay Poddar	Independent Director	2:1	-
(x)	Mr Sabyasachi Hajara	Independent Director	2:1	-
(xi)	Mr Sunil Mitra	Independent Director	3:1	-
(xii)	Ms Mridula Jhunjhunwala	Independent Director	4:1	-
(xiii)	Mr Ravi Varma	Company Secretary	7:1	-
b.	The percentage increase in the median remuneration of employees in the financial year ended March 2017.			6%
c.	The number of permanent employees in the Company as at 31st March 2017:			1919
d.	- Median Remuneration has increased by 6%. - Average remuneration of employees excluding Key Managerial Personnel has increased by 3%, which is based on their performance. The increase in remuneration is in line with the market trends, internal parity and current salary of the employees. - Remuneration of Key Managerial Personnel has not increased this year.			
e.	The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration Policy of the Company as provided as Annexure to the Directors' Report which forms part of the Report and Accounts.			

** Retired from the Board of Directors w.e.f. 25th September 2016.*



ANNEXURE - D

Information as per Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 as part of the Directors' Report for the year ended 31st March 2017

(A) Conservation of energy-

i. the steps taken or impact on conservation of energy; By proper staggering the production activities and monitoring the electrical load, maximum demand has been judicially regulated.

ii. the steps taken by the Company for utilising alternate sources of energy;

iii. the capital investment on energy conservation equipments;

Modification of Equipments & their drives is being done regularly to reduce energy consumption.

One 20T Knock - out Grid with Vibro. Motor of ISKW (7.5KW x 2) has been manufactured and commissioned - To replace the TRF make co-centric shaft e-centric weight with 45 KW - Motor saving thereby 30 KW power in HPML-1.

(B) Technology absorption-

i. the efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution;

The in-house R&D Centre of the Company has been recognised by Department of Scientific & Industrial Research, Ministry of Science & Technology, and Government of India. A number of projects on development of new products and improvement on the existing products have been successfully carried out during the year.

ii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- N.A.

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

iii. the expenditure incurred on Research and Development - ₹58.89 Lakhs

(C) Foreign exchange earnings ₹5024.38 Lakhs and Outgo ₹ 4699.24 Lakhs

ANNEXURE - E

REMUNERATION POLICY

The policy on remuneration of Directors, Key Managerial Personnel and other employees has been formulated by the Nomination and Remuneration Committee (N R Committee) and thereafter, has been approved by the Board of Directors of the Company.

Definitions:

"Act" means Companies Act, 2013 and rules framed thereunder including any amendment or modification thereof.

"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;

"Key Managerial Personnel" means Key Managerial Personnel as defined under the Companies Act, 2013 and includes Executive Chairperson of the Company.

Objectives:

This policy is framed with the following objectives:

- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and other employees;
- To provide to Key Managerial Personnel & other employees reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations by way of ESOPs, increments etc.; and
- It also seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account stakeholder's interests.

Policy for remuneration to Directors, Key Managerial Personnel and other employees:

1) **Remuneration to Executive Directors / Key Managerial Personnel:**

   The Remuneration to be paid to Executive Directors is governed as per the provisions of the Companies Act, 2013 & rules made thereunder and the approvals obtained from the Members of the Company. If, in any financial year, the Company has no profits or inadequate profits, the Company shall pay minimum remuneration as per contractual provisions to its Managerial Personnel. In case the minimum remuneration exceeds the limits prescribed under the provisions of Schedule V of the Companies Act, 2013, the Company shall seek requisite approval as per the provisions of the Companies Act, 2013 including the approval of Central Government wherever required.

   The Key Managerial Personnel shall be eligible for remuneration as may be approved by the Board on the recommendation of the N R Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

   Executive Directors and Key Managerial Personnel based on their performance are also entitled for ESOPs.

2) **Remuneration to Non- Executive / Independent Directors:**

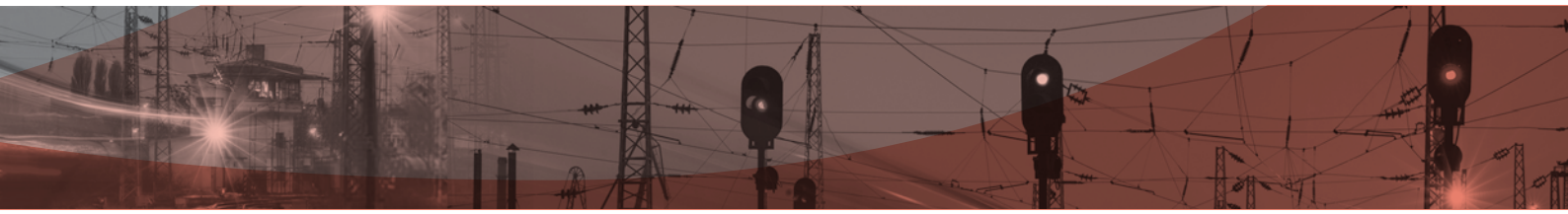
   The Non-Executive / Independent Directors receive sitting fees and Commission as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the N R Committee and approved by the Board of Directors. The amount of commission shall be such as may be approved by the Members of the Company.

3) **Remuneration to other employees:**

   The remuneration of employees is determined according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration is determined on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs evaluated by HR department and approved by a Key Managerial Personnel.

Amendment

The Company reserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever.



ANNEXURE - F

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To

The Members

TEXMACO RAIL & ENGINEERING LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TEXMACO RAIL & ENGINEERING 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 complied with the statutory provisions listed hereunder and also that the Company has maintained proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined books, papers, minute books, forms and returns filed and other records maintained by **TEXMACO RAIL & ENGINEERING LIMITED** for the financial year ended on 31st March 2017 according to the provisions of the following, in so far as they are applicable to the Company:

1. The Companies Act, 2013 with Companies Act, 1956 (to the extent applicable) and the rules made under the relevant Act;
2. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowing;
5. The following Regulations 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, 2015
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;
   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
   g) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.
6. The following other laws specifically applicable to the Company :
   A) Factories Act, 1948 read with Rules;
   B) Industrial Disputes Act, 1947 read with Rules;
   C) Environment Protection Act, 1968.

We have also examined compliance with the applicable Clauses/ Regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

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 Company is required to appoint six Independent Directors as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Companies Act, 2013. 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 meetings and for meaningful participation at the meetings.
- Unanimously / Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

We further report that during the audit period the Company has raised capital by issuing 2,18,875 Equity Shares through Texmaco Employee Stock Option Scheme 2014 (ESOP), raising ₹89,73,875 at a premium of ₹40 per share i.e., Equity Shares of face value of ₹1/- each was issued at ₹41/- each.

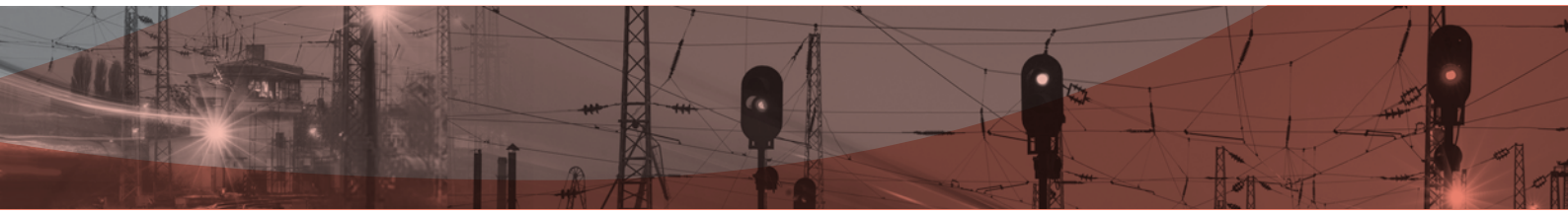
We further report that the scheme of Arrangement of Merger of Kalindee Rail Nirman (Engineers) Limited ('Kalindee') into and with the Company is sanctioned by the Hon'ble High Courts of Calcutta and Delhi vide their order dated 26th February 2016 and 19th December 2016 respectively. Accordingly, 89,12,395 Equity Shares were issued to the Shareholders of Kalindee.

For S R & Associates
sd/-
Geeta Roy Chowdhury
Partner

Unique Code of Partnership Firm: - **P2008WB016700**
Name of Company Secretary in Practice: **GEETA ROY CHOWDHURY**
Membership No: **FCS: 7040**; C.P. No.: **7741**
Unique Code of Number: **12007WB599800**

Place: Kolkata
Dated: 22.05.2017

Note: *This report is to be read with Annexure which forms an integral part of this report.*



ANNEXURE

To
The Members
TEXMACO RAIL & ENGINEERING LIMITED

1. Maintenance of secretarial record 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 were 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 standards is the responsibility of 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 S R & Associates
sd/-
Geeta Roy Chowdhury
Partner

Unique Code of Partnership Firm: - **P2008WB016700**
Name of Company Secretary in Practice: **GEETA ROY CHOWDHURY**
Membership No: **FCS: 7040; C.P. No.: 7741**
Unique Code of Number: **12007WB599800**

Place: Kolkata
Dated: 22.05.2017

ANNEXURE - G

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2017

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

I. REGISTRATION AND OTHER DETAILS

i)	**CIN:**	L29261WB1998PLC087404
ii)	**Registration Date:**	25th June 1998
iii)	**Name of the Company:**	Texmaco Rail & Engineering Limited
iv)	**Category:**	Public Company
v)	**Sub-Category of the Company:**	Limited by Shares
vi)	**Address of the Registered office and contact details:**	Belgharia, Kolkata - 700 056, Phone no. 033 2569 1500, Fax no. 033 2541 2448
vii)	**Whether listed company:**	Yes
viii)	**Name, Address and Contact details of Registrar and Transfer Agent:**	M/s. Karvy Computershare Private Limited, Plot No. 31 & 32 Gachibowli Financial District, Nanakramguda, Hyderabad, Telangana - 500 032 Phone No. 040-67162222

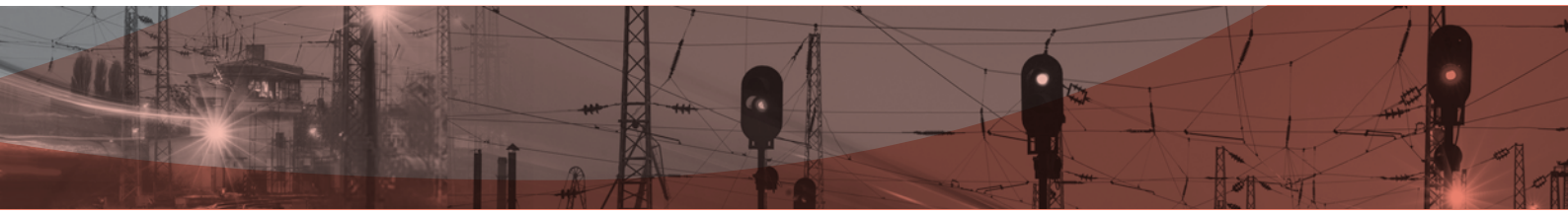
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	ROLLING STOCK	302	42.05
2	ENGINEERING, PROCUREMENT & CONSTRUCTION	439	35.33
3	STEEL CASTINGS	243	15.79

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of Shares held	Applicable Section
1	Kalindee Rail Nirman (Engineers) Limited*, F-5 Gautam Nagar, Gulmohar Park Road, New Delhi - 110 049	L64120DL1984PLC114336	Subsidiary	43.41	2 (87)
2	Texmaco Hi-tech Private Limited, Belgharia, Kolkata - 700 056	U35201WB2009PTC133330	Subsidiary	100.00	2 (87)
3	Belur Engineering Private Limited, Belgharia, Kolkata - 700 056	U28100WB2017PTC19523	Subsidiary	100.00	2 (87)
4	Bright Power Projects (India) Private Limited 3B, 32 Corporate Avenue, Mahal Industrial Estate, Near Paper Box, Off Mahakali Caves Road, Andheri (E), Mumbai - 400 093	U32109MH1994PTC075960	Subsidiary	55.00	2 (87)



5	Touax Texmaco Railcar Leasing Private Limited Belgharia, Kolkata - 700 056	U74999WB2011PTC167754	Joint Venture	50.00	2 (6)
6	Wabtec Texmaco Rail Private Limited Belgharia, Kolkata - 700 056	U35122WB2015FTC207096	Joint Venture	40.00	2 (6)

**Merged into the Company w.e.f. 11th February 2017.*

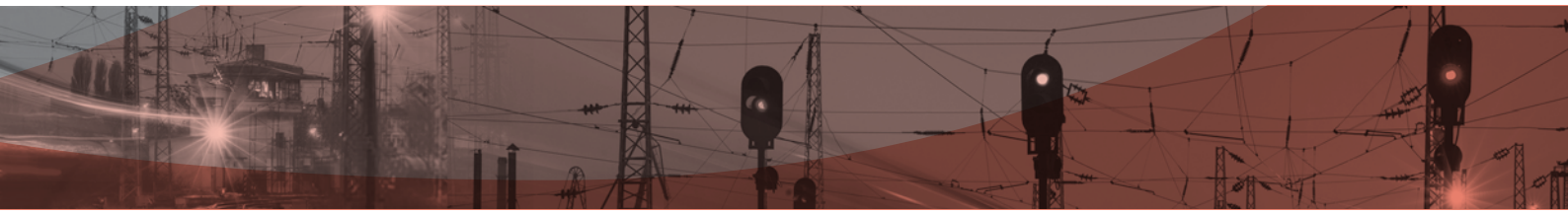
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Paid up Capital of the Company has increased from 21,02,83,723 at 31st March 2016 to 21,94,14,993 at 31st March 2017 on account of allotment of 2,18,875 Equity Shares under Texmaco Employee Stock Option Scheme 2014 and 89,12,395 Equity Shares to the Shareholders of Kalindee pursuant to the Scheme of Amalgamation.

(i) Catergory-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	2779510	-	2779510	1.32	3579510	-	3579510	1.63	0.31
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	111504110	-	111504110	53.03	111504110	-	111504110	50.82	(2.21)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**114283620**	**-**	**114283620**	**54.35**	**115083620**	**-**	**115083620**	**52.45**	**(1.90)**
(2) Foreign									
a) NRIs - Individuals	843390	-	843390	0.40	43390	-	43390	0.02	(0.38)
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**843390**	**-**	**843390**	**0.40**	**43390**	**-**	**43390**	**0.02**	**(0.38)**
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	**115127010**	**-**	**115127010**	**54.75**	**115127010**	**-**	**115127010**	**52.47**	**(2.28)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	45003898	-	45003898	21.40	39495802	-	39495802	18.00	(3.40)
b) Banks / FI	3508055	-	3508055	1.67	3303945	-	3303945	1.50	(0.17)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-

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	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	3264865	10	3264875	1.55	0	10	10	0.00	(1.55)
g) FIIs	20081890	-	20081890	9.55	17084491	-	17084491	7.79	(1.76)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	
Sub-total (B) (1)	**71858708**	**10**	**71858718**	**34.17**	**59884238**	**10**	**59884248**	**27.29**	**(6.88)**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5315112	321890	5637002	2.68	11376893	273428	11650321	5.31	2.63
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11923244	757051	12680295	6.03	22857236	1081313	23938549	10.91	4.88
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	2841010	-	2841010	1.35	3716666	-	3716666	1.69	0.34
c) Others (specify)									
NBFCs	7265	-	7265	0.00	8057	-	8057	0.00	-
Trusts	7500	-	7500	0.00	3192	-	3192	0.00	-
Non Resident Indians	952873	14840	967713	0.46	2346106	14840	2360946	1.08	0.62
HUF	783016	-	783016	0.37	1529060	-	1529060	0.70	0.33
Clearing Members	120749	-	120749	0.06	844891	-	844891	0.39	0.33
Employees	147145	101750	248895	0.12	260928	86575	347503	0.16	0.04
Enemy Individuals	-	4550	4550	0.00	-	4550	4550	0.00	-
Sub-total (B)(2)	**22097914**	**1200081**	**23297995**	**11.08**	**42943029**	**1460706**	**44403735**	**20.24**	**9.16**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**93956622**	**1200091**	**95156713**	**45.25**	**102827267**	**1460716**	**104287983**	**47.53**	**2.28**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**209083632**	**1200091**	**210283723**	**100**	**217954277**	**1460716**	**219414993**	**100**	**-**



(ii) Shareholding of Promoters

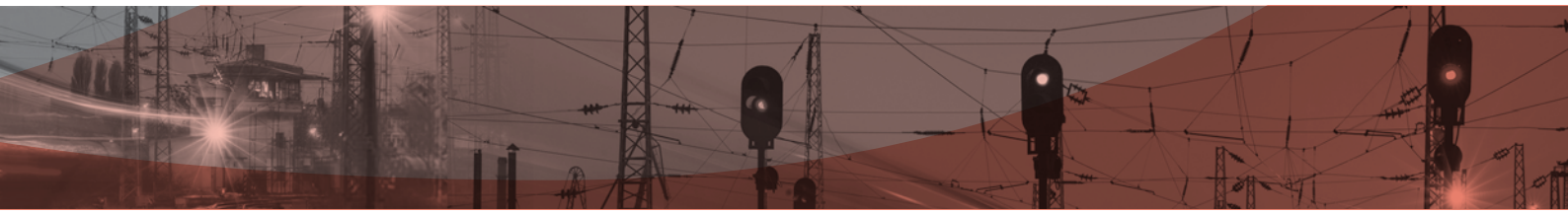
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Mr Saroj Kumar Poddar	2497020	1.19	-	3447020	1.57	-	0.38
2	Ms Jyotsna Poddar	221790	0.11	-	71790	0.03	-	(0.08)
3	Ms Puja Poddar	828570	0.39	-	28570	0.01	-	(0.38)
4	Mr Akshay Poddar	14820	0.01	-	14820	0.01	-	-
5	Ms Kumari Anisha Agarwala	32140	0.02	-	32140	0.02	-	-
6	Ms Kumari Aashti Agarwala	14280	0.01	-	14280	0.01	-	-
7	Ms Shradha Agarwala	14280	0.01	-	14280	0.01	-	-
8	Texmaco Infrastructure & Holdings Limited	54600000	25.96	-	54600000	24.88	-	(1.08)
9	Zuari Investments Limited	28963900	13.77	-	28963900	13.20	-	(0.57)
10	Adventz Finance Private Limited	8377400	3.98	-	8377400	3.82	-	(0.16)
11	Duke Commerce Limited	7514000	3.57	-	7514000	3.42	-	(0.15)
12	Zuari Global Limited	4035000	1.92	-	4035000	1.84	-	(0.08)
13	Adventz Securities Enterprises Limited	3809140	1.81	-	3809140	1.74	-	(0.07)
14	Adventz Investment Company Private Limited	3035710	1.44	-	3035710	1.38	-	(0.06)
15	New Eros Tradecom Limited	738800	0.35	-	738800	0.34	-	(0.01)
16	Premium Exchange and Finance Limited	188090	0.09	-	188090	0.08	-	(0.01)
17	Jeewan Jyoti Medical Society	160500	0.08	-	160500	0.07	-	(0.01)
18	Greenland Trading Private Limited	35000	0.02	-	35000	0.02	-	-
19	Indrakashi Trading Company Private Limited	30000	0.01	-	30000	0.01	-	-
20	Master Exchange & Finance Limited	15760	0.01	-	15760	0.01	-	-
21	Eureka Traders Private Limited	530	0.00	-	530	0.00	-	-
22	Abhishek Holdings Private Limited	280	0.00	-	280	0.00	-	-
	Total	**115127010**	**54.75**	**-**	**115127010**	**52.47**	**-**	**(2.28)**

(iii) Change in Promoters' Shareholding

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	115127010	54.75		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	115127010	52.47
	At the end of the year			115127010	52.47

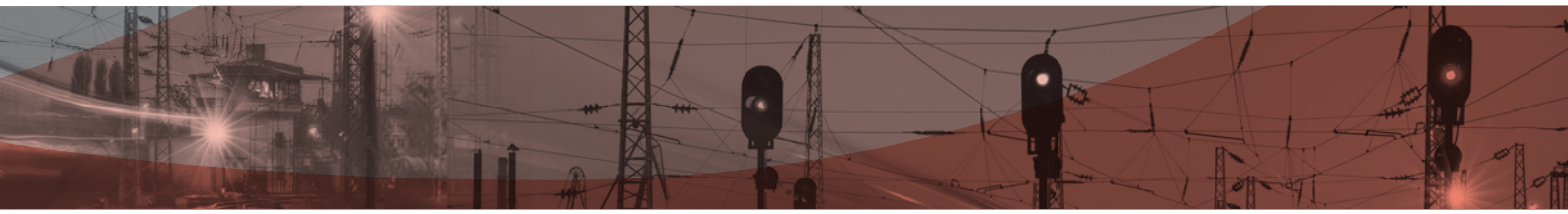
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of the top Ten Shareholders	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
1	**Reliance Capital Trustee Company Limited A/c Reliance Diversified Power Sector Fund**				
	At the beginning of the year	19194517	9.13		
	Increase / (Decrease) in shareholding during the year				
	29.04.16	2927399	1.39	22121916	10.52
	29.04.16	(2927399)	(1.39)	19194517	9.13
	06.05.16	50000	0.02	19244517	9.15
	10.06.16	(244751)	(0.12)	18999766	9.03
	17.06.16	(110704)	(0.05)	18889062	8.98
	24.06.16	(105545)	(0.05)	18783517	8.93
	30.06.16	(166578)	(0.08)	18616939	8.85
	01.07.16	(7144)	(0.00)	18609795	8.85
	08.07.16	(464475)	(0.22)	18145320	8.63
	15.07.16	(535988)	(0.25)	17609332	8.37
	22.07.16	661843	0.31	18271175	8.69
	22.07.16	(825843)	(0.39)	17445332	8.29
	19.08.16	50000	0.02	17495332	8.32
	11.11.16	50000	0.02	17545332	8.34
	23.12.16	25000	0.01	17570332	8.35
	30.12.16	50000	0.02	17620332	8.37
	31.03.17	25000	0.01	17645332	8.04
	At the end of the year			17645332	8.04



Sl. No.	For each of the top Ten Shareholders	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
2	**HDFC Trustee Company Ltd. MF Monthly Income PL**				
	At the beginning of the year	9170983	4.36		
	Increase / (Decrease) in shareholding during the year				
	15.04.16	948000	0.45	10118983	4.81
	06.05.16	100000	0.05	10218983	4.86
	13.05.16	43000	0.02	10261983	4.88
	21.10.16	400000	0.19	10661983	5.07
	21.10.16	(400000)	(0.19)	10261983	4.88
	At the end of the year			10261983	4.68
3	**National Westminster Bank PLC as Trustee of the Jupiter Asian Fund**				
	At the beginning of the year	5149892	2.45		
	Increase / (Decrease) in shareholding during the year				
	27.01.17	720718	0.34	5870610	2.79
	10.03.17	1167592	0.53	7038202	3.21
	17.03.17	176755	0.08	7214957	3.29
	24.03.17	176311	0.08	7391268	3.37
	31.03.17	104012	0.05	7495280	3.42
	At the end of the year			7495280	3.42
4	**Canara Robeco Mutual Fund A/c Canara Robeco Equity**				
	At the beginning of the year	4093883	1.95		
	Increase / (Decrease) in shareholding during the year				
	08.04.16	45832	0.02	4139715	1.97
	29.04.16	167407	0.08	4307122	2.05
	10.06.16	(15000)	(0.01)	4292122	2.04
	30.06.16	25000	0.01	4317122	2.05
	30.06.16	(7500)	(0.00)	4309622	2.05
	08.07.16	25000	0.01	4334622	2.06
	22.07.16	(75000)	(0.04)	4259622	2.02
	29.07.16	(150000)	(0.07)	4109622	1.95
	05.08.16	(56311)	(0.03)	4053311	1.92
	12.08.16	(25000)	(0.01)	4028311	1.91
	03.02.17	15000	0.01	4043311	1.90
	10.03.17	100000	0.05	4143311	1.95

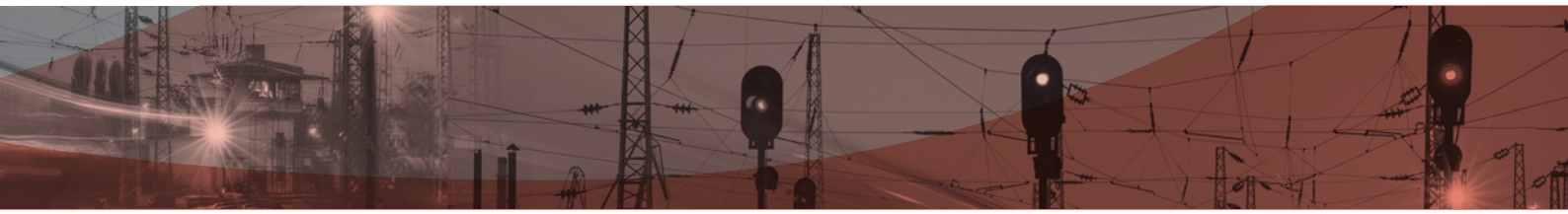
Sl. No.	For each of the top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	17.03.17	125749	0.06	4269060	1.95
	31.03.17	50000	0.02	4319060	1.97
	At the end of the year			4319060	1.97
5	**Parvest Equity India**				
	At the beginning of the year	4000000	1.90		
	Increase / (Decrease) in shareholding during the year	Nil	Nil	4000000	1.82
	At the end of the year			4000000	1.82
6	**Goldman Sachs India Fund Limited**				
	At the beginning of the year	3355221	1.60		
	Increase / (Decrease) in shareholding during the year				
	03.02.17	(70393)	(0.03)	3284828	1.57
	10.02.17	(432401)	(0.21)	2852427	1.36
	17.02.17	(312000)	(0.15)	2540427	1.16
	24.02.17	(203516)	(0.09)	2336911	1.07
	03.03.17	(701500)	(0.32)	1635411	0.75
	10.03.17	(1635411)	(0.75)	0	0.00
	At the end of the year			0	0.00
7	**L & T Mutual Fund Trustee Ltd- L & T Equity Fund**				
	At the beginning of the year	3196806	1.52		
	Increase / (Decrease) in shareholding during the year on 06.05.16 06.05.16	(338314)	(0.16)	2858492	1.36
	At the end of the year			2858492	1.30
8	**Sundaram Mutual Fund A/c Sundaram Smile Fund**				
	At the beginning of the year	3126121	1.49		
	Increase / (Decrease) in shareholding during the year				
	08.04.16	38904	0.02	3165025	1.51
	15.04.16	51096	0.02	3216121	1.53
	10.06.16	(68689)	(0.03)	3147432	1.50
	17.06.16	(58692)	(0.03)	3088740	1.47
	24.06.16	(224094)	(0.11)	2864646	1.36
	15.07.16	(220674)	(0.10)	2643972	1.26
	22.07.16	(392804)	(0.19)	2251168	1.07



Sl. No.	For each of the top Ten Shareholders	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
	29.07.16	(707196)	(0.34)	1543972	0.73
	05.08.16	(200000)	(0.10)	1343972	0.63
	At the end of the year			1343972	0.63
9	**Life Insurance Corporation of India**				
	At the beginning of the year	3029180	1.44		
	Increase / (Decrease) in shareholding during the year	Nil	Nil	3029180	1.38
	At the end of the year			3029180	1.38
10	**ICICI Prudential Life Insurance Company Limited**				
	At the beginning of the year	2485495	1.18		
	Increase / (Decrease) in shareholding during the year				
	08.04.16	(5840)	(0.00)	2479655	1.18
	15.07.16	(4782)	(0.00)	2474873	1.18
	19.08.16	(1230)	(0.00)	2473643	1.18
	26.08.16	(1230)	(0.00)	2472413	1.18
	30.12.16	(252000)	(0.12)	2220413	1.06
	06.01.17	(322000)	(0.15)	1898413	0.91
	13.01.17	(281020)	(0.13)	1617393	0.78
	20.01.17	(27917)	(0.01)	1589476	0.76
	27.01.17	(146240)	(0.07)	1443236	0.69
	17.02.17	1443236	0.66	2886472	1.32
	17.02.17	(1443236)	(0.66)	1443236	0.66
	17.03.17	(282)	(0.00)	1442954	0.66
	24.03.17	(1589)	(0.00)	1441365	0.66
	31.03.17	(5691)	(0.00)	1435674	0.66
	At the end of the year			1435674	0.66
11	**Jupiter South Asia Investment Company Limited**				
	At the beginning of the year	2353301	1.12		
	Increase / (Decrease) in shareholding during the year				
	20.01.17	(373864)	(0.18)	1979437	0.94
	10.03.17	334439	0,16	2313876	1.05
	17.03.17	50629	0.03	2364505	1.08
	24.03.17	50501	0.02	2415006	1.10
	At the end of the year			2415006	1.10

Sl. No.	For each of the top Ten Shareholders	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
12	**UTI Long Term Equity Fund (Tax Saving)**				
	At the beginning of the year	2297484	1.09		
	Increase / (Decrease) in shareholding during the year				
	22.04.16	28781	0.01	2326265	1.11
	29.04.16	(2932)	(0.00)	2323333	1.10
	13.05.16	(1171)	(0.00)	2322162	1.10
	10.06.16	40347	0.02	2362509	1.12
	23.09.16	(150000)	(0.07)	2212509	1.05
	30.12.16	264165	0.13	2476674	1.18
	10.02.17	(90000)	(0.05)	2386674	1.13
	17.02.17	(225000)	(0.10)	2161674	0.98
	24.02.17	(90000)	(0.04)	2071674	0.94
	03.03.17	(180000)	(0.08)	1891674	0.86
	24.03.17	(85800)	(0.04)	1805874	0.86
	31.03.17	(137546)	(0.06)	1668328	0.76
	At the end of the year			1668328	0.76

Note: *These data are as on Benpos Date as provided by NSDL/CDSL.*



(v) Shareholding of Directors and Key Managerial Personnel

Mr S. K. Poddar, *Executive Chairman*

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
At the beginning of the year	2497020	1.19		
Increase / (Decrease) in Shareholding during the year 30.03.17 (Inter-se Transfer)	950000	0.43	3447020	1.57
At the end of the year			3447020	1.57

Mr Ramesh Maheshwari, *Executive Vice Chairman (Retired w.e.f. 25th September 2016)*

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
At the beginning of the year	25000	0.01		
Increase / (Decrease) in Shareholding during the year	Nil	Nil	25000	0.01
At the end of the year			25000	0.01

Mr A. C. Chakrabortti, *Independent Director*

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
At the beginning of the year	1800	0.00		
Increase / (Decrease) in Shareholding during the year	Nil	Nil	1800	0.00
At the end of the year			1800	0.00

Mr Akshay Poddar, *Non - executive and Non-independent Director*

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
At the beginning of the year	14820	0.01		
Increase / (Decrease) in Shareholding during the year	Nil	Nil	14820	0.01
At the end of the year			14820	0.01

Mr D. H. Kela, *Executive Director & CEO (SF)*

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
At the beginning of the year	12500	0.01		
Increase / (Decrease) in Shareholding during the year	Nil	Nil	12500	0.01
At the end of the year			12500	0.01

Mr Sandeep Fuller, *Executive Director & CEO (HED)*

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
At the beginning of the year	12500	0.01		
Increase / (Decrease) in Shareholding during the year	Nil	Nil	12500	0.01
At the end of the year			12500	0.01

Mr A. K. Vijay, *Executive Director & CFO*

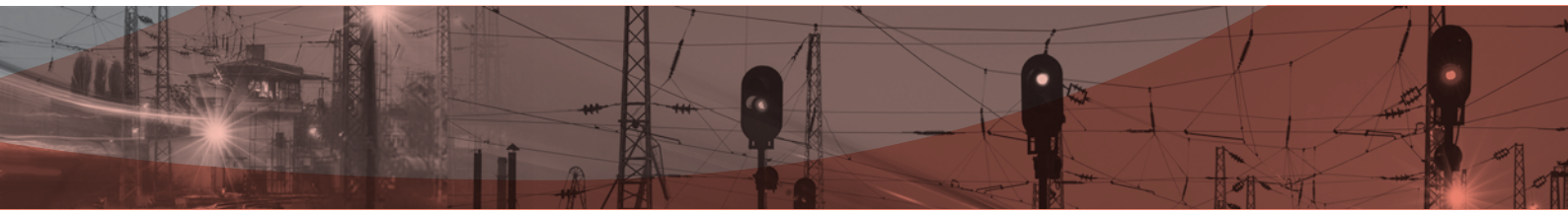
For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	15030	0.01		
Increase / (Decrease) in Shareholding during the year	Nil	Nil	15030	0.01
At the end of the year			15030	0.01

Messrs D. R. Kaarthikeyan, Sunil Mitra, Sabyasachi Hajara, V. K. Sharma and Ms Mridula Jhunjhunwala, Directors and Mr Ravi Varma, Company Secretary do not hold Shares of the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment *(₹ in lakhs)*

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	28,213.94	-	-	28,213.94
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	138.45	-	-	138.45
Total (i+ii+iii)	28,352.39	-	-	28,352.39
Change in Indebtedness during the financial year				
• Addition	-	3,000.00	-	3,000.00



• Reduction	(303.74)	-	-	(303.74)
Net Change	**(303.74)**	**3,000.00**	**-**	**2,696.26**
Indebtedness at the end of the financial year				
i) Principal Amount	27,910.20	3,000.00	-	30,910.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	164.94	-	-	164.94
Total (i+ii+iii)	28,075.14	3,000.00	-	31,075.14

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Wholetime Directors and/or Manager *(₹ in lakhs)*

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Mr S. K. Poddar	Mr Ramesh Maheshwari@	Mr D. H. Kela^	Mr Sandeep Fuller^	Mr A. K. Vijay*	
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	324.99	94.52	77.99	45.49	37.69	580.68
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	5.20	18.98	6.74	34.84	8.04	73.80
	(c Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission						
	i) As % of profit	-	-	-	-	-	-
	ii) Others, specify	-	-	-	-	-	-
5	Others :-						
	i) Co's Contribution to PF / Pension Fund	36.00	10.35	8.64	5.04	4.18	64.21
	ii) Value of Furniture	-	0.02	-	-	0.05	0.07
	iii) Superannuation	-	12.94	10.80	6.30	5.22	35.26
	Total	**366.19**	**136.81**	**104.17**	**91.67**	**55.18**	**754.02**
	Ceiling as per the Act						**184.15**

@Retired w.e.f. 25th September 2016.

^Messrs D.H. Kela and Sandeep Fuller are also the CEO (SF) & CEO (HED) of the Company respectively.

**Mr A.K. Vijay is also the CFO of the Company.*

B. Remuneration to other Directors

(₹ in lakhs)

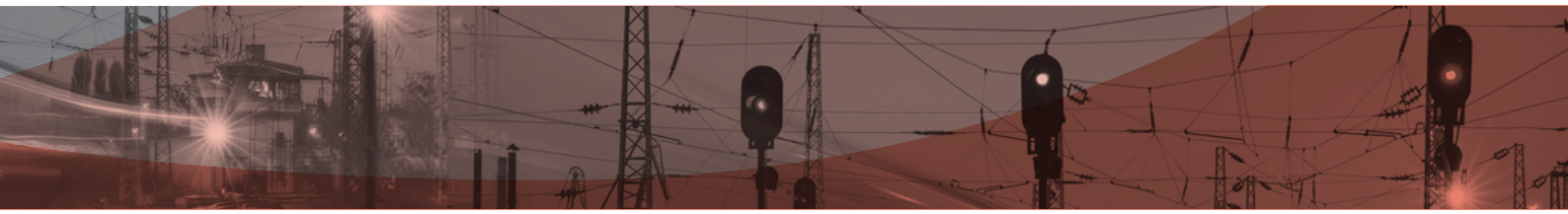
Sl. no.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr A.C. Chakrabortti	Mr D. R. Kaarthikeyan	Mr Sunil Mitra	Mr S.Hajara	Mr V.K. Sharma	Ms Mridula Jhunjhunwala	Mr Akshay Poddar	
	1. Independent Directors								
	Fee for attending board committee meetings	4.80	2.40	3.40	1.70	1.40	4.40	-	18.10
	Commission	2.00	2.00	2.00	2.00	1.51	2.00	-	11.51
	Others, please specify								
	Total (1)	**6.80**	**4.40**	**5.40**	**3.70**	**2.91**	**6.40**		**29.61**
	2. Other Non-executive Directors								
	Fee for attending board committee meetings							1.60	1.20
	Commission							2.00	2.00
	Others, please specify								
	Total (2)							**3.60**	**3.60**
	Total (B)=(1+2)								**33.21**
	Total Managerial Remuneration								**787.23**
	Ceiling as per the Act								**202.56**

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

(₹ in lakhs)

Sl. no.	Particulars of Remuneration	Name of Company Secretary	Total Amount
		Mr Ravi Varma	
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	3.51	3.51
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	8.29	8.29
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	i) As a % of profit	-	
	i) Others, specify	-	-
5	Others:-	-	-
	i) Co's Contribution to PF / Pension Fund	0.40	0.40
	i) Superannuation	-	-
	Total	12.20	12.20

VII. There were no Penalties / Punishment / Compounding of Offences under the Companies Act, 1956 / 2013 for the year ended 31st March 2017.



ANNEXURE - H

DIVIDEND DISTRIBUTION POLICY

This Policy will regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Companies Act, 2013 (Act), read with the applicable Rules framed thereunder, as may be in force for the time being.

Preamble

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business and used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these needs.

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors (Board) will refer to the policy while declaring/ recommending dividends on behalf of the Company. Through this policy, the Company would endeavor to maintain a consistent approach to dividend payout plans.

The Company believes that it operates in the high potential and fast growing internet segment. This offers huge investment opportunities. Therefore, the retention of surplus funds for future growth will over-ride considerations of returning cash to the shareholders. However, considering the consistent and impressive generation of profits year on year, there is a need to provide greater clarity on the dividend pay-out philosophy of the Company.

Process for approval of Payment of Final Dividend

- The Board to recommend quantum of final dividend payable to shareholders in its meeting in line with this Policy;
- Based on the profits arrived at as per the audited financial statements;
- Shareholders to approve in Annual General Meeting;
- Once in a financial year;

Declaration of Dividend

Subject to the provisions of the Listing Regulations and the Act, Dividend shall be declared or paid to the Shareholders.

The Board may, at its discretion, declare a Special Dividend under certain circumstances such as extraordinary profits from sale of investments.

Factors to be considered while declaring Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board of Directors will endeavor to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding pay-out is subject to several factors and hence, any optimal policy in this regard may be far from obvious.

The dividend pay-out decision of any company depends upon certain external and internal factors-

External Factors

State of Economy - In case of uncertain or recessionary economic and business conditions, the Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks.

Capital Markets- When the markets are favorable, dividend pay-out can be liberal. However, in case of unfavorable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

Statutory Restrictions- The Board will keep in mind the restrictions imposed by the Act with regard to declaration of dividend.

Internal Factors

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia will include-

i) Profits earned during the year;
ii) Present & future Capital requirements of the existing businesses;
iii) Brand/ Business Acquisitions;
iv) Expansion/ Modernisation of existing businesses;
v) Additional investments in subsidiaries/associates of the Company;
vi) Fresh investments into external businesses;
vii) Any other factor as deemed fit by the Board.

Dividend Range

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavor to maintain a dividend payout in the range of 10%-50% of profits after tax (PAT) on standalone financials.

Review

This Policy will be reviewed periodically by the Board.

Annexure I

Report on Corporate Governance

[Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's philosophy on Code of Governance

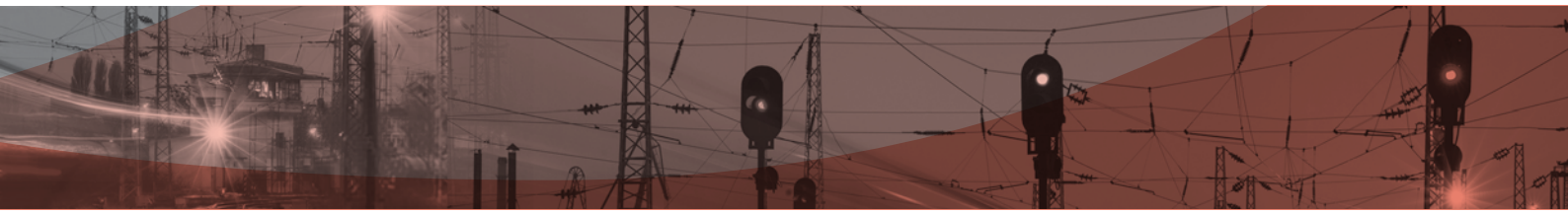
The core values of the Company's Corporate Governance are transparency, professionalism, accountability, customer focus, teamwork, quality, fairness and social responsibility. Your Company is committed to fulfill these objectives and enhance the wealth generating capacity, keeping in mind long-term interest of the shareholders, employees and the society. The Company believes in adopting and adhering to the best Corporate Governance practices and continuously benchmarking itself against the best practices in the industry.

2. Board of Directors

The Company's Board comprises eleven Directors, representing the optimum mix of professionalism, knowledge and experience. Six Directors of the current strength of the Board are Independent Directors as on 31st March 2017. The category of Directorship, number of Board Meetings attended, attendance at the last Annual General Meeting (AGM), Directorships in other companies, number of Committees in which such Director is a Chairperson or Member, are mentioned below :-

Name of the Director	Category of Directorship	Director Identification Number (DIN)	No. of Board Meetings attended	Attendance at the last AGM	No. of Directorships in other companies #	No. of Chairpersonship/ Membership of Board Committees in companies ^	
						Chairperson	Member
Mr S. K. Poddar	Executive Chairman - Promoter	00008654	6	Yes	12	-	-
Mr Ramesh Maheshwari @	Executive Vice Chairman	00170811	3	N.A.	N. A.	N. A.	N. A.
Mr A. C. Chakrabortti	Independent	00015622	6	Yes	8	2	2
Mr D. R. Kaarthikeyan	Independent	00327907	4	No	5	-	5
Mr Sunil Mitra	Independent	00113473	6	No	9	2	7
Mr Sabyasachi Hajara	Independent	00004485	5	No	7	1	-
Ms Mridula Jhunjhunwala	Independent	05339373	6	Yes	1	-	1
Mr V. K. Sharma*	Independent	02051084	4	No	3	1	1
Mr Akshay Poddar+	Non-executive & Non-independent - Promoter	00008686	4	No	16	1	3
Mr D. H. Kela	Executive	01050842	6	Yes	5	-	2
Mr Sandeep Fuller	Executive	06754262	6	Yes	6	-	2
Mr A. K. Vijay	Executive	01103278	6	Yes	5	-	1

@ Retired w.e.f. 25th September 2016.
** Appointed w.e.f. 29th June 2016.*
+ Mr Akshay Poddar is the son of Mr S. K. Poddar.
 # Excluding Foreign Companies.
^ Membership / Chairpersonship in Audit Committee and Stakeholders Relationship Committee, including those in the Company.



The Chairman does not have a separate office in Kolkata and the Corporate Office of the Company supports the Chairman for discharging his responsibilities. The Company however, maintains a separate office for the Chairman at New Delhi. No Director of the Company was a member of more than ten Committees or Chairperson of more than five Committees across all the Public / Listed companies in which he / she was a Director.

Six Board Meetings were held during the year 2016-17 on the following dates:

30th May 2016	25th July 2016	3rd September 2016
27th October 2016	30th January 2017	14th February 2017

3. Audit Committee

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the Audit Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

The Audit Committee comprises the following four Directors, and their attendance in the Committee Meetings is given hereunder:

Name of the Director	No. of Meeting(s) attended
Mr A. C. Chakrabortti, Chairman	6
Mr Ramesh Maheshwari[@]	3
Mr D. R. Kaarthikeyan	4
Ms Mridula Jhunjhunwala	6
Mr Sandeep Fuller[$]	3

[@] Retired w.e.f. 25th September 2016.

[$] Appointed as Member w.e.f. 26th September 2016.

Six Audit Committee Meetings were held during the year 2016 - 17 on the following dates:

30th May 2016	25th July 2016	3rd September 2016
27th October 2016	30th January 2017	14th February 2017

4. Nomination and Remuneration Committee

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the Nomination and Remuneration Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013.

This Committee also has the responsibility for administering the Employee Stock Option Scheme of the Company.

The Nomination and Remuneration Committee comprises the following four Directors, and their attendance in the Committee Meetings is given hereunder :

Name of the Director	No. of Meeting(s) attended
Mr A. C. Chakrabortti, Chairman	1
Mr Akshay Poddar	0
Mr Sunil Mitra	1
Ms Mridula Jhunjhunwala[#]	N.A.

[#] Appointed as Member w.e.f. 30th May 2016.

The Nomination and Remuneration Committee met once during the year on 30th May 2016.

Remuneration of Directors

The Remuneration of Executive Directors is fixed by the Board of Directors upon recommendation by the Nomination and Remuneration Committee. Non-executive Directors are eligible for sitting fee and a commission not exceeding 1% of the net profit of the Company for each year, with a ceiling of ₹2,00,000/- per annum on commission for each Director. The sitting fee for attending the Board Meeting or Audit Committee Meeting is ₹30,000/- and the sitting fee for attending the other Committee/Sub-committee Meeting is ₹20,000/- as approved by the Board of Directors.

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure E** to the Directors' Report.

The details of the payment made to the Directors during the year 2016-17 are as follows:

i) Non-executive Directors

Name of the Director	Sitting Fee for the year (₹)	Commission for the year (₹)	Total (₹)	No. of Shares held in the Company
Mr A. C. Chakrabortti	4,80,000	2,00,000	6,80,000	1800
Mr Akshay Poddar	1,60,000	2,00,000	3,60,000	14820
Mr D. R. Kaarthikeyan	2,40,000	2,00,000	4,40,000	Nil
Mr Sabyasachi Hajara	1,70,000	2,00,000	3,70,000	Nil
Mr Sunil Mitra	3,40,000	2,00,000	5,40,000	Nil
Ms Mridula Jhunjhunwala	4,40,000	2,00,000	6,40,000	Nil
Mr V. K. Sharma*	1,40,000	1,51,233	2,91,233	Nil

** Appointed w.e.f 29th June 2016*

Note: The Commission was paid to Directors proportionate to their tenure.

ii) Executive Directors

Name of the Director	Designation	Salary (₹)	Perquisites and Allowances# (₹)	Sitting Fees (₹)	Retirement Benefits (₹)
Mr S. K. Poddar	Executive Chairman	3,24,99,000	41,20,412	N.A.	As per Company's Rules
Mr Ramesh Maheshwari@	Executive Vice Chairman	94,52,795	42,28,883	N.A.	- DO -
Mr D. H. Kela	Executive Director	77,99,760	26,17,460	N.A.	- DO -
Mr Sandeep Fuller	Executive Director	45,49,860	46,17,644	N.A.	-DO-
Mr A. K. Vijay	Executive Director	37,69,884	17,49,036	N.A	-DO-

@ Retired w.e.f. 25th September 2016.

 # Perquisites and Allowances include House Rent Allowance, LTA, Medical Benefits, Contribution to P.F., Superannuation Fund, Ex-gratia, ESOP, etc.

5. Stakeholders Relationship Committee

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the Stakeholders Relationship Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013.

The Stakeholders Relationship Committee comprises the following four Directors, and their attendance in the Committee Meeting is given hereunder :

Name of the Director	No. of Meeting(s) attended
Mr Akshay Poddar, Chairman	1
Mr Ramesh Maheshwari@	N.A.
Mr D. H. Kela	1
Mr Sunil Mitra	1
Mr A. K. Vijay^	1

@ Retired w.e.f. 25th September 2016.

^ Appointed as Member w.e.f. 26th September 2016.

The Stakeholders Relationship Committee met once during the year on 30th January 2017.

The grievances received are dealt by the Stakeholders Relationship Committee / Registrar & Share Transfer Agent / Compliance Officer of the Company.

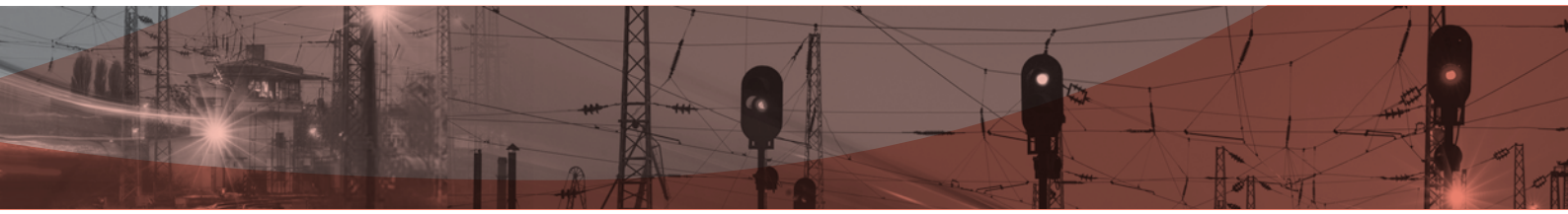
In order to provide quick service to Investors, the Board has delegated certain powers to few Senior Executives to deal with various matters including transfer and transmission of Shares, etc. The Company has no transfers pending at the close of the financial year.

Mr Ravi Varma, Company Secretary is the Compliance Officer of the Company. During the year, 14 complaints were received from the Shareholders, which were resolved within a stipulated time period.

6. CSR Committee

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the CSR Committee under Section 135 of the Companies Act, 2013.



The CSR Committee comprises the following three Directors, and their attendance in the Committee Meeting is given hereunder:

Name of the Director	No. of Meeting(s) attended
Mr D. H. Kela, Chairman[$]	1
Mr Ramesh Maheshwari[@]	N.A.
Mr A. K. Vijay[^]	1
Mr Sunil Mitra	1

[$] *Appointed as Chairman w.e.f. 26th September 2016.*
[@] *Retired w.e.f. 25th September 2016.*
[^] *Appointed as Member w.e.f. 26th September 2016.*

The CSR Committee met once during the year on 30th January 2017.

7. Independent Directors Meeting

A meeting of the Independent Directors of the Company was held on 14th February 2017 during the year 2016-17. All the Independent Directors except Mr D. R. Kaarthikeyan, attended the Meeting. The matters discussed at the Independent Directors Meeting, inter alia, included the evaluation of the performance of Non-independent Directors including the Chairman of the Company.

8. Induction & Training of Board Members

To provide insights into the Company's operations, the Company periodically familiarises its Independent Directors through presentations, briefings, meetings, etc.

The details of programmes for familiarisation of Independent Directors with the Company, including their duties in the Company and related matters are put up on the website of the Company at the link: http://texmaco.in/webfiles/texmaco/file/Familiarisation%20Programme%20for%20Independent%20Directors.pdf

9. Whistle Blower Policy

The Company believes in promoting ethical behaviour and accordingly there is a mechanism for reporting unethical behaviour, actual or suspected fraud or violation against the Company's Code of Conduct. The objective of the policy is to provide adequate safeguard measures against victimisation. The Company has a Whistle Blower Policy under which the employees are free to report any such grievances to the Nodal Officer appointed for the purpose. In certain circumstances, employees may also report to the Chairman of the Audit Committee. The Policy is also placed on the website of the Company at the link: http://texmaco.in/webfiles/texmaco/file/Whistle%20Blower%20Policy.pdf

10. Internal Control System

The Internal Control System of the Company is aimed at proper utilisation and safeguarding of the Company's resources and to promote operational efficiency.

The findings of the Internal Audit and consequent corrective actions initiated and implemented from time to time are placed before the Audit Committee.

The Audit Committee reviews such audit findings and the adequacy of the Internal Control System.

11. Policy on Material Subsidiary

The Company has three Subsidiaries namely Texmaco Hi-tech Private Limited, Belur Engineering Private Limited and Bright Power Projects (India) Private Limited. The Company has a policy to determine its material subsidiary. The policy is also placed on the website of the Company at the link:. http://texmaco.in/webfiles/texmaco/file/2015-16/Annexure%2010.pdf

12. General Body Meetings

Details of the Annual General Meetings (AGMs) and the Extraordinary General Meeting (EGM) held in the last three years are given below:

Financial Year	Date and time of the AGMs	Date and time of the EGM	Venue	No. of Special Resolutions approved at the AGMs
2015-2016	26th September 2016 at 2.00 PM	-	K. K. Birla Kala Kendra, Texmaco Estate, Belgharia, Kolkata-700 056	4
2014-2015	28th September 2015 at 2.15 PM	14th July 2015 at 10.30 AM	K. K. Birla Kala Kendra, Texmaco Estate, Belgharia, Kolkata-700 056	5
2013-2014	4th September 2014 at 10.30 AM	-	K. K. Birla Kala Kendra, Texmaco Estate, Belgharia, Kolkata-700 056	5

Whether Special Resolutions-

A	Were put through Postal Ballot last year	No
B	Are proposed to be conducted through postal ballot	No

13. Disclosure

There are no materially significant related party transactions entered into by the Company with its Promoters, Directors or Management, Associates, etc., that may have potential conflict with the interests of the Company at large. Transactions carried out with the related parties are disclosed in Note No. 1.40 of Audited Financial Statements.

During the last three years, there were no strictures or penalties imposed either by the SEBI or the Stock Exchanges or any other Statutory Authorities for non-compliance of any matter related to the Capital Market.

14. Reconciliation of Share Capital Audit Report

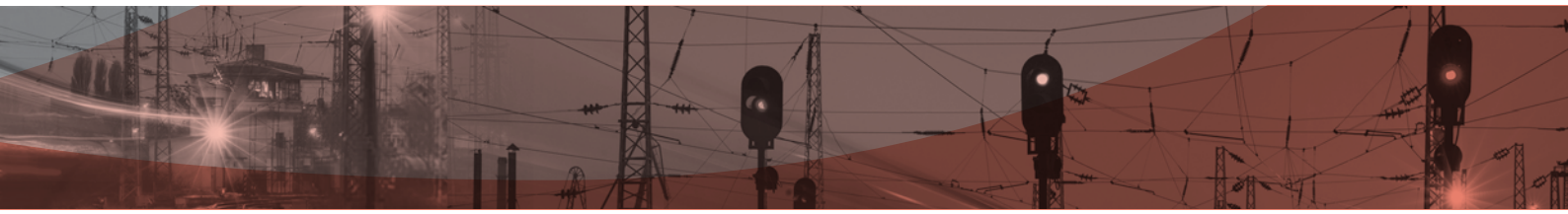
A qualified practicing Chartered Accountant carried out Quarterly Share Capital Audit to reconcile the total admitted Equity Share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up Equity Share capital is in agreement with the total number of Equity Shares in physical form and total number of Equity Shares in dematerialised form held with NSDL and CDSL.

15. Means of Communication

The Quarterly Un-audited Financial Results and the Annual Audited Financial Results as taken on record and approved by the Board of Directors of the Company are published generally in English and Vernacular newspapers namely The Financial Express and Aajkal. It is also sent immediately to all the Stock Exchanges with which the Equity Shares of the Company are listed.

These results are also posted on Company's website www.texmaco.in

Management Discussion & Analysis Report forms part of the Annual Report.



16. General Shareholder Information

AGM : Date, Time & Venue	**Saturday, 16th September 2017 at 2.00 PM at K.K. Birla Kala Kendra, Texmaco Estate, Belgharia, Kolkata - 700 056**
Financial Calendar	1st April 2017 to 31st March 2018
(Tentative)	First Quarter Results - Last week of July. Second Quarter Results - Third week of October. Third Quarter Results - First week of February. Results for the year ending 31st March 2018 - By Last week of May 2018
Date of Book Closure	**Monday, 11th September 2017 to Saturday, 16th September 2017**
Listing on Stock Exchanges	1. National Stock Exchange of India Limited, Exchange Plaza, Bandra -Kurla Complex, Bandra (E), Mumbai - 400 051 2. BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001 3. The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata - 700 001 The Company has paid the listing fees for the period 1st April 2017 to 31st March 2018.
Dividend Payment Date	Mid October 2017
CIN of the Company	L29261WB1998PLC087404
Stock Code - Physical	
National Stock Exchange of India Limited	TEXRAIL
BSE Limited	533326
The Calcutta Stock Exchange Limited	30285
Demat ISIN No. for CDSL/NSDL	INE 621L01012

High / Low market prices of the Company's Equity Shares of ₹1/- each traded on National Stock Exchange of India Limited and BSE Limited during the period April 2016 to March 2017 are furnished hereunder:

Period	National Stock Exchange of India Limited		BSE Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2016	117.95	100.10	117.75	100.50
May 2016	105.60	98.05	105.50	98.10
June 2016	104.00	93.00	104.00	93.35
July 2016	108.90	93.20	109.00	92.20
August 2016	117.20	98.50	117.30	98.00
September 2016	117.40	101.10	118.50	101.25
October 2016	114.00	101.75	114.00	102.00
November 2016	112.20	84.90	112.00	91.00
December 2016	117.85	102.00	117.95	102.00
January 2017	117.50	106.00	117.35	106.00
February 2017	106.90	87.80	107.00	87.35
March 2017	96.25	86.85	96.40	86.85

Note: *There was no trading in the Equity Shares of the Company during the year on The Calcutta Stock Exchange Limited.*

Registrar & Share Transfer Agent (RTA)	Messrs Karvy Computershare Private Limited Plot No: 31- 32, Gachibowli Financial District, Nanakramguda, Hyderabad - Telangana: 500032	Phone: 040-67162222 Fax No: 040-23001153 E-mail: einward.ris@karvy.com Website: www.karvycomputershare.com

Share Transfer System

Request for transfer of Equity Shares held in physical form may be lodged with Messrs Karvy Computershare Private Limited, RTA at Hyderabad or may be sent to the Company Secretary & Compliance Officer at the Registered Office, Kolkata. Share transfers are registered within 15 days from the date of lodgment, provided documents are complete in all respects.

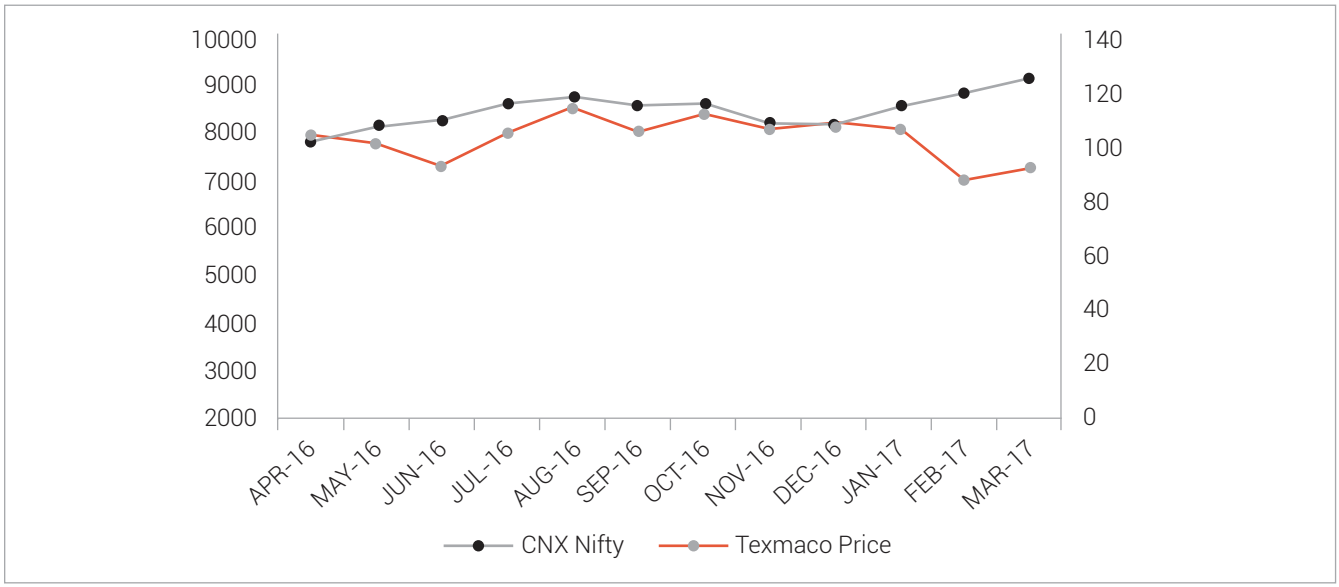
Distribution of Shareholding as on 31st March 2017

No. of Equity Shares held	No. of Folios	%	No. of Shares	%
Upto 5000	66584	98.57	19259499	8.78
5001 to 10000	459	0.68	3325118	1.52
10001 to 20000	206	0.30	2945411	1.34
20001 to 30000	67	0.10	1654790	0.75
30001 to 40000	51	0.08	1761436	0.80
40001 to 50000	30	0.04	1355134	0.62
50001 to 100000	58	0.09	4288049	1.95
100001 and above	94	0.14	184825556	84.24
Total	**67549**	**100.00**	**219414993**	**100.00**

Shareholding Pattern as on 31st March 2017

Category	No. of Shares	%
Promoters	115127010	52.47
Banks, Insurance Cos., and FIs	3303955	1.51
Mutual Funds	39495802	18.00
NRI / OCB/FIIs	19445437	8.86
Corporate Bodies	11650321	5.31
Indian Public	27655215	12.60
Others	2737253	1.25
Total	**219414993**	**100.00**

Texmaco Share Price vis-à-vis Nifty



Closing prices of the Company's Equity Shares and Nifty have been considered for this purpose.

Dematerialisation of Shares as on 31st March 2017 and Liquidity

The Company's Equity Shares are generally traded in dematerialised form and are available for trading on both the Depositories in India - NSDL and CDSL. 21,79,54,277 Equity Shares of the Company representing 99.33 % of the Company's Equity Share Capital are dematerialised as on 31st March 2017.

Code of Conduct and Ethics and Insider Trading

The Company has adopted a Code of Conduct and Ethics (Code) for the members of Board of Directors and Senior Management Personnel of the Company. The essence of the Code is to conduct the business of the Company in an honest, fair and ethical manner, in compliance with the applicable laws and in a way that excludes considerations for personal advantage. All Directors and Senior Management Personnel have affirmed compliance with the Code and a declaration to this effect, signed by the Executive Directors, is attached to this report.

The Company has also adopted the Code as framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015, preventing Insider Trading in the Equity Shares of the Company.

Location of the Plants

The Company's Plants are located at Belgharia, Agarpara, Panihati and Sodepur in Dist. 24-Parganas (North), West Bengal.

Address for Correspondence	Shareholders may contact **Mr Ravi Varma, Company Secretary & Compliance Officer** at the Registered Office of the Company for any assistance. Telephone No : (033) 2569-1500 E-mail : ravi.varma@texmaco.in Shareholders holding Equity Shares in Electronic mode should address all their correspondence to their respective Depository Participants.

Investor Education and Protection Fund (IEPF)

Information u/s 124 of the Companies, Act 2013, read with the Rules thereunder in respect of Unclaimed Dividend, when due for transfer to the said Fund, is given below:

Financial year ended	Date of declaration of Dividend	Last date for claiming Unpaid Dividend	Due date for transfer to IEPF
31.03.2016	26.09.2016	02.11.2023	02.12.2023
31.03.2015	28.09.2015	02.11.2022	02.12.2022
31.03.2014	04.09.2014	09.10.2021	09.11.2021
31.03.2013	14.09.2013	19.10.2020	19.11.2020
31.03.2012	29.08.2012	03.10.2019	03.11.2019
31.03.2011	01.09.2011	06.10.2018	06.11.2018

17. Adoption of mandatory and non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with the applicable mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has adopted the following non-mandatory requirements:

(i) The Board:

The Company is headed by the Executive Chairperson.

(ii) Shareholder Rights:

The official news release and other related information, if any, are displayed on the website of the Company. These are not sent individually to the Shareholders.

(iii) Audit Qualifications:

There are no audit qualifications on the Company's Financial Statements for the year ended 31st March 2017.

(iv) Separate posts of Chairperson and CEOs:

The Company has appointed separate persons to the post of Chairperson and CEOs.

(v) Reporting of Internal Auditor:

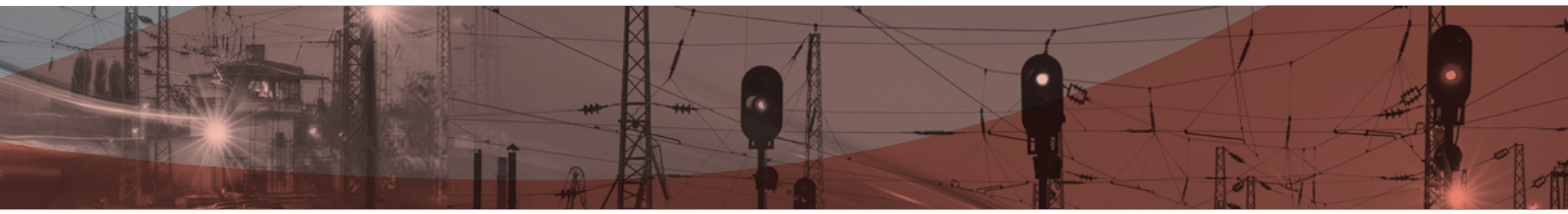
The Internal Auditor may report directly to the Audit Committee as and when required.

18. CEOs and CFO Certification

The CEOs and the CFO of the Company have given a certificate on financial reporting and internal controls to the Board in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is attached to this Report.

19. Retirement of Directors by rotation and reappointment

Mr A. K. Vijay is due for retirement by rotation and is eligible for re-appointment in the ensuing Annual General Meeting (AGM). The Board has recomended re-appointment of Mr Vijay as the Executive Director and Ms Mridula Jhunjhunwala as an Independent Director for a further period of 5 (Five) years and 3 (Three) years respectively. Brief particulars regarding re-appointment of Mr Vijay and Ms Jhunjhunwala are given in the Notice calling the AGM of the Company.



Certificate

To the Members of
Texmaco Rail & Engineering Limited

1. We, K. N. Gutgutia & Co., Chartered Accountants, the Statutory Auditors of Texmaco Rail & Engineering Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. We 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 **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No. 304153E

P. K. Gutgutia
Partner
Membership No. 6994

Place: Kolkata
Dated: 22nd May 2017

Declaration by the Executive Directors

To the Members of
Texmaco Rail & Engineering Limited

In compliance with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Corporate Governance, we confirm that, on the basis of confirmations / declarations received, all the Directors and Senior Management Personnel of the Company have complied with the Code of Conduct and Ethics as adopted by the Board of Directors of the Company.

For Texmaco Rail & Engineering Limited

D. H. Kela	**Sandeep Fuller**	**A. K. Vijay**
Executive Director & CEO (SF)	Executive Director & CEO (HED)	Executive Director & CFO

Place: Kolkata
Dated: 22nd May 2017

CEOs and CFO Certification

We, D. H. Kela, Executive Director & CEO (SF), Sandeep Fuller, Executive Director & CEO (HED) and A. K. Vijay, Executive Director & CFO certify that:

A. We have reviewed Financial Statements and the Cash Flow statement for the year and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 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 that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit committee:

   (1) that there are no significant changes in internal control over financial reporting during the year;

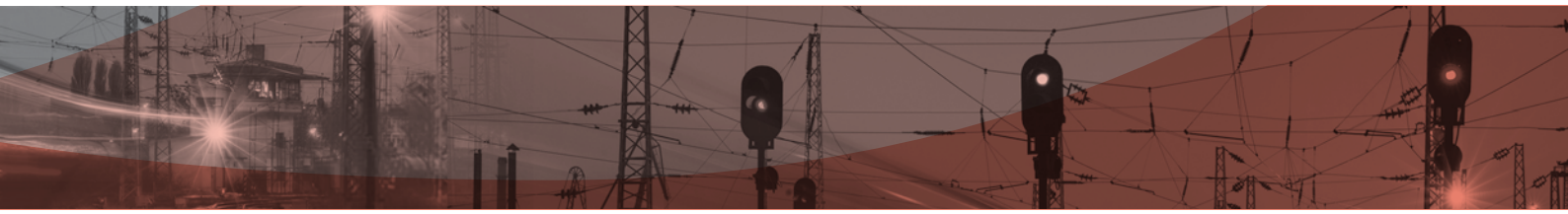
   (2) that there are changes in the accounting policies during the year on account of Ind AS adoption and the same have been disclosed in the notes to the financial statement; and

   (3) that there are no instances of significant fraud of which we have become aware.

For Texmaco Rail & Engineering Limited

D. H. Kela	**Sandeep Fuller**	**A. K. Vijay**
Executive Director & CEO (SF)	Executive Director & CEO (HED)	Executive Director & CFO

Place: Kolkata
Dated: 22nd May 2017



ANNEXURE - J

Business Responsibility Report

SECTION A - GENERAL INFORMATION ABOUT THE COMPANY		
1.	Corporate Identity Number (CIN) of the Company	L29261WB1998PLC087404
2.	Name of the Company	Texmaco Rail & Engineering Limited
3.	Registered Address	Belgharia, Kolkata - 700 056
4.	Website	www.texmaco.in
5.	E-mail id	texrail_cs@texmaco.in
6.	Financial Year reported	2016 - 17
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Rolling Stock, Hydro - Mechanical Equipment, Steel Castings, Rail - EPC, Bridges and other Steel Structures
8.	List three key products / services that the Company manufactures / provides (as in balance sheet)	i. Rolling Stock ii. Rail - EPC iii. Steel Castings
9.	Total number of locations where business activity is undertaken by the Company	
i.	Number of International Locations	NIL
ii.	Number of National Locations	**1. Registered & Corporate Office: Belgharia, Kolkata - 700 056** **Plant Locations:** i. Belgharia ii. Agarpara iii. Sodepur iv. Panihati **2. Regional Offices:** i. Delhi ii. Mumbai
10.	Markets served by the Company	National / International

SECTION B - FINANCIAL DETAILS OF THE COMPANY	
1. Paid up Capital (₹)	₹ 21,94,14,993
2. Total Turnover (₹)	₹1,28,413.73 lakhs
3. Total Profit after Taxes (₹)	₹ 3,357.30 lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of average Net profit of the Company for last 3 financial years:	₹ 23.62 lakhs (1.6%)

5. List of activities in which expenditure in 4 above has been incurred:

i. Health ii. Education iii. Ecological Balance and iv. Environment Protection

SECTION C - OTHER DETAILS		
1.	Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has three Subsidiaries namely: (i) Bright Power Projects (India) Private Limited (ii) Texmaco Hi-tech Private Limited (iii) Belur Engineering Private Limited
2.	Do the Subsidiary Company / Companies participate in the Business Responsibility (BR) initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(ies)?	The Subsidiaries are encouraged and follow the BR initiatives of the Company.
3.	Do any other entity / entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D - BUISNESS RESPONSIBILITY (BR) INFORMATION

Details of Director / Directors Responsible for BR:

The Executive Directors are empowered to look after the BR of the Company. In this respect, the Committee of Executive Directors is responsible for the implementation and review of the BR Policy / Initiatives of the Company. The details of the Committee members are as follows:

Name	Designation	DIN
Mr D. H. Kela	Executive Director	01050842
Mr Sandeep Fuller	Executive Director	06754262
Mr A. K. Vijay	Executive Director	01103278

Governance related to BR

The Business Responsibility performance of the Company is assessed periodically by the Management.

The Company has published its first Business Responsibility Report for the Financial Year 2016-17 which forms a part of the Company's Annual Report. The report is also available on the website of the Company

Principle 1: Ethics, Transparency and Accountability [P1]

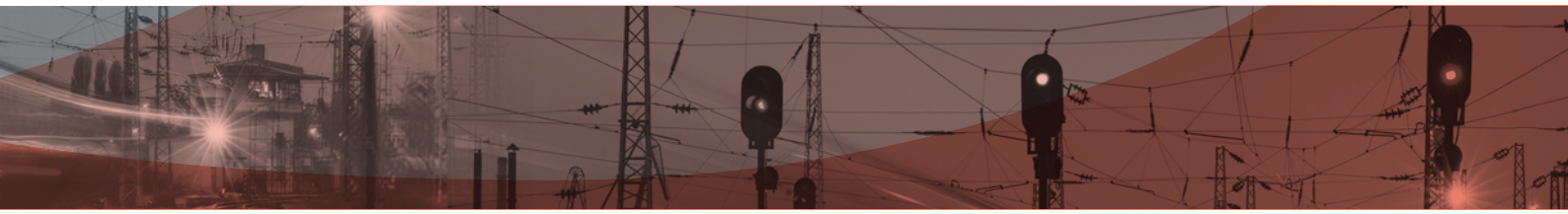
Businesses should conduct and govern themselves with ethics, transparency and accountability:

Your Company believes in conducting business on the pillars of ethics, transparency and trust of stakeholders. The Company believes that the image and conduct are vital in adding value to the organisation.

The Company's policy on bribery and anti-corruption covers all individuals / associates working with it, and its subsidiaries at all levels and grades. The Policy on Code of Conduct prescribed by the Company applies to all its employees including the Directors, senior executives, officers and third parties including consultants, contractors, etc. A well-defined policy lists the tenets on ethical business conduct and the framework for reporting concerns.

The Company has well defined mechanisms for receiving and dealing with complaints from other stakeholders like Customers, Employees, Suppliers, etc.

As specified in the Corporate Governance Report, a total of 14 investor complaints were received during FY 2016-17. All the complaints were resolved within the prescribed time period.



Principle 2: Products Lifecycle Sustainability [P2]

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

Creating sustainable products is a part of the Company's endeavour towards responsible product stewardship. The Company ensures to make its products safe and environment friendly.

It is Company's constant endeavour to design or manufacture products taking cognizance of the environment risks and concerns.

The Company's motto is to establish a long term relationship with its customers, vendors and work to an inclusive growth environment. The Company place high premium on techno-commercial aspects and the Company's procedures with regard to finalising vendors emphasises on safe working practices, technical certifications, prevention of child labour and general housekeeping. The selection procedure of the Company's transport vendors (Trucks and Containers) involves scrutiny at various levels like age of vehicle / container fleet, well laid out systems of mandatory inspections and safe driving procedures.

The Company places high credence to sustainability in its supply chain management. Raw materials, components, stores and packing materials are generally procured from vendors close to the manufacturing units, wherever feasible. The Company has a zero tolerance policy on safety compromise.

Presently, the Company does recycling of more than 80% of its scrap products. The scrap materials generated by the Company during process of manufacturing are recycled. Other waste generation are minimal and are disposed off in due compliance of local Rules and Regulations.

Principle 3: Employees' Well-being [P3]

Businesses should promote the well-being of all employees:

Your Company has always been in pursuit of Excellence and presently in the midst of a transformation.

A new work-culture and new work-ethos is the core of this transformation. Post era of liberalisation, the Country has built strengths to face intense competition, both globally & domestically on the effectiveness of its well trained and groomed workforce. Your Company is regarded as employee friendly work place and put great emphasis on honest and transparent working to meet the expectation of all the stakeholders including employees.

Your Company is committed to create new business models through forming strategic alliances and focusing on wealth creation by using knowledge skills and aspire to align with the global leaders to boost growth across all its segments.

Our commitment goes beyond businesses to ensure safety and security of our employees, serve the communities and maintain ecological balance as a responsible corporate citizen.

Up-skilling, re-skilling are important constituents of Company's Human Resource Policy and plays a pivotal role in making the organisation future ready for attaining customers' satisfaction.

The Company regularly interacts with its various unions and associations of employees encouraging them to participate freely engage in constructive dialogue with the Management for betterment of the Company.

Total number of employees	1919
Total number of employees hired on temporary / contractual / casual basis.	2349
Number of permanent women employees	27
Number of permanent employees with disabilities	4
Percentage of under mentioned employees that were given safety & skill up-gradation training in the last year:	
Permanent Employees	13%
Permanent Women Employees	25%
Casual/Temporary/Contractual Employees	11%

Almost 75.11% of non-supervisory permanent employees at manufacturing locations are members of trade unions / employee associations.

The Human Resource Policy of the Company prohibits deployment of any Child Labour, Forced Labour, Involuntary Labour and it is strictly followed. The working environment is conducive to Safe working for all Female employees irrespective of location and the Company has not received any Complaints in this regard.

Principle 4: Stakeholder Engagement [P4]

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised:

The Company fulfils its obligation through implementing new policies & procedure in the area of CSR, Conservation of Environment, Equal Opportunity to all stakeholder.

The Company's major stakeholders have been mapped and the key categories are as below:

i) Government and regulatory authorities

ii) Employees

iii) Customers

iv) Local community

v) Investors and Shareholders

vi) Suppliers

vii) Trade unions

viii) NGOs

The Company engages with its identified stakeholders on an on-going basis through a constructive consultation process. The Company follows a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains current and updated.

The Company identifies with under priviledged communities (with a focus on women and children) in its neighbourhood areas as disadvantaged, vulnerable & marginalised stakeholders.

The Company through its various activities provides healthcare education, training, employment facilities to the underprivileged members of the society and extend assistance for healthcare, education, environment, sanitation, sustainable livelihood, etc., to deprived sections of society.

Principle 5: Human Rights [P5]

Businesses should respect and protect human rights:

The Company's culture demonstrates integrity and respect for human rights. The Company has well defined policies and mechanisms to ensure protection of human rights for all. It is a way of life for the Company.

The policy of the Company on human rights is encouraged for adoption by its vendors and channel partners.

There were no reported complaints during FY 2016-17.

Principle 6: Environment [P6]

Businesses should respect, protect and make efforts to restore the environment:

Pollution - air, water, noise - is a major health hazard, especially in industrialised zones.

The smoke, gas emissions, water contamination, poor sanitation, felling of trees and denudation of forest cover for industries and urban settlement, etc., constituents to increased levels of Pollution. It is common knowledge that the employees are vulnerable to respiratory diseases in poor industrial environment. Your Company duly recognises its responsibility in this respect and has created a green eco-friendly environment with focus on afforestation and the industrial premises. It has installed effective pollution control equipments for cleaner environment, undertaken an extensive programme for technology up-gradation and using of alternative / cleaner energies to minimise the environmental impact of the industrial operations.

In the sprawling factory premises of the Company, the Management has created a green environment planting trees, bushes, hedges, lush green parks & lawns, water bodies, etc., to make the workplace eco-friendly, relaxing, and help maintaining work-life balance.

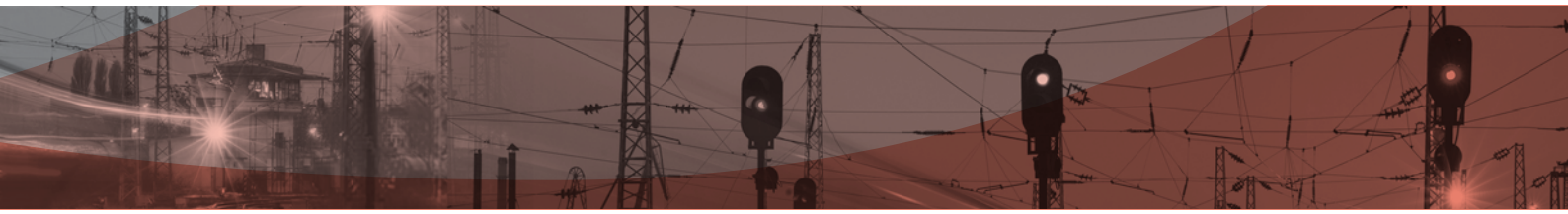
The locals from all walks of life do enjoy benefits of clean and green environment created by the Company.

The Company has a established policy with respect to 'safeguard & preventive measures' for healthy environment.

The Suppliers / Contractors / NGOs are encouraged to follow the policy of the Company.

The potential environmental risks are identified and mitigation measures are implemented.

The emissions / waste generated by the Company is well within the permissible limits and infact in many cases significantly lower than the limits set by the Central or State Pollution Control Boards. In the Company's environmental management system, environmental compliance is an indispensable aspect.



There were no pending or unresolved show cause/ legal notices from CPCB/SPCB, as on end of FY 2016-17.

Principle 7: Policy Advocacy [P7]

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner:

Your Company's collaboration with industrial / commercial associations and academia demonstrates its approach towards addressing sustainability challenges. Your Company aims to create an environment that encourages supportive deliberations made in a responsible way.

The Company has its representation in several business and industrial associations such as Federation of Indian Chambers of Commerce and Industry, Confederation of Indian Industry, Indo - American Chamber Of Commerce, International Chamber of Commerce, PHD Chamber of Commerce and Industry, The Owners Forum, etc.

Principle 8: Inclusive Growth [P8]

Businesses should support inclusive growth and equitable development:

Your Company is actively engaged in social wellbeing and upliftment by pursuing various CSR initiatives in the fields of Education, Health, Sports, Environment and Women Empowerment.

To make a significant difference in this regard, the Company has added another important milestone by setting up a Health Hub which includes "Texmaco Arogyam Physio Centre", surrounded by green environs at the Texmaco Estate premises through Texmaco Neighbourhood Welfare Society (TNWS). The mission is to alleviate pain, restore health and build physical fitness with the aid of a team of skilled and experienced Doctors and Physiotherapists. The Centre is well-equipped with the requisite technologically advanced equipment and supported by a modern Gym in a cheerful and pleasant ambiance. The Yoga Centre adds up to the attraction of the wellness Hub.

It extends financial help to the needy people for the cause of health, education and employability.

A noteworthy initiative of the Company is in the creation of a 'Centre of Excellence'.to promote academic study and research for industry-centric knowledge and skill upgradation.

There are various other programmes undertaken by your Company from time to time such as

Blood Donation Camp, Computer Literacy Programme, Primary & Secondary School, etc.

The Company collaborates with communities from need identification stage to project implementation. The Company involves the community in decision-making process, right from the problem identification stage till implementation. The extensive engagement with the community establishes joint ownership of projects. All concerns are amicably addressed.

Principle 9: Customer Value [P9]

Businesses should engage with, and provide value to their customers and consumers responsibly:

Understanding the customer needs is a key step in the Company's endeavour towards developing an efficient product stewardship programme. The Company ensures utmost care is taken towards customer safety.

The Company displays requisite product informations as mandated under the law.

It provides adequate information relating to safety, operation and maintenance of the products to the customers.

There were no case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of the financial year.

Customer satisfaction is your Company's goal, driving it to ensure its products deliver performance that continually meets customer requirements. To understand customers better, your Company follows several modes of engagement such as customer surveys, direct feedback visits by managers / plant personnel and production facilities visit organised for customers. These modes help your Company to understand customer requirements, satisfaction levels and expectations. The Company also conducts one-to-one meetings with customers to enable efficient communication and redressal of customers' grievances, if any.

PRINCIPLE-WISE BR POLICY / POLICIES (REPLY IN Y / N)

Respect and integrity for its people, environment and other businesses have always been at the heart of your Company's Responsibility. Your Company believes in maintaining the highest standards of corporate behavior towards people / entities we work with, the communities we touch, and the environment we thrive on.

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	The policies are formulated by the management in consultation with the stakeholders as and when required.								
3	Does the policy conform to any national / international standards? If yes, specify?	The policies are developed and aligned to applicable legal requirements and best practices.								
4	Has the policy been approved by the Board. If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online	Certain policies being internal documents are only available to the employees.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders'?	The policies have been communicated to key internal stakeholders of the Company. The communication is an on-going process to cover all stakeholders.								
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are evaluated from time to time and updated whenever required.								

Financial Section

INDEPENDENT AUDITOR'S REPORT

To the members of

TEXMACO RAIL & ENGINEERING LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of TEXMACO RAIL & ENGINEERING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (Ind AS) specified under Section 133 of the Act, read with Rules issued thereunder. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, including the Ind AS of the financial position of the

Company as at March 31, 2017, and its financial performance including other comprehensive Income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Subsection (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order.

2. 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.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;

   (C) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of the changes in equity dealt with by this Report are in agreement with the books of account;

   (d In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;

   (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

   (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 Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 1.36 of the standalone Ind AS financial statements.

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

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. The company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from Nov 8, 2016 to Dec 30, 2016. Best on Audit procedure and relying on the Management representation, be report that disclosures are in accordance with the books of accounts maintained by the Company. Refer note 1.65 to the Standalone Ind AS Financial Statements

For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration Number 304153E

P.K. Gutgutia
Partner
Membership No.6994

Kolkata
22nd May, 2017

Annexure - A To the Independent Auditors' Report to the Members of TEXMACO RAIL & ENGINEERING LIMITED as referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Report of even date

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipments.

(b). As explained to us, the Company has a system of verifying all its major Property, Plant & Equipments over a period of three years. The Property, Plant & Equipments so scheduled for verification during this year have been physically verified. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts.

(c) The title deeds of immovable properties demerged/ marged to the Company under the scheme of arrangement approved by the Honble High Court of Calcutta and Delhi are held in the name of erstwhile Texmaco Limited and Kalindee Rail Nirman (Engineers) Limited.

(ii) As per information furnished, inventories have been physically verified by the management at reasonable intervals and the discrepancies noticed have been properly dealt with in the books of accounts.

(iii) a) The Company has granted unsecured loan to the Companies covered in the register maintained under section 189 of the Companies Act, 2013 which is not prejudicial to the interest of the Company.

b) The schedule of repayment of Principal and Interest of the above loan has been stipulated and the Company is regular in receipt of the same.

c) There is no amount over due of more than 90 days in respect of recovery of principal and interest of the above loan.

(iv) In our opinion & according to the information given to us, in respect of loans, investments, guarantees and security provisions of section 185 and 186 of the Companies Act 2013, have been complied with.

(v) The Company has not received any deposits from the public hence clause 3 (v) of the Companies (Auditor Report) Order 2016 is not applicable to the company.

(vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and 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 records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed statutory dues were in outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.

b) According to the records of the Company, the dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited on account of any dispute and the forum where the dispute are pending, are as under:

Name of the Statute	Nature of the dues	Amount (₹ Lakhs)	Period to which amount relates	Forum where dispute is pending
The Central Excise Act 1944	Various issues of Central Excise and Service Tax	₹ 3122.85	1986-2012	1. Jurisdictional Commissioner of Central Excise. 2. CESTAT 3. Commissioner (Appeal)
Service Tax under the Finance Act 1994		₹13.51	2004-2010	4. Jurisdictional Commissioner of Service Tax.

(viii) There are no outstanding dues to a financial institution or debenture holders. In respect of outstanding loan from bank there is no default of payment.

(ix) The Company has not raised any money by way of Initial Public Offer or Further Public Offer (Including debt instruments). Term Loan raised in earlier year were applied for the purpose for which it was borrowed.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.

(xi) The managerial remuneration paid or provided to the Executive Chairman is in excess of the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act for which the Company has to make an application to The Ministry of Corporate Affairs for its waiver, post approval of its shareholders in the General Meeting. Further, application to The Ministry of Corporate Affairs for waiver of excess managerial remuneration paid to its Executive Directors for the financial year 2015-16 is still pending with The Ministry.

(xii) The Company is not a Nidhi Company, hence clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.

(xiii) All transactions of the company with the related parties are in compliance with sections 177 & 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any Preferential allotment or Private Placement of shares or fully or partly convertible debentures during the year under review and hence clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and hence, clause 3 (xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.

(xvi) The Company is not a non-banking financial company and hence the company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934.

For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration Number 304153E

P.K. Gutgutia
Partner
Membership No.6994

Kolkata
22nd May, 2017

Annexure - B To the Independent Auditor's Report of even date on the financial statements of TEXMACO RAIL & ENGINEERING LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of TEXMACO RAIL & ENGINEERING LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS 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. 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration Number 304153E

P.K. Gutgutia
Partner
Membership No.6994

Kolkata
22nd May, 2017

Balance Sheet as at 31st March, 2017

(₹ in lakhs)

Particulars		Note No	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
I	ASSETS :				
1	Non-current Assets				
	(a) Property, Plant & Equipment	1.01	24,235.78	22,552.19	21,986.50
	(b) Capital Work-in-Progress	1.01	163.84	392.59	371.06
	(c) Investment Property	1.02	87.50	87.50	166.76
	(d) Intangible Assets	1.01	254.31	254.85	109.89
	(e) Financial Assets				
	(i) Investments	1.03	16,440.69	15,879.06	9,867.20
	(ii) Loans	1.04	260.72	92.41	93.45
	(iii Bank Balance	1.05	418.54	601.12	824.06
	(iv) Others	1.06	36.87	60.29	60.45
	(f) Deferred Tax Assets (Net)	1.07	3,600.36	3,274.79	3,453.24
	(g) Other Non Current Assets	1.08	1,026.97	2,232.01	2,083.57
			46,525.58	45,426.81	39,016.18
2	Current Assets				
	(a) Inventories	1.09	22,695.89	34,116.13	29,560.54
	(b) Financial Assets				
	(i) Investments	1.10	33,776.07	38,481.42	50,517.63
	(ii) Trade Receivables	1.11	43,737.37	41,217.07	32,560.93
	(iii) Cash & Cash Equivalents	1.12	966.93	2,110.10	1,143.17
	(iv) Bank Balances Other than (iii) above	1.13	3,258.69	3,531.41	6,483.06
	(v) Loans	1.14	4,659.34	4,566.38	444.52
	(d) Current Tax Assets (Net)	1.15	235.52	219.00	1,224.54
	(e) Other Current Assets	1.16	26,446.81	16,804.95	10,018.85
			1,35,776.62	1,41,046.46	1,31,953.24
	TOTAL ASSETS		1,82,302.20	1,86,473.27	1,70,969.42
II	EQUITY AND LIABILITIES:				
1	Equity				
	(a) Equity Share Capital	1.17	2,194.15	2,192.95	2,192.94
	(b) Other Equity	1.18	1,02,329.38	98,705.21	96,204.83
			1,04,523.53	1,00,898.16	98,397.77
2	Non-current Liabilities :				
	(a) Financial Liabilities				
	Borrowings	1.19	232.86	715.66	1,465.74
	(b) Provisions	1.20	517.80	512.63	316.54
	(c) Other Non Current Liabilities	1.21	4,319.18	2,277.01	-
			5,069.84	3,505.30	1,782.28
3	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	1.22	31,642.70	32,155.04	26,913.06
	(ii) Trade Payables	1.23	24,449.83	33,023.89	24,948.14
	(iii) Other Financial Liabilities	1.24	4,239.80	4,206.88	3,257.52
	(b) Other Current Liabilities	1.25	11,490.04	12,052.75	15,213.15
	(c) Provisions	1.26	886.46	631.25	457.50
			72,708.83	82,069.81	70,789.37
	TOTAL EQUITY AND LIABILITIES		1,82,302.20	1,86,473.27	1,70,969.42
	Summary of Significant Accounting Policies & Notes	B&C			

Notes referred to above form an integral part of the Balance Sheet
In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

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

(₹ in lakhs)

Particulars		Note No	Year ended 31.03.2017	Year ended 31.03.2016
I	Revenue from Operations	1.27	1,18,777.78	1,13,091.93
II	Other Income	1.28	4,730.61	4,492.58
III	Total Income (I +II)		1,23,508.39	1,17,584.51
IV	EXPENSES			
	Cost of Materials Consumed	1.29	77,763.33	82,687.96
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	1.30	7,051.63	(3,651.44)
	Excise Duty		3,362.82	5,427.64
	Employee Benefits Expenses	1.31	8,002.78	7,742.63
	Finance Costs	1.32	4,751.53	4,698.65
	Depreciation and Amortization Expense	1.33	1,615.90	1,454.74
	Other Expenses	1.34	16,758.94	15,810.06
	Total Expenses (IV)		1,19,306.93	1,14,170.24
V	Profit/(loss) before tax (III-IV)		4,201.46	3,414.27
VI	Tax Expenses			
	a) Current Tax		1,085.00	515.36
	b) Income Tax Related to Earlier Years		84.73	-
	c) MAT Credit		(541.00)	(144.44)
	d) Deferred Tax		215.43	322.89
			844.16	693.81
VII	Profit/ (Loss) for the Period (V-VI)		3,357.30	2,720.46
VIII	Other Comprehensive Income	1.35		
	(a) Items that will not be reclassified to profit or loss		535.49	(230.89)
	(b) Items that will be reclassified to profit or loss		(9.34)	61.87
IX	Total Comprehensive Income for the Period		3,883.45	2,551.44
X	Earnings per Equity Share (face value of ₹1/- each)			
	1) Basic		1.59	1.29
	2) Diluted		1.58	1.29
	Summary of Significant Accounting Policies & Notes	B&C		

Notes referred to above form an integral part of the Statement of Profit & Loss
In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
} *Directors*

Statement of Cash Flow for the year ended 31st March, 2017

(₹ in lakhs)

	Particulars	2016-17	2015-16
A)	**Cash Flows From Operating Activities**		
	Net Profit before Taxation	4,201.46	3,414.27
	Adjustments for:		
	Depreciation	1,615.90	1,454.74
	Interest Paid	3,518.07	3,490.55
	Bad Debt Written off	-	221.51
	Property, Plant and Equipments Written off	0.14	0.01
	Provision & Excess Liabilities Written Back	(1.15)	(24.05)
	Gain on fair valuation of Bonds/Mutual	(1,346.21)	(1,142.85)
	Employees Stock Option Scheme (ESOS)	390.30	627.65
	Interest Received	(1,296.55)	(826.44)
	Income From Investments	(26.05)	(105.83)
	Profit/(Loss) on Sale Of Investments-Current(Net)	(224.57)	(1,319.46)
	Profit/(Loss) on Sale Of Investments-Non-Current(Net)	(1,581.51)	(502.10)
	Profit/(Loss) on Sale Of Property, Plant and Equipments(Net)	26.35	(21.96)
		1,074.72	1,851.77
	Operating Profit before Working Capital Changes & Exceptional Items	5,276.18	5,266.04
	(Increase)/Decrease in Inventories	11,420.25	(4,555.60)
	(Increase)/Decrease in Trade Receivables	(2,520.30)	(8,877.65)
	(Increase)/Decrease in Other Receivables	(8,562.03)	(6,959.18)
	Increase/(Decrease) in Trade and Other Payables	(6,730.93)	8,171.15
	Cash Generated from Operations	(1,116.83)	(6,955.23)
	Direct Taxes Paid	(1,186.25)	490.18
	Cash Flow before Exceptional Items	(2,303.08)	(6,465.05)
	Exceptional Items	-	-
	Net Cash from Operating Activities	(2,303.08)	(6,465.05)
B)	**Cash Flows From Investing Activities**		
	Purchase of Property, Plant and Equipments	(3,067.62)	(2,087.95)
	Purchase/Sale of Investments	7,743.21	8,627.18
	Bank Deposits(Includes deposit having maturity more than three months)	478.72	3,174.75
	Loan and Advances to Related Parties	(3,401.66)	(500.00)
	Inter-Corporate Deposit	3,365.91	(3,365.91)
	Interest Received	1,196.24	599.69
	Income From Investments	26.05	105.83
	Net Cash used in Investing Activities	6,340.85	6,553.59
C)	**Cash Flows From Financing Activities**		
	Receipt/(Payment) of Long Term Borrowings	(482.80)	(750.08)
	Receipt/(Payment) of Short Term Borrowings	(654.78)	5,568.81
	Increase in Equity Share Capital	2.19	2.20
	Increase in Securities Premium	87.55	87.90
	Dividend Paid	(525.17)	(523.38)
	Dividend Tax Paid	(107.02)	(106.91)
	Interest Paid	(3,491.58)	(3,462.01)
	Net Cash used in Financing Activities	(5,171.61)	816.53
D)	**Changes in Foreign Currency Translation arising from Foreign Operations**	(9.33)	61.87
	Net Increase/(Decrease) in Cash and Cash Equivalents	(1,143.17)	966.93
	Cash and Cash Equivalents at the beginning of the period	2,110.10	1,143.17
	Cash and Cash Equivalents at the end of the period	966.93	2,110.10

The above Cash Flow Statement has been prepared under the indrect method as set out in Ind AS 7 (Statement of Cash Flow)

Notes referred to above form an integral part of the Cash Flow Statement
In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata-700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Notes on Financial Statement

A. CORPORATE INFORMATION

Texmaco Rail & Engineering Limited, ("the Company") incorporated on June 25, 1998 has its Registered Office at Belgharia, Kolkata 700 056. The Company is listed on the National Stock Exchange of India Limited, Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited. The Company manufactures a diverse range of products viz. Railway Freight Cars, Hydro-mechanical Equipment & Industrial Structurals, Loco Components & Loco Shells, Steel Girders for Railway Bridges, Steel Castings, and Pressure Vessels, etc, and also undertakes EPC contracts for execution of Railway Track, Signaling & Telecommunication Projects on turnkey basis. The Company has strengthen its position as a Total Rail Solution Provider Company.

B. FIRST-TIME ADOPTION OF Ind AS

(i) Overall Principle

These Financial Statements of Texmaco Rail & Engineering Limited for the year ended March 31, 2017 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rule 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is genearlly based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note C have been applied in preparing the standalone financial statements for the year ended March 31, 2017 and the comparative information.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). An explanation on the transition from previous GAAP to Ind AS affecting the Company's Balance Sheet, Statement of Profit and Loss, is set out in note 1.69 and 1.70.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and criteria set out in Schedule III (Division II) of the Companies Act 2013. The Company has ascertained it's operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(ii) Use of Estimates

The preparation of the Financial Statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgment and assumptions affect the application of accounting policies and the reported amount of Assets and Liabilities and disclosure of Contingent Liabilities as on the date of the Financial Statements and reported amounts of revenues and expenses for the year. Accounting estimates could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in estimates and are reflected in the financial statements in the period in which the changes are made and if material, these effects are disclosed in the notes to financial statements.

(iii) Fair valuation of Investments (fixed maturity plans and other mutual funds)

Under the previous GAAP, investments in fixed maturity plans and other mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for diminution in the value of investments, other than temporary decline in the value of such investments. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the Statement of Profit and Loss .

(iv) Deemed cost for investment in subsidiaries:

The Company has elected to measure its investment in subsidiaries as per previous GAAP Carrying Value.

(v) Investment Property

Under the previous GAAP, investment properties were presented as part of Property, Plant & Equipments. Under Ind AS, investment properties are required to be separately presented on the face of the Balance Sheet. There is no impact on the total equity or profit as a result of this adjustment.

(vi) Proposed Dividend and Tax thereon

Under the previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the General Meeting. Accordingly, the liability for proposed dividend and tax thereon, included under provisions has been reversed with corresponding adjustment to retained earnings.

(vii) Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. There is no impact on the total equity and profit.

(viii) Re-measurements of Post-Employment Benefit Obligations

Under Ind AS, re-measurements i.e. actuarial gains or losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity

(ix) Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in the Statement of Profit and Loss for the period, unless the Standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the Statement of Profit and Loss as 'Other Comprehensive Income' includes re-measurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments etc. The concept of other comprehensive income did not exist under previous GAAP.

(x) Business Combination

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2015. As such, Indian GAAP balances relating to business combinations entered into before that due date have been carried forward with minimal adjustment.

Any business combinations involving entities or businesses under common control are accounted for using the Purchase Method:

C. SIGNIFICANT ACCOUNTING POLICIES

(i) Property, Plant and Equipment

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as on the transition date. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method.

The Company based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

• Buildings	30 to 60 years
• Roads	5 to 10 years
• Railway Slidings	15 to 30 years
• Electrical Machinery	10 to 20 years
• Plant & Equipment	15 to 17 years
• Furniture	10 years
• Office Equipment	5 years
• Computers	3 years
• Motor Vehicles	8 years
• Intangible Assets (Softwares)	6 years

The Company assesses at each balance sheet date whether there is any indication that a Property, plant and equipment may have been impaired. If any such indication exists, the Company estimates the recoverable amount of the Property, plant and equipment. If such recoverable amount of the Property, plant and equipment or the recoverable amount of the cash generating unit to which the Property, plant and equipment belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the Asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Intangible Assets are recorded at the consideration paid for acquisition less accumulated amortization and accumulated impairment, if any. Amortization is recognized at Straight Line Basis over their estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquire separately are carried at cost less accumulated impairment losses.

(ii) Depreciation

a) Tangible Property, Plant and Equipments

Depreciation on Tangible Assets is calculated on their respective carrying amounts and is computed on the basis of remaining useful life as estimated by technical expert and management estimate on straight line method. On other Assets, depreciation has been provided on straight line method in accordance with the life of the respective assets as prescribed in Schedule II of the Companies Act, 2013. All assets costing ₹5,000 or below are fully depreciated in the year of addition.

b) Intangible Property, Plant and Equipments

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, intangible assets are carried at its cost less any accumulated amortization and any accumulated impairment loss. Intangible assets are amortized on Straight Line Basis over a period of 6 years.

(iii) Derivative Financial Instrument

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized to statement profit or loss immediately.

(iv) Financial Instrument

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions

of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not measured at fair value through profit or loss, are added/deducted to the fair value on initial recognition.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a) Financial assets carried at amortised cost
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Investment in Equity Instruments at fair value through other comprehensive income
On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'.

c) Financial assets at fair value through profit & loss
A financial asset which is not classified in any of the above categories are subsequently fair valued through profit & loss.

d) Financial liabilities
Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

e) Investment in Subsidiaries and Joint Ventures
Investment in Subsidiaries and Joint Ventures are carried at cost in the Financial Statements.

(v) Measurement of Fair Values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair Values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(vi) Revenue Recognition

Sales revenue is measured at fair value of the consideration received or receivable and stated at net of Sales Tax and VAT, trade discounts, rebates but include excise duty. Income from services is recognized as the services are rendered based on agreement/arrangement with the concerned parties. Export incentives, certain insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

(a) Sale of Goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership not effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(b) Revenue from construction contracts

Revenue is recognized using the percentage of completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated contract cost. Where the total cost of contract, based on technical and other estimates, is expected to exceed the corresponding contract value, such excess is provided during the year. For this purpose total contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contract in progress, which is arrived at by the management based on the current technical data, forecasts and estimate of expenditure to be incurred in the future including contingencies. Revision in projected profit and loss arising from change in estimates are reflected in each accounting period which however cannot be disclosed seperately in the financial statements as the effect thereof cannot be determined accurately.

In some old projects where substantial contract revenue has already been recognized in earlier periods, revenue is recognized as per Ind AS -18 "Revenue Recognition" where income from operations is determined and recognized, based on the bills raised on technical evaluation of work executed based on joint inspection with customers including railways. The figures has been taken as per the management working on the basis of the work completed.

(c) Other Income

Other income comprises primarily of Interest Income, Dividend Income, Gain/ (Loss) on sale of Investments, Rental Income and Claims (if any) etc.

Interest Income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the Effective Interest Rate (EIR) applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

Dividend Income is recognized as and when right to receive payment is established provided, which is generally after the shareholders approves it in the Annual General Meeting.

Gain/(Loss) on sale of Current/ Non Current Investments are recognized at the time of redemption/sale and at fair value at each reporting period.

Rent Income/lease rentals are recognized on accrual basis in accordance with the terms of agreements.

Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

vii) Employee Benefits

The Company's contribution to provident fund, pension fund, employees' state insurance scheme and super-annuation fund are charged on accrual basis to Statement of Profit & Loss.

(a) Short term benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(b) Defined contribution retirement benefits :

Payments to defined contribution retirement benefits are recognised as an expense when employees have rendered services entitling them to the contributions. Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes managed by independent trusts or authority . Contributions are paid in return for services rendered by the employees during the year. The Company has no legal or constructive obligation to pay further contributions if the fund/scheme does not hold sufficient assets to pay/extend employee benefits. The Company provides Provident Fund facility to all employees , Superannuation benefits to selected employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The Company's Provident Fund is exempted under Section17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for exemption stipulate that the Company shall make good deficiency, if any, in the interest rate declared by the trust vis s-vis interest rate declared by the Employees' Provident Fund Organisation.

(c) Defined benefit retirement benefits:

The cost of providing defined benefit retirement benefits are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. The Company provides gratuity to its employees. Gratuity liabilities are funded and managed by Life Insurance Corporation of India.

Remeasurement, comprising actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net benefit liability (asset) and any change in the effect of the asset ceiling (if applicable) are recognised in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the comprehensive income are not reclassified to the statement of profit and loss but recognised directly in the retained earnings. Past service costs are recognized in the statement of profit and loss in the period in which the amendment to plan occurs. Net interest is calculated by applying the discount rate to the net defined liability or asset at the beginning of the period, taking into account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Defined benefit costs which are recognized in the statement of profit and loss are categorized as follows

- Service cost (including current service cost, past service cost. as well as gains and losses on curtailments and settlements); and
- Net interest expense or income

The retirement benefit obligation recognized in the standalone Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

The liability for termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs

(d) Voluntary Retirement Scheme Benefits

Voluntary retirement scheme benefits are recognized as an expense in the year they are incurred.

(viii) Employee Stock Option Scheme

In respect of Stock options granted pursuant to the Company's Employees Stock Option Schemes 2007, the intrinsic

value of the options (excess of Market Price of the share over the exercise price of the option) is treated as discount and accounted as deferred employee's compensation cost over the vesting period.

(ix) Cenvat Duty and Credit

Cenvat Credit availed on Raw materials, Stores and Capital Goods are reduced from the cost of the respective goods. Cenvat Duty payable on finished goods lying in factory is provided for and included in closing stock of inventory.

(x) Research and Development

Research and Development expenditures of revenue nature are charged to Statement of Profit & Loss, while capital expenditure is added to the cost of property, plant and equipments in the year in which these are incurred.

(xi) Valuation of Inventories

Raw Materials, Work-in-Progress and Finished Products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price non cenvatable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and. where applicable, excise duty.

Stores and spares are valued on the "Weighted Average" basis.

(xii) Lease

(a) Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

(b) Where the Company is the lessor

Assets subject to operating leases are included in property, plant and equipments. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease. Initial direct costs relating to assets given on finance leases are charged to Statement of Profit and Loss.

(xiii) Foreign Currency Transactions and Exchange Differences

The Company's functional currency is Indian Rupees. Transactions in currencies other than Company's functional currency (spot rates) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Exchange difference on monetary items are recognised in the Statement of Profit & Loss in the period in which they arise. Non-monetary items carried at historical costs are transleted using exchange rates at the dates of the initial transaction.

(xiv) Provisions and Contingent Liabilities

(a) Provisions & Warranties

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past

event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation , its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliable.

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settlethe Company's warranty obligation.

(b) Onerous contracts

An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provisions.

(c) Contingent liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or is a present obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

(xv) Cash & Cash Equivalents

The Company considers all liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of less than three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balance with banks which are unrestricted for withdrawal and usage.

(xvi) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

(xvii) Segment Reporting

a) Based on the organizational structures and its Financial Reporting System, the Company has classified its operation into three business segments namely Heavy Engineering Division, Steel Foundry Division and Rail EPC.

b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which are related to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable expenses.

c) Capital Employed to each segment is classified on the basis of allocable assets minus allocable liabilities identifiable to each segment on reasonable basis.

(xviii) Taxation

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax is calculated at current statutory Income Tax Rate and is recognised on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred Tax assets/ liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/ virtually certain to be realized.

Minimum Alternative Tax (MAT) credit is recognized as an assets only when and to the extent there is a convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT Credit became eligible to be recognized as an assets in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit & Loss. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

(xix) Government Grant

Grants from the government are recognized when there is a reasonable assurance that the grant will be received and all attaching conditions will be complied with. Revenue grants/subsidies are recognized in the Statement of Profit & Loss. Capital grants relating to specific property, plant and equipments are reduced from the gross value of the respective property, plant and equipments. Other Capital Grants are credited to Reserve & Surplus under the head Central/State Capital Subsidy.

(xx) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xxi) Cash Flow Statement

Cash Flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company are segregated.

Notes on Financial Statement

Note 1.01 Property, Plant & Equipment

(₹ in lakhs)

Description of assets	Gross Block				Depreciation				Net Block
	As at 01.04.2016 (₹)	Additions during the year (₹)	Sales/ adjustments (₹)	As at 31.03.2017 (₹)	As at 01.04.2016 (₹)	During the year (₹)	Sales/ adjustments (₹)	As at 31.03.2017 (₹)	As at 31.03.2017 (₹)
Tangible Assets									
Land	1,288.17	167.18	-	1,455.35	0.02	29.34	-	29.36	1,425.99
Buildings	8,177.45	567.60	-	8,745.05	202.45	221.18	-	423.63	8,321.42
Roads	111.63	-	-	111.63	20.15	20.75	-	40.90	70.73
Railway Sidings	182.03	33.13	-	215.16	10.29	8.99	-	19.28	195.88
Plant & Machinery	12,546.72	2,190.47	375.94	14,361.25	878.02	1,035.26	304.01	1,609.27	12,751.98
Electrical Machinery	633.61	18.45	-	652.06	37.98	53.58	-	91.56	560.50
Office Equipments	107.86	187.71	-	295.57	39.21	44.91	-	84.12	211.45
Furniture & Fittings	267.60	100.52	-	368.12	45.23	50.78	-	96.01	272.11
Vehicles	557.58	62.78	108.06	512.30	87.11	84.91	85.44	86.58	425.72
Total	**23,872.65**	**3,327.84**	**484.00**	**26,716.49**	**1,320.46**	**1,549.70**	**389.45**	**2,480.71**	**24,235.78**
CWIP (Capital Work In Progress)	392.59	1,487.89	1,716.64	163.84	-	-	-	-	163.84
Total	**392.59**	**1,487.89**	**1,716.64**	**163.84**	**-**	**-**	**-**	**-**	**163.84**
Intangible Assets				-					
Software	320.06	65.66	-	385.72	65.21	66.20	-	131.41	254.31
Total	**320.06**	**65.66**	**-**	**385.72**	**65.21**	**66.20**	**-**	**131.41**	**254.31**
Grand Total	**24,585.30**	**4,881.39**	**2,200.64**	**27,266.05**	**1,385.67**	**1,615.90**	**389.45**	**2,612.12**	**24,653.93**

(₹ in lakhs)

Description of assets	Gross Block				Depreciation				Net Block
	Deemed Cost as at 01.04.2015 (₹)	Additions during the year (₹)	Sales/ adjustments (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)	During the year (₹)	Sales/ adjustments (₹)	As at 31.03.2016 (₹)	As at 31.03.2016 (₹)
Tangible Assets									
Land	1288.17	-	-	1,288.17	-	0.02	-	0.02	1,288.15
Buildings	7,511.41	666.04	-	8,177.45	-	202.45	-	202.45	7,975.00
Roads	96.49	15.14	-	111.63	-	20.15	-	20.15	91.48
Railway Sidings	182.03	-	-	182.03	-	10.29	-	10.29	171.74
Plant & Machinery	11,633.06	985.75	72.09	12,546.72	-	940.44	62.42	878.02	11,668.70
Electrical Machinery	467.26	166.55	0.20	633.61	-	38.12	0.14	37.98	595.63
Office Equipments	91.48	16.38	-	107.86	-	39.21	-	39.21	68.65
Furniture & Fittings	238.75	29.22	0.37	267.60	-	45.58	0.35	45.23	222.37
Vehicles	477.85	86.84	7.11	557.58	-	93.27	6.16	87.11	470.47
Total	**21,986.50**	**1,965.92**	**79.77**	**23,872.65**	**-**	**1,389.53**	**69.07**	**1,320.46**	**22,552.19**
CWIP (Capital Work In Progress)	371.06	1,303.71	1,282.18	392.59	-	-	-	-	392.59
Total	**371.06**	**1,303.71**	**1,282.18**	**392.59**	**-**	**-**	**-**	**-**	**392.59**
Intangible Assets				-					
Software	109.89	210.17		320.06	-	65.21	-	65.21	254.85
Total	**109.89**	**210.17**	**-**	**320.06**	**-**	**65.21**	**-**	**65.21**	**254.85**
Grand Total	**22,467.45**	**3,479.80**	**1,361.95**	**24,585.30**	**-**	**1,454.74**	**69.07**	**1,385.67**	**23,199.63**

Note: Deemed Cost as at April 1, 2015 represents Gross Block (₹36,499.15), less Accumulated Depriciation (₹14,031.70) as at March 31, 2015 and therefore Accumulated Depreciation as at April 1, 2015 is shown as NIL

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.02 Investment Property			
As per last Account	87.50	166.76	166.76
Add: Addition During the year	-	-	-
Total	87.50	166.76	166.76
Less: Transfer/ Sold during the year	-	(79.26)	-
Total (1.02)	87.50	87.50	166.76
Note 1.03 Non-Current Investments			
Non-Current Investments (At Fair Value)			
Other Than Trade Investments			
Fully paid-up			
Investments in Equity Instruments (Quoted)			
Texmaco Infrastructure & Holdings Ltd.	955.21	722.58	825.96
23,49,809 (2016: 23,49,809, 2015: 23,49,809) Shares of ₹1 each			
Chambal Fertilisers & Chemicals Ltd.	867.50	548.50	675.00
10,00,000 (2016: 10,00,000, 2015:10,00,000) Shares of ₹10 each			
Investments in Equity Instruments of Subsidiary Company (Unquoted) (At Cost)			
Texmaco Hi Tech Pvt Ltd (Formerly known as Texmaco UGL Rail Pvt.Ltd)	4,101.25	4,101.25	-
2,34,50,000 (2016: 2,34,50,000, 2015: Nil) Shares of ₹10 each			
Bright Power Projects (India) Pvt Ltd.	4,053.58	4,053.58	-
7,15,000 (2016: 7,15,000, 2015: Nil) Shares of ₹10 each			
Belur Engineering Private Ltd.	10.00	-	-
1,00,000 (2016: Nil, 2015: Nil) Shares of ₹ 10 each			
Investments in Preference Shares of Subsidiary Company (Unquoted) (At Cost)			
Texmaco Hi Tech Pvt Ltd (Formerly known as Texmaco UGL Rail Pvt.Ltd)	3,000.00	3,000.00	-
60,00,000 (2016: 60,00,000, 2015: Nil) 5.32% Cumulative Redeemable Preference shares of ₹100 each			
Investments in Equity Instruments of Joint Ventures (Unquoted) (At Cost)			
Texmaco UGL Rail Pvt. Ltd.	-	-	4,101.25
Nil (2016: Nil, 2015: 1,17,25,000) Shares of ₹ 10 each			
Touax Texmaco Railcar Leasing Pvt Ltd.	1,264.99	1,264.99	1,264.99
1,26,49,999 (2016: 1,26,49,999, 2015: 1,26,49,999) Shares of ₹ 10 each			
Wabtec Texmaco Rail Private Ltd.	88.16	88.16	-
8,81,700 (2016: 8,81,700, 2015: Nil) Shares of ₹10 each			
Investments in CCD of Joint Ventures (Unquoted) (At Cost)			
Touax Texmaco Railcar Leasing Pvt Ltd	2,100.00	2,100.00	-
21,00,000 (2016: 21,00,000, 2015: Nil) CCD of ₹100 each			
Investments in Preference Shares of Joint Ventures (Unquoted) (At Cost)			
Texmaco UGL Rail Pvt. Ltd.	-	-	3,000.00
Nil (2016: Nil, 2015: 30,00,000) 5.32% Cumulative Redeemable Preference shares of ₹100 each			
TOTAL NON CURRENT INVESTMENTS (1.03)	16,440.69	15,879.06	9,867.20

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.04 Loans			
Security Deposits	260.72	92.41	93.45
Total (1.04)	**260.72**	**92.41**	**93.45**
Note 1.05 Bank Balances			
Margin Money	418.54	601.12	824.06
Total (1.05)	**418.54**	**601.12**	**824.06**
Note 1.06 Other Non-Current Financial Assets			
Term Deposit of more than twelve months maturity	2.50	2.11	2.11
Interest Accured on Deposits & Others	34.37	58.18	58.34
Total (1.06)	**36.87**	**60.29**	**60.45**
Note 1.07 Deferred Tax Assets (net)			
The major components of the Deferred Tax Liabilities / (Assets) based on the tax effects of timing differences are as follows:			
Deferred Tax Assets			
Items u/s 43B and u/s 40(a)(i)(a) of I.T Act	1,264.49	1,280.91	1,321.98
Deferred Tax Assets on account of transition date adjustment	3,141.52	3,141.52	3,141.52
Deferred Tax Assets on GAAP differences during the year	(472.69)	(205.40)	-
MAT Credit Entitlement	1,085.44	544.44	400.00
Business Loss	79.36	159.09	266.55
Provision for Contract Loss	16.45	27.54	-
Provision for doubtful debts & advances	545.58	561.01	529.47
Total Deferred Tax Assets	**5,660.15**	**5,509.11**	**5,659.52**
Deferred Tax Liabilities			
Depreciation	(2,059.79)	(2,234.32)	(2,206.28)
Total (1.07)	**3,600.36**	**3,274.79**	**3,453.24**

Note: Deferred Tax Assets/Liability is recognised as per Ind AS 12 "Accounting for Taxes on Income" issued by the (Accounting Standard) Rules, 2006. The Deferred Tax Assets & Liabilities comprises of Tax effect of above timing differences.

Note 1.08 Other Non-Current Assets			
(a) Capital Advances	147.99	162.73	349.91
(b) Prepaid Expenses	99.93	132.92	160.63
(c) Claims and other receivables (Statutory dues)	779.05	1,936.36	1,573.03
Total (1.08)	**1,026.97**	**2,232.01**	**2,083.57**

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.15
Note 1.09 Inventories			
(a) Raw Material and Components	8,486.45	14,289.14	11,951.45
(b) Work in Progress	11,538.30	12,273.92	11,427.88
(c) Finished Goods	31.41	6,347.43	3,542.02
(d) Stores and Spares	979.13	1,180.94	1,525.23
(e) Goods in Transit (Raw Materials and Components)	1,660.60	24.70	1,113.96
Total (1.09)	**22,695.89**	**34,116.13**	**29,560.54**
Note 1.10 Current Investments			
Fully paid-up			
a) Investments in Equity Instruments (Quoted)			
Powergrid Corporation of India Limited	-	15.30	15.98
Nil (2016: 11,000, 2015: 11,000) Shares of ₹10 each			
Tata Teleservices (Maharashtra) Limited	1.62	1.50	1.78
22,666 (2016: 22,666, 2015: 22,666) Units of ₹10 each			
EIH Limited	12.05	10.43	10.74
10,000 (2016: 10,000, 2015: 10,000) Shares of ₹2 each			
SREI Infrastructure Finance Limited	1.49	0.99	0.77
1,800 (2016: 1,800, 2015: 1,800) Shares of ₹10 each			
Century Textiles & Industries Limited	5.27	2.65	3.19
500 (2016: 500, 2015: 500) Shares of ₹10 each			
NHPC Limited	32.67	24.51	20.09
1,01,471 (2016: 1,01,471, 2015:1,01,471) Shares of ₹10 each			
Sub-total-(a)	53.10	55.38	52.55
b) Investments in Bonds (Unquoted) (At Fair Value)			
In NABARD	1,526.87	3,310.95	3,938.67
8750 (2016: 20,750, 2015: 26,750) Units of ₹8500 each (FV ₹20,000.00)			
In 6.70% IRFC (Tax Free)	540.00	533.06	528.97
540 (2016: 540, 2015: 540) Units of ₹1,00,000 each			
In 8.10% IRFC (Tax Free)	253.40	233.93	232.74
21,751 (2016: 21,751, 2015: 21,751) Units of ₹1,000 each			
In 8.30% GOI	500.00	519.00	524.92
5,00,000 (2016: 5,00,000, 2015: 5,00,000) Units of ₹100 each			
In 8.30% NHAI (Tax Free)	589.42	531.81	536.51
49,448 (2016: 49,448, 2015: 49,448) Units of ₹1,000 each			
In 8.20% HUDCO (Tax Free)	572.50	541.50	535.00
50,000 (2016: 50,000, 2015: 50,000) Units of ₹1,000 each			
Sub-total-(b)	3,982.19	5,670.25	6,296.81
c) Investments in Mutual Funds (Unquoted) (At Fair Value)			
Axis Treasury Advantage Fund Growth	11.71	10.86	10.00
645 (2016: 645, 2015: 645) Units of ₹1000 each			
Birla Sun Life Income Plus Growth Regular Plan	1,550.50	1,397.55	1,334.98
21,15,639 (2016: 21,15,639, 2015: 21,15,639) Units of ₹10 each			
Birla Sun Life Saving Fund -Growth Regular Plan	-	-	1,031.00
Nil (2016: Nil, 2015: 3,83,175) Units of ₹100 each			

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.15
Note 1.10 Financial Assets - Investments (contd.)			
Birla Sun Life Treasury Optimiser Fund Growth	600.42	544.15	501.11
2,88,403 (2016: 2,88,403, 2015: 2,88,403) Units of ₹100 each			
Birla Sun Life Short Term Opportunities Fund Growth	594.36	543.14	501.04
21,90,494 (2016: 21,90,494, 2015: 21,90,494) Units of ₹10 each			
Birla Sun Life Dynamic Bond Fund Retail Growth-Regular plan	1,220.72	1,107.49	1,027.68
42,04,472 (2016: 42,04,472, 2015: 42,04,472) Units of ₹10 each			
DSP Black Rock FMP Series 144 Growth	-	163.23	150.65
Nil (2016: 13,54,396, 2015: 13,54,396) Units of ₹10 each			
DSP Black Rock Money Manager Fund Regular Plan -Growth	-	-	94.53
Nil (2016: Nil, 2015: 5003) Units of ₹1000 each			
Franklin India Short Term Income Fund Growth	589.98	530.95	500.73
17424 (2016: 17,424, 2015: 17,424) Units of ₹1000 each			
Franklin India Corporate Bond Opportunities Growth	593.79	536.20	501.12
35,54,721 (2016: 35,54,721, 2015: 35,54,721) Units of ₹10 each			
HDFC Income Fund - Growth	-	743.22	704.53
Nil (2016: 21,98,991, 2015: 21,98,991) Units of ₹10 each			
HDFC FMP 369 Days March 2016 (3) Series 29 Regular Growth	1,013.09	938.89	865.33
79,00,000 (2016: 79,00,000, 2015: 79,00,000) Units of ₹10 each			
HDFC Short Term Plan Growth	1,232.83	1,125.57	1,029.06
38,03,887 (2016: 38,03,887, 2015: 38,03,887) Units of ₹10 each			
HDFC High Interest Fund Short Term Plan Growth	-	-	513.66
Nil (2016: Nil, 2015: 18,61,206) Units of ₹10 each			
HDFC High Interest Fund Dynamic Plan Growth	-	-	2,067.34
Nil (2016 Nil, 2015: 42,87,521) Units of ₹10 each			
HDFC Corporate Debt Opportunity Fund -Growth	604.01	546.71	501.12
44,54,978 (2016: 44,54,978, 2015: 44,54,978) Units of ₹10 each			
HDFC Gilt Fund LTP -Growth	594.93	533.49	501.55
17,63,333 (2016: 17,63,333, 2015: 17,63,333) Units of ₹10 each			
IDFC Super Saver Income Fund Institutional Plan Growth Regular Plan	111.07	98.46	93.86
2,74,659 (2016: 2,74,659, 2015: 2,74,659) Units of ₹10 each			
IDFC SSIF Medium Term Plan Growth	589.94	539.10	501.22
21,27,651 (2016: 21,27,651, 2015: 21,27,651) Units of ₹10 each			
IDFC Dynamic Bond Fund (Growth) (Regular Plan)	-	-	2,154.66
Nil (2016: Nil, 2015: 1,27,03,369) Units of ₹10 each			
ICICI Prudential Short Term Plan Growth	860.82	233.33	1,026.92
25,22,761(2016: 7,53,792, 2015: 35,86,916) Units of ₹10 each			
ICICI Prudential Regular Saving Fund Growth	2,439.69	2,217.81	2,060.02
1,40,45,832 (2016: 1,40,45,832, 2015: 1,40,45,832) Units of ₹10 each			
ICICI Prudential Saving Fund -Regular Plan -Growth	1,591.46	1,461.95	1,038.65
6,50,785 (2016: 6,50,785, 2015: 4,99,693) Units of ₹100 each			
IIFL Dynamic Bond Fund Direct Plan-Growth	-	3,617.75	-
Nil (2016: 2,93,79,881, 2015: Nil) Units of ₹10 each			

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.15
Note 1.10 Current Investments (contd.)			
JM Money Manager Fund - Super Plus Plan - Growth	-	-	513.91
Nil (2016: Nil, 2015: 25,95,650) Units of ₹10 each			
Kotak Bond Scheme Plan A -Growth	-	-	671.17
NII (2016: Nil, 2015: 16,81,145) Units of ₹10 each			
Kotak Income Opportunity Fund- Growth	113.10	102.81	94.22
6,30,282 (2016: 6,30,282, 2015: 6,30,282) Units of ₹10 each			
Kotak Medium Term Fund Growth	1,240.71	1,124.95	1,029.38
91,64,818 (2016: 91,64,818, 2015: 91,64,818) Units of ₹10 each			
Reliance Short Term Fund -Growth	588.86	540.35	500.76
19,10,833 (2016: 19,10,833, 2015: 19,10,833) Units of ₹10 each			
Reliance Income Fund- Growth Plan - Bonus Option	1,335.06	2,583.43	2,453.16
87,28,086 (2016: 1,87,33,022, 2015: 1,87,33,022) Units of ₹10 each			
Reliance Corporate Bond Fund	2,378.60	-	-
1,80,66,505 (2016: Nil, 2015: Nil) Units of ₹10 each			
Reliance Dynamic Bond Fund Growth Plan -Growth Option	1,338.78	768.72	712.57
59,87,327 (2016: 37,49,367, 2015: 37,49,367) Units of ₹10 each			
Reliance Dynamic Bond Fund Growth Plan	862.29	1,201.29	2,240.06
37,49,367 (2016: 59,87,327, 2015: 1,16,09,718) Units of ₹10 each			
Reliance Regular Saving Fund Debt Plan- Growth Plan Growth Option	4,307.05	3,925.74	3,612.54
1,90,10,042 (2016: 1,90,10,042, 2015: 1,90,10,042) Units of ₹10 each			
Reliance Arbitrage Advantage Fund - Monthly Dividend	-	-	1,548.91
Nil (2016: Nil, 2015: 1,48,36,437) Units of ₹10 each			
Reliance Medium Term Plan	-	462.38	-
Nil (2016: 14,73,281, 2015: Nil) Units of ₹10 each			
SBI Magnum Income Fund Regular Plan - Growth	1,555.06	1,379.70	1,151.78
38,52,150 (2016: 38,52,150, 2015: 38,52,159) Units of ₹10 each			
SBI Magnum Gilt Fund -LTP Growth	610.90	532.42	502.74
16,55,673 (2016: 16,55,673, 2015: 16,55,673) Units of ₹10 each			
SBI Treasurey Advantage Fund Regular Plan Growth	-	-	2,912.76
Nil (2016: Nil, 2015: 1,88,674) Units of ₹10 each			
SBI Premier Liquid Fund Regular Plan Growth	-	2,202.90	-
Nil (2016: 92,712, 2015: Nil) Units of ₹1000 each			
SBI Ultra Short Term Debt Fund Regular Plan Growth	216.90	500.00	-
10,326 (2016: 25,678, 2015: NI) Units of ₹1000 each			
SBI Premier Liquid Fund-Regular Plan-Growth	400.11	-	-
15,717 (2016: Nil, 2015: Nil) Units of ₹1000 each			
Sundram Ultra Short Term Fund Regular - Growth	-	-	1,067.90
Nil (2016: Nil,2015: 55,78,354) Units of ₹10 each			
Tempelton India Short Term Income Retail -Growth	-	-	2,692.90
Nil (2016:Nil,,2015: 93,704) Units of ₹1000 each			
Tempelton India Low Duration Fund -Growth	-	-	1,580.18
Nil (2016: Nil, 2015: 1,02,87,803) Units of ₹10 each			

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.10 Current Investments (contd.)			
Tempelton India Income Opportunity Fund -Growth Option	-	-	606.42
Nil (2014: Nil, 2015: 37,59,709) Units of ₹10 each			
UTI Tresurey Advantage Fund -Ins. Plan - Growth			1,064.94
Nil (2016: Nil, 2015: 56,128) Units of ₹1000 each			
UTI Short Term Income Fund Growth	594.04	541.25	501.21
29,79,383 (2016: 29,79,383, 2015: 29,79,383) Units of ₹10 each			
Sub-total-(c)	**29,740.78**	**32,755.79**	**44,168.27**
TOTAL CURRENT INVESTMENTS (1.10)	**33,776.07**	**38,481.42**	**50,517.63**

Note 1.11 Trade Receivables				
(a)	Outstanding for a period exceeding six months from due date of payment			
	Unsecured , considered good	7,903.23	10,384.84	11,473.21
	Unsecure, considered doubtful	9,766.50	9,811.08	9,811.08
		17,669.73	**20,195.92**	**21,284.29**
(b)	**Other receivables**			
	Unsecured , considered good	35,834.14	30,832.23	21,087.72
		53,503.87	**51,028.15**	**42,372.01**
	Allowance for bad and doubtful debts	(9,766.50)	(9,811.08)	(9,811.08)
	Total (1.11)	**43,737.37**	**41,217.07**	**32,560.93**

Notes:

(i) Other includes ₹13,146.55 lakhs as retention money (2016: ₹13,193.05 lakhs and 2015: ₹12,179.29 lakhs) which are recoverable on completion of the Project as per the relevant contract.

(ii) Trade Receivable are secured against first charge on working capital facility.

(iii) The Company provides allowance in trade receivables based on historic credit loss experience, current economic conditions and events and future observable data and information. The expected credit loss allowance is computed based on the ageing of the receivables.

Note 1.12 Cash and Cash Equivalents				
(a)	Balances with banks			
	- In current accounts	943.97	2,072.59	1,115.06
(b)	Cheques/ Pay order in hand	1.90	8.79	0.24
(c)	Cash on hand	21.06	28.72	27.87
Total (1.12)		**966.93**	**2,110.10**	**1,143.17**

Note: Cash and cash equivalents include Cash on hand, Cheques/Draft in hand & Cash at bank.

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.13 Bank Balances other than Above			
Unpaid Dividend Account	24.08	23.54	21.76
Term Deposit of upto Twelve Months Maturity	14.97	566.88	3,513.86
Margin Money	3,219.64	2,940.99	2,947.44
Total (1.13)	**3,258.69**	**3,531.41**	**6,483.06**

Note: Represents deposit with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Note 1.14 Loans			
(a) **Security Deposits to others**	29.11	64.87	64.81
(b) **Loans to related parties**			
Loan to Subsidiaries	3,890.00	500.00	-
(c) **Other loans**			
Loan to Body Corporates	275.00	3,640.91	275.00
Interest accrued on Loans	647.59	547.28	320.53
Advance to Employee	92.64	88.32	59.18
	4,934.34	**4,841.38**	**719.52**
Allowance for Loan to Body Corporate	(275.00)	(275.00)	(275.00)
Total (1.14)	**4,659.34**	**4,566.38**	**444.52**

Note 1.15 Current Tax Assets (Net)			
Advance Payment of Income Tax (net of provision)	235.52	219.00	1,224.54
Total (1.15)	**235.52**	**219.00**	**1,224.54**

Note 1.16 Other Current Assets			
(a) **Advances to related parties**			
- Advance to Subsidiaries	11.66	-	-
(b) Advance to Parties	3,185.58	2,362.78	2,445.10
(c) Other Advances	1,427.63	644.86	574.24
(d) Prepaid Expenses	457.86	505.08	696.37
(e) Balances with Government Department	7,036.49	5,539.36	3,449.07
(f) Unbilled Debtors	14,327.59	7,752.87	2,854.07
Total (1.16)	**26,446.81**	**16,804.95**	**10,018.85**

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.17 Equity Share Capital			
Authorised Share Capital			
30,00,00,000 Equity shares at par value of ₹1/- each	3,000.00	3,000.00	3,000.00
(As at 31st March 2016: 30,00,00,000, as at 31st March 2015: 30,00,00,000 equity share of ₹1/- each)			
	3,000.00	3,000.00	3,000.00
Issued, Subscribed and paid up Capital			
21,94,14,993 Equity Share of ₹1/- each	2,194.15	2,102.84	2,100.64
(As at 31st March 2016: 21,02,83,723, as at 31st March 2015: 21,00,63,973 equity share of ₹1/- each)			
Equity Share capital Suspense	-	90.11	92.30
	2,194.15	2,192.95	2,192.94

Notes:

(i) The Company has only one class of shares referred to as equity shares having a par value of ₹1/- Each holder of equity shares is entitled to one vote per share.

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

(iii) Issued, Subscribed and Paid Up Capital includes 12,71,83,090 equity shares allotted on the basis of 1 equity shares in TexRail for ₹1/- each credited as fully paid-up for every 1 equity shares held by each member of Texmaco Infrastructure & Holdings Limited (formerly Texmaco Limited) on record date without payment being received in cash.

(iv) In terms of order of Hon'ble High Courts of Delhi and Calcutta, Kalindee Rail Nirman (Engineers) Limited, a subsidiary Company stands merged into the Company on and from February 11, 2017, with appointed date being April 1, 2014. Accordingly, during the year, 89,12,395 Equity Shares of ₹1/- each were allotted to the Equity Shareholders of Kalindee Rail Nirman (Engineers) Limited pursuant to the scheme of merger without payment being received in cash.

(v) During the year the Company has allotted 2,18,875 Equity Shares to its employees under Employee Stock Option Scheme.

(vi) Reconciliation of number of Issued, Subscribed and Paid-up Capital

(₹ in lakhs)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning of the year	21,02,83,723	2,102.84	21,00,63,973	2,100.64	21,00,63,973	2,100.64
Add: Allotment as per the scheme of merger	89,12,395	89.12	-	-	-	-
Add: Allotment under ESOP	2,18,875	2.19	2,19,750	2.20	-	-
Number of Shares at the end of the year	21,94,14,993	2,194.15	21,02,83,723	2,102.84	21,00,63,973	2,100.64

(vii) Share Capital Suspense: This represents the shares to be issued to the shareholders Kalindee Rail Nirman (Engineers) Limited which has been amalgamated with the Company.

(viii) After the reporting date, dividend of 0.25 paisa (2016: 0.25 paisa) per equity share were proposed by the Board of Directors subject to the approval of the shareholders at the Annual General Meeting, the dividend has not been recognised as liabilities. Dividends would attract Dividend Distribution Tax when declared or paid.

(ix) **The name of Shareholders holding more than 5% of Equity shares**

Name of Shareholders	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	% of holding	No. of Equity Shares held	% of holding	No. of Equity Shares held	% of holding	No. of Equity Shares held
Texmaco Infrstructure & Holdings Ltd	24.88	5,46,00,000	25.96	5,46,00,000	25.99	5,46,00,000
Zuari Investments Ltd	13.20	2,89,63,900	13.77	2,89,63,900	13.79	2,89,63,900

Note 1.18 Other Equity (₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(i) **Share Option Outstanding Reserve**			
As per last Account	804.33	176.69	-
Add: During the year	390.33	627.64	176.69
Share Options Outstanding Account	1,194.66	804.33	176.69
(ii) **Capital Reserve**			
Balance as per last Account	11,228.87	11,363.40	11,363.40
Less: Cancellation of Equity Shares of earlier subsidiary	(104.43)	(134.53)	-
	11,124.44	**11,228.87**	**11,363.40**
(iii) **Securities Premium**			
Balance as per last Account	29,280.47	29,192.57	29,192.57
Add: On issue of ESOP	87.55	87.90	-
	29,368.02	**29,280.47**	**29,192.57**
(iv) **General Reserve**			
Balance as at the beginning of the year	46,106.76	45,606.76	45106.76
Add: Transferred from Statement of Profit and Loss	500.00	500.00	500.00
	46,606.76	**46,106.76**	**45,606.76**
(v) **Reserves representing unrealised gains/losses**			
(a) Equity Instruments through Other Comprehensive Income			
Balance as at the beginning of the year	(25.48)	201.57	201.57
Addition during the year	551.63	(227.05)	-
	526.15	**(25.48)**	**201.57**
(b) Remeasurements of the net defined benefit Plans			
Balance as at the beginning of the year	(81.30)	(77.46)	(118.45)
Addition during the year	(16.14)	(5.85)	
Less: Deferred Tax	-	2.01	40.99
	(97.44)	**(81.30)**	**(77.46)**
(vi) **Exchange differences on translating the financial statements of a foreign operation**			
Balance as at the beginning of the year	115.42	53.55	-
Addition during the year	(9.34)	61.87	53.55
	106.08	**115.42**	**53.55**
(vii) **Retained Earnings**			
Surplus at the beginning of the year	11,276.14	9,687.75	5,538.41
Add : Profit for the year	3,357.30	2,720.46	397.56
Less: Dividend on Equity Shares	(525.71)	(525.16)	(525.16)
Less:Tax on dividend	(107.02)	(106.91)	(106.91)
Less:Transfer to General Reserve	(500.00)	(500.00)	(500.00)
Add : Transition date adjustment	-	-	4,883.85
	13,500.71	**11,276.14**	**9,687.75**
Total (1.18)	**1,02,329.38**	**98,705.21**	**96,204.83**

Notes:

(i) **General Reserves:** The General Reserves is used from time to time to transfer profit from retained earnings for appropriation purpose. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items includes in the general reserve will not be reclassified subsequently to profit & loss.

(ii) **Reserve for equity instrument through other comprehensive income (OCI):** This reserve represents the cumulative gain and loss arising on net revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified to the retained earnings when those assets have been disposed off.

(iii) **Capital Reserves:** The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(iv) **Security Premium:** Security Premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act 2013.

(v) **Foreign currency monetary items translation difference reserve:** Exchange differences arising on settlement and remeasurement of long term foreign currency monetary items are accumulated in "Foreign Currency Monetary items Translation Difference Account" and amortised over the maturity period or upto the date of settlement of such monetary items, which ever is earlier, and charged to the Statement of Profit and Loss.

(vi) **Retained Earnings:** Retained Earning refers to the portion of net income which is retained by the corporation to be reinvested in its core business. Similarly if the Company has a loss then that loss is retained and called retained losses or accumulated losses. Retained Earnings and Losses are cumulative from year to year with losses offsetting earnings.

Note 1.19 Borrowings (Non-Current) (₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Secured			
From banks			
Term Loan/Foreign Currency Term Loan (TL/FCTL)	223.37	684.58	1,449.37
Car Loan	9.49	31.08	16.37
Total (1.19)	**232.86**	**715.66**	**1,465.74**

Note: Term Loan from Bank is secured against the Property, Plant and Equipments created from such loan. Remaining Term Loan from bank is repayable in 6 quarterly installments. Car Loan is Secured against hypothecation of car.

Note 1.20 Provisions (Non-Current)

Provision for employee benefits (Leave)	171.24	154.03	135.22
Provision for employee benefits (Gratuity)	157.57	105.58	74.36
Others			
For Contingency	1.00	1.00	1.00
For Warranty and others	187.99	252.02	105.96
Total (1.20)	**517.80**	**512.63**	**316.54**

Note: The Company accounts for leave and gratuity based on Actuary Valuation.

Note 1.21 Other Non-Current Liabilities

Advances from Customers	4,319.18	2,277.01	-
Total (1.21)	**4,319.18**	**2,277.01**	**-**

Note 1.22 Borrowings (Current) (₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Loans repayable on demand			
Secured			
From Banks			
Cash Credit	27,142.70	26,821.20	21,413.06
Unsecured			
From Banks	3,000.00	-	-
(b) From Other Parties			
(i) Loans from related parties	700.00	1,700.00	
(ii) Inter-Corporate Deposits	800.00	3,500.00	5,500.00
(c) Other loans			
LC Discounted from Bank	-	133.84	-
Total (1.22)	**31,642.70**	**32,155.04**	**26,913.06**

Note:

1 Cash Credit facilities are secured by hypothecation of 1st charge on stocks, book debts and other current assets and 1st charge on Property, Plant and Equipments.

2 Post Demerger of Heavy Engineering and Steel Foundry businesses of Texmaco Limited (now known as TexInfra), the first charge created on immovable property and corporate guarantee of TexInfra continues.

Note 1.23 Trade Payables

Dues to Micro and Small Enterprises	345.19	234.59	170.74
Others	24,104.64	32,789.30	24,777.40
Total (1.23)	**24,449.83**	**33,023.89**	**24,948.14**

Note:

Information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:			
a) Principle Amount due	345.19	234.59	170.74
Interest due on the above	-	-	-
b) Interest paid during the period beyond the appointed day	-	-	-
c) Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-	-
d) Amount of interest accrued and remaining unpaid at the end of the period	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-	-
The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company. This has been relied upon by auditors.			

Note 1.24 Other Financial Liabilities

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) **Current maturities of long-term debt**			
Term Loan/Foreign Currency Term Loan (TL/FCTL)	524.18	650.55	297.81
Car Loan	10.46	26.53	52.44
(b) **Interest accrued**			
Interest accrued but not due on borrowings	164.94	138.45	109.91
(c) Unclaimed/Unpaid dividends	24.08	23.54	21.76
(d) **Others**			
Liabilities for Expenses	2,271.01	2,098.20	1,751.32
Amount Due to Employee	560.56	551.96	497.79
Derivative Asset/Liabilities	40.52	-	-
Misc. Security Deposit	580.13	656.53	526.08
Creditors for Capital Advance	63.92	61.12	0.41
Total (1.24)	**4,239.80**	**4,206.88**	**3,257.52**

Note:

(i) Term Loan from Bank is secured against the Property, Plant and Equipments created from such loan. The balance FCTL is payable in June 2017. Car loan is secured against hypothecation of car

(ii) There is no amount due and outstanding to be credited to the Investor Education and Protection Fund against unpaid dividend as at March 31, 2017

Note 1.25 Other Current Liabilities

(a) Advances from Customers	9,940.33	10,552.13	13,000.60
(b) **Others**			
(i) TDS and other taxes payable	883.98	831.03	1,583.64
(ii) PF, ESI amount Payble	91.19	95.05	54.37
(iii) Security Deposits	574.54	574.54	574.54
Total (1.25)	**11,490.04**	**12,052.75**	**15,213.15**

Note 1.26 Provisions (Current)

(a) Provision for employee benefits (for leave)	75.98	74.01	70.41
(b) Provision for Contract Loss	47.53	79.58	
(c) **Others**			
(i) Provision for Expenses	2.97	8.06	-
(ii) Provision for Others	759.98	469.60	387.09
Total (1.26)	**886.46**	**631.25**	**457.50**

Note: The Company accounts for leave and gratuity liability based on Actuary Valuation.

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.27 Revenue from operations		
(a) **Sale of products**		
Sale of products	82,807.74	89,345.71
Less: Inter Segment Revenue	(10,308.70)	(13,830.44)
	72,499.04	**75,515.27**
(b) **Sale of services**	45,605.99	37,226.97
(c) Other operating revenues	672.75	349.69
Total (1.27)	**1,18,777.78**	**1,13,091.93**

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.28 Other Income		
(a) Interest Income		
From Bank	3.66	223.65
From Others	1,292.89	602.79
(b) Dividend Income		
Income from Current Investments	-	83.31
Income from Non-Current Investments	26.05	22.52
(c) Other non-operating income		
Net gain on Sale of Current Investments	224.57	1,319.46
Net gain on Sale of Non-Current Investments	1,581.51	502.10
Miscellaneous Receipts and Income	136.30	208.20
Sundry Credit Balance Adjusted	21.29	1.62
Profit on sale of Property, Plant and Equipments (Net)	(26.35)	21.96
Rent Received	123.33	340.07
Provision & Excess Liabilities Written Back	1.15	24.05
Gain on fair valuation of Bonds/Mutual	1,346.21	1,142.85
Total (1.28)	**4,730.61**	**4,492.58**
Note 1.29 Cost of Materials Consumed		
Opening Stock of Raw Materials	4,608.80	5,184.08
Add: Raw materials Purchased and Departmental Transfers etc.	10,770.30	22,085.48
	15,379.10	**27,269.56**
Less:Returns, Sales and Departmental issues used in Works and in Block	1,007.59	668.42
Less: Closing Stock of Raw Materials	3,324.50	4,608.80
	11,047.01	**21,992.34**
Consumption of Components	77,025.02	74,526.06
Less: Inter Segment Transfer	(10,308.70)	(13,830.44)
Total (1.29)	**77,763.33**	**82,687.96**
Note 1.30 Changes In Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress		
Opening Stock		
Finished Goods	6,347.43	3,542.02
Work-in-Progress	12,273.91	11,427.88
	18,621.34	**14,969.90**
Less : Closing Stock		
Finished Goods	31.41	6,347.43
Work-in-Progress	11,538.30	12,273.91
	11,569.71	**18,621.34**
(Increase) / Decrease in Stock	**7,051.63**	**(3,651.44)**

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.31 Employee Benefits Expenses		
a) Salaries, Wages and Bonus	6,528.16	6,061.94
b) Contribution to provident and other funds		
i) Provident Fund and Pension Fund	506.02	487.48
ii) Superannuation Fund	49.55	44.21
iii) Gratuity	36.00	48.39
c) Share based payments to employees	390.30	627.65
d) Staff Welfare Expenses	457.51	431.55
e) VRS Expenses	35.24	41.41
Total (1.31)	**8,002.78**	**7,742.63**

Note 1.32 Finance Costs		
(a) Interest		
i) Banks	3,517.07	3,472.44
ii) Others	1.00	18.11
	3,518.07	3,490.55
(b) Other borrowing costs	1,233.46	1,208.10
Total (1.32)	**4,751.53**	**4,698.65**

Note 1.33 Depreciation and Amortization Expense		
Depreciation on Tangible Assets	1,549.70	1,389.53
Amortisation on Intangible Assets	66.20	65.21
Total (1.33)	**1,615.90**	**1,454.74**

Note 1.34 Other Expenses

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Consumption of stores and spares part	5,542.16	6,238.59
Power and Fuel	4,324.51	4,222.90
Rent	277.68	242.71
Repairs to Buildings	368.09	384.33
Repairs to Machinery	506.71	449.94
Repairs to Others	103.39	103.65
Insurance	102.85	161.23
Rates and Taxes excluding taxes on Income	118.03	106.92
Freight,Packing and Transport (Net)	386.30	321.02
Erection Expenses	2,218.52	574.05
Drawings and Designs	4.36	5.09
Royalty & Knowhow	13.39	7.74

Note 1.34 Other Expenses (contd.) (₹ in lakhs)

Particulars	Year Ended 31.03.2017		Year Ended 31.03.2016	
Research & Development		58.89		68.48
Selling Agents Commission		29.39		35.22
Selling Expenses		267.38		318.60
Director's Sitting Fees		24.43		20.30
Director's Commission		13.51		13.35
Payments to the Auditor				
As Auditor	13.32		17.75	
For Tax Audit	5.01		5.13	
For Quarterly Review	2.91		2.90	
For Fees for Other Services (incl for issuing various certificates)	10.45		10.76	
As Cost Auditor	1.40		1.40	
For Reimbursement of out of poket expenses	3.54	36.63	2.63	40.57
Donation		1.96		52.13
CSR Expenses		23.62		31.63
Miscellaneous Expenses		2,227.65		2,080.54
Sundry Debit Balance Adjusted		97.19		12.91
Bad Debt written off		-		221.51
Property, Plant and Equipments Written off/Discard		0.14		0.01
Net (gain)/loss on foreign currency transaction		12.16		96.64
Total (1.34)		**16,758.94**		**15,810.06**

Note on **CSR Expense:**

(i) Gross amount required to be spent by the Company during the year: ₹ 29.74 Lakhs

(ii) **Amount spent in cash during the year on:**

Particulars	In Cash	Total
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	23.62	23.62
Total	**23.62**	**23.62**

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.35 Other Comprehensive Income		
(A) Items that will not be reclassified to profit or loss		
(i) Remeasurements of the defrned benefit plans	(16.14)	(3.84)
(ii) Equity Instruments through Other Comprehensive Income	551.63	(227.05)
	535.49	**(230.89)**
(B) Items that will be reclassified to profit or loss		
(i) Exchange differences in translating the financial statements of a foreign operation	(9.34)	61.87

Note 1.36(a) During the year, Kalindee Rail Nirman (Engineers) Ltd. merged with the Company in terms of the Scheme of Amalgamation duly approved by the Shareholders and the Hon'ble High Court of Calcutta and Delhi vide their order dated February 26, 2016 and December 19, 2016 respectively, effective date being April 1, 2014. The results are accordingly merged after incorporating the Financial Results of Kalindee Rail Nirman (Engineers) Ltd. The financial reporting includes a new segment i.e. Rail EPC.

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.36(b) Commitments and Contingent Liabilities		
(A) Commitments		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advance)	1,193.00	174.59
(B) Contingent Liabilities (not provided for) in respect of :		
(a) Guarantees given by Banks in the normal course of Business.	71,036.40	70,850.67
(b) Letters of Credit opened by Banks in the normal course of Business.	10,097.38	18,524.73
(c) Bonds issued to Custom Department	92.20	92.20
(d) Claims under dispute (Excise Duty, Service Tax & others)	3,136.46	5,796.21
(e) Claims not acknowledged as debts (Amount unascertainable)	-	-
(f) Income Tax assessment under appeal (Amount unascertainable)	-	-

Note 1.37 Movement of Provisions during the year as required under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

(₹ in lakhs)

Particulars	Opening Provision as on 1.4.2016	Utilized during the year	Reversed during the year	Provision during the year	Closing provision as at 31.03.2017
(a) Site warranty period maintenance	183.99	--	--	--	183.99
(b) Others	570.63	28.94	--	222.29	763.98
Total	754.62	28.94	--	222.29	947.97
Previous Year	493.05	33.57	25.01	287.15	721.62

In accordance with the requirement of Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" issued by the Companies (Accounting Standard) Rules 2006, the company has provided liability for other expenses amounting to ₹222.29 lakhs (Previous Year ₹287.15 lakhs).

Site warranty period maintenance: The Company gives warranties and maintenance on certain products and services, undertaking to repair, replace and maintain the items for satisfactory working during the warranty period. Provision as at March 31, 2017 represents the amount of the expected cost of meeting such obligations of rectification/ replacement/ maintenance. The timing of the outflow is expected to be within a period of two years.

Provision for others: It represents liabilities related to various site expenses including contractor service charges for sites, administrative charges etc, likely to materialize in the next financial year. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

1.38 In the opinion of the management, current assets, loans and advances have a value on realisation in the ordinary course of business unless otherwise stated, at least to the amount at which they are stated and the provisions for all known and determined liabilities is adequately provided.

1.39 Balance of debtors and loans and advances are subject to confirmation from respective parties.

Notes on Financial Statement

Note 1.40 Related Party Disclosure

a) Name of the Related Parties and Relationship

Relationship		Parties where control Exist 2016-17	Parties where control Exist 2015-16
A.	Key Management Personnel	Mr. S. K. Poddar, Executive Chairman	Mr. S. K. Poddar, Executive Chairman
		Mr. Ramesh Maheshwari, Executive Vice Chairman (Retired w.e.f: 25th Sep, 2016 and designated as Corporate Advisor w.e.f. 26th Sep, 2016)	Mr. Ramesh Maheshwari, Executive Vice Chairman
		Mr. D. H. Kela, Executive Director & CEO (SF)	Mr. D. H. Kela, Executive Director & CEO (SF)
		Mr. Sandeep Fuller, Executive Director & CEO (HED)	Mr. Sandeep Fuller, Executive Director & CEO (HED)
		Mr. A.K. Vijay, Executive Director (Finance) & CFO	Mr. A.K. Vijay, Executive Director(Finance) & CFO
		Mr. Ravi Varma, Company Secretary	Mr. Ravi Varma, Company Secretary (w.e.f: 22th June 2015)
B.	Relative of Key Management Personnel	Ms. Jyotsna Poddar (Wife of Mr. S.K.Poddar) Mr. Akshay Poddar (Son of Mr. S.K. Poddar) Ms. Puja Poddar(Daughter in Law of Mr. S.K.Poddar) Ms. Shradha Agarwal (Daughter of Mr. S.K.Poddar)	Ms. Jyotsna Poddar (Wife of Mr. S.K.Poddar Mr. Akshay Poddar (Son of Mr. S.K. Poddar) Ms. Puja Poddar (Daughter in Law of Mr. S.K.Poddar) Ms. Shradha Agarwal (Daughter of Mr. S.K.Poddar)
C.	Subsidiary Company	Texmaco Hi Tech Private Limited (100% of Capital held by Company)	Texmaco Hi Tech Private Limited (Formerly Texmaco UGL Rail Pvt. Ltd.) (100% of Capital held by Company)
		Bright Power Projects (India) Pvt. Ltd. (55.00% of Capital held by Company)	Bright Power Projects (India) Pvt. Ltd. (55.00% of Capital held by Company)
		Belur Engineering Private Limited (100% of Capital held by Company)	-
D.	Joint Venture	Touax Texmaco Railcar Leasing Pvt. Ltd. Wabtec Texmaco Rail Pvt. Ltd. Kalindee Cobra JV Kalindee Kapoor Railcon JV Kalindee Karthik JV Kalindee VNC JV Kalindee IF&LS JV GMR TPL KRNL JV Kalindee Rahee JV Kalindee URC JV Tata Projects - Kalindee JV Bright - Kalindee JV	Touax Texmaco Railcar Leasing Pvt. Ltd. Wabtec Texmaco Rail Pvt. Ltd. Kalindee Cobra JV Kalindee Kapoor Railcon JV Kalindee Karthik JV Kalindee VNC JV Kalindee IF&LS JV GMR TPL KRNL JV Kalindee Rahee JV Kalindee URC JV Tata Projects - Kalindee JV -
E.	Group Company where transaction exists.	Zuari Investments Ltd Duke Commerce Ltd. Adventz Securities Enterprises Ltd. Zuari Global Ltd. New Eros Tradecom Ltd. Master Exchange & Finance Ltd. Adventz Investments Co. Pvt. Ltd. Adventz Securities Trading Pvt. Ltd. Adventz Finance Pvt. Ltd. Eureka Traders Pvt. Ltd. Abhishek Holdings Pvt. Ltd. Greenland Trading Pvt. Ltd. Indrakshi Trading Company Pvt. Ltd. Zuari Management Services Ltd. High Quality Steels Ltd. Lionel India Limited Texmaco Infrastructure & Holdings Ltd. Indian Furniture Products Limited Macfarlane & Co. Limited Mangalore Chemicals & Fertilizers Ltd Paradeep Phosphate Ltd.	Zuari Investments Ltd Duke Commerce Ltd. Adventz Securities Enterprises Ltd. Zuari Global Ltd. New Eros Tradecom Ltd. Master Exchange & Finance Ltd. Adventz Investments Co. Pvt. Ltd. Adventz Securities Trading Pvt. Ltd. Adventz Finance Pvt. Ltd. Eureka Traders Pvt. Ltd. Abhishek Holdings Pvt. Ltd. Greenland Trading Pvt. Ltd. Indrakshi Trading Company Pvt. Ltd. Zuari Management Services Ltd. High Quality Steels Ltd. Lionel India Limited Texmaco Infrastructure & Holdings Ltd. Indian Furniture Products Limited Macfarlane & Co. Limited Mangalore Chemicals & Fertilizers Ltd Paradeep Phosphate Ltd.

b) Related Party Transactions (₹ in lakhs)

Transactions	Other Related Party	Subsidiary	Associate	Joint venture	Key Management Personnel	Grand Total	Balance outstanding as on 31.03.2017
Remuneration Paid							
- Mr. S. K. Poddar	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	366.19 (363.76)	-- (--)
- Mr. Ramesh Maheshwari	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	136.82 (176.88)	-- (--)
- Mr. D. H. Kela	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	104.17 (112.24)	-- (--)
- Mr. Sandeep Fuller	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	91.68 (96.16)	-- (--)
- Mr. A.K. Vijay	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	55.19 (67.76)	-- (--)
- Mr. Ravi Varma	-- (--)	-- (--)	-- (--)	-- (--)	12.20 (9.05)	12.20 (9.05)	-- (--)
*Includes perquisites on equity share allotted in pursuant to Employee Stock Option Scheme for 2015-16.							
Transactions with Relative of Key Management Personnel							
Mr. Akshay Poddar (Sitting Fees & Commission)	3.60 (3.50)	-- (--)	-- (--)	-- (--)	-- (--)	3.60 (3.50)	-- (--)
Investment							
- Touax Texmaco Railcar Leasing Pvt. Limited	-- (--)	-- (--)	-- (--)	-- (2100.00)	-- (--)	-- (2100.00)	3364.99 (3364.99)
- Texmaco Infrastructure & Holdings Limited	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	732.63 (732.63)
- Texmaco Hi Tech Pvt Ltd	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	7101.25 (7101.25)
- Wabtec Texmaco Rail Pvt. Ltd	-- (--)	-- (--)	-- (--)	-- (88.16)	-- (--)	-- (88.16)	88.16 (88.16)
- Belur Engineering Pvt. Ltd	-- (--)	10.00 (--)	-- (--)	-- (--)	-- (--)	10.00 (--)	10.00 (--)
- Bright Power Projects (India) Pvt. Ltd.	-- (--)	-- (4053.58)	-- (--)	-- (--)	-- (--)	-- (4053.58)	4053.58 (4053.58)
Inter Corporate Deposit							
- Bright Power Projects (India) Pvt. Ltd.	-- (--)	400.00 (500)	-- (--)	-- (--)	-- (--)	400.00 (500.00)	900.00 (500.00)
- Belur Engineering Pvt. Ltd.	-- (--)	2990.00 (--)	-- (--)	-- (--)	-- (--)	2990.00 (--)	2990.00 (--)
Loans & Advances Given							
- Bright Power Projects (India) Pvt. Ltd.	-- (--)	9.26 (--)	-- (--)	-- (--)	-- (--)	9.26 (--)	8.36 (--)
- Wabtec Texmaco Rail Pvt. Ltd	-- (--)	-- (--)	-- (--)	3.30 (--)	-- (--)	3.30 (--)	3.30 (--)
Loans & Advances Received							
- Adventz Finance Pvt. Ltd.	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	520.14 (1000.00)
- Adventz Securities Enterprises Ltd.	-- (200.00)	-- (--)	-- (--)	-- (--)	-- (--)	-- (200.00)	272.79 (700.00)
(Figures in bracket are for previous year financials)							

b) Related Party Transactions (contd.) (₹ in lakhs)

Transactions	Other Related Party	Subsidiary	Associate	Joint venture	Key Management Personnel	Grand Total	Balance outstanding as on 31.03.2017
Loans & Advances Repayment							
- Adventz Finance Pvt. Ltd.	500.00 (--)	-- (--)	-- (--)	-- (--)	-- (--)	500.00 (--)	-- (--)
- Adventz Securities Enterprises Ltd.	500.00 (--)	-- (--)	-- (--)	-- (--)	-- (--)	500.00 (--)	-- (--)
Dividend Paid							
- Mr. Saroj Poddar	-- (--)	-- (--)	-- (--)	-- (--)	6.24 (6.24)	6.24 (6.24)	-- (--)
- Ms Jyotsna Poddar	0.55 (0.55)	-- (--)	-- (--)	-- (--)	-- (--)	0.55 (0.55)	-- (--)
- Ms. Puja Poddar	2.07 (2.07)	-- (--)	-- (--)	-- (--)	-- (--)	2.07 (2.07)	-- (--)
- Mr. Akshay Poddar	0.04 (0.04)	-- (--)	-- (--)	-- (--)	-- (--)	0.04 (0.04)	-- (--)
- Ms Shradha Agarwal	0.03 (0.03)	-- (--)	-- (--)	-- (--)	-- (--)	0.03 (0.03)	-- (--)
- Abhishek Holdings Pvt. Ltd	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
- Adventz Securities Enterprises Ltd	9.52 (9.52)	-- (--)	-- (--)	-- (--)	-- (--)	9.52 (9.52)	-- (--)
- Adventz Finance Pvt. Ltd.	20.94 (20.94)	-- (--)	-- (--)	-- (--)	-- (--)	20.94 (20.94)	-- (--)
- Adventz Investments Co. Pvt. Ltd.	7.59 (7.59)	-- (--)	-- (--)	-- (--)	-- (--)	7.59 (7.59)	-- (--)
- Adventz Securities Trading Pvt. Ltd.	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
- Duke Commerce Ltd.	18.79 (18.79)	-- (--)	-- (--)	-- (--)	-- (--)	18.79 (18.79)	-- (--)
- Eureka Traders Pvt. Ltd.	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
- Greenland Trading Pvt. Ltd.	0.09 (0.09)	-- (--)	-- (--)	-- (--)	-- (--)	0.09 (0.09)	-- (--)
- Master Exchange & Finance Ltd.	0.04 (0.04)	-- (--)	-- (--)	-- (--)	-- (--)	0.04 (0.04)	-- (--)
- New Eros Tradecom Ltd.	1.85 (1.85)	-- (--)	-- (--)	-- (--)	-- (--)	1.85 (1.85)	-- (--)
- Indrakshi Trading Company Pvt. Ltd.	0.08 (0.08)	-- (--)	-- (--)	-- (--)	-- (--)	0.08 (0.08)	-- (--)
- Texmaco Infrastructure & Holdings Ltd	136.50 (136.50)	-- (--)	-- (--)	-- (--)	-- (--)	136.50 (136.50)	-- (--)
- Zuari Investments Ltd.	72.41 (72.41)	-- (--)	-- (--)	-- (--)	-- (--)	72.41 (72.41)	-- (--)
- Zuari Global Ltd.	10.09 (10.09)	-- (--)	-- (--)	-- (--)	-- (--)	10.09 (10.09)	-- (--)
- Mr. Ramesh Maheshwari	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.06 (--)	-- (--)
- Mr. D. H. Kela	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.03 (--)	-- (--)

(Figures in bracket are for previous year financials)

b) Related Party Transactions (contd.) (₹ in lakhs)

Transactions	Other Related Party	Subsidiary	Associate	Joint venture	Key Management Personnel	Grand Total	Balance outstanding as on 31.03.2017
- Mr. Sandeep Fuller	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.03 (--)	-- (--)
- Mr. A.K. Vijay	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.04 (0.01)	-- (--)
Dividend Received							
- Texmaco Infrastructure & Holdings Ltd.	4.70 (3.53)	-- (--)	-- (--)	-- (--)	-- (--)	4.70 (3.53)	-- (--)
Others							
- Adventz Finance Pvt. Ltd. (Rent Paid)	16.20 (20.92)	-- (--)	-- (--)	-- (--)	-- (--)	16.20 (20.92)	-- (0.05)
- Adventz Finance Pvt. Ltd. (Interest Payable)	1.32 (135.22)	-- (--)	-- (--)	-- (--)	-- (--)	1.32 (135.22)	-- (50.46)
- Adventz Securities Enterprises Ltd. (Interest Payable)	96.90 (67.98)	-- (--)	-- (--)	-- (--)	-- (--)	96.90 (67.98)	-- (25.56)
- High Quality Steels Ltd. (Services Received)	647.57 (622.51)	-- (--)	-- (--)	-- (--)	-- (--)	647.57 (622.51)	51.27 (158.45)
- Lionel India Limited (Services Received)	185.82 (162.48)	-- (--)	-- (--)	-- (--)	-- (--)	185.82 (162.48)	21.59 (8.81)
- Indian Furniture Products Ltd. (Purchase of Goods)	29.49 (--)	-- (--)	-- (--)	-- (--)	-- (--)	29.49 (--)	5.23 (--)
- Texmaco Infrastructure & Holdings Ltd. (Rent Received)	0.72 (0.72)	-- (--)	-- (--)	-- (--)	-- (--)	0.72 (0.72)	-- (--)
- Texmaco Infrastructure & Holdings Ltd. (Rent Paid)	66.76 (--)	-- (--)	-- (--)	-- (--)	-- (--)	66.76 (--)	28.33 (--)
- Texmaco Infrastructure & Holdings Ltd. (Deposit Against Order)	-- (0.75)	-- (--)	-- (--)	-- (--)	-- (--)	-- (0.75)	-- (--)
- Texmaco Hi Tech Pvt Ltd (Sale of Goods)	-- (--)	99.36 (--)	-- (--)	-- (--)	-- (--)	99.36 (--)	168.54 (--)
- Texmaco Hi Tech Pvt Ltd (Purchase of Goods)	-- (--)	499.16 (138.34)	-- (--)	-- (--)	-- (--)	499.16 (138.34)	81.45 (138.34)
- Texmaco Hi Tech Pvt Ltd (Services Provided)	-- (--)	1.21 (434.68)	-- (--)	-- (--)	-- (--)	1.21 (434.68)	839.09 (986.57)
- Wabtec Texmaco Rail Pvt. Ltd. (Sale of Goods)	-- (--)	-- (--)	-- (--)	260.53 (--)	-- (--)	260.53 (--)	47.01 (--)
- Wabtec Texmaco Rail Pvt. Ltd (Purchase of Goods)	-- (--)	-- (--)	-- (--)	776.94 (--)	-- (--)	776.94 (--)	1.61 (--)
- Touax Texmaco Railcar Leasing Pvt. Ltd. (Sale of Goods)	-- (--)	-- (--)	-- (--)	2155.54 (4366.32)	-- (--)	2155.54 (4366.32)	22.79 (1391.80)
- Zuari Investments Ltd. (Depository Services)	106.45 (0.04)	-- (--)	-- (--)	-- (--)	-- (--)	106.45 (0.04)	-- (--)
- Touax Texmaco Railcar Leasing Pvt. Ltd. (Rent Received)	-- (--)	-- (--)	-- (--)	0.05 (0.05)	-- (--)	0.05 (0.05)	-- (--)
- Touax Texmaco Railcar Leasing Pvt. Ltd. (Deposit Against Order)	-- (--)	-- (--)	-- (--)	-- (2975.35)	-- (--)	-- (2975.35)	-- (530.83)
- Paradeep Phosphate Ltd (Rent Received)	6.77 (5.74)	-- (--)	-- (--)	-- (--)	-- (--)	6.77 (5.74)	-- (--)
- Touax Texmaco Railcar Leasing Pvt. Ltd. (Interest receivable against CCD given)	-- (--)	-- (--)	-- (--)	252.00 (120.82)	-- (--)	252.00 (120.82)	372.82 (120.82)

(Figures in bracket are for previous year financials)

b) Related Party Transactions (contd.) (₹ in lakhs)

Transactions	Other Related Party	Subsidiary	Associate	Joint venture	Key Management Personnel	Grand Total	Balance outstanding as on 31.03.2017
- Belur Engineering Pvt. Ltd (Interest receivable against CCD given)	-- (--)	1.91 (--)	-- (--)	-- (--)	-- (--)	1.91 (--)	1.91 (--)
- Bright Power Projects (India) Pvt Ltd (Purchase of Goods)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	30.53 (--)
- Bright Power Projects (India) Pvt Ltd (Interest Receivable)	-- (--)	102.83 (5.99)	-- (--)	-- (--)	-- (--)	102.83 (5.99)	102.83 (5.99)
- Kalindee Cobra JV (Sale of Goods)	-- (--)	-- (--)	-- (--)	2969.90 (2780.43)	-- (--)	2969.90 (2780.43)	1407.46 (1281.06)
- Kalindee Cobra JV (Payments made on behalf of JV)	-- (--)	-- (--)	-- (--)	-- (86.14)	-- (--)	-- (86.14)	-- (--)
- Kalindee IF & LS JV (Sale of Goods)	-- (--)	-- (--)	-- (--)	1438.07 (2033.01)	-- (--)	1438.07 (2033.01)	2581.01 (1923.08)
- Kalindee Kapoor Railcon JV (Sale of Goods)	-- (--)	-- (--)	-- (--)	7082.68 (5328.99)	-- (--)	7082.68 (5328.99)	4342.40 (1744.56)
- Kalindee Kapoor Railcon JV (Payments made on behalf of JV)	-- (--)	-- (--)	-- (--)	-- (34.53)	-- (--)	-- (34.53)	-- (--)
- Kalindee Karthik JV (Sale of Goods)	-- (--)	-- (--)	-- (--)	128.81 (465.55)	-- (--)	128.81 (465.55)	472.14 (127.63)
- Kalindee Rahee JV (Sale of Services)	-- (--)	-- (--)	-- (--)		-- (--)		838.86 (673.94)
- Kalindee Rahee JV (Expense Incurred on behalf of JV)	-- (--)	-- (--)	-- (--)	168.66 (4.77)	-- (--)	168.66 (4.77)	-- (--)
- Kalindee Rahee JV (Payments made on behalf of JV)	-- (--)	-- (--)	-- (--)	8.15 (177.32)	-- (--)	8.15 (177.32)	-- (--)
- Kalindee URC JV (Sale of Goods)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	1057.32 (4060.58)	1346.66 (1440.56)
- Kalindee VNC JV (Sale of Goods)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (1118.83)	-- (867.47)
- Kalindee VNC JV (Expense Incurred on behalf of JV)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	1571.82 (--)	617.32 (--)
- Kalindee VNC JV (Payments made on behalf of JV)	-- (--)	-- (--)	-- (--)	1426.46 (636.95)	-- (--)	1426.46 (636.95)	-- (--)
- GMR TPL Kalindee (Sale of Goods)	-- (--)	-- (--)	-- (--)	6381.69 (2499.46)	-- (--)	6381.69 (2499.46)	1346.66 (1387.54)

Note: Figures in brackets are for previous financial year.

Due to inadequate profit during the year 2015-16, the minimum remuneration paid to Executive Directors as per the terms of their appointment, exceeded the limit prescribed under Section 198 of the Companies Act, 2013, for which grant of waiver from Central Government is under process. For the current year also due to inadequate profit it has exceeded the limit prescribed under the Act for payment of remuneration to the Executive Chairman for which necessary application to the Central Government shall be made, post approval from the shareholders in the ensuing Annual General Meeting.

Note 1.41 Employees Stock Option Scheme

The Company implemented Texmaco's Employees Stock Option Schemes 2014, as approved by the Shareholders of the Company at their meeting held on 4th September, 2014.

Information in respect of option granted under the company's Employee Stock Option Scheme are as follows :

(A) Employees Stock Option Scheme

(₹ in lakhs)

SLNo	Particulars	Employee Stock Option Scheme 2014
1	Date of shareholders approval	4th September, 2014
2	Total number of Option approved under the Schemes	18,20,000 Ordinary equity Shares of ₹1/- each.
3	Vesting Schedule	The vesting period for conversion of Option is as follows:
		- 25% of the Options at the end of one year from the date of grant.
		- 35% of the Options at the end of two year from the date of grant.
		- 40% of the Options at the end of three year from the date of grant.
4	Pricing Formula	The exercise price shall be average of the weekly high and low of the closing prices of the related equity shares, quoted on the stock exchange which records highest trading volume in the company Equity shares, during the twenty six week preceding the date of the meeting of the Board of Directors at which the scheme for granting the option would be approved subject to the approval of the shareholders, and discounted by such percentage , not exceeding 30% of the above
5	Maximum term of Option granted	4 years from the date of vesting
6	Source of shares	Primary
7	Variation in term of Options	None
8	Method used for accounting of share-based Payment plans	The employed compensation cost has been calculated using the Intrinsic value method of accounting for option issued under the company's Employee Stock Option Schemes.
		Had we considered the fair Value approach, the net Income would be lower by ₹180.51 lakhs
		Adjusted Profit: ₹1978.49 lakhs
		Standalone - Basic : ₹ 0.94 EPS - Diluted : ₹ 0.93
9	Nature and extend of employee share based payment plans that existed during the period including the general terms and Conditions of each plan.	Each Option entitles the holder thereof to apply for and be allotted Ordinary Shares of the Company of ₹1/- each upon payment of the exercise price.
		The exercise would commence from the date of vesting and will, expire on completion of the year from the respective date (s) of vesting of options. The options would be expressing by the employees by a written application accompanied by payment of the consideration amount to the company to exercise the option in such manners, and on executed of such documents, as may be prescribed by the ESOS Compensation Committee from time to time.
10	Weight average exercise prices and weighted average fair value of Options whose exercise price either exceeds or is less than the market price of the stock.	Weighted average exercise price per Option : ₹41/-
		Weighted average faire value per Option : ₹97/-

	Option movement during the year			
11	Options outstanding at the beginning of the year	16,00,250		
	Options granted during the year	2,66,375		
	Options cancelled and lapsed during the year	1,18,750		
	Options vested and exercisable during the year (net of option lapsed and exercised)	4,63,000		
	Options exercised during the year	2,18,875		
	Number of ordinary Shares of ₹1/- each arising as a result of exercise of options during the year	2,18,875		
	Options outstanding at the end of the year	15,29,000		
	Options exercisable at the end of the year	2,35,250		
	Money realised by exercise of the Options during the year (₹ in lakhs)	89,73,875		
12	Weighted average share price of shares arising upon exercise of options	The Options were exercised during the periods permitted under the Schemes, and weighted average share price of Shares arising upon exercise of options, based on the closing market price on NSE on the date of exercise of Options (i.e. the date of allotment of shares by the Stakeholders Relationship Committee) for the year ended March 31, 2016 was ₹142.39		
13	Summary of Options outstanding, scheme – wise:			
	Particulars	No. of Options Outstanding	Range of Exercise prices	Weighted Average remaining contractual life
	Texmaco Employee Stock Option Scheme (introduced in 2014)	16,00,250	₹41/-	25 month
14	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair value of option granted.	The fair value of each Option is estimated using the Black Scholes Option Pricing model.		
		Weighted average exercise price per Option : ₹41/-		
	The significant assumptions used to ascertain the above.	Weighted average faire value per Option : ₹97/-		
		The faire value of each option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis :		
		(i) Risk - free Interest rate 8.01%		
		(ii) Expected life 25 months		
		(iii) Expected volatility 26.39%		
		(iv) Expected dividends 10%		
		(v) The Price of underlying shares in market at the time of option grant ₹97/-		
15	Methodology for determination of expected volatility	The volatility used in the Black Scholes Option Pricing model is the annualized standard deviation of the continuously compounded rates of return of the stock over a period of the time. The period considered for the working is commensurate with the expected life of the option and is based on the daily volatility of the company's stock price on NSE. The Company has incorporated the early exercise of Options by calculating expected life on past exercise behavior. There are no market conditions attached to the grant and vest.		

Options Granted upto March 31, 2017

A. KMP and Senior Management Personnel

Sl No.	Name of Employees	Option Granted	Designation
1	Mr. Ramesh Maheshwari	1,00,000	Executive Vice Chairman
2	Mr. D. H. Kela	50,000	Executive Director & CEO (SF)
3	Mr. Sandeep Fuller	50,000	Executive Director & CEO (HED)
4	Mr. A.K. Vijay	50,000	Executive Director (Finance)
5	Mr. Varun Bharthuar	40,000	Chief Executive Corporate (Projects)
6	Mr. P. Guha	40,000	Sr. Vice President E & M (RS)
7	Mr. U. Banerjee	40,000	Sr. Vice President E & M (HME &Strls)
8	Mr. D.C. Mitra	22,500	Sr. Vice President (Infrastructure)
9	Mr. T.V. Nagaraju	22,500	COO (SF)
10	Mr. J.K. Jain	22,500	COO, KalindeeDivision
11	Mr. P. C. Kejriwal	16,875	CFO, Kalindee Division
12	Mr. Ravi Varma	8,438	Company Secretary
13	Others	11,08,562	-

Note 1.42 Earning per share – the numberator and denominator used to calculate basic/ diluted earning per share

(₹ in lakhs)

		2016-17	2015-16
Net Profit for the period from ordinary activities attributable to equity shareholders (Excluding Preference Share Dividend) - used as numerator.	₹ in Lakhs	3,357.30	2,720.46
Weighted average number of Equity share outstanding used as denominator for Basic earning per share.	Number	21,14,82,685	21,01,01,300
Weighted Average Number of Equity share on account of Employee Stock Option Scheme	Number	6,28,740	10,85,250
Weighted Average Number of Equity share used on denominator for Diluted Earning Per Share	Number	2,12,111,425	21,11,86,550
(A) Basic Earning per share (face value of ₹ 1/- each)	₹	1.59	1.29
(B) Diluted Earning per share (face value of ₹ 1/- each)	₹	1.58	1.29

Note 1.43 Interest in Joint Venture (JV)

Particulars of the Company's interest in Jointly Controlled Entity is as below:

	Percentage of ownership	Country of Incorporation
Touax Texmaco Railcar Leasing Pvt. Ltd	50%*	India
Wabtec Texmaco Rail Pvt. Ltd	40%	India

* Number of shares held by Texmaco Rail & Engineering Limited in Touax Texmaco Railcar Leasing Pvt. Ltd is 1,26,49,999 equity shares, whereas number of equity shares held by Touax Rail Limited is 1,26,50,001.

The company's share in assets, liabilities, income and expense in the above jointly controlled entities as at and for the year ended March 31, 2017 is as follows:

Name of Joint Venture	Company's share in				
	Assets	Liabilities	Income	Expenses	Profit/ (Loss) after Tax
Touax Texmaco Railcar Leasing Pvt. Ltd	5,044.34 (4,383.78)	1,811.89 (1,083.50)	502.83 (148.35)	271.49 (106.95)	184.17 (41.40)
Wabtec Texmaco Rail Pvt. Ltd	69.90 (253.08)	574.30 (177.36)	1,869.03 (88.44)	1,796.22 (100.88)	51.13 (12.44)

Note: Figures in bracket are of previous year figure

Notes on Financial Statement

Note 1.44 Employee Benefits Obligation:

The Company accounts for Gratuity, Leave and Provident Fund Liability at actuarial valuation at the end of the year i.e. March 31. Accordingly these Liabilities have been computed by the actuary as at March 31, 2017.

Employee Benefits

Defined benefits Plans – As per Actuarial valuation as on March 31, 2017

(₹ in lakhs)

		Funded Gratuity	Funded Gratuity	Unfunded Leave	Unfunded Leave
		2016-17	2015-16	2016-17	2015-16
I	Change of Benefit Organisation				
	Liability at the beginning of the year	2,045.66	2,125.89	228.04	205.63
	Interest cost	157.27	164.85	17.62	15.95
	Current Service Cost	111.89	115.85	45.14	47.78
	Past Service Cost (Non Vested Funds)	-	-	-	-
	Past Service Cost (Vested Funds)	-	-	-	-
	Benefits Paid	(304.73)	(365.88)	(29.89)	(35.55)
	Actuarial (Gain)/Loss on obligation	(34.95)	4.95	(13.69)	(5.77)
	Curtailments and Settlements	-	-	-	-
	Plan Amendment	-	-	-	-
	Liability at the end of the year	1,975.14	2,045.66	247.22	228.04
II	Fair Value of Plan Assets				
	Fair value of Plan Assets at the beginning of the year	2,170.99	2,309.49	-	-
	Expected Return on Plan Assets	166.51	206.92	-	-
	Contributions	118.67	55.99	21.89	29.01
	Benefit Paid	(304.73)	(365.88)	(21.89)	(29.01)
	Actuarial Gain/(Loss) on Plan Assets	0.25	(35.53)	-	-
	Fair Value of Plan Assets at the end of the year	2,151.69	2,170.99	-	-
	Total Actuarial (Gain)/Loss to be Recognised	(35.20)	40.48	-	-
III	Actual Return on Plan Assets				
	Expected Return on Plan Assets	(166.51)	(206.92)	-	-
	Actuarial Gain/(Loss) on Plan Assets	0.25	(35.53)	-	-
	Actual Return on Plan Assets	(166.76)	(171.39)	-	-
IV	Amount Recognised in the Balance Sheet				
	Liability at the end of the year	202.97	171.30	247.22	228.04
	Fair Value of Plan Assets at the end of the year	45.40	65.72		
	Difference	157.57	105.58	247.22	228.04
	Unrecognised Past Service Cost	-	-	-	-
	Amount Recognised in the Balance Sheet	157.57	105.58	247.22	228.04
V	Expenses Recognised in the Income Statement				
	Current Service Cost	27.40	25.37	45.14	47.78
	Interest Cost	-	-	17.62	15.95
	Expected Return on Plan Assets	8.44	5.81		
	Net Actuarial (Gain)/Loss to be Recognised	-	-	(13.69)	(5.77)
	Past Service Cost/(Non Vested Benefit) Recognised	-	-	-	-
	Past Service Cost/(Vested Benefit) Recognised	-	-	-	-
	Effect of Curtailment or settlement	-	-	-	-
	Curtailments and Settlements	-	-	-	-
	Expenses Recognized in the Profit and Loss Account	35.84	31.18	49.08	57.96
VI	Balance Sheet Reconciliation				
	Opening Net Liability	202.97	171.30	228.04	205.63
	Expense as above	35.84	31.18	49.08	57.96
	Employers Contribution	(57.73)	(79.01)	-	-
	Effect of Curtailment or settlement				
	Benefits paid	(23.51)	(17.89)	(29.89)	(35.55)
	Amount Recognised in the Balance Sheet	157.57	105.58	247.22	228.04
VII	Actuarial Assumption				
	Discount Rate Current	7.37%	7.83%	7.37%	7.83%
	Rate of Return on Plan Assets	-	-	-	-
	Salary Escalation Current	5.00%	5.00%	5.00%	5.00%

Note: Gratuity for Kalindee Division is unfunded

Note 1.45 Amount remitted during the year on account of dividend (as certified by the management): (₹ in lakhs)

	2016-17	2015-16
Number of Non-resident Shareholders	17	17
Number of Equity Shares held	14,840	14,840
Dividend remitted (₹ in Lakhs)	0.04	0.04
Year of Dividend paid	2015-16	2014-15

Note 1.46 Value of raw materials and stores consumed (including components and spare parts) services etc.:

	2016-17	%	2015-16	%
Imported	13,411.48	14.33%	25,287.34	24.61%
Indigenous	80,202.71	86.67%	77,469.65	75.39%
Total (1.46)	**93,614.19**	**100.00**	**1,02,756.99**	**100.00**

Note 1.47 Value of imports on C.I.F. Basis:

	2016-17	2015-16
Raw Materials	310.05	-
Components, Spare Parts and Stores	3,826.63	11,670.53
Capital Goods	562.56	8.21
Total (1.47)	**4,699.24**	**11,678.74**

Note 1.48 Analysis of Raw Material Consumed

M.S. & C.I. Scrap	3,707.75	4,801.71
Plates & Sheets	6,181.80	14,460.45
Rounds, Bars and Flats	92.25	123.66
Structural	1,065.21	2,506.52
Total (1.48)	**11,047.01**	**21,992.34**

Note 1.49 Consumption of raw materials, components, stores and spares parts includes profit/loss on sale thereof and exchange difference arising on Foreign Currency transactions on account of import of Raw Materials/Stores and has been accounted under respective Revenue heads.

Note 1.50 Escalation, insurance claims and other claims have been accounted for on accrual basis based on latest data available with the Company and where the realization of the amount is reasonably certain.

Note 1.51 Expenditure in Foreign Currency:

R & D Expenses	7.62	15.91
Travelling and Others	95.08	72.80
Books & Periodicals	0.25	-
Fees & Subscription	7.36	9.40
General Charges (Charity & Donation, AAR Audit Fee)	2.57	-
Total (1.51)	**112.88**	**98.11**

Note 1.52 Income in Foreign Exchange:

Export of Goods (F.O.B.)	5,024.48	4,879.92

Note 1.53 Details of Inventory of Work in Progress

(₹ in lakhs)

	2016-17	2015-16
Work-in- Process		
- Heavy Engineering Division	5,014.47	7,181.02
- Steel Foundry Division	3,177.49	3,559.02
- Rail EPC	3,346.34	1,533.88
Total (1.53)	11,538.30	12,273.92

Note 1.54 As a part of company's risk management policy, the financial risks mainly relating to changes in the exchange rates are hedged by using a combination of forward contracts, besides the natural hedges.

(₹ in lakhs)

		2016-17	2015-16
(a)	Un-hedged foreign currency exposure as at March 31, 2017 - Payables. Euro: 3,55,557 & USD: 1,05,528 (Previous Year: Euro: 8,15,311 & USD: 1,71,31,784)	292.81	11,436.32
(b)	Un-hedged foreign currency exposure as at March 31, 2017 - Receivable. AUD:5,25,005, USD: 16,33,937, Euro: 11,45,405 and NRS: 55,87,734 (Previous Year: AUD: 9,57,977, USD: 13,81,416, Euro: 21,87,802 and NRS: 47,82,516)	2,148.91	3,081.33

Note 1.55 Details of Income/expenses disclosed on net basis

1	Freight, Packing and Transport		
	Paid	899.28	938.39
	Received	512.98	617.37
	Net	386.30	321.02
2	Profit on sale of Property, Plant and Equipments		
	Profit	5.05	25.64
	Loss	31.54	3.69
	Net	26.49	21.95
3	Profit on sale of current investment		
	Mutual Funds & Others		
	Profit	1806.08	1821.56
	Loss	-	-
	Net	1806.08	1821.56

Note 1.56 Disclosure pursuant to Ind AS 11 construction accounting

(1)	Contract revenue recognised for the year	43,500.97	32,186.55
(2)	Aggregate amount of cost incurred and recognised profits (less recognised losses) up to the balance sheet date for all contract in progress as at that date.	1,05,938.02	62,405.00
(3)	Amount of customer advances outstanding for contracts in progress as at Balance Sheet date	11,336.36	3,180.22
(4)	Retention amount due from customers for contracts in progress	8,249.07	9,323.29
(5)	Goss amount due from customers for contract work	13,301.12	6,644.11
(6)	Gross amount due to customer for contract work	368.44	533.26

Note 1.57 Disclosure pursuant to Ind AS 111 construction accounting

Name of Joint venture	Description of Interest/ (Description of Job)	Country of Residence
Kalindee Kartik JV	Jointly controlled operations (civil work and signaling at Sini Jharkhand, SE Railway) - 80%	India
Kalindee Kapoor Railcon JV	(i) Jointly controlled operations (civil work and signaling at Rani Keshwaganj, Rajasthan and Lucknow Pilibhit, Uttar Pradesh) - 71% (ii) Jointly controlled operations (civil work and signaling at Lucknow Pilibhit, Uttar Pradesh) - 71% (iii) ointly controlled operations (civil work and signaling at Palanpur - Sarotra, Uttar Pradesh) - 70%	India
Kalindee IL & FS JV	Jointly controlled operations (civil work and signaling at Sholapur division of Central Railway in the state of Maharashtra, India) - 40%	India
Kalindee Rahee JV	Jointly controlled operations (civil work and signaling at Kolkata Metro division of KMRC in the state of Kolkata, India) - 70%	India
Kalindee Cobra JV	Jointly controlled operations (civil work and signaling at Bina Kota division of RVNL in the state of Rajasthan, India) - 78%	India
GMR-TPL-Kalindee JV	(i) Jointly controlled operations (civil work and signaling of RVNL projects in the state of Uttar Pradesh) - 29% (ii) Jointly controlled operations (civil work and signaling of RVNL projects in the state of Telengana) - 35.48%	India
Kalindee VNC JV	Jointly controlled operations (civil work and track work of Banglore Metro & Delhi Metro in the state of Bangaluru and Delhi, India respectively) - 50%	India
Kalindee URC JV	Jointly controlled operations (civil work and signaling of RVNL Project in the state of Tamilnadu, India) - 50%	India
Bright - Kalindee JV	Jointly controlled operations (OHE & signaling work of RVNL Project in the state of Andhra Pradesh, India) - 30%	India
Tata projects – Kalindee JV	Jointly controlled operations (civil, signaling and electrification work of RVNL Project in the state of Assam, India) - 10%	India

Note 1.58 Lease

Operating leases as lessee (₹ in lakhs)

	2016-17	2015-16
The Company has taken Guest Houses under operating leases.		
Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follows		
Within one year	68.75	32.57
Later than one year and not later than five years	80.20	-
Total (1.58)	**148.95**	**32.57**

Note 1.59 Financial Risk Management Objectives and policies-

The Company's activities expose it to Credit Risk, Liquidity Risk, Market Risk, and Equity Price Risk.

This note explains the source of risk which the Company is exposed to and how the Company manages the risk and the impact. The management of the company ensures that risks are identified, measured and mitigated in accordance with the Risk Management Policy of the company. The Board provides guiding principles on risk management and also review these risks and related risk management policies which are given as under.

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The company's financial assets include trade and other receivables, cash and cash equivalents, investments including investments in subsidiaries, loans & advances and deposits

A. **Credit Risk-** A risk that counterparty may not meet its obligations under a financial instrument or customer contract, leading to a financial loss is defined as Credit Risk. The Company is exposed to credit risk from its operating and financial activities.

   Customer credit risk is managed by the respective marketing department subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company reviews the creditworthiness of these customers on an on-going basis. The Company estimates the expected credit loss on the basis of past data, experience and policy laid down in this respect. The maximum exposure to the credit risk at the reporting date is the carrying value of the trade receivables disclosed in Note 1.11 as the Company does not hold any collateral as security. The Company has a practice to provide for doubtful debts as per its approved policy.

B. **Liquidity Risk-** A risk that the Company may not be able to settle or meet its obligations at a reasonable price is defined as liquidity risks. The Company's treasury department is responsible for managing liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

   The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, Term loans among others.

C. **Market Risk-** A risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices is defined as Marketing Risk. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

   (i) **Foreign Currency Risk-** A risk that the fair value or future value of the cash flows of an forex exposure will fluctuate because of changes in foreign exchange rates is defined as Foreign Currency Risk. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export, import and foreign currency loan/ derivatives operating activities. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure. The management monitors the foreign exchange fluctuations on a continuous basis.

   (ii) **Foreign currency sensitivity-** The following table demonstrates the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies are not material.

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Foreign Currency (Payable) / Receivable (net)- EURO	547.65	1,035.16
Foreign Currency (Payable) / Receivable (net)- USD	991.25	(10,435.01)
EURO/INR- Increase by 10%	54.77	-
EURO/INR- Decrease by 10%	(54.77)	-
USD/INR- Increase by 10%	99.13	-
USD/INR- Decrease by 10%	(99.13)	-

D. **Equity Price Risk-** A risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or by factors affecting all similar financial instruments traded in the market is defined as Equity Price Risk.

The Company generally invests in the equity shares of the Subsidiaries, Associates, Joint Ventures and some of the group companies as part of the Company's overall business strategy and policy. The Company manages the equity price risk through placing limits on individual and total equity investment in each of the subsidiaries and group companies based on the respective business plan of each of the companies. The Company's investment in quoted equity instruments (other than above) is not material. For sensitivity analysis of Company's investments in equity instruments, refer Note No. 1.61 (Fair Value)

Note 1.60 Capital Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

Note 1.61 Fair Value

Carrying amounts and fair values Fair Value through Profit & Loss (FVTPL) of financial instruments, including their levels in the fair value hierarchy as mentioned in Note No. C(v) has been mentioned in Note No 1.03 and Note No 1.10. All the investments which have been fair valued are classified under Level - 1.

Note 1.62 Tax Expense (₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
a) Tax Expense		
Current Tax		
- Current tax on profits for the year	1,085.00	515.36
- Adjustments for current tax of prior periods	84.73	-
- Total current tax expense	1,169.73	515.36
Deferred Tax		
- Decrease/(increase) in deferred tax assets	366.47	176.00
- (Decrease/increase in deferred tax liabilities	(151.04)	146.89
- Total deferred tax expenses/(benefit)	215.43	322.89
MAT Credit entitlement	(541.00)	(144.44)
Tax Expense	844.16	693.81
b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate		
Profit before tax	4,201.46	3,414.27
Tax at the Indian tax rate of 34.608% (previous year - 34.608%)	1,454.04	1,181.61
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Corporate social responsibility expenditure	8.17	10.96
- Disallowance of estimated expenditure to earn tax exempt income	10.59	26.02
- Others	220.47	294.09
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income		
- Weighted deduction on R&D expenses	(20.38)	(11.85)
- Income from Investment	(527.05)	(859.55)
- Income from rented property	(13.61)	(36.52)
- Others	(47.23)	(89.42)
Tax effect of other adjustment		
- Income tax for earlier years	84.73	-
- MAT Credit/carry forward losses and other adjustment	(325.57)	178.45
Tax Expense (1.62)	844.16	693.81

Note 1.63 Information abount segment working is given below (₹ in lakhs)

	2016-17				2015-16			
	Heavy Engg. Division	Steel Foundry	EPC	Total	Heavy Engg. Division	Steel Foundry	Rail EPC	Total
	1	2	3	4 (1+2+3)	1	2	3	4 (1+2+3)
Revenue (Net of Excise Duty and Cess)								
External Sales	62,548.14	9,950.90	45,605.99	1,18,105.03	66,013.57	6,437.42	40,291.25	1,12,742.24
Internal-Segment Sales	778.10	9,530.60	-	10,308.70	651.03	13,179.41	-	13,830.44
Other Operating Revenue	498.63	100.52	73.60	672.75	293.99	55.70	-	349.69
Total Revenue	**63,824.87**	**19,582.02**	**45,679.59**	**1,29,086.48**	**66,958.59**	**19,672.53**	**40,291.25**	**1,26,922.37**
Result								
Segment Result	1,895.43	944.21	3,583.34	6,422.98	1,983.08	989.97	3,105.33	6,078.38
Unallocated Corporate Expenses				-				-
Operating Profit/(Loss)				6,422.98				6,078.38
Interest Expense				(3,518.07)				(3,490.55)
Interest Income				1,296.55				826.44
Total Profit/(Loss) before Tax				**4,201.46**				**3,414.27**
Provision for Current Tax				(544.00)				(370.92)
Provision for Deferred Tax				(215.43)				(322.89)
Income Tax for Earliear Year				(84.73)				-
Profit/(Loss) from ordinary activities				3,357.30				2,720.46
Extra ordinary items				-				-
Net Profit/(Loss)				3,357.30				2,720.46
Other Information								
Segment assets	70,962.12	17,049.84	44,073.48	1,32,085.44	62,960.00	15,998.65	53,154.14	1,32,112.79
Unallocated Corporate assets				50,216.76				54,360.48
Total assets				**1,82,302.20**				**1,86,473.27**
Segment liabilities	27,801.91	6,265.72	43,711.04	77,778.67	42,541.25	6,216.03	36,817.83	85,575.11
Unallocated corporate liabilities				-				-
Total Liabilities				**77,748.67**				**85,575.11**
Capital expenditure	1,892.61	488.71	783.43	3,164.75	1,412.34	689.17	96.11	2,197.62
Depreciation	823.12	542.09	250.69	1,615.90	872.56	437.78	144.40	1,454.74
Non-cash expenses other than depreciation				0.14				221.52

Note : The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

Notes on Financial Statement

Note 1.64 Particulars in Respect of Goods Manufactured (₹ in lakhs)

Class of Goods	Sales		Opening Stock	Closing Stock
Wagons	**2016-17**	**54,276.10**	**5,627.18**	-
	2015-16	62,661.37	-	5,627.18
Rail EPC	**2016-17**	**45,605.99**	-	-
	2015-16	37,226.97	-	-
Structurals	**2016-17**	**2,159.80**	**27.02**	
	2015-16	2,826.24	1,780.67	27.02
Bridges	**2016-17**	**5,638.24**	**682.05**	**23.00**
	2015-16	3,292.92		682.05
Water Tube Boilers and Package Boilers	**2016-17**	**-**	-	-
	2015-16	-	-	-
Pressure Vessels,Heat Exchangers and Chemicals Machineries	**2016-17**	**-**	-	-
	2015-16	-	-	-
Site Fabrication and Erection	**2016-17**	**253.31**	-	-
	2015-16	743.63	-	-
Steel Castings & Ingots	**2016-17**	**20,383.39**	-	-
	2015-16	21,633.75	-	-
Power Tiller/Reaper	**2016-17**	**-**	**9.55**	**7.41**
	2015-16	192.82	66.92	9.55
Ring Frames,Doublers and Worsted Ring Frames	**2016-17**	**-**	**0.61**	**0.61**
	2015-16	-	0.61	0.61
Speed Frames	**2016-17**	**-**	**0.39**	**0.39**
	2015-16	-	0.39	0.39
Others	**2016-17**	**769.65**	**-**	**-**
	2015-16	358.34	-	-
GROSS TOTAL	**2016-17**	**1,29,086.48**	**6,347.43**	**31.41**
	2015-16	1,28,936.04	3,542.02	6,347.43
Inter Segment	**2016-17**	**10,308.70**	**-**	**-**
	2015-16	13,830.44	-	-
NET TOTAL (1.64)	**2016-17**	**1,18,777.78**	**6,347.43**	**31.41**
	2015-16	1,13,091.93	3,542.02	6,347.43

Note 1.65 **Details of Specified Bank Notes (SBN) held and transacted during the period from 08.11.2016 to 30.12.2016.**

(₹ in lakhs)

Particulars	SBNs	Other Denomination notes	Total
Closing cash on hand as on 08.11.2016	33.02	1.48	34.50
Add:- i) Permitted Receipts (Banks)	--	24.46	24.46
ii) Permitted Receipts (Others)	--	1.01	1.01
Less:- Permitted Payments	--	21.56	21.56
Less:- Amount deposited in Banks	33.02	--	33.02
Closing cash on hand as on 30.12.2016	--	5.39	5.39

1.66 Previous year figure have been regrouped/rearranged/restated/recast wherever necessary to confirm this year classification.

1.67 Figures below ₹500/- have been omitted for rounding off, ₹500/- and above have been rounded off to the next ₹1000/-

In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Notes on Financial Statement

Note 1.68 Statement of Changes in Equity for the Year Ended 31st March, 2017

	Amount (₹ in lakhs)
Equity Share Capital as at April 1, 2015	2,100.64
Add: ESOP issued during 2015-16	2.20
Add: Share Capital Suspense Account (Refer Note below)	90.11
Equity Share Capital as at March 31, 2016	2,192.95
Add: ESOP issued during 2016-17	2.19
Add:Equity Shares issued on account of acquisition of Kalindee Rail Nirman (Engineers) Limited	89.12
Less: Share Capital Suspense Account (Refer Note below)	(90.11)
Equity Share Capital as at March 31, 2017	**2,194.15**

Note: This represent the shares to be issued to the share holders of Kalindee Rail Nirman (Engineers) Limited, amalgamated with the Company as per details given in note no 1.17(iv).

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Securities Premium account	General Reserve	Retained Earnings	Share Option Outstanding Account	Equity instruments/ remeasurement of defined benefits plan through OCI	Exchange differences on translating the financial statements of a foreign operation	
Balance at the beginning of the reporting period (April 1, 2015) Restated	11,363.40	29,192.57	45,606.76	9,687.75	176.69	124 .11	53.55	96,204.83
Re-measurement as per IND AS								-
Cancellation of Eq. Shares of earlier subsidiary	(134.53)							(134.53)
On issue of Employee Stock Option Scheme		301 .05			414 .49			715.54
Income for the year				2,720.46				2,720 .46
Dividend & Dividend Tax				(632.07)				(632.07)
Transfer to/from retained earnings			500.00	(500.00)				-
Total Comprehensive Income for the year						(232.90)	61.87	(171.13)
Deferred Tax						2 .01		2 .01
Balance at the end of the reporting period (March 31, 2016)	**11,228.87**	**29,493.62**	**46,106.76**	**11,276.14**	**591.18**	**(106.78)**	**115.42**	**98,705.21**
Restated balance at the beginning of the reporting period	**11,228.87**	**29,493.62**	**46,106.76**	**11,276.14**	**591.18**	**(106.78)**	**115.42**	**98,705.21**
Re-measurement as per IND AS								-
Cancellation of Eq. Shares of earlier subsidiary	(104.43)							(104.43)
On issue of Employee Stock Option Scheme		477.88						477.88
Income for the year				3,357.30				3,357.30
Transfer to / from Retained Earnings			500.00	(500.00)				-
Dividend & Dividend Tax				(632.73)				(632.73)
Total Comprehensive Income for the year						535.49	(9.34)	525.66
Deferred Tax								-
Balance at the end of the reporting period (March 31, 2017)	**11,124.44**	**29,971.50**	**46,606.76**	**13,500.71**	**591.18**	**428.71**	**106.08**	**1,02,329.38**

In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Notes on Financial Statement

Note 1.69 Reconciliation of Equity as previously reported under IGAAP to Ind AS under Ind AS 101

(₹ in lakhs)

Sl. No.	Particulars	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effect of Transaction to Ind AS	Ind AS	IGAAP	Effect of Transaction to Ind AS	Ind AS
	ASSETS :						
(1)	Non-current Assets						
(a)	Property, Plant & Equipment	21,963.05	23.45	21,986.50	22,636.49	(84.30)	22,552.19
(b)	Capital work-in-progress	482.01	(110.95)	371.06	393.90	(1.31)	392.59
(c)	Investment Property	-	166.76	166.76	0.00	87.50	87.50
(d)	Goodwill	-	-	-	-	-	-
(e)	Other Intangible Assets	189.15	(79.26)	109.89	254.85	-	254.85
(f)	Financial Assets	-	-	-	-	-	-
	(i) Investments	9,631.26	235.94	9,867.20	15,873.01	6.05	15,879.06
	(ii) Trade Receivables	-	-	-	-	-	-
	(iii) Loans	93.45	-	93.45	92.41	-	92.41
	(iv) Bank Balance	824.06	-	824.06	601.12		601.12
	(v) Others (to be specified)	60.45	-	60.45	60.29	-	60.29
(g)	Deferred Tax Assets (Net)	1,803.75	1,649.49	3,453.24	1,689.78	1,585.01	3,274.79
(h)	Other Non current Assets	2,087.09	3.52	2,083.57	2,232.01	-	2,232.01
		37,134.27	**1,881.91**	**39,016.18**	**43,833.86**	**1,592.95**	**45,426.81**
(2)	Current Assets						
(a)	Inventories	26,768.49	2,792.05	29,560.54	29,017.31	5,098.82	34,116.13
(b)	Financial Assets		-	-		-	-
	(i) Investments	46,564.73	3,952.90	50,517.63	33,385.66	5,095.76	38,481.42
	(ii) Trade receivables	38,703.66	(6,142.73)	32,560.93	49,459.12	(8,242.05)	41,217.07
	(iii) Cash & cash equivalents	1,143.17	-	1,143.17	2,110.10	-	2,110.10
	(iv) Bank balances other than (iii) above	6,483.06	-	6,483.06	3,531.41	-	3,531.41
	(v) Loans	719.52	(275.00)	444.52	4,841.38	(275.00)	4,566.38
	(vi) Others (to be specified)	-	-	-	-	-	-
(c)	Current Tax Assets (Net)	1,224.54	-	1,224.54	219.00	-	219.00
(d)	Other current Assets	10,418.85	(400.00)	10,018.85	17,349.39	(544.44)	16,804.95
		1,32,026.02	**(72.78)**	**1,31,953.24**	**1,39,913.37**	**1,133.09**	**1,41,046.46**
	Total Assets	**1,69,160.29**	**1,809.13**	**1,70,969.42**	**1,83,747.23**	**2,726.04**	**1,86,473.27**
	EQUITY AND LIABILITIES:						
(1)	Equity						
(a)	Equity Share capital	2,192.94	-	2,192.94	2,192.95	-	2,192.95
(b)	Other Equity	93,739.18	2,465.65	96,204.83	95,442.32	3,262.89	98,705.21
		95,932.12	**2,465.65**	**98,397.77**	**97,635.27**	**3,262.89**	**1,00,898.16**
	Liabilities		-	-			-
(2)	Non-current Liabilities :		-	-			-
(a)	Financial Liabilities		-	-			-
	(i) Borrowings	1,470.72	(4.98)	1,465.74	717.47	(1.81)	715.66
(b)	Provisions	331.56	(15.02)	316.54	545.63	(33.00)	512.63
(c)	Other non current liabilities	-	-	-	2,277.01	-	2,277.01
		1,802.28	**(20.00)**	**1,782.28**	**3,540.11**	**(34.81)**	**3,505.30**
(3)	Current Liabilities						
(a)	Financial Liabilities						
	(i) Borrowings	26,913.06	-	26,913.06	32,021.20	133.84	32,155.04
	(ii) Trade Payables	24,948.14	-	24,948.14	33,023.89	-	33,023.89
	(iii) Other financial liabilities	3,261.97	(4.45)	3,257.52	4,210.05	(3.17)	4,206.88
(b)	Other current liabilities	15,213.15	-	15,213.15	12,052.75	-	12,052.75
(c)	Provisions	1,089.57	(632.07)	457.50	1,263.98	(632.73)	631.25
(d)	Current Tax Liabilities (net)	-	-	-		-	-
		71,425.89	**(636.52)**	**70,789.37**	**82,571.87**	**(502.06)**	**82,069.81**
	Total Equity and Liabilities	**1,69,160.29**	**1,809.13**	**1,70,969.42**	**1,83,747.25**	**2,726.02**	**1,86,473.27**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
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Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Notes on Financial Statement

Note 1.70 **Reconciliation Statement of Total Comprehensive Income as previously reported under IGAAP to Ind AS under Ind AS 101 Year ended March 31, 2016**

(₹ in lakhs)

Sl. No.	Particulars	IGAAP Total	Ind AS Adjustment Total	Ind AS Total
I	Revenue From operations	1,15,455.29	(2,363.36)	1,13,091.93
II	Other Income	3,285.77	1,206.81	4,492.58
III	Total Income (I +II)	118741.06	(1,156.55)	117584.51
IV	EXPENSES			
	Cost of materials consumed	82,687.96	-	82,687.96
	Increase/ (Decrease) in inventories	(1,344.67)	(2,306.77)	(3,651.44)
	Excise Duty	5,427.64	-	5,427.64
	Employee benefit expense	7,260.42	482.21	7,742.63
	Finance costs	4,684.35	14.30	4,698.65
	Depreciation and amortization expense	1,454.74	-	1,454.74
	Other expenses	15,837.88	(27.82)	15,810.06
	Total expenses (IV)	1,16,008.32	(1,838.08)	1,14,170.24
V	Profit(loss) before tax	2,732.74	681.53	3,414.27
VI	Tax Expenses			
	1) Current Tax	515.36	-	515.36
	2) MAT Credit	(144.44)	-	(144.44)
	3) Deferred Tax	115.48	207.41	322.89
VII	Profit(loss) for the period for the year	2,246.34	474.12	2,720.46
VIII	Other comprehensive income		(169.02)	(169.02)
	(i) Items that will not be reclassified to profit and loss		(230.89)	(230.89)
	(ii) Items that will be reclassified to profit and loss		61.87	61.87
IX	Total Comprehensive Income for the year	2,246.34	305.10	2,551.44

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Note 1.71 Impact of Ind AS adoption on the Statement of Cash Flows for the year ended March 31, 2016

There are no material adjustments of transition to the Statement of Cash flows to conform to Ind AS presentation for the year ended March 31, 2016.

In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
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Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Note 1.72 Notes on Reconciliation

(i) **Investment property :**

Under the previous GAAP, investment properties were presented as part of Property, Plant and Equipments. Under Ind AS, investment properties are required to be separately presented on the face of the Balance Sheet. There is no impact on the total equity or profit as a result of this adjustment.

(ii) **Property, Plant and Equipment:**

Assets are carried at deemed cost under Ind AS.

(iii) **Investments**

(a) Non-Current Investment- Non- Current Investment in equities (other than associate & subsidiaries) has been shown at fair value and gain/loss thereon has been routed through Other Comprehensive Income (OCI).

(b) Current Investment- The Company has designated investments other than Investments in Subsidiary, Joint Arrangements, and Associates at Fair Value through Profit and Loss (FVTPL). Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of investment and IGAAP carrying amount has been recognized in Retained Earnings.

(iv) **Borrowings:**

As per Ind AS 109, the Company has classified Foreign Currency Loans as financial liabilities to be measured at amortised cost. The Company has executed derivative contracts to hedge foreign currency risk of borrowings. The borrowings have been restated as at the date of transition.

(v) **Deferred Tax:**

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognisation of deferred tax on new temporary differences which was not required under IGAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

As per Ind AS 12, the Company has considered MAT entitlement credit as deferred tax asset being unused tax credit entitlement.

(vi) **Proposed Dividend and Tax thereon:**

Under the previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and tax thereon, included under provisions has been reversed with corresponding adjustment to retained earnings.

(vii) **Revenue from Operation:**

Under previous GAAP, the Company used to account for its gross sale on the basis of dispatches made from its factory. Under Ind AS, the same is accounted for on transfer of all risk, reward and ownership to the customer. The corresponding impact of above transaction has been given under Inventory.

(viii) **Excise Duty:**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. There is no impact on the total equity and profit.

Note 1.72 Notes on Reconciliation (contd.)

(ix) Re-measurements of Post-Employment Benefits Obligations:

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity.

(x) Other Comprehensive Income:

Under Ind AS, all items of income and expense recognized in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes re-measurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments etc. The concept of other comprehensive income did not exist under previous GAAP.

(xi) Share Based Payment:

Under the previous GAAP, the costs of equity-settled employee share-based plan were recognized using intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognized based on the fair value of the options as at the grant date. There is no impact on total equity.

Statement containing salient features of the financial statement of subsidiary as at 31.03.2017

Part "A": Subsidiaries

(₹ in lakhs)

Sl No.	Name of Subsidiary Company	Texmaco Hi Tech Private Limited	Bright Power Projects (India) Private Limited	Belur Engineering Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
3	Share Capital	8,345.00	130.00	10.00
4	Reserves & Surplus	(569.27)	4,446.65	(2.29)
5	Total Assets	10,489.11	17,416.41	266.92
6	Total Liabilities	2,713.38	12,839.76	259.21
7	Investments	-	-	-
8	Turnover	782.30	17,752.57	-
9	Profit/(Loss) before Taxation	(1,088.56)	1,071.70	-
10	Provision for Taxation	-	386.23	-
11	Profit/(Loss) after Taxation	(1,088.56)	685.47	-
12	Proposed Dividend	NIL	NIL	NIL
13	% of shareholding	100%	55%	100%

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

Part "B": Associates and Joint Ventures

(₹ in lakhs)

Sl No.	Name of Associates/ Joint Ventures	Touax Texmaco Railcar Leasing Private Limited (Joint Venture)	Wabtec Texmaco Rail Private Limited (Joint Venture)
1.	Latest audited Balance Sheet Date	31st. March' 2017	31st. March' 2017
2.	Shares of Associate/ Joint Ventures held by the company on the year end		
	Numbers	1,26,49,999	881700
	Amount of Investment in Joint Venture	1264.99	88.16
	Extent of Holding (in %)	50%	40%
3.	Description of how there is significant influence	Holding more than 20%	Holding more than 20%
4.	Reason why the Joint Venture is not consolidated	N.A.	N.A.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	2349.32	313.80
6.	Profit / Loss for the year	368.37	127.83
	i. Considered in Consolidation	184.19	51.13
	ii. Not Considered in Consolidation	N.A.	N.A.

1. Names of associates or joint ventures which are yet to commence operations. NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year NIL

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the members of

TEXMACO RAIL & ENGINEERING LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of TEXMACO RAIL & ENGINEERING LIMITED(hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled entities comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including other Comprehensive Income),the Consolidated Cash Flow Statement and the consolidated Statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 including other Comprehensive Income, consolidated cash flows and consolidated changes in equity 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 issued thereunder. The respective Board of Directors of the companies included in the Group and its 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 there under.

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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS 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 Ind AS financial statements.

We believe that the audit evidence obtained by us in respect of the group, and the audit evidence obtained by the other auditors in terms of their report referred to in other matters paragraphs below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 Including the Ind AS, consolidated financial position of the Group and its jointly controlled entities as at March 31, 2017, and their consolidated financial performance including other comprehensive Income, it's consolidated cash flows and the consolidated changes in equity for the year then ended.

Other Matters

(a) We did not audit the financial statements of one subsidiary included in the consolidated financial results, whose financial statements reflect total assets of ₹17416.41 Lakhs as at March 31, 2017, total revenues of ₹17925.99 Lakhs, Total Net Profit after tax of ₹685.47 Lakhs and total comprehensive Profit of ₹664.38 Lakhs for the year ended on that date as considered in the financial results. The consolidated financial result also includes the Group share of Net Profit of ₹235.32 Lakhs and total comprehensive income of (₹1.34) Lakhs for the year ended March 31, 2017 as considered in the consolidated financial results in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on these consolidated financial results, in so far as it relates to the amount and disclosures included in respect of this subsidiary and joint ventures is based solely on the reports of other auditor.

(b) Our opinion on the consolidated financial statements, and our report on other legal and Regulatory requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 Ind AS financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss,The Consolidated Cash Flow Statement and Consolidated Statement of Changes In Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Relevant rules issued thereunder.

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

   (f) With respect to the adequacy of the internal financial control over financial reporting and the operating effectiveness of such control, refer to our Report in Annexure 'A' which is based on the auditor's reports of the Holding Company, subsidiary companies and its jointly controlled entities, incorporated in India.

   (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its jointly controlled entities in accordance with the generally accepted accounting practice - also refer Note 1.37 to the consolidated Ind AS financial statements.

ii. The Group, its jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and jointly controlled entities, incorporated in India.

iv. The company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on Audit procedures and relying on the management representation, we report that these are in accordance with the books of account maintained by the Company. Refer note 1.62 to the consolidated Ind AS financial statements.

For **K.N. GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.304153E

P.K.GUTGUTIA
Partner
Membership No. 6994

Date : 22nd May, 2017
Place : Kolkata

ANNEXURE - A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 (f) of the Independent Auditor's Report of even date to the members of Texmaco Rail & Engineering Limited of the Consolidated Ind AS financial statements for the year ended 31st March 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of TEXMACO RAIL & ENGINEERING LIMITED (herein after referred to as "The Holding Company"),its subsidiary companies & its jointly controlled companies as of March 31, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Director's of the Holding Company, its subsidiary companies & its jointly controlled companies which are company 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors of the subsidiary companies & its jointly controlled companies which are companies incorporated in India, in terms of their report referred to in 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of

financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies and two jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **K.N. GUTGUTIA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.304153E

P.K.GUTGUTIA
Partner
Membership No. 6994

Date : 22nd May, 2017
Place : Kolkata

Consolidated Balance Sheet as at 31st March, 2017

(₹ in lakhs)

Particulars		Note No	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
I	ASSETS :				
1	Non-current Assets				
	(a) Property, Plant & Equipment	1.01	36,607.56	32,635.14	21,986.50
	(b) Capital Work-in-Progress	1.01	163.84	392.59	371.06
	(c) Investment Property	1.02	87.50	109.58	166.76
	(d) Intangible Assets	1.01	276.43	265.86	109.89
	(e) Financial Assets				
	(i) Investments	1.03	5,180.68	4,647.07	8,123.29
	(ii) Loans	1.04	401.82	103.42	93.45
	(iii) Bank Balance	1.05	418.54	601.12	824.06
	(iv) Others	1.06	105.33	219.70	60.45
	(f) Deferred Tax Assets (Net)	1.07	3,592.52	3,257.64	3,438.57
	(g) Other Non Current Assets	1.08	1,035.94	3,119.09	2,098.24
			47,870.16	45,351.21	37,272.27
2	Current Assets				
	(a) Inventories	1.09	23,155.53	35,283.07	29,560.52
	(b) Financial Assets				
	(i) Investments	1.10	33,776.07	38,481.42	50,517.63
	(ii) Trade Receivables	1.11	54,842.59	47,981.19	32,560.94
	(iii) Cash & Cash Equivalents	1.12	1,294.79	2,190.97	1,143.17
	(iv) Bank Balances Other than (iii) above	1.13	3,833.77	4,523.00	6,483.06
	(v) Loans	1.14	786.76	4,073.38	444.52
	(d) Current Tax Assets (Net)	1.15	270.58	395.42	1,224.54
	(e) Other Current Assets	1.16	31,975.95	20,822.24	10,018.85
			1,49,936.04	1,53,750.69	1,31,953.23
	TOTAL ASSETS		1,97,806.20	1,99,101.90	1,69,225.50
II	EQUITY AND LIABILITIES:				
1	Equity				
	(a) Equity Share Capital	1.17	2,194.15	2,192.95	2,192.94
	(b) Other Equity	1.18	98,301.85	95,418.18	94,460.91
			1,00,496.00	97,611.13	96,653.85
	Non-Controlling Interest		2,003.74	1,704.77	-
2	Non-current Liabilities :				
	(a) Financial Liabilities				
	Borrowings	1.19	3,301.28	3,759.70	1,465.74
	(b) Provisions	1.20	548.09	551.97	316.54
	(c) Other Non Current Liabilities	1.21	1.85	1.87	-
			3,851.22	4,313.54	1,782.28
3	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	1.22	39,406.97	38,694.82	26,913.06
	(ii) Trade Payables	1.23	29,771.09	37,037.67	24,948.14
	(iii) Other Financial Liabilities	1.24	4,727.08	4,545.03	3,257.52
	(b) Other Current Liabilities	1.25	16,548.46	14,522.36	15,213.15
	(c) Provisions	1.26	1,001.64	672.58	457.50
			91,455.24	95,472.46	70,789.37
	TOTAL EQUITY AND LIABILITIES		1,97,806.20	1,99,101.90	1,69,225.50
	Summary of Significant Accounting Policies & Notes	B&C			

Notes referred to above form an integral part of the Balance Sheet
In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

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

(₹ in lakhs)

Particulars		Note No	Year Ended 31.03.2017	Year Ended 31.03.2016
I	Revenue from Operations	1.27	1,35,741.14	1,15,669.38
II	Other Income	1.28	4,551.67	4,416.74
III	Total Income (I +II)		1,40,292.81	1,20,086.12
IV	EXPENSES			
	Cost of Materials Consumed	1.29	87,965.39	83,901.76
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	1.30	7,016.29	(3,668.48)
	Excise Duty		3,390.99	5,427.64
	Employee Benefits Expenses	1.31	9,606.12	8,177.12
	Finance Costs	1.32	5,814.78	4,957.25
	Depreciation and Amortization Expense	1.33	2,213.76	1,748.60
	Other Expenses	1.34	20,352.87	16,839.90
	Total expenses (IV)		1,36,360.20	1,17,383.79
V	Profit/(loss) before tax (III-IV)		3,932.61	2,702.33
VI	Tax Expenses			
	a) Current Tax		1,468.38	576.73
	b) Income Tax related to earlier years		96.89	11.88
	c) MAT Credit		(541.00)	(144.44)
	d) Deferred Tax		206.12	325.37
			1,230.39	769.54
VII	Profit/ (Loss) for the period from continuing operations (V-VI)		2,702.22	1,932.79
VIII	Profit (Loss) for the period from JV/Associates		235.32	28.95
IX	Profit/(loss) for the period (VII+VIII)		2,937.54	1,961.74
X	Other Comprehensive Income	1.35		
	(a) Items that will not be reclassified to Profit & Loss		516.03	(221.20)
	(b) Items that will be reclassified to Profit & Loss		(9.34)	61.87
XI	Total Comprehensive Income for the Period		3,444.23	1,802.41
XII	Profit/(loss) for the period Attributable to:		2,937.54	1,961.74
	Owners of the Parent		2,629.08	1,896.44
	Non-Controlling Interest		308.46	65.30
XIII	Other Comprehensive income Attributable to:		506.69	(159.33)
	Owners of the Parent		516.18	(161.01)
	Non-Controlling Interest		(9.49)	1.68
XIV	Total comprehensive income Attributable to:		3,444.23	1,802.41
	Owners of the Parent		3,145.26	1,735.43
	Non-Controlling Interest		298.97	66.98
XV	Earnings per Equity Share (Face Value of ₹ 1/- each)			
	1) Basic		1.24	0.90
	2) Diluted		1.24	0.90
	Summary of Significant Accounting Policies & Notes	B&C		

Notes referred to above form an integral part of the Statement of Profit & Loss
In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Consolidated Cash Flow Statement for the yearended 31st March, 2017

(₹ in lakhs)

	Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
A)	**Cash Flows From Operating Activities**		
	Net Profit before Taxation & Exceptional Items	3,932.61	2,702.33
	Adjustments for:		
	Depreciation	2,213.76	1,748.60
	Interest Paid	4,344.67	3,726.24
	Bad Debt Written off	80.97	242.13
	Property, Plant and Equipments Written off	5.59	42.71
	Provision & Excess Liabilities Written Back	(1.15)	(24.05)
	Gain on fair valuation of Bonds/Mutual	(1,346.21)	(1,142.85)
	Employee Stock Option Scheme (ESOS)	390.30	627.65
	Interest Received	(1,027.18)	(735.19)
	Income From Investments	(26.05)	(105.83)
	Profit on Sale Of Investments-Current(Net)	(224.57)	(1,319.46)
	Profit on Sale Of Investments-Non-Current(Net)	(1,581.51)	(502.09)
	Profit on Sale Of Property, Plant and Equipments(Net)	26.35	(21.96)
		2,854.97	2,535.91
	Operating Profit before Working Capital Changes & Exceptional Items	**6,787.58**	**5,238.23**
	(Increase)/Decrease in Inventories	12,127.52	(4,590.73)
	(Increase)/Decrease in Trade Receivables	(6,939.04)	(11,955.41)
	(Increase)/Decrease in Other Receivables	(9,061.15)	(7,216.54)
	Increase/(Decrease) in Trade and Other Payables	(4,843.82)	9,980.74
	Cash Generated from Operations	(1,928.91)	(8,543.71)
	Direct Taxes Paid	(1,485.84)	137.41
	Cash Flow before Exceptional Items	(3,414.75)	(8,406.30)
	Exceptional Items	-	-
	Net Cash from Operating Activities	(3,414.75)	(8,406.03)
B)	**Cash Flows From Investing Activities**		
	Purchase of Property, Plant and Equipments	(6,015.36)	(2,402.76)
	Purchase/Sale of Investments	7,824.91	8,624.12
	Bank Deposits(Includes deposit having maturity more than three months)	883.88	2,194.51
	Loan and Advances to Related Parties	(3,401.66)	-
	Inter-Corporate Deposit	3,365.91	(3,365.91)
	Interest Received	1,279.24	695.65
	Income From Investments	51.95	105.84
	Net Cash used in Investing Activities	3,988.87	5,854.15
C)	**Cash Flows From Financing Activities**		
	Receipt/(Payment) of Long Term Borrowings	4,156.06	1,163.05
	Receipt/(Payment) of Short Term Borrowings	(654.78)	5,568.81
	Increase in Security Premium	87.55	87.90
	Increase in Equity Share Capital	2.19	2.20
	Dividend Paid	(525.17)	(523.38)
	Dividend Tax Paid	(107.02)	(106.91)
	Interest Paid	(4,419.80)	(4,394.98)
	Net Cash used in Financing Activities	(1,460.97)	1,796.69
D)	**Changes in Foreign Currency Translation arising from Foreign Operations**	(9.33)	61.87
	Net Increase/(Decrease) in Cash and Cash Equivalents	(896.18)	(695.59)
	Cash and Cash Equivalents at the beginning of the period	2,190.97	1,143.17
	Add:Opening Cash Balances of the Subsidiaries acquired during the year	-	1,743.39
	Cash and Cash Equivalents at the end of the period	**1,294.79**	**2,190.97**

The above Cash Flow Statement has been prepared under the indrect method as set out in Ind AS 7 (Statement of Cash Flow)

Notes referred to above form an integral part of the Cash Flow Statement
In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata-700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
} *Directors*

Notes on Consolidated Financial Statement

A. CORPORATE INFORMATION

Texmaco Rail & Engineering Limited, ("the Holding Company") incorporated on 25th June 1998 has its Registered Office at Belgharia, Kolkata 700 056. The Company is listed on the National Stock Exchange of India Limited, Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited. The Holding Company and its subsidiaries are engaged in the manufacturing, selling and providing service for Rail and Rail related products. The Company has strengthen its position further as a Total Rail Solution Provider Company.

B. FIRST-TIME ADOPTION OF Ind AS

(i) Overall Principle

These Financial Statements of Texmaco Rail & Engineering Limited for the year ended March 31, 2017 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rule 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is genearlly based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note C have been applied in preparing the standalone financial statements for the year ended March 31, 2017 and the comparative information.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). An explanation on the transition from previous GAAP to Ind AS affecting the Company's Balance Sheet, Statement of Profit and Loss, is set out in note 1.69 and 1.70.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and criteria set out in Schedule III (Division II) of the Companies Act 2013. The Company has ascertained it's operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(ii) Use of Estimates

The preparation of the Financial Statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgment and assumptions affect the application of accounting policies and the reported amount of Assets and Liabilities and disclosure of Contingent Liabilities as on the date of the Financial Statements and reported amounts of revenues and expenses for the year. Accounting estimates could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in estimates and are reflected in the financial statements in the period in which the changes are made and if material, these effects are disclosed in the notes to financial statements.

(iii) Fair valuation of Investments (fixed maturity plans and other mutual funds)

Under the previous GAAP, investments in fixed maturity plans and other mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for diminution in the value of investments, other than temporary decline in the value of such investments. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the Statement of Profit and Loss .

(iv) Deemed cost for investment in subsidiaries:

The Company has elected to measure its investment in subsidiaries as per previous GAAP Carrying Value.

(v) Investment Property

Under the previous GAAP, investment properties were presented as part of Property, Plant & Equipments. Under Ind AS,

investment properties are required to be separately presented on the face of the Balance Sheet. There is no impact on the total equity or profit as a result of this adjustment.

(vi) Proposed Dividend and Tax thereon

Under the previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the General Meeting. Accordingly, the liability for proposed dividend and tax thereon, included under provisions has been reversed with corresponding adjustment to retained earnings.

(vii) Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. There is no impact on the total equity and profit.

(viii) Re-measurements of Post-Employment Benefit Obligations

Under Ind AS, re-measurements i.e. actuarial gains or losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity

(ix) Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in the Statement of Profit and Loss for the period, unless the Standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the Statement of Profit and Loss as 'Other Comprehensive Income' includes re-measurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments etc. The concept of other comprehensive income did not exist under previous GAAP.

(x) Business Combination

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2015. As such, Indian GAAP balances relating to business combinations entered into before that due date have been carried forward with minimal adjustment.

Any business combinations involving entities or businesses under common control are accounted for using the Purchase Method:

C. SIGNIFICANT ACCOUNTING POLICIES

(i) Property, Plant and Equipment

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as on the transition date. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method.

The Company based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

• Buildings	30 to 60 years
• Roads	5 to 10 years
• Railway Slidings	15 to 30 years
• Electrical Machinery	10 to 20 years
• Plant & Equipment	15 to 17 years
• Furniture	10 years
• Office Equipment	5 years
• Computers	3 years
• Motor Vehicles	8 years
• Intangible Assets (Softwares)	6 years

The Company assesses at each balance sheet date whether there is any indication that a Property, plant and equipment may have been impaired. If any such indication exists, the Company estimates the recoverable amount of the Property, plant and equipment. If such recoverable amount of the Property, plant and equipment or the recoverable amount of the cash generating unit to which the Property, plant and equipment belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the Asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Intangible Assets are recorded at the consideration paid for acquisition less accumulated amortization and accumulated impairment, if any. Amortization is recognized at Straight Line Basis over their estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquire separately are carried at cost less accumulated impairment losses.

(ii) Depreciation

a) Tangible Property, Plant and Equipments

Depreciation on Tangible Assets is calculated on their respective carrying amounts and is computed on the basis of remaining useful life as estimated by technical expert and management estimate on straight line method. On other Assets, depreciation has been provided on straight line method in accordance with the life of the respective assets as prescribed in Schedule II of the Companies Act, 2013. All assets costing ₹5,000 or below are fully depreciated in the year of addition.

b) Intangible Property, Plant and Equipments

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, intangible assets are carried at its cost less any accumulated amortization and any accumulated impairment loss. Intangible assets are amortized on Straight Line Basis over a period of 6 years.

(iii) Derivative Financial Instrument

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized to statement profit or loss immediately.

(iv) Financial Instrument

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions

of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not measured at fair value through profit or loss, are added/deducted to the fair value on initial recognition.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Investment in Equity Instruments at fair value through other comprehensive income

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'.

c) Financial assets at fair value through profit & loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit & loss.

d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

e) Investment in Subsidiaries and Joint Ventures

Investment in Subsidiaries and Joint Ventures are carried at cost in the Financial Statements.

(v) Measurement of Fair Values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair Values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(vi) Revenue Recognition

Sales revenue is measured at fair value of the consideration received or receivable and stated at net of Sales Tax and VAT, trade discounts, rebates but include excise duty. Income from services is recognized as the services are rendered based on agreement/arrangement with the concerned parties. Export incentives, certain insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

(a) Sale of Goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership not effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(b) Revenue from construction contracts

Revenue is recognized using the percentage of completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated contract cost. Where the total cost of contract, based on technical and other estimates, is expected to exceed the corresponding contract value, such excess is provided during the year. For this purpose total contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contract in progress, which is arrived at by the management based on the current technical data, forecasts and estimate of expenditure to be incurred in the future including contingencies. Revision in projected profit and loss arising from change in estimates are reflected in each accounting period which however cannot be disclosed seperately in the financial statements as the effect thereof cannot be determined accurately.

In some old projects where substantial contract revenue has already been recognized in earlier periods, revenue is recognized as per Ind AS -18 "Revenue Recognition" where income from operations is determined and recognized, based on the bills raised on technical evaluation of work executed based on joint inspection with customers including railways. The figures has been taken as per the management working on the basis of the work completed.

(c) Other Income

Other income comprises primarily of Interest Income, Dividend Income, Gain/ (Loss) on sale of Investments, Rental Income and Claims (if any) etc.

Interest Income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the Effective Interest Rate (EIR) applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

Dividend Income is recognized as and when right to receive payment is established provided, which is generally after the shareholders approves it in the Annual General Meeting.

Gain/(Loss) on sale of Current/ Non Current Investments are recognized at the time of redemption/sale and at fair value at each reporting period.

Rent Income/lease rentals are recognized on accrual basis in accordance with the terms of agreements.

Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

vii) Employee Benefits

The Company's contribution to provident fund, pension fund, employees' state insurance scheme and super-annuation fund are charged on accrual basis to Statement of Profit & Loss.

(a) Short term benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(b) Defined contribution retirement benefits :

Payments to defined contribution retirement benefits are recognised as an expense when employees have rendered services entitling them to the contributions. Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes managed by independent trusts or authority . Contributions are paid in return for services rendered by the employees during the year. The Company has no legal or constructive obligation to pay further contributions if the fund/scheme does not hold sufficient assets to pay/extend employee benefits. The Company provides Provident Fund facility to all employees , Superannuation benefits to selected employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The Company's Provident Fund is exempted under Section17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for exemption stipulate that the Company shall make good deficiency, if any, in the interest rate declared by the trust vis s-vis interest rate declared by the Employees' Provident Fund Organisation.

(c) Defined benefit retirement benefits:

The cost of providing defined benefit retirement benefits are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. The Company provides gratuity to its employees. Gratuity liabilities are funded and managed by Life Insurance Corporation of India.

Remeasurement, comprising actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net benefit liability (asset) and any change in the effect of the asset ceiling (if applicable) are recognised in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the comprehensive income are not reclassified to the statement of profit and loss but recognised directly in the retained earnings. Past service costs are recognized in the statement of profit and loss in the period in which the amendment to plan occurs. Net interest is calculated by applying the discount rate to the net defined liability or asset at the beginning of the period, taking into account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Defined benefit costs which are recognized in the statement of profit and loss are categorized as follows

- Service cost (including current service cost, past service cost. as well as gains and losses on curtailments and settlements); and
- Net interest expense or income

The retirement benefit obligation recognized in the standalone Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

The liability for termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs

(d) Voluntary Retirement Scheme Benefits

Voluntary retirement scheme benefits are recognized as an expense in the year they are incurred.

(viii) Employee Stock Option Scheme

In respect of Stock options granted pursuant to the Company's Employees Stock Option Schemes 2007, the intrinsic

value of the options (excess of Market Price of the share over the exercise price of the option) is treated as discount and accounted as deferred employee's compensation cost over the vesting period.

(ix) Cenvat Duty and Credit

Cenvat Credit availed on Raw materials, Stores and Capital Goods are reduced from the cost of the respective goods. Cenvat Duty payable on finished goods lying in factory is provided for and included in closing stock of inventory.

(x) Research and Development

Research and Development expenditures of revenue nature are charged to Statement of Profit & Loss, while capital expenditure is added to the cost of property, plant and equipments in the year in which these are incurred.

(xi) Valuation of Inventories

Raw Materials, Work-in-Progress and Finished Products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price non cenvatable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and. where applicable, excise duty.

Stores and spares are valued on the "Weighted Average" basis.

(xii) Lease

(a) Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

(b) Where the Company is the lessor

Assets subject to operating leases are included in property, plant and equipments. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease. Initial direct costs relating to assets given on finance leases are charged to Statement of Profit and Loss.

(xiii) Foreign Currency Transactions and Exchange Differences

The Company's functional currency is Indian Rupees. Transactions in currencies other than Company's functional currency (spot rates) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Exchange difference on monetary items are recognised in the Statement of Profit & Loss in the period in which they arise. Non-monetary items carried at historical costs are transleted using exchange rates at the dates of the initial transaction.

(xiv) Provisions and Contingent Liabilities

(a) Provisions & Warranties

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past

event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation , its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliable.

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settlethe Company's warranty obligation.

(b) Onerous contracts

An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provisions.

(c) Contingent liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or is a present obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

(xv) Cash & Cash Equivalents

The Company considers all liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of less than three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balance with banks which are unrestricted for withdrawal and usage.

(xvi) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

(xvii) Segment Reporting

a) Based on the organizational structures and its Financial Reporting System, the Company has classified its operation into three business segments namely Heavy Engineering Division, Steel Foundry Division and Rail EPC.

b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which are related to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable expenses.

c) Capital Employed to each segment is classified on the basis of allocable assets minus allocable liabilities identifiable to each segment on reasonable basis.

(xviii) Taxation

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax is calculated at current statutory Income Tax Rate and is recognised on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred Tax assets/ liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/ virtually certain to be realized.

Minimum Alternative Tax (MAT) credit is recognized as an assets only when and to the extent there is a convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT Credit became eligible to be recognized as an assets in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit & Loss. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

(xix) Government Grant

Grants from the government are recognized when there is a reasonable assurance that the grant will be received and all attaching conditions will be complied with. Revenue grants/subsidies are recognized in the Statement of Profit & Loss. Capital grants relating to specific property, plant and equipments are reduced from the gross value of the respective property, plant and equipments. Other Capital Grants are credited to Reserve & Surplus under the head Central/State Capital Subsidy.

(xx) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xxi) Cash Flow Statement

Cash Flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company are segregated.

Notes on Consolidated Financial Statement

Note 1.01 Property, Plant & Equipment

(₹ in lakhs)

Description of assets	Gross Block				Depreciation				Net Block
	As at 01.04.2016 (₹)	Additions during the year (₹)	Sales/ adjustments (₹)	As at 31.03.2017 (₹)	As at 01.04.2016 (₹)	During the year (₹)	Sales/ adjustments (₹)	As at 31.03.2017 (₹)	As at 31.03.2017 (₹)
Tangible Assets									
Land	1,288.17	2845.85	-	4,134.02	0.02	29.34	-	29.36	4,104.66
Buildings	11,442.48	1,103.93	24.01	12,522.40	329.36	343.75	20.14	652.97	11,869.43
Roads	111.63	-	-	111.63	20.15	20.75	-	40.90	70.73
Railway Sidings	182.03	33.14	-	215.17	10.29	8.99	-	19.28	195.89
Plant & Machinery	19,258.63	1,737.46	375.94	20,620.15	1,030.41	1,404.22	304.01	2,130.62	18,489.53
Electrical Machinery	634.22	111.68	-	745.90	59.49	75.77	-	135.26	610.64
Office Equipments	277.12	238.93	-	516.05	60.01	77.98	-	137.99	378.06
Furniture & Fittings	408.00	16.63	-	424.63	51.39	60.16	-	111.55	313.08
Vehicles	694.23	162.87	194.22	662.88	100.25	119.37	132.28	87.34	575.54
Total	**34,296.51**	**6,250.49**	**594.17**	**39,952.83**	**1,661.37**	**2,140.33**	**456.43**	**3,345.27**	**36,607.56**
Capital Work In Progress (CWIP)	392.59	1,487.89	1,716.64	163.84	-	-	-	-	163.84
Total	**392.59**	**1,487.89**	**1,716.64**	**163.84**	**-**	**-**	**-**	**-**	**163.84**
Intangible Assets									
Software	331.07	84.00	-	415.07	65.21	73.43	-	138.64	276.43
Total	**331.07**	**84.00**	**-**	**415.07**	**65.21**	**73.43**	**-**	**138.64**	**276.43**
Grand Total	**35,020.17**	**7,822.38**	**2,310.81**	**40,531.74**	**1,726.58**	**2,213.76**	**456.43**	**3,483.91**	**37,047.83**

(₹ in lakhs)

Description of assets	Gross Block				Depreciation				Net Block
	Deemed Cost as at 01.04.2015 (₹)	Additions during the year (₹)	Sales/ adjustments (₹)	As at 31.03.2016 (₹)	As at 01.04.2015 (₹)	During the year (₹)	Sales/ adjustments (₹)	As at 31.03.2016 (₹)	As at 31.03.2016 (₹)
Tangible Assets									
Land	1288.17	-	-	1,288.17	-	0.02	-	0.02	1,288.15
Buildings	7,511.41	3,931.07	-	11,442.48	-	329.36	-	329.36	11,113.12
Roads	96.49	15.14	-	111.63	-	20.15	-	20.15	91.48
Railway Sidings	182.03	-	-	182.03	-	10.29	-	10.29	171.74
Plant & Machinery	11,633.06	7,742.43	116.86	19,258.63	-	1,037.63	7.22	1,030.41	18,228.22
Electrical Machinery	467.26	167.16	0.20	634.22	-	59.63	0.14	59.49	574.73
Office Equipments	91.48	186.23	0.59	277.12	-	60.61	0.60	60.01	217.11
Furniture & Fittings	238.75	169.62	0.37	408.00	-	51.74	0.35	51.39	356.61
Vehicles	477.85	250.40	34.02	694.23	-	113.96	13.71	100.25	593.98
Total	**21,986.50**	**12,462.05**	**152.04**	**34,296.51**	**-**	**1,683.39**	**22.02**	**1,661.37**	**32,635.14**
Capital Work In Progress (CWIP)	371.06	1,303.71	1,282.18	392.59	-	-	-	-	392.59
Total	**371.06**	**1,303.71**	**1,282.18**	**392.59**	**-**	**-**	**-**	**-**	**392.59**
Intangible Assets									
Software	109.89	221.18	-	331.07	-	65.21	-	65.21	265.86
Total	**109.89**	**221.18**	**-**	**331.07**	**-**	**65.21**	**-**	**65.21**	**265.86**
Grand Total	**22,467.45**	**13,986.94**	**1,434.22**	**35,020.17**	**-**	**1,748.60**	**22.02**	**1,726.58**	**33,293.59**

Note: Deemed Cost as at April 1, 2015 represents Gross Block (₹36,499.15), less Accumulated Depriciation (₹14,031.70) as at March 31, 2015 and therefore Accumulated Depreciation as at April 1, 2015 is shown as NIL

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.02 Investment Property			
As per last Account	109.58	166.76	166.76
Add: Addition During the year	-	-	-
Total	109.58	166.76	166.76
Less: Transfer/ Sold during the year	(22.08)	(57.18)	-
Total (1.02)	87.50	109.58	166.76
Note 1.03 Non-Current Investments			
A. Investments in Equity Instruments;			
In Joint Venture			
(a) Wabtec Texmaco Rail Private Ltd.	125.51	75.72	-
8,81,700 (2016: 8,81,700, 2015: Nil) Shares of ₹10 each			
(b) Touax Texmaco Railcar Leasing Pvt Ltd.	1,132.47	1,200.28	1,279.70
1,26,49,999 (2016: 1,26,49,999, 2015: 1,26,49,999) Shares of ₹10 each			
(c) Temaco UGL Rail Pvt.Ltd	-	-	2,342.62
Nil (2016: Nil, 2015: 1,17,25,000) Shares of ₹10 each			
In Others			
(a) Texmaco Infrastructure & Holdings Ltd.	955.20	722.57	825.97
23,49,809 (2016: 23,49,809, 2015: 23,49,809) Shares of ₹1 each			
(b) Chambal Fertilisers & Chemicals Limited	867.50	548.50	675.00
10,00,000 (2016: 10,00,000, 2015: 10,00,000) Shares of ₹10 each			
B. Investments in Preference Shares			
In Joint Venture			
Texmaco Hi Tech Pvt Ltd	-	-	3,000.00
(Formerly known as Temaco UGL Rail Pvt.Ltd.)			
Nil (2016: Nil, 2015: 30,00,000) 5.32% Cumulative Redeemable Preference shares of ₹100 each			
C. Investment in CCD of Joint Ventures (Unquoted) (At Cost)			
Touax Texmaco Railcar Leasing Pvt. Ltd.	2,100.00	2,100.00	-
21,00,000 (2016: 21,00,000, 2015: Nil) CCD of ₹100 each			
Total (1.03)	5,180.68	4,647.07	8,123.29
Note 1.04 Loans			
(a) Security Deposits	395.47	92.41	93.45
(b) Other loans and advances	3.85	-	-
(c) Loans and Advances to Employees	-	7.99	-
(d) Deferred Interest Exp (Loan given to Employees)	2.50	3.02	-
Total (1.04)	401.82	103.42	93.45
Note 1.05 Bank Balances			
Margin Money	418.54	601.12	824.06
Total (1.05)	418.54	601.12	824.06

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.06 Other Non-Current Financial Assets			
(a) Term Deposit of more than twelve months maturity	47.06	117.02	2.11
(B) Interest Accured on Deposits & Others	58.27	102.68	58.34
Total (1.06)	**105.33**	**219.70**	**60.45**
Note 1.07 Deferred Tax Assets (net)			
The major components of the Deferred Tax Liabilities / (Assets) based on the tax effects of timing differences are as follows:			
Deferred Tax Assets			
Items u/s 43B and u/s 40(a)(i)(a) of I.T Act	1,238.64	1,292.83	1,321.98
Deferred Tax Assets on account of transition date adjustment	3,141.52	3,141.52	3,141.52
Deferred Tax Assets on GAAP differences during the year	(205.40)	(205.40)	-
MAT Credit Entitlement	1,085.44	544.44	400.00
Business Loss	79.36	159.09	266.55
Provision for Contract Loss	16.45	27.54	-
Provision for doubtful debts & advances	545.58	553.24	514.80
Total Deferred Tax Assets	**5,901.59**	**5,513.26**	**5,644.85**
Deferred Tax Liabilities			
Depreciation	**(2,309.07)**	(2,255.62)	(2,206.28)
Total (1.07)	**3,592.52**	**3,257.64**	**3,438.57**

Note: Deferred Tax Assets/Liability is recognised as per Ind AS 12 "Accounting for Taxes on Income" issued by the (Accounting Standard) Rules, 2006. The Deferred Tax Assets & Liabilities comprises of Tax effect of above timing differences.

Note 1.08 Other Non-Current Assets			
(a) Capital Advances	155.64	821.63	349.91
(b) Advances other than capital advances			
(i) Security Deposit	1.32	220.41	-
(ii) Prepaid Expenses	99.93	132.92	160.63
(C) Claims and other receivables (Statutory dues)	779.05	1,944.13	1,587.70
Total (1.08)	**1,035.94**	**3,119.09**	**2,098.24**

Note 1.09 Inventories			
(a) Raw Material and Components	8,028.38	14,578.92	11,146.00
(b) Work in Progress	12,396.11	13,096.38	12,233.31
(c) Finished Goods	31.41	6,347.43	3,542.02
(d) Stores and Spares	1,039.03	1,235.64	1,525.23
(e) Goods in transit (Purchase)	1,660.60	24.70	1,113.96
Total (1.09)	**23,155.53**	**35,283.07**	**29,560.52**

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.10 Current Investments			
Fully paid-up			
a) Investments in Equity Instruments (Quoted)			
Powergrid Corporation of India Limited	-	15.30	15.98
Nil (2016: 11,000, 2015: 11,000) Shares of ₹10 each			
Tata Teleservices (Maharashtra) Limited	1.62	1.50	1.78
22,666 (2016: 22,666, 2015: 22,666) Units of ₹10 each			
EIH Limited	12.05	10.43	10.74
10,000 (2016: 10,000, 2015: 10,000) Shares of ₹2 each			
SREI Infrastructure Finance Limited	1.49	0.99	0.77
1,800 (2016: 1,800, 2015: 1,800) Shares of ₹10 each			
Century Textiles & Industries Limited	5.27	2.65	3.19
500 (2016: 500, 2015: 500) Shares of ₹10 each			
NHPC Limited	32.67	24.51	20.09
1,01,471 (2016: 1,01,471, 2015:1,01,471) Shares of ₹10 each			
Sub-total-(a)	53.10	55.38	52.55
b) Investments in Bonds (Unquoted) (At Fair Value)			
In NABARD	1,526.87	3,310.95	3,938.67
8750 (2016: 20,750, 2015: 26,750) Units of ₹8500 each (FV ₹20,000.00)			
In 6.70% IRFC (Tax Free)	540.00	533.06	528.97
540 (2016: 540, 2015: 540) Units of ₹1,00,000 each			
In 8.10% IRFC (Tax Free)	253.40	233.93	232.74
21,751 (2016: 21,751, 2015: 21,751) Units of ₹1,000 each			
In 8.30% GOI	500.00	519.00	524.92
5,00,000 (2016: 5,00,000, 2015: 5,00,000) Units of ₹100 each			
In 8.30% NHAI (Tax Free)	589.42	531.81	536.51
49,448 (2016: 49,448, 2015: 49,448) Units of ₹1,000 each			
In 8.20% HUDCO (Tax Free)	572.50	541.50	535.00
50,000 (2016: 50,000, 2015:50,000) Units of ₹1,000 each			
Sub-total-(b)	3,982.19	5,670.25	6,296.81
c) Investments in Mutual Funds (Unquoted) (At Fair Value)			
Axis Treasury Advantage Fund Growth	11.71	10.86	10.00
645 (2016: 645, 2015: 645) Units of ₹1000 each			
Birla Sun Life Income Plus Growth Regular Plan	1,550.50	1,397.55	1,334.98
21,15,639 (2016: 21,15,639, 2015: 21,15,639) Units of ₹10 each			
Birla Sun Life Saving Fund -Growth Regular Plan	-	-	1,031.00
Nil (2016: Nil, 2015: 3,83,175) Units of ₹100 each			
Birla Sun Life Treasury Optimiser Fund Growth	600.42	544.15	501.11
2,88,403 (2016: 2,88,403, 2015: 2,88,403) Units of ₹100 each			
Birla Sun Life Short Term Opportunities Fund Growth	594.36	543.14	501.04
21,90,494 (2016: 21,90,494, 2015: 21,90,494) Units of ₹10 each			

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.10 Current Investments (contd.)			
Birla Sun Life Dynamic Bond Fund Retail Growth-Regular plan	1,220.72	1,107.49	1,027.68
42,04,472 (2016: 42,04,472, 2015: 42,04,472) Units of ₹10 each			
DSP Black Rock FMP Series 144 Growth	-	163.23	150.65
Nil (2016: 13,54,396, 2015: 13,54,396) Units of ₹10 each			
DSP Black Rock Money Manager Fund Regular Plan -Growth	-	-	94.53
Nil (2016: Nil, 2015: 5003) Units of ₹1000 each			
Franklin India Short Term Income Fund Growth	589.98	530.95	500.73
17424 (2016: 17,424, 2015: 17,424) Units of ₹1000 each			
Franklin India Corporate Bond Opportunities Growth	593.79	536.20	501.12
35,54,721 (2016: 35,54,721, 2015: 35,54,721) Units of ₹10 each			
HDFC Income Fund - Growth	-	743.22	704.53
Nil (2016: 21,98,991, 2015: 21,98,991) Units of ₹10 each			
HDFC FMP 369 Days March 2016 (3) Series 29 Regular Growth	1,013.09	938.89	865.33
79,00,000 (2016: 79,00,000, 2015: 79,00,000) Units of ₹10 each			
HDFC Short Term Plan Growth	1,232.83	1,125.57	1,029.06
38,03,887 (2016: 38,03,887, 2015: 38,03,887) Units of ₹10 each			
HDFC High Interest Fund Short Term Plan Growth	-	-	513.66
Nil (2016: Nil, 2015: 18,61,206) Units of ₹10 each			
HDFC High Interest Fund Dynamic Plan Growth	-	-	2,067.34
Nil (20146 Nil, 2015: 42,87,521) Units of ₹10 each			
HDFC Corporate Debt Opportunity Fund -Growth	604.01	546.71	501.12
44,54,978 (2016: 44,54,978, 2015: 44,54,978) Units of ₹10 each			
HDFC Gilt Fund LTP -Growth	594.93	533.49	501.55
17,63,333 (2016: 17,63,333, 2015: 17,63,333) Units of ₹10 each			
IDFC Super Saver Income Fund Institutional Plan Growth Regular Plan	111.07	98.46	93.86
2,74,659 (2016: 2,74,659, 2015: 2,74,659) Units of ₹10 each			
IDFC SSIF Medium Term Plan Growth	589.94	539.10	501.22
21,27,651 (2016: 21,27,651, 2015: 21,27,651) Units of ₹10 each			
IDFC Dynamic Bond Fund (Growth) (Regular Plan)	-	-	2,154.66
Nil (2016: Nil, 2015: 1,27,03,369) Units of ₹10 each			
ICICI Prudential Short Term Plan Growth	860.82	233.33	1,026.92
25,22,761(2016: 7,53,792, 2015: 35,86,916) Units of ₹10 each			
ICICI Prudential Regular Saving Fund Growth	2,439.69	2,217.81	2,060.02
1,40,45,832 (2016: 1,40,45,832, 2015: 1,40,45,832) Units of ₹10 each			
ICICI Prudential Saving Fund -Regular Plan -Growth	1,591.46	1,461.95	1,038.65
6,50,785 (2016: 6,50,785, 2015: 4,99,693) Units of ₹100 each			
IIFL Dynamic Bond Fund Direct Plan-Growth	-	3,617.75	-
Nil (2016: 2,93,79,881, 2015: Nil) Units of ₹10 each			
JM Money Manager Fund - Super Plus Plan - Growth	-	-	513.91
Nil (2016: Nil, 2015: 25,95,650) Units of ₹10 each			
Kotak Bond Scheme Plan A -Growth	-	-	671.17
NIl (2016: Nil, 2015: 16,81,145) Units of ₹10 each			
Kotak Income Opportunity Fund-Growth	113.10	102.81	94.22
6,30,282 (2016: 6,30,282, 2015: 6,30,282) Units of ₹10 each			
Kotak Medium Term Fund Growth	1,240.71	1,124.95	1,029.38
91,64,818 (2016: 91,64,818, 2015: 91,64,818) Units of ₹10 each			

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.10 Current Investments (contd.)			
Reliance Short Term Fund -Growth	588.86	540.35	500.76
19,10,833 (2016: 19,10,833, 2015: 19,10,833) Units of ₹10 each			
Reliance Income Fund- Growth Plan - Bonus Option	1,335.06	2,583.43	2,453.16
87,28,086 (2016: 1,87,33,022, 2015: 1,87,33,022) Units of ₹10 each			
Reliance Corporate Bond fund	2,378.60	-	-
1,80,66,505 (2016: Nil, 2015: Nil) Units of ₹10 each			
Reliance Dynamic Bond Fund Growth Plan -Growth Option	1,338.78	768.72	712.57
59,87,327 (2016: 37,49,367, 2015: 37,49,367) Units of ₹10 each			
Reliance Dynamic Bond Fund Growth Plan	862.29	1,201.29	2,240.06
37,49,367 (2016: 59,87,327, 2015: 1,16,09,718) Units of ₹10 each			
Reliance Regular Saving Fund Debt Plan- Growth Plan Growth Option	4,307.05	3,925.74	3,612.54
1,90,10,042 (2016: 1,90,10,042, 2015: 1,90,10,042) Units of ₹10 each			
Reliance Arbitrage Advantage Fund - Monthly Dividend	-	-	1,548.91
Nil (2016: Nil, 2015: 1,48,36,437) Units of ₹10 each			
Reliance Medium Term Plan	-	462.38	-
Nil (2016: 14,73,281, 2015: Nil) Units of ₹10 each			
SBI Magnum Income Fund Regular Plan - Growth	1,555.06	1,379.70	1,151.78
38,52,150 (2016: 38,52,150, 2015: 38,52,159) Units of ₹10 each			
SBI Magnum Gilt Fund -LTP Growth	610.90	532.42	502.74
16,55,673 (2016: 16,55,673, 2015: 16,55,673) Units of ₹10 each			
SBI Treasurey Advantage Fund Regular Plan Growth	-	-	2,912.76
Nil (2016: Nil, 2015: 1,88,674) Units of ₹10 each			
SBI Premier Liquid Fund Regular Plan Growth	-	2,202.90	-
Nil (2016: 92,712, 2015: Nil) Units of ₹1000 each			
SBI Ultra Short Term Debt Fund Regular Plan Growth	216.90	500.00	-
10,326 (2016: 25,678, 2015: Nl) Units of ₹1000 each			
SBI Premier Liquid Fund-Regular Plan-Growth	400.11	-	-
15,717 (2016: Nil, 2015: Nil) Units of ₹1000 each			
Sundram Ultra Short Term Fund Regular - Growth	-	-	1,067.90
Nil (2016: Nil,2015: 55,78,354) Units of ₹10 each			
Tempelton India Short Term Income Retail-Growth	-	-	2,692.90
Nil (2016:Nil,,2015: 93,704) Units of ₹1000 each			
Tempelton India Low Duration Fund-Growth	-	-	1,580.18
Nil (2016: Nil, 2015: 1,02,87,803) Units of ₹10 each			
Tempelton India Income Opportunity Fund -Growth Option	-	-	606.42
Nil (2014: Nil, 2015: 37,59,709) Units of ₹10 each			
UTI Tresurey Advantage Fund -Ins. Plan - Growth	-	-	1,064.94
Nil (2016: Nil, 2015: 56,128) Units of ₹1000 each			
UTI Short Term Income Fund Growth	594.04	541.25	501.21
29,79,383 (2016: 29,79,383, 2015: 29,79,383) Units of ₹10 each			
Sub-total-(c)	29,740.78	32,755.79	44,168.27
TOTAL CURRENT INVESTMENTS (1.10)	33,776.07	38,481.42	50,517.63

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.11 Trade Receivables			
(a) Outstanding for a period exceeding six months from due date of payment			
Unsecured , considered good	8,307.52	10,886.99	11,473.22
Unsecure, considered doubtful	9,766.50	9,811.08	9,811.08
	18,074.02	**20,698.07**	**21,284.30**
(b) **Other receivables**			
Unsecured , considered good	46,535.07	37,094.20	21,087.72
Secured , considered good	-	-	-
	46,535.07	37,094.20	21,087.72
	64,609.09	57,792.27	42,372.02
Allowance for bad and doubtful debts	(9,766.50)	(9,811.08)	(9,811.08)
Total (1.11)	**54,842.59**	**47,981.19**	**32,560.94**

Notes:

(i) Other includes ₹ 14,604.13 lakhs as retention money (2016: ₹ 14,353.71 lakhs and 2015: ₹ 13,470.75 lakhs) which are recoverable on completion of the Project as per the relevant contract.

(ii) Trade Receivable are secured against first charge on working capital facility.

(iii) The Company provides allowance in trade receivables based on historic credit loss experience, current economic conditions and events and future observable data and information. The expected credit loss allowance is computed based on the ageing of the receivables.

Note 1.12 Cash and Cash Equivalents			
(a) Balances with banks			
- In current accounts	1,261.02	2,100.91	1115.06
(b) Cheques/ Pay order in hand	1.90	8.79	0.24
(c) Cash on hand	31.87	81.27	27.87
Total (1.12)	**1,294.79**	**2,190.97**	**1,143.17**

Note: Cash and cash equivalents include cash on hand, Cheques/Draft on hand and Cash at bank.

Note 1.13 Bank Balances other than Above			
(a) Unpaid Dividend Account	24.08	23.54	21.76
(b) Term Deposit of upto Twelve Months Maturity	3,234.61	3,599.22	3,513.86
(c) Margin Money	575.08	900.24	2,947.44
Total (1.13)	**3,833.77**	**4,523.00**	**6,483.06**

Note: Represents deposit with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.14 Loans			
(a) Security Deposits to others	29.11	64.87	64.81
(b) Loan to Body Corporates	275.00	3,640.91	275.00
(c) Interest accrued on Loans	647.59	547.28	320.53
(d) Interest accrued on Fixed Deposits	-	0.91	-
(e) Advance to Employee	109.53	94.41	59.18
(f) Deferred Interest Expenses (Loan given to Employees)	0.53	-	-
	1,061.76	**4,348.38**	**719.52**
Allowance for Loan to Body Corporate	(275.00)	(275.00)	(275.00)
Total (1.14)	**786.76**	**4,073.38**	**444.52**
Note 1.15 Current Tax Assets (Net)			
(a) Advance Payment of Income Tax (net of provision)	122.23	230.51	1,224.54
(b) Interest Accrued on Fixed deposits	148.35	164.91	-
Total (1.15)	**270.58**	**395.42**	**1,224.54**
Note 1.16 Other Current Assets			
(a) **Advances other than capital advances**			
Security Deposits	6.82	7.78	-
(b) **Advances to related parties**			
Advance to Subsidiaries	2.40	-	-
(c) **Other advances**			
Advance to Parties	3,605.77	2,695.59	2445.10
Other Advances	2,031.32	653.57	574.24
Prepaid Expenses	609.02	686.01	696.37
Balances with Government Dept	8,121.93	6,681.07	3449.07
Deferred Rent Expenses (Security Deposits Rent Given)	0.07	0.41	-
Unbilled Debtors	17,519.68	10,097.81	2854.07
Preliminary Expenses	0.04		
Capital Advance	78.90		
Total (1.16)	**31,975.95**	**20,822.24**	**10,018.85**

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.17 Equity Share Capital			
Authorised Share Capital			
30,00,00,000 Equity shares at par value of ₹1/- each	3,000.00	3,000.00	3,000.00
(As at 31st March 2016: 30,00,00,000, as at 31st March 2015: 30,00,00,000 equity share of ₹1/- each)			
	3,000.00	3,000.00	3,000.00
Issued, Subscribed and paid up Capital			
21,94,14,993 Equity Share of ₹1/- each	2,194.15	2,102.84	2,100.64
(As at 31st March 2016: 21,02,83,723, as at 31st March 2015: 21,00,63,973 equity share of ₹1/- each)			
Equity Share capital Suspense	-	90.11	92.30
	2,194.15	2,192.95	2,192.94

Notes:

(i) The Company has only one class of shares referred to as equity shares having a par value of ₹1/- Each holder of equity shares is entitled to one vote per share.

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

(iii) Issued, Subscribed and Paid Up Capital includes 12,71,83,090 equity shares allotted on the basis of 1 equity shares in TexRail for ₹1/- each credited as fully paid-up for every 1 equity shares held by each member of Texmaco Infrastructure & Holdings Limited (formerly Texmaco Limited) on record date without payment being received in cash.

(iv) In terms of order of Hon'ble High Courts of Delhi and Calcutta, Kalindee Rail Nirman (Engineers) Limited, a subsidiary Company stands merged into the Company on and from February 11, 2017, with appointed date being April 1, 2014. Accordingly, during the year, 89,12,395 Equity Shares of ₹1/- each were allotted to the Equity Shareholders of Kalindee Rail Nirman (Engineers) Limited pursuant to the scheme of merger without payment being received in cash.

(v) During the year the Company has allotted 2,18,875 Equity Shares to its employees under Employee Stock Option Scheme.

(vi) Reconciliation of number of Issued, Subscribed and Paid-up Capital (₹ in lakhs)

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning of the year	21,02,83,723	2,102.84	21,00,63,973	2,100.64	21,00,63,973	2,100.64
Add: Allotment as per the scheme of merger	89,12,395	89.12	-	-	-	-
Add: Allotment under ESOP	2,18,875	2.19	2,19,750	2.20	-	-
Number of Shares at the end of the year	21,94,14,993	2,194.15	21,02,83,723	2,102.84	21,00,63,973	2,100.64

(vii) Share Capital Suspense: This represents the shares to be issued to the shareholders Kalindee Rail Nirman (Engineers) Limited which has been amalgamated with the Company.

(viii) After the reporting date, dividend of 0.25 paisa (2016: 0.25 paisa) per equity share were proposed by the Board of Directors subject to the approval of the shareholders at the Annual General Meeting, the dividend has not been recognised as liabilities. Dividends would attract Dividend Distribution Tax when declared or paid.

(ix) The name of Shareholders holding more than 5% of Equity shares

Name of Shareholders	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	% of holding	No. of Equity Shares held	% of holding	No. of Equity Shares held	% of holding	No. of Equity Shares held
Texmaco Infrastructure & Holdings Ltd	24.88	5,46,00,000	25.96	5,46,00,000	25.99	5,46,00,000
Zuari Investments Ltd	13.20	2,89,63,900	13.77	2,89,63,900	13.79	2,89,63,900

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.15
Note 1.18 Other Equity			
(i) **Share Option Outstanding Reserves**			
As per last Account	804.34	176.69	-
Add: During the year	390.30	627.65	176.69
Share Options Outstanding Account	1,194.64	804.34	176.69
(ii) **Capital Reserve**			
Balance as per last Account	10,510.68	11,363.40	11,363.40
Less:Cancellation of Eq. Shares of earlier subsidiary	(104.43)	(852.72)	-
Less:Adjustment of Goodwill	-	-	-
	10,406.25	**10,510.68**	**11,363.40**
(iii) **Securities Premium**			
Balance as per last Account	29,280.47	29,192.57	76.73
Add: On issue of ESOP/QIP	87.55	87.90	29,719.63
Less : QIP Issue Expenses	-	-	(603.79)
	29,368.02	**29,280.47**	**29,192.57**
(iv) **General Reserve**			
Balance as at the beginning of the year	46,106.76	45,606.76	45,106.76
Add: Transferred from Statement of Profit and Loss	500.00	500.00	500.00
	46,606.76	**46,106.76**	**45,606.76**
(v) **Reserves representing unrealised gains/losses**			
(a) Equity Instruments through Other Comprehensive Income	(25.48)	201.57	201.57
Addition during the year	551.63	-	
Less: Deferred Tax	-	(227.05)	
	526.15	**(25.48)**	**201.57**
(b) Remeasurements of the net defined benefit Plans			
Balance as at the beginning of the year	(79.25)	(77.46)	(118.45)
Addition during the year	(24.77)	(3.80)	-
Less: Deferred Tax	-	2.01	40.99
	(104.02)	**(79.25)**	**(77.46)**
(c) Share of Other Comprehensive Income in Associates and loint Ventures, to the extent not to be classified into profit or loss			
Balance as at the beginning of the year	-	2.98	2.98
Addition during the year	(1.34)	(2.98)	-
	(1.34)	**-**	**2.98**

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.15
Note 1.18 Other Equity (contd.)			
(d) Revaluation Reserve			
Balance as per last Account	-	-	1086.90
Less: On Assets sold/discarded during the year	-	-	(3.67)
Less: Transferred to General Reserve (See Note)	-	-	(274.78)
Less : Transition date adjustment	-	-	(808.45)
	-	-	-
(vi) **Exchange differences on translating the financial statements of a foreign operation**			
Balance as at the beginning of the year	115.42	53.55	-
Addition during the year	(9.34)	61.87	53.55
	106.08	115.42	53.55
(vii) **Retained Earnings**			
Surplus at the beginning of the year	8,705.24	7,940.85	5,538.41
Add : Pre-acquisition Profit	(2.28)	0.02	
Add : Profit for the year	2,629.08	1,896.44	397.56
Less : Dividend on Equity Shares	(525.71)	(525.16)	(525.16)
Less : Tax on dividend	(107.02)	(106.91)	(106.91)
Less : Transfer to General Reserve	(500.00)	(500.00)	(500.00)
Add : Transition date adjustment	-	-	3,136.95
	10,199.31	8,705.24	7,940.85
Total (1.18)	98,301.85	95,418.18	94,460.91

Notes:

(i) **General Reserves:** The General Reserves is used from time to time to transfer profit from retained earnings for appropriation purpose. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income,items includes in the general reserve will not be reclassified subsequently to profit & loss.

(ii) **Reserve for equity instrument through other comprehensive income (OCI):** This reserve represents the cumulative gain and loss arising on net revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified to the retained earnings when those assets have been disposed off.

(iii) **Capital Reserves:** The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(iv) **Security Premium:** Security Premium reserve isused to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act 2013.

(v) **Foreign currency monetary items translation difference reserve:** Exchange differences arising on settlement and remeasurement of long term foreign currency monetary items are accumulated in "Foreign Currency Monetary items Translation Difference Account" and amortised over the maturity period or upto the date of settlement of such monetary items, which ever is earlier, and charged to the Statement of Profit and Loss.

(vi) **Retained Earnings:** Retained Earning refers to the portion of net income which is retained by the corporation to be reinvested in its core business. Similarly if the Company has a loss then that loss is retained and called retained losses or accumulated losse. Retained Earnings and Losses are cumulative from year to year with losses offsetting earnings.

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.19 Borrowings (Non-Current)			
(a) Secured (From Banks)			
Term Loan/Foreign Currency Term Loan (TL/FCTL)	223.37	684.58	1449.37
Car Loan	77.91	75.12	16.37
(b) Unsecured			
Loans from related parties	3,000.00	3,000.00	-
Total (1.19)	3,301.28	3,759.70	1,465.74

Note: Term Loan from Bank is secured against the Property, Plant and Equipments created from such loan. Remaining Term Loan from bank is repayable in 6 quarterly installments. Car Loan is Secured against hypothecation of car.

Note 1.20 Provisions (Non-Current)			
(a) Provision for employee benefits (Leave)	192.57	174.27	135.22
(b) Provision for employee benefits (Gratuity)	166.53	124.68	74.36
(c) Others			
(i) For Contingency	1.00	1.00	1.00
(ii) For Warranty and others	187.99	252.02	105.96
Total (1.20)	548.09	551.97	316.54

Note: The Company accounts for leave and Gratuity liability based on Actuary Valuation

Note 1.21 Other Non Current Liabilities			
(a) Security Deposits	1.75	1.63	-
(b) Deferred Rent Income-Security Deposit Rent	0.10	0.24	-
Total (1.21)	1.85	1.87	-

Note 1.22 Borrowings (Current)			
(a) Loans repayable on demand			
Secured			
From Banks			
Cash Credit	33,398.60	32,960.98	21,413.06
Unsecured			
From Banks	3,000.00	-	-
(b) From Other Parties			
Inter-Corporate Deposits	3,008.37	5,600.00	5,500.00
(c) Other loans			
LC Discounted from Bank	-	133.84	
Total (1.22)	39,406.97	38,694.82	26,913.06

Note:

(i) Cash Credit facilities are secured by hypothecation of 1st charge on stocks, book debts and other current assets and 1st charge on Property, Plant and Equipments.

(ii) Post Demerger of Heavy Engineering and Steel Foundry businesses of Texmaco Limited (now known as TexInfra), the first charge created on immovable property and corporate guarantee of TexInfra continues.

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.23 Trade Payables			
Dues to Micro and Small Enterprises	39.60	234.59	170.74
Others	29,731.49	36,803.08	24,777.40
Total (1.23)	**29,771.09**	**37,037.67**	**24,948.14**

Note:

Information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:			
a) Principle Amount due	39.60	234.59	170.74
Interest due on the above	-	-	-
b) Interest paid during the period beyond the appointed day	-	-	-
c) Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-	-
d) Amount of interest accrued and remaining unpaid at the end of the period	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-	-
The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company. This has been relied upon by auditors.			

Note 1.24 Other Financial Liabilities				
(a)	**Current maturities of long-term debt**			
	Term Loan/Foreign Currency Term Loan (TL/FCTL)	551.57	680.37	297.81
	Car Loan	10.46	26.53	52.44
(b)	**Interest accrued**			
	Interest accrued but not due on borrowings	166.66	138.45	109.91
(c)	Unclaimed/Unpaid dividends	24.08	23.54	21.76
(d)	**Others**			
	Liabilities for Expenses	2,271.17	2,098.20	1,751.32
	Amount Due to Employee	767.11	664.16	497.79
	Derivative Asset/Liabilities	40.52	-	-
	Others Misc. Payable	831.59	241.84	-
	Misc. Security Deposit	-	610.82	526.08
	Creditors for Capital Advance	63.92	61.12	0.41
Total (1.24)		**4,727.08**	**4,545.03**	**3,257.52**

Note:

(i) Term Loan from Bank is secured against the Property, Plant and Equipments created from such loan. The balance FCTL is payable in June 2017. Car loan is secured against hypothecation of car.

(ii) There is no amount due and outstanding to be credited to the Investor Education and Protection Fund against unpaid dividend as at March 31, 2017.

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Note 1.25 Other Current Liabilities			
(a) Revenue received in advance	274.31	-	-
(b) Other advances			
(i) Advances from Customers	14,505.71	12,908.26	13000.60
(c) Others			
(i) TDS and other taxes payable	1,091.02	936.05	1583.64
(ii) PF, ESI amount Payble	93.71	98.62	54.37
(iii) Security Deposits	578.54	579.22	574.54
(iv) Deferred Rent Income-Security Deposit Rent	0.14	0.21	-
(v) Interest Payable	5.03	-	-
Total (1.25)	**16,548.46**	**14,522.36**	**15,213.15**
Note 1.26 Provisions (Current)			
(a) Provision for employee benefits (for leave)	89.18	82.73	70.41
(b) Provision for employee benefits (for gratuity)	69.41	-	-
(c) Provision for Contract Loss Provision	47.53	79.62	-
(d) Provision for Claims & Damages	32.57	32.57	-
(e) Provision for Expenses	2.97	8.06	-
(f) Provision for Others	759.98	469.60	387.09
Total (1.26)	**1,001.64**	**672.58**	**457.50**

Note: The Company account for leave and gratuity liability on Actuary Valuation.

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.27 Revenue from operations		
(a) Sale of products		
Sale of products	81,838.13	89,137.23
Less: Inter Segment Revenue	(10,308.70)	(13,830.44)
	71,529.43	**75,306.79**
(b) Sale of services	63,489.77	39,991.19
(c) Other operating revenues	721.94	371.40
Total (1.27)	**1,35,741.14**	**1,15,669.38**
Note 1.28 Other Income		
(a) Interest Income		
From Bank	91.03	259.21
From Others	936.15	475.98
(b) Dividend Income		
Income from Current Investments	-	83.31
Income from Non-Current Investments	26.05	22.52
(c) Other non-operating income		
Net gain on Sale of Current Investments	224.57	1,319.46
Net gain on Sale of Non-Current Investments	1,581.51	502.09
Miscellaneous Receipts and Income	195.07	218.16
Sundry Credit Balance Adjusted	42.74	4.53
Profit on sale of Property, Plant and Equipments (Net)	(26.35)	21.96
Rent Received	133.49	342.62
Provision & Excess Liabilities Written Back	1.15	24.05
Gain on fair valuation of Bonds/Mutual	1,346.21	1,142.85
Share of profit from Bright Maan Inc JV	0.05	-
Total (1.28)	**4,551.67**	**4,416.74**

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.29 Cost of Materials Consumed		
Opening Stock of Raw Materials	4,928.29	5,519.83
Add: Raw materials Purchased and Departmental Transfers etc.	19,521.06	23,252.94
	24,449.35	**28,772.77**
Less:Returns, Sales and Departmental issues used in Works and In Block	1,007.59	668.42
Less: Closing Stock of Raw Materials	3,564.90	4,928.29
	19,876.86	**23,176.06**
Consumption of Components	78,397.23	74,556.14
Less: Inter Segment Revenue	(10,308.70)	(13,830.44)
Total (1.29)	**87,965.39**	**83,901.76**
Note 1.30 Changes In Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress		
Opening Stock		
Finished Goods	6,347.43	3,542.02
Work-in-Progress	13,096.38	12,233.31
	19,443.81	**15,775.33**
Less : Closing Stock		
Finished Goods	31.41	6,347.43
Work-in-Progress	12,396.11	13,096.38
	12,427.52	**19,443.81**
(Increase) / Decrease in Stock	**7,016.29**	**(3,668.48)**
Note 1.31 Employee Benefits Expenses		
a) Salaries, Wages and Bonus	8,004.87	6,453.16
b) Contribution to provident and other funds		
i) Provident Fund and Pension Fund	572.18	508.71
ii) Superannuation Fund	49.55	44.21
iii) Gratuity	36.00	48.39
c) Share based payments to employees	390.30	627.65
d) Staff Welfare Expenses	517.98	453.59
e) VRS Expenses	35.24	41.41
Total (1.31)	**9,606.12**	**8,177.12**
Note 1.32 Finance Costs		
(a) **Interest**		
i) Banks	4,442.79	3,713.00
ii) Others	(98.12)	13.24
	4,344.67	3,726,24
(b) Other borrowing costs	1,470.11	1,231.01
Total (1.32)	**5,814.78**	**4,957.25**
Note 1.33 Depreciation and Amortization Expense		
Depreciation on Tangible Assets	2,140.33	1,683.39
Depreciation on Intangible Assets	73.43	65.21
Total (1.33)	**2,213.76**	**1,748.60**

Note 1.34 Other Expenses (₹ in lakhs)

Particulars	Year Ended 31.03.2017		Year Ended 31.03.2016	
Consumption of stores and spares part		5,626.82		6,281.84
Manpower Support Charges		76.58		36.83
Power and Fuel		4,450.34		4,336.51
Rent		358.34		376.79
Repairs to buildings		368.09		384.33
Repairs to machinery		525.53		450.93
Repairs to others		125.96		109.67
Insurance		160.49		173.69
Rates and Taxes excluding taxes on Income		711.86		233.91
Freight,Packing and Transport (Net)		803.60		426.99
Erection Expenses		3,839.11		778.58
Drawings and Designs		4.36		5.09
Royalty & Knowhow		13.39		7.74
Research & Development		91.46		76.57
Selling Agents Commission		29.39		35.22
Selling Expenses		275.69		320.41
Director's Sitting Fees		24.91		20.30
Director's Commission		13.51		13.35
Payments to the Auditor				
As Auditor	19.32		20.00	
For Tax Audit	5.41		6.13	
For Quarterly Review	2.91		2.90	
For Fees for Other Services (incl for issuing various certificates)	12.59		10.76	
As Cost Auditor	1.40		1.40	
For Reimbursement of out of poket expenses	5.30	46.93	3.03	44.22
Donation		1.96		52.13
CSR Expenses		34.12		34.13
Miscellaneous Expenses		2,648.01		2,232.76
Sundry Debit Balance Adjusted		25.38		12.91
Interest no longer receivable written off		-		-
Bad Debt written off		80.97		242.13
Property, Plant and Equipments Written off		5.59		42.71
Net (gain)/loss on foreign currency transaction		10.48		110.16
Total (1.34)		**20,352.87**		**16,839.90**

Note on **CSR Expense:**

(i) Gross amount required to be spent by the Company during the year: ₹ 29.74 Lakhs

(ii) **Amount spent in cash during the year on:**

Particulars	In Cash	Total
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	34.12	34.12
Total	**34.12**	**34.12**

Note 1.35 Other Comprehensive Income

(A)	**Items that will not be reclassified to profit or loss**		
(i)	Remeasurements of the defrned benefit plans	(34.26)	5.85
(ii)	Equity Instruments through Other Comprehensive Income	551.63	(227.05)
(iii)	Share of Other Comprehensive Income in Associates and loint Ventures, to the extent not to be classified into profit or loss	(1.34)	-
		516.03	**(221.20)**
(B)	**Items that will be reclassified to profit or loss**		
(i)	Exchange differences in translating the financial statements of a foreign operation	(9.34)	61.87

Note 1.36 During the year, Kalindee Rail Nirman (Engineers) Ltd. merged with the Company in terms of the Scheme of Amalgamation duly approved by the Shareholders and the Hon'ble High Court of Calcutta and Delhi vide their order dated February 26, 2016 and December 19, 2016 respectively, effective date being April 1, 2014. The results are accordingly merged after incorporating the Financial Results of Kalindee Rail Nirman (Engineers) Ltd. The financial reporting includes a new segment i.e. Rail EPC.

(₹ in lakhs)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Note 1.37 Commitments and Contingent Liabilities		
(a) Commitments		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advance)	452.56	122.95
(b) Contingent Liabilities (not provided for) in respect of :		
(a) Guarantees given by Banks in the normal course of Business.	71,036.40	70,850.67
(b) Letters of Credit opened by Banks in the normal course of Business.	10,097.38	18,524.73
(c) Bonds issued to Custom Department	92.20	92.20
(d) Claims under dispute (Excise Duty, Service Tax & others)	3,136.46	5,796.21
(e) Claims not acknowledged as debts (Amount unascertainable)	-	-
(f) Income Tax assessment under appeal (Amount unascertainable)	-	-

Note 1.38 Movement of Provisions during the year as required under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

(₹ in lakhs)

Particulars	Opening Provision as at 1.4.2016	Utilized during the year	Reversed during the year	Provision during the year	Closing provision as at 31.03.2017
(a) Site warranty period maintenance	183.99	--	--	--	183.99
(b) Others	570.63	28.94	--	222.29	763.98
Total	**754.62**	**28.94**	**--**	**222.29**	**947.97**
Previous Year	**493.05**	**33.57**	**25.01**	**287.15**	**721.62**

In accordance with the requirement of Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" issued by the Companies (Accounting Standard) Rules 2006, the company has provided liability for other expenses amounting to ₹222.29 lakhs (Previous Year ₹287.15 lakhs).

Site warranty period maintenance: The Company gives warranties and maintenance on certain products and services, undertaking to repair, replace and maintain the items for satisfactory working during the warranty period. Provision as at March 31, 2017 represents the amount of the expected cost of meeting such obligations of rectification/ replacement/ maintenance. The timing of the outflow is expected to be within a period of two years.

Provision for others: It represents liabilities related to various site expenses including contractor service charges for sites, administrative charges etc, likely to materialize in the next financial year. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

1.39 In the opinion of the management, current assets, loans and advances have a value on realisation in the ordinary course of business unless otherwise stated, at least to the amount at which they are stated and the provisions for all known and determined liabilities is adequately provided.

1.40 Balance of debtors and loans and advances are subject to confirmation from respective parties.

Note 1.41 Related Party Disclosure

a) Name of the Related Parties and Relationship

Relationship	Parties where control Exist 2016-17	Parties where control Exist 2015-16
A. Key Management Personnel	Mr. S. K. Poddar Executive Chairman Mr. Ramesh Maheshwari Executive Vice Chairman (Retired w.e.f: 25th Sep, 2016) Mr. D. H. Kela Executive Director & CEO (SF) Mr. Sandeep Fuller, Executive Director & CEO (HED) Mr. A.K. Vijay, Executive Director (Finance) & CFO Mr. Ravi Varma Company Secretary	Mr. S. K. Poddar Executive Chairman Mr. Ramesh Maheshwari Executive Vice Chairman Mr. D. H. Kela Executive Director & CEO (SF) Mr. Sandeep Fuller, Executive Director & CEO (HED) Mr. A.K. Vijay, Executive Director(Finance) & CFO Mr. Ravi Varma (Company Secretary) (w.e.f: 22th June 2015)
B. Relative of Key Management Personnel	Ms. Jyotsna Poddar (Wife of Mr. S.K.Poddar) Mr. Akshay Poddar (Son of Mr. S.K. Poddar) Ms. Puja Poddar (Daughter in Law of Mr. S.K.Poddar) Ms. Shradha Agarwal (Daughter of Mr. S.K.Poddar)	Ms. Jyotsna Poddar (Wife of Mr. S.K.Poddar Mr. Akshay Poddar (Son of Mr. S.K. Poddar) Ms. Puja Poddar (Daughter in Law of Mr. S.K.Poddar) Ms. Shradha Agarwal (Daughter of Mr. S.K.Poddar)
C. Group Company where transaction exists.	Zuari Investments Ltd Duke Commerce Ltd. Adventz Securities Enterprises Ltd. Zuari Global Ltd. New Eros Tradecom Ltd. Master Exchange & Finance Ltd. Adventz Investments Co. Pvt. Ltd. Adventz Securities Trading Pvt. Ltd. Adventz Finance Pvt. Ltd. Eureka Traders Pvt. Ltd. Abhishek Holdings Pvt. Ltd. Greenland Trading Pvt. Ltd. Indrakshi Trading Company Pvt. Ltd. Zuari Management Services Ltd. High Quality Steels Ltd. Lionel India Ltd. Texmaco Infrastructure & Holdings Ltd. Indian Furniture Products Ltd. Macfarlane & Co. Ltd. Mangalore Chemicals & Fertilizers Ltd Paradeep Phosphate Ltd.	Zuari Investments Ltd Duke Commerce Ltd. Adventz Securities Enterprises Ltd. Zuari Global Ltd. New Eros Tradecom Ltd. Master Exchange & Finance Ltd. Adventz Investments Co. Pvt. Ltd. Adventz Securities Trading Pvt. Ltd. Adventz Finance Pvt. Ltd. Eureka Traders Pvt. Ltd. Abhishek Holdings Pvt. Ltd. Greenland Trading Pvt. Ltd. Indrakshi Trading Company Pvt. Ltd. Zuari Management Services Ltd. High Quality Steels Ltd. Lionel India Ltd. Texmaco Infrastructure & Holdings Ltd. Indian Furniture Products Ltd. Macfarlane & Co. Ltd. Mangalore Chemicals & Fertilizers Ltd Paradeep Phosphate Ltd.

(b) Related Party Transactions (₹ in lakhs)

Transactions	Other Related Party	Subsidiary	Associate	Joint venture	Key Magt Personnel	Grand Total	Balance outstanding as at 31/03/2017
Remuneration Paid							
- Mr. S. K. Poddar	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	366.19 (363.76)	-- (--)
- Mr. Ramesh Maheshwari*	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	136.82 (176.88)	-- (--)
- Mr. D. H. Kela*	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	104.17 (112.24)	-- (--)
- Mr. Sandeep Fuller*	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	91.67 (96.16)	-- (--)
- Mr. A.K. Vijay*	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	55.19 (67.76)	-- (--)
- Mr. Ravi Varma	-- (--)	-- (--)	-- (--)	-- (--)	12.20 (9.05)	12.20 (9.05)	-- (--)
*Includes perquisites on equity share allotted in pursuant to Employee Stock Option Scheme for the previous year 2015-16							
Transactions with Relative of Key Management Personnel							
- Mr. Akshay Poddar (Sitting Fees & Commission)	3.60 (3.50)	-- (--)	-- (--)	-- (--)	-- (--)	3.60 (3.50)	-- (--)
Investment							
- Texmaco Infracture & Holdings Ltd	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	732.63 (732.63)
Loans & Advances Received							
-Adventz Finance Pvt. Ltd.	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	520.14 (1,000.00)
- Adventz Securities Enterprises Ltd.	-- (200.00)	-- (--)	-- (--)	-- (--)	-- (--)	-- (200.00)	272.79 (700.00)
Loans & Advances Repayment							
-Adventz Finance Pvt. Ltd.	500.00 (--)	-- (--)	-- (--)	-- (--)	-- (--)	500.00 (--)	-- (--)
- Adventz Securities Enterprises Ltd.	500.00 (--)	-- (--)	-- (--)	-- (--)	-- (--)	500.00 (--)	-- (--)
Dividend Paid							
- Mr. Saroj Poddar	-- (--)	-- (--)	-- (--)	-- (--)	6.24 (6.24)	6.24 (6.24)	-- (--)
- Ms Jyotsna Poddar	0.55 (0.55)	-- (--)	-- (--)	-- (--)	-- (--)	0.55 (0.55)	-- (--)
- Ms. Puja Poddar	2.07 (2.07)	-- (--)	-- (--)	-- (--)	-- (--)	2.07 (2.07)	-- (--)
- Mr. Akshay Poddar	0.04 (0.04)	-- (--)	-- (--)	-- (--)	-- (--)	0.04 (0.04)	-- (--)
- Ms Shradha Agarwal	0.03 (0.03)	-- (--)	-- (--)	-- (--)	-- (--)	0.03 (0.03)	-- (--)
- Abhishek Holdings Pvt. Limited	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)

(b) Related Party Transactions (contd.) (₹ in lakhs)

Transactions	Other Related Party	Subsidiary	Associate	Joint venture	Key Magt Personnel	Grand Total	Balance outstanding as at 31/03/2017
- Adventz Securities Enterprises Ltd	9.52 (9.52)	-- (--)	-- (--)	-- (--)	-- (--)	9.52 (9.52)	-- (--)
-Adventz Finance Pvt. Ltd.	20.94 (20.94)	-- (--)	-- (--)	-- (--)	-- (--)	20.94 (20.94)	-- (--)
- Adventz Investments Co. Pvt. Ltd.	7.59 (7.59)	-- (--)	-- (--)	-- (--)	-- (--)	7.59 (7.59)	-- (--)
- Adventz Securities Trading Pvt. Ltd.	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
- Duke Commerce Ltd.	18.79 (18.79)	-- (--)	-- (--)	-- (--)	-- (--)	18.79 (18.79)	-- (--)
- Eureka Traders Pvt. Ltd.	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)
- Greenland Trading Pvt. Ltd.	0.09 (0.09)	-- (--)	-- (--)	-- (--)	-- (--)	0.09 (0.09)	-- (--)
- Master Exchange & Finance Ltd.	0.04 (0.04)	-- (--)	-- (--)	-- (--)	-- (--)	0.04 (0.04)	-- (--)
- New Eros Tradecom Ltd.	1.85 (1.85)	-- (--)	-- (--)	-- (--)	-- (--)	1.85 (1.85)	-- (--)
- Indrakshi Trading Company Pvt Ltd.	0.08 (0.08)	-- (--)	-- (--)	-- (--)	-- (--)	0.08 (0.08)	-- (--)
- Texmaco Infrastructure & Holdings Ltd.	136.50 (136.50)	-- (--)	-- (--)	-- (--)	-- (--)	136.50 (136.50)	-- (--)
- Zuari Investments Ltd.	72.41 (72.41)	-- (--)	-- (--)	-- (--)	-- (--)	72.41 (72.41)	-- (--)
- Zuari Global Ltd.	10.09 (10.09)	-- (--)	-- (--)	-- (--)	-- (--)	10.09 (10.09)	-- (--)
- Mr. Ramesh Maheshwari	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.06 (--)	-- (--)
- Mr. D. H. Kela	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.03 (--)	-- (--)
- Mr. Sandeep Fuller	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.03 (--)	-- (--)
- Mr. A.K. Vijay	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	0.04 (0.01)	
Dividend Received							
- Texmaco Infrastructure & Holdings Ltd.	4.70 (3.53)	-- (--)	-- (--)	-- (--)	-- (--)	4.70 (3.53)	-- (--)
Others							
- Adventz Finance Pvt. Ltd. (Rent Paid)	16.20 (20.92)	-- (--)	-- (--)	-- (--)	-- (--)	16.20 (20.92)	-- (0.05)
- Adventz Finance Pvt. Ltd. (Interest Payable)	1.32 (135.22)	-- (--)	-- (--)	-- (--)	-- (--)	1.32 (135.22)	-- (50.46)
- Adventz Securities Enterprises Ltd. (Interest Payable)	96.90 (67.98)	-- (--)	-- (--)	-- (--)	-- (--)	96.90 (67.98)	-- (25.56)
- High Quality Steels Ltd. (Services Received)	647.57 (622.51)	-- (--)	-- (--)	-- (--)	-- (--)	647.57 (622.51)	51.27 (158.45)

(b) Related Party Transactions (contd.) (₹ in lakhs)

Transactions	Other Related Party	Subsidiary	Associate	Joint venture	Key Magt Personnel	Grand Total	Balance outstanding as at 31/03/2017
- Lionel India Limited (Services Received)	185.82 (162.48)	-- (--)	-- (--)	-- (--)	-- (--)	185.82 (162.48)	21.59 (8.81)
- Indian Furniture Products Ltd. (Purchase of Goods)	29.49 (--)	-- (--)	-- (--)	-- (--)	-- (--)	29.49 (--)	5.23 (--)
- Texmaco Infrastructure & Holdings Ltd. (Rent Received)	0.72 (0.72)	-- (--)	-- (--)	-- (--)	-- (--)	0.72 (0.72)	-- (--)
- Texmaco Infrastructure & Holdings Ltd. (Rent Paid)	66.76 (--)	-- (--)	-- (--)	-- (--)	-- (--)	66.76 (--)	28.33 (--)
- Texmaco Infrastructure & Holdings Ltd (Deposit Against Order)	-- (0.75)	-- (--)	-- (--)	-- (--)	-- (--)	-- (0.75)	-- (--)
- Zuari Investments Ltd (Depository Services)	106.45 (0.04)	-- (--)	-- (--)	-- (--)	-- (--)	106.45 (0.04)	-- (--)
- Paradeep Phosphate Ltd (Rent Received)	6.77 (5.74)	-- (--)	-- (--)	-- (--)	-- (--)	6.77 (5.74)	-- (--)
Corporate Guarantee Received							
- Texmaco Infrastructure & Holdings Ltd. (Against Cash Credit facility)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	5,000.00 (5,000.00)

Note 1.42 Earning per share – the numberator and denominator used to calculate basic/ diluted earning per share

(₹ in lakhs)

		2016-17	2015-16
Net Profit for the period from ordinary activities attributable to equity shareholders (Excluding Preference Share Dividend) – used as numerator.	₹ in Lakhs	2,629.08	1,896.44
Weighted average number of Equity share outstanding used as denominator for Basic earning per share.	Number	21,14,82,685	21,01,01,300
Weighted Average Number of Equity share on account of Employee Stock Option Scheme	Number	6,28,740	10,85,250
Weighted Average Number of Equity share used on denominator for Diluted Earning Per Share	Number	21,21,11,425	21,11,86,550
(A) Basic Earning per share (face value of ₹1/- each)	₹	1.24	0.90
(B) Diluted Earning per share (face value of ₹1/- each)	₹	1.24	0.90

Notes on Consolidated Financial Statement

Note 1.43 Value of raw materials and stores consumed (including components and spare parts) services etc.: (₹ in lakhs)

	2016-17	%	2015-16	%
Imported	13,411.48	12.91%	25,287.34	24.31%
Indigenous	90,489.43	87.09%	78,726.70	75.69%
Total (1.43)	**1,03,900.91**	**100.00**	**1,04,014.04**	**100.00**

(₹ in lakhs)

	2016-17	2015-16
Note 1.44 Value of imports on C.I.F. Basis:		
Raw Materials	310.05	-
Components, Spare Parts and Stores	3,826.63	11,670.53
Capital Goods	562.56	8.21
Total (1.44)	**4,699.24**	**11,678.74**

Note 1.45 Analysis of Raw Material Consumed		
M.S. & C.I. Scrap	3,707.75	4,801.71
Plates & Sheets	15,011.65	15,744.17
Rounds, Bars and Flats	92.25	123.66
Structurals	1,065.21	2,506.52
Total (1.45)	**19,876.86**	**23,176.06**

Note 1.46 Expenditure in Foreign Currency:		
R & D Expenses	7.62	15.91
Travelling and Others	95.08	72.80
Books & Periodicals	0.25	-
Fees & Subscription	7.36	9.40
General Charges (Charity & Donation, AAR Audit Fee)	2.57	-
Total (1.46)	**112.88**	**98.11**

Note 1.47 Income in Foreign Exchange:		
Export of Goods (F.O.B.)	5,024.38	4,879.92

Note 1.48 Consumption of raw materials, components, stores and spares parts includes profit/loss on sale thereof and exchange difference arising on Foreign Currency transactions on account of imported Raw Materials/ Stores has been accounted under respective Revenue heads.

Note 1.49 Escalation, insurance claims and other claims have been accounted for on accrual basis based on latest data available with the Company and where the realization of the amount is reasonably certain.

Note 1.50 As a part of company's risk management policy, the financial risks mainly relating to changes in the exchange rates are hedged by using a combination of forward contracts, besides the natural hedges.

(₹ in lakhs)

		2016-17	2015-16
(a)	Un-hedged foreign currency exposure as at March 31, 2017 – Payables. Euro: 355557 & USD: 105528 (Previous Year: Euro: 8,15,311 & USD: 1,64,06,368)	292.81	11,436.32
(b)	Un-hedged foreign currency exposure as at March 31, 2017 – Receivable. AUD:5,25,005, USD: 16,33,937, Euro: 11,45,405 and NRS: 55,87,734 (Previous Year: AUD: 9,57,977, USD: 13,81,416, Euro: 21,87,202 and NRS: 47,82,516)	2148.91	3,081.33

Note 1.51 Details of Inventory of Work in Progress

Work-in- Process			
(a)	Heavy Engineering Division	5,014.47	7,181.02
(b)	Steel Foundry Division	3,177.49	3,559.02
(c)	Rail EPC	4,204.15	2,356.34
Total (1.51)		12,396.11	13,096.38

Note 1.52 Disclosure pursuant to Ind AS 11 construction accounting

(1)	Contract revenue recognised for the year	61,253.54	43,052.41
(2)	Aggregate amount of cost incurred and recognised profits (less recognised losses) up to the balance sheet date for all contract in progress as at that date.	136,071.51	81,906.14
(3)	Amount of customer advances outstanding for contracts in progress as at balance sheet date	11,694.45	3,259.34
(4)	Retention amount due from customers for contracts in progress	9,706.65	10,483.95
(5)	Goss amount due from customers for contract work	16,218.91	8,989.05
(6)	Gross amount due to customer for contract work	368.44	533.26

Note 1.53 Details of Income/expenses disclosed on net basis

1	**Freight, Packing and Transport**		
	Paid	1,316.58	1,044.36
	Received	512.98	617.37
	Net	**803.60**	**426.99**
2	**Profit on sale of Property, Plant and Equipments**		
	Profit	5.05	24.44
	Loss	36.99	3.69
	Net	**31.94**	**20.75**
3	**Profit on sale of current investment**		
	Mutual Funds & Others		
	Profit	1806.08	1821.55
	Loss	-	-
	Net	**1806.08**	**1821.55**

Notes on Consolidated Financial Statement

Note 1.54: Principles of Consolidation

a) The consolidated financial statements include results of the subsidiaries of Texmaco Rail & Engineering Limited., consolidated in accordance with Ind AS 110 'Consolidated Financial Statements' and Ind AS 28 'Investment in Associates and Joint Ventures'.

Name of the Company	Country of Incorporation	% Shareholding
Texmaco Hi Tech Pvt Ltd	India	100%
Belur Engineering Pvt Ltd	India	100%
Bright Power & Projects Pvt Ltd	India	55%

b) These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements up to year ended 31 March 2016 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 1(e) for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

c) Accounting policies applicable in consolidated financial statements

i) The Company combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.

ii) Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

iii) Investments in Associates are accounted for using the equity method of accounting, after initially being recognized at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income.

iv) Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Note 1.55: Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the Conpanies. Recongnising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

Note 1.56: The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statement to which these consolidated financial statements are attached. Accounting policies specifically related to consolidated financial statements are mentioned in note C. Differences in accouing policies followed by the other entities consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not significant.

Note 1.57 Financial Risk Management Objectives and policies-

The Company's activities expose it to Credit Risk, Liquidity Risk, Market Risk, and Equity Price Risk.

This note explains the source of risk which the Company is exposed to and how the Company manages the risk and the impact. The management of the company ensures that risks are identified, measured and mitigated in accordance with the Risk Management Policy of the company. The Board provides guiding principles on risk management and also review these risks and related risk management policies which are given as under.

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The company's financial assets include trade and other receivables, cash and cash equivalents, investments including investments in subsidiaries, loans & advances and deposits

A. **Credit Risk-** A risk that counterparty may not meet its obligations under a financial instrument or customer contract, leading to a financial loss is defined as Credit Risk. The Company is exposed to credit risk from its operating and financial activities.

   Customer credit risk is managed by the respective marketing department subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company reviews the creditworthiness of these customers on an on-going basis. The Company estimates the expected credit loss on the basis of past data, experience and policy laid down in this respect. The maximum exposure to the credit risk at the reporting date is the carrying value of the trade receivables disclosed in Note 1.11 as the Company does not hold any collateral as security. The Company has a practice to provide for doubtful debts as per its approved policy.

B. **Liquidity Risk-** A risk that the Company may not be able to settle or meet its obligations at a reasonable price is defined as liquidity risks. The Company's treasury department is responsible for managing liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

   The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, Term loans among others.

C. **Market Risk-** A risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices is defined as Marketing Risk. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

   (i) **Foreign Currency Risk-** A risk that the fair value or future value of the cash flows of an forex exposure will fluctuate because of changes in foreign exchange rates is defined as Foreign Currency Risk. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export, import and foreign currency loan/ derivatives operating activities. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure. The management monitors the foreign exchange fluctuations on a continuous basis.

   (ii) **Foreign currency sensitivity-** The following table demonstrates the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies are not material.

(₹ in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Foreign Currency (Payable) / Receivable (net)- EURO	547.65	1,035.16
Foreign Currency (Payable) / Receivable (net)- USD	991.25	(10,435.01)
EURO/INR- Increase by 10%	54.77	-
EURO/INR- Decrease by 10%	(54.77)	-
USD/INR- Increase by 10%	99.13	-
USD/INR- Decrease by 10%	(99.13)	-

D. **Equity Price Risk-** A risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or by factors affecting all similar financial instruments traded in the market is defined as Equity Price Risk.

The Company generally invests in the equity shares of the Subsidiaries, Associates, Joint Ventures and some of the group companies as part of the Company's overall business strategy and policy. The Company manages the equity price risk through placing limits on individual and total equity investment in each of the subsidiaries and group companies based on the respective business plan of each of the companies. The Company's investment in quoted equity instruments (other than above) is not material. For sensitivity analysis of Company's investments in equity instruments, refer Note No. 1.59 (Fair Value)

Note 1.58 Capital Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

Note 1.59 Fair Value

Carrying amounts and fair values Fair Value through Profit & Loss (FVTPL) of financial instruments, including their levels in the fair value hierarchy as mentioned in Note No. C(v) has been mentioned in Note No 1.03 and Note No 1.10. All the investments which have been fair valued are classified under Level - 1.

Note 1.60 Tax Expense (₹ in lakhs)

Particulars	As on 31.03.2017	As on 31.03.2016
a) Tax Expense		
Current Tax		
- Current tax on profits for the year	1,468.38	576.73
- Adjustments for current tax of prior periods	96.89	11.88
- Total current tax expense	1,565.27	588.61
Deferred Tax		
- Decrease/(increase) in deferred tax assets	152.67	276.03
- (Decrease)/increase in deferred tax liabilities	53.45	49.34
- Total deferred tax expenses/(benefit)	206.12	325.37
MAT Credit entitlement	(541.00)	(144.44)
Tax Expense	1,230.39	769.54
b) Reconciliation of tax expenses and the accounting profit multiplied by Indis'a tax rate		
Profit before tax	3,932.61	2,702.33
Tax at the Indian tax rate of 34.608% (previous year - 34.608%)	1,361.00	935.22
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Corporate social responsibility expenditure	11.81	11.81
- Disallowance of estimated expenditure to earn tax exempt income	10.59	26.02
- Others	220.47	294.09
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income		
- Weighted deduction on R&D expenses	(20.38)	(11.85)
- Income from Investment	(527.05)	(859.55)
- Income from rented property	(13.61)	(36.52)
- Others	(47.23)	(89.42)
Tax effect of other adjustment		
- Income tax for earlier years	96.89	11.88
- MAT Credit/carry forward losses and other adjustment	137.90	487.86
Tax Expense (1.60)	1,230.39	769.54

Notes on Consolidated Financial Statement

Note 1.61 Information abount segment working is given below (₹ in lakhs)

	2016-17					2015-16				
	Heavy Engg. Division	Steel Foundry	EPC	Others	Total	Heavy Engg. Division	Steel Foundry	Rail EPC	Others	Total
	1	2	3	4	5 (1+2+3+4)	1	2	3	4	5 (1+2+3+4)
Revenue (Net of Excise Duty and Cess)										
External Sales	62,548.14	9,950.90	61,787.05	733.11	1,35,019.20	66,013.57	6,437.42	42,022.39	824.60	1,15,297.98
Internal-Segment Sales	778.10	9,530.60	-	-	10,308.70	651.03	13,179.41	-	-	13,830.44
Other Operating Revenue	498.63	100.52	74.54	48.25	721.94	293.99	55.70	-	21.71	371.40
Total Revenue	**63,824.87**	**19,582.02**	**61,861.59**	**781.36**	**1,46,049.84**	**66,958.59**	**19,672.53**	**42,022.39**	**846.31**	**1,29,499.82**
Result										
Segment Result	1,895.43	944.21	5,268.59	(931.27)	7,176.96	1,983.08	989.97	3,448.32	(764.34)	5,657.03
Unallocated Corporate Expenses					-					-
Operating Profit/(Loss)					7,176.96					5,657.03
Interest Expense					(4,344.67)					(3,726.24)
Interest Income					1,027.18					735.19
Total Profit/(Loss) before Tax					**3,859.47**					**2,665.98**
Provision for Current Tax					(927.38)					(432.29)
Provision for Deferred Tax					(206.12)					(325.37)
Income Tax for Earliear Year					(96.89)					(11.88)
Profit/(Loss) from ordinary activities					**2,629.08**					**1,896.44**
Extra ordinary items					-					-
Net Profit/(Loss)					**2,629.08**					**1,896.44**
Other Information										
Segment assets	70,962.12	17,049.84	60,348.38	10,489.11	1,58,849.45	62,960.00	15,998.65	65,526.63	11,488.13	1,55,973.41
Unallocated Corporate assets					38,956.75					43,128.49
Total assets					**1,97,806.20**					**1,99,101.90**
Segment liabilities	27,801.91	6,265.72	52,525.44	8,713.39	95,306.46	41,190.78	4,721.97	45,246.43	8,626.82	99,786.00
Unallocated corporate liabilities					-					-
Total Liabilities					**95,306.46**					**99,786.00**
Capital expenditure	1,892.61	488.71	919.08	2,878.77	6,179.17	1,412.34	689.17	418.04	31.35	2,550.90
Depreciation	823.12	542.09	336.21	512.34	2,213.76	872.55	437.78	157.72	280.55	1,748.60
Non-cash expenses other than depreciation					476.86					912.49

Note : The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

Note 1.62 **Details of Specified Bank Notes (SBN) held and transacted during the period from 08.11.2016 to 30.12.2016.**

(₹ in lakhs)

Particulars	SBNs	Other Denomination notes	Total
Closing cash on hand as on 08.11.2016	38.67	9.24	47.91
Add:- i) Permitted Receipts (Banks)	--	33.25	33.25
ii) Permitted Receipts (Others)	--	1.01	1.01
Less:- Permitted Payments	--	28.77	28.77
Less:- Amount deposited in Banks	38.67	--	38.67
Closing cash on hand as on 30.12.2016	--	14.73	14.73

1.63 Previous year figure have been regrouped/rearranged/restated/recast wherever necessary to confirm this year classification.

1.64 Figures below ₹500/- have been omitted for rounding off, ₹500/- and above have been rounded off to the next ₹1,000/-

In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Notes on Consolidated Financial Statement

Note 1.65 Statement of Changes in Equity for the Year Ended 31st March, 2017

	Amount (₹ in lakhs)
Equity Share Capital as at April 1, 2015	2,100.64
Add: ESOP issued during 2015-16	2.20
Add: Share Capital Suspense Account (Refer Note below)	90.11
Equity Share Capital as at March 31, 2016	2,192.95
Add: ESOP issued during 2016-17	2.19
Add:Equity Shares issued on account of acquisition of Kalindee Rail Nirman (Engineers) Limited	89.12
Less: Share Capital Suspense Account (Refer Note below)	(90.11)
Equity Share Capital as at March 31, 2017	**2,194.15**

Note: This represent the shares to be issued to the share holders of Kalindee Rail Nirman (Engineers) Limited amalgamated with the Company as per details given in note no 1.17(iv).

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings	Share Option Outstanding Account	Equity instruments/ retired benefits plan through OCI	Exchange differences on translating the financial statements of a foreign operation	
Balance at the beginning of the reporting period (April 1, 2015) Restated	11,363.40	29,192.57	45,606.76	7,940.85	176.69	127.09	53.55	94,460.91
Re-measurement as per Ind AS								
Cancellation of Eq. Shares of earlier subsidiary on subsequent acqusition	(852.72)							(852.72)
On issue of Employee Stock Option Scheme		301.06			414.49			715.55
Pre-acquisition profit				0.02				0.02
Income for the year				1,896.44				1,896.44
Dividend & Dividend Tax				(632.07)				(632.07)
Transfer to/from retained earnings			500.00	(500.00)				-
Total Comprehensive Income for the year						(6.78)	61.87	55.09
Deferred Tax						(225.04)		(225.04)
Balance at the end of the reporting period (March 31, 2016)	**10,510.68**	**29,493.63**	**46,106.76**	**8,705.24**	**591.18**	**(104.73)**	**115.42**	**95,418.18**
Restated balance at the beginning of the reporting period	**10,510.68**	29,493.63	46,106.76	8,705.24	591.18	(104.73)	115.42	95,418.18
Re-measurement as per Ind AS								-
Cancellation of Eq. Shares of earlier subsidiary	(104.43)							(104.43)
On issue of Employee Stock Option Scheme		477.85			-			477.85
Pre-acqusition Profit				(2.28)				(2.28)
Income for the year				2,629.08				2,629.08
Dividend & Dividend Tax				(632.73)				(632.73)
Total Comprehensive Income for the year						525.52	(9.34)	516.18
Transfer to/from Retained Earnings			500.00	(500.00)				-
Deferred Tax								-
Balance at the end of the reporting period (March 31, 2017)	**10,406.25**	**29,971.48**	**46,606.76**	**10,199.31**	**591.18**	**420.79**	**106.08**	98,301.85

Notes referred to above form an integral part of the Financial Statements
In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
Directors

Note 1.66 Reconciliation of Equity as previously reported under IGAAP to Ind AS under Ind AS 101

(₹ in lakhs)

Sl. No.	Particulars	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		IGAAP	Effect of Transaction to Ind AS	Ind AS	IGAAP	Effect of Transaction to Ind AS	Ind AS
	ASSETS :						
(1)	Non-current Assets						
(a)	Property, Plant & Equipment	22,082.43	(95.93)	21,986.50	32,837.55	(202.41)	32,635.14
(b)	Capital work-in-progress	482.01	(110.95)	371.06	392.59	-	392.59
(c)	Investment Property	(22.54)	189.30	166.76	0.00	109.58	109.58
(d)	Other Intangible Assets	189.15	(79.26)	109.89	265.86	-	265.86
(e)	Financial Assets						
	(i) Investments	7,887.59	235.70	8,123.29	4,641.02	6.05	4,647.07
	(ii) Loans	79.84	13.61	93.45	92.41	11.01	103.42
	(iii) Bank Balance	824.06	-	824.06	601.12	-	601.12
	(iv) Others (to be specified)	63.89	(3.44)	60.45	227.92	(8.22)	219.70
(f)	Deferred Tax Assets (Net)	1,803.20	1,635.37	3,438.57	1,680.40	1,577.29	3,257.64
(g)	Other Non current Assets	2,087.09	11.15	2,098.24	3,111.32	7.77	3,119.09
		35,476.72	**1,795.55**	**37,272.27**	**43,850.19**	**1,501.02**	**45,351.21**
(2)	Current Assets						
(a)	Inventories	28,566.37	994.15	29,560.52	32,639.36	2,643.72	35,283.07
(b)	Financial Assets						
	(i) Investments	46,564.73	3,952.90	50,517.63	33,385.66	5,095.76	38,481.42
	(ii) Trade receivables	38,703.67	(6,142.73)	32,560.94	56,223.24	(8,242.05)	47,981.19
	(iii) Cash & cash equivalents	1,143.17	-	1,143.17	2,190.97	-	2,190.97
	(iv) Bank balances other than (iii) above	6,483.06	-	6,483.06	4,523.00	-	4,523.00
	(v) Loans	732.57	(288.05)	444.52	4,358.75	(285.37)	4,073.38
	(vi) Others (to be specified)	(1,612.38)	1,612.38	-	(2,353.12)	2,353.12	-
(c)	Current Tax Assets (Net)	1,224.54	-	1,224.54	395.42	-	395.42
(d)	Other current Assets	10,418.85	(400.00)	10,018.85	21,366.68	(544.44)	20,822.24
		1,32,224.58	**(271.35)**	**1,31,953.23**	**1,52,729.96**	**1,020.73**	**1,53,750.69**
	TOTAL ASSETS	**1,67,701.30**	**1,524.20**	**1,69,225.50**	**1,96,580.16**	**2,521.74**	**1,99,101.90**
	EQUITY AND LIABILITIES:						
(1)	Equity						
(a)	Equity Share capital	2,192.94	-	2,192.94	2,192.95	-	2,192.95
(b)	Other Equity	92,293.47	2,167.44	94,460.91	92,155.28	3,262.90	95, 418.18
		94,486.41	2,167.44	96,653.85	94,348.23	3,262.90	97,611.13
	Non-Controlling Interest	-		-	1,704.77	-	1,704.77
	Liabilities						-
(1)	Non-current Liabilities :						
(a)	Financial Liabilities						
	(i) Borrowings	1,470.72	(4.98)	1,465.74	3,761.51	(1.81)	3,759.70
	(ii) Other financial liabilities	(0.93)	0.93	-	-		-
(b)	Provisions	331.56	(15.02)	316.54	584.97	(33.00)	551.97
(c)	Deferred tax liabilities (Net)	12.50	(12.50)	-	(0.18)	0.18	-
(d)	Other non current liabilities	-	-	-	(0.00)	1.87	1.87
		1,813.85	**(31.57)**	**1,782.28**	**4,346.30**	**(32.76)**	**4,313.54**
(3)	Current Liabilities						
(a)	Financial Liabilities						
	(i) Borrowings	26,913.25	(0.19)	26,913.06	38,560.98	133.84	38,694.82
	(ii) Trade Payables	24,948.14	-	24,948.14	37,037.67	-	37,037.67
	(iii) Other financial liabilities	3,262.89	(5.37)	3,257.52	4,550.06	(5.03)	4,545.03
(b)	Other current liabilities	15,213.15	-	15,213.15	14,522.36	-	14,522.36
(c)	Provisions	1,063.61	(606.11)	457.50	1,305.31	(632.73)	672.58
		71,401.04	**(611.67)**	**70,789.37**	**95,976.38**	**(503.92)**	**95,472.46**
	Total Equity and Liabilities	**1,67,701.30**	**1,524.20**	**1,69,225.50**	**1,96,580.16**	**2,521.74**	**1,99,101.90**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
Sandeep Fuller
D. H. Kela
A.K. Vijay
} *Directors*

Note 1.67 Reconciliation Statement of Total Comprehensive Income as previously reported under IGAAP to Ind AS under Ind AS 101 year ended March 31, 2016

(₹ in lakhs)

Sl. No.	Particulars	IGAAP Total	Ind AS Adjustment Total	Ind AS Total
I	Revenue From operations	1,17,296.79	(1,627.41)	1,15,669.38
II	Other Income	3,206.77	1,209.97	4,416.74
III	Total Income (I +II)	1,20,503.56	(417.44)	1,20,086.12
IV	EXPENSES			
	Cost of materials consumed	83,901.76	-	83,901.76
	Purchases of Stock-in-Trade	-	-	-
	Increase/(Decrease) in inventories	(2,018.92)	(1,649.56)	(3,668.48)
	Excise Duty	5,427.64	-	5,427.64
	Employee benefit expense	7,711.18	465.94	8,177.12
	Finance costs	4,940.26	16.99	4,957.25
	Depreciation and amortization expense	1,750.72	(2.12)	1,748.60
	Other expenses	16,867.42	(27.52)	16,839.90
	Total expenses (IV)	1,18,580.06	(1,196.27)	1,17,383.79
V	Profit/(loss) before tax	1,923.50	778.83	2,702.33
VI	Tax Expenses			
	1) Current Tax	576.73	-	576.73
	2) MAT Credit	(144.44)	-	(144.44)
	3) Deferred Tax	104.73	220.64	325.37
	4) Income Tax Paid Related to Earlier Years	11.88	-	11.88
VII	Profit/(loss) for the period from continuing operations	1,374.60	558.19	1,932.79
	Profit/(loss) for the period from JV/Associates	28.95	-	28.95
	Profit/(loss) for the year	1,403.55	558.19	1,961.74
VIII	Other comprehensive income	(61.85)	(159.35)	(221.20)
	Items that will be reclassified to profit and loss	61.87	-	61.87
IX	Total Comprehensive Income for the year	1,403.57	398.84	1,802.41

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

D. Impact of Ind AS adoption on the Statement of Cash Flows for the year ended March31, 2016

There are no material adjustments of transition to the Statement of Cash flows to conform to Ind AS presentation for the year ended March 31, 2016.

In terms of our Report of even date attached herewith.
For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No: 304153E

P.K.Gutgutia
Partner
Membership No.6994
6C, Middleton Street,
Kolkata- 700 071
Dated: 22nd May, 2017

Ravi Varma
Company Secretary

S. K. Poddar
A. C. Chakrabortti
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A.K. Vijay
Directors

(i) Investment property:

Under the previous GAAP, investment properties were presented as part of Property, Plant and Equipments. Under Ind AS, investment properties are required to be separately presented on the face of the Balance Sheet. There is no impact on the total equity or profit as a result of this adjustment.

(ii) Property, Plant and Equipment:

Assets are carried at deemed cost under Ind AS.

(iii) Investments

(a) Non-Current Investment- Non- Current Investment in equities (other than associate & subsidiaries) has been shown at fair value and gain/loss thereon has been routed through Other Comprehensive Income (OCI).

(b) Current Investment- The Company has designated investments other than Investments in Subsidiary, Joint Arrangements, and Associates at Fair Value through Profit and Loss (FVTPL). Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of investment and IGAAP carrying amount has been recognized in Retained Earnings.

(iv) Borrowings:

As per Ind AS 109, the Company has classified Foreign Currency Loans as financial liabilities to be measured at amortised cost. The Company has executed derivative contracts to hedge foreign currency risk of borrowings. The borrowings have been restated as at the date of transition.

(v) Deferred Tax:

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 approach has resulted in recognisation of deferred tax on new temporary differences which was not required under IGAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

As per Ind AS 12, the Company has considered MAT entitlement credit as deferred tax asset being unused tax credit entitlement.

(vi) Proposed Dividend and Tax thereon:

Under the previous GAAP, dividends proposed by the Board of Directors after the Balance Sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and tax thereon, included under provisions has been reversed with corresponding adjustment to retained earnings.

(vii) Revenue from Operation:

Under previous GAAP, the Company used to account for its gross sale on the basis of dispatches made from its factory. Under Ind AS, the same is accounted for on transfer of all risk, reward and ownership to the customer. The corresponding impact of above transaction has been given under Inventory.

(viii) Excise Duty:

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. There is no impact on the total equity and profit.

(ix) Re-measurements of Post-Employment Benefits Obligations:

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the Statement of Profit and Loss for the year. There is no impact on the total equity.

(x) Other Comprehensive Income:

Under Ind AS, all items of income and expense recognized in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes re-measurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments etc. The concept of other comprehensive income did not exist under previous GAAP.

(xi) Share Based Payment:

Under the previous GAAP, the costs of equity-settled employee share-based plan were recognized using intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognized based on the fair value of the options as at the grant date. There is no impact on total equity.

Notes



A meeting of the Directors in progress



TEXMACO RAIL & ENGINEERING LTD.

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Belgharia, Kolkata 700 056

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