

TEXMACO INFRASTRUCTURE & HOLDINGS LTD.
Annual Report 2013-14



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Corporate information



Directors

S. K. Poddar, Chairman

Utsav Parekh

Dipankar Chatterji

Gautam Khaitan

Akshay Poddar

Hemant Kumar, Exec. Director

Secretary

Kaushik Sonee

Auditors

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

Bankers

State Bank of India

Registered Office

Belgharia, Kolkata 700 056

Phone: (033) 2569 1500

Fax : (033) 2541 2448

Website: www.texinfra.in

Corporate Office

Birla Lines,

G. T. Karnal Road,

Delhi - 110 007



Report of the Directors

Your Directors have pleasure in presenting the Seventy Fourth Annual Report of the Company along with the Audited Accounts for the year ended 31st March, 2014.

Financial Results

(Rupees in Lakhs)

	2013-14	2012-13
Operating Profit (PBIDT)	1,817.12	1,697.96
Less: Interest (Net)	(368.15)	(395.11)
Gross Profit (PBDT)	2,185.27	2,093.07
Less: Depreciation	286.57	285.53
Profit before Taxation	1,898.70	1,807.54
Less: Provision for Taxation:		
Current Tax	255.00	235.00
Deferred Tax Liability/(Asset)	(50.89)	(40.50)
Income Tax for earlier year	14.68	1.02
Profit after Taxation	1,679.91	1,614.06
Add: Balance brought forward from previous year	6,959.04	6,768.60
	8,638.95	8,382.66
Appropriations		
Proposed Dividend on Equity Shares (Incl. Tax)	223.62	223.62
General Reserve	1,000.00	1,200.00
Balance Carried Forward	7,415.33	6,959.04
	8,638.95	8,382.66

Dividend

The Directors have pleasure in recommending payment of a dividend of Rs. 0.15 per share for the year ended 31st March, 2014.

The Management Discussion and Analysis

The Company derives its major income from receipt of Rent of leased out properties to blue chip Companies on medium term

basis at Gurgaon, dividend income out of its Strategic Investments and operation of a Mini Hydro Power Unit in Dist. Darjeeling.

Real Estate

Pursuant to the Supreme Court order dated 25th March 2010, your Company could retain 35% of its Industrial Land with a F.A.R. 1.5 times of the normal F.A.R. and surrender the balance land to DDA.

In terms of the decision taken by the screening committee of the DDA, the Company surrendered and DDA has duly taken possession of 52,201 sq. mtrs. land out of 58,951 sq. mtrs. that was required to be surrendered to DDA. The balance area has not yet been surrendered as the 3 nos. residential quarters are not vacated. The application filed by the occupants of the quarters in the court of the District Judge has been dismissed. Our application for issuance of warrant of possession with police help will come up for decision on the next hearing. On issuance of the positive order, we shall obtain the vacant possession of the land occupied by the quarters and hand over the same to DDA so that the process of land surrender to DDA is completed.

The DDA vide its notification no. S.O.1215(E) dated 13th May, 2013 has notified that Industrial plots shall be eligible for Residential (Group Housing) activity within development control norms with required commercial activity upto 15% of permissible F.A.R. on payment of conversion charges as prescribed by Government from time to time.

Mini Hydro Power Project

The Company's 3 MW Mini Hydel Power Plant located on river Neora, District Darjeeling in the State of West Bengal improved its performance with evacuation of 94.14 Lakh units of power in the year 2013-14 against 67.03 Lakh units in the year 2012-13. The unit - 3 is performing at full load operation in monsoon period. The generation would have been still better but for continuing problem of low availability of water in the lean season and transmission line failure. The evacuation problem has been solved by installing ATR of 4.5 MVA during the year. No evacuation problem was noticed since its installation.

The Company has also started preliminary work on the development of Neora Stage II (6 MW) project which is located a few kilometers upstream of the current plant. For Neora Stage

II project, application for FC & LA with proposal of alternative land to WBFDC & Directorate of Forest, Govt. of WB has been submitted for transfer of Forest Land for project activity.

New Hydro Power

As reported your Company, though had pre-qualified for participation in price bid tenders for projects namely ANS Stage-1 Hydro Electric Project (40MW) & Bichlari Hydro Electric Project (45MW) on 'BOOT' basis in Jammu Region of J & K, decided not to pursue said projects based on subsequent geological and viability study carried out by the management which were not encouraging.

We are exploring further possibilities for setting up mini hydel electric projects at new locations.

Human Relations

The Company continues to maintain its excellent record of human relations over the decades. Your Directors appreciate the commitment and dedication of its staff and officers.

Consolidated Financial Statements

In accordance with Accounting Standard 21 (Consolidated Financial Statements), the Group Accounts form part of this Report & Accounts. The Group Accounts also incorporate Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) issued by the Institute of Chartered Accountants of India. The Group Accounts have been prepared on the basis of audited financial statements received from the subsidiaries, as approved by their respective Boards.

Corporate Governance

A separate report on Corporate Governance pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges is attached as a separate Annexure and forms a part of this Report.

Directors' Responsibility Statement u/s 217(2AA) of the Company's Act, 1956

Your Directors state:

- (i) that in the preparation of the annual accounts, applicable accounting standards have been followed, along with proper explanations relating to material departures, and the Notes in the Auditors' Report in this regard are self-explanatory;
- (ii) that such accounting policies have been selected and applied consistently and judgements and estimates made that 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 of the Company for that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a 'going concern' basis.

The SEBI's guidelines regarding Corporate Governance have been implemented by the Company.

Green Initiative

Your Company has started a sustainability initiative with the aim of going green and minimizing 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 a Shareholder wishes to receive a printed copy, he/

she may please send a request to the Company, which will send a printed copy of the annual report to the Shareholder. Members are requested to support this initiative by registering / updating their email addresses for receiving Annual Report, Notices etc. through e-mail.

Particulars of Employees

The number of employees as at 31st March, 2014 was 28. There was no employee who was in receipt of remuneration as required to be disclosed under Section 217(2A) of the Companies Act, 1956.

Director

Shri S. K. Poddar, Director, retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting. The Board has recommended his re-appointment.

Cost Auditors

Your Company has appointed Cost Auditors M/s. DGM & Associates, Cost Accountants, for conducting the Cost Audit for FY'15 in terms of the provisions of Companies Act, 2013 and Companies (cost records and audit) Rules, 2014 issued by the Ministry of Corporate Affairs.

Auditors

The Auditors, M/s. K.N. Gutgutia & Co, Chartered Accountants, retire and are eligible for re-appointment.

For and on behalf of the Board

Place: Kolkata
Dated: 21st May, 2014

S. K. Poddar
Chairman

Report on Corporate Governance

(Pursuant to Clause 49 of the Listing Agreement)

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 practice in the industry.

2. Board of Directors

The Company's Board comprises Six Directors, represents the optimum mix of professionalism, knowledge, and experience. Half of the current strength of the Board is Independent Directors. The category of Directorship, number of meetings attended, attendance at the last Annual General Meeting ('AGM'), Directorships in other Companies, number of Committees in which such Director is a 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 Chairmanship/ Membership of Board/ Committees in Companies ^	
						Chairman	Member
S.K. Poddar	Chairman	00008654	4	Yes	12	1	1
Hemant Kumar	Executive Director	03599801	4	No	1	0	0
Akshay Poddar+	Non-executive & Non independent	00008686	3	No	10	2	4
Gautam Khaitan	Independent	00021117	2	No	6	2	4
Utsav Parekh	Independent	00027642	3	No	6	2	5
Dipankar Chatterji	Independent	00031256	3	Yes	6	3	3

+ Shri Akshay Poddar is the son of Shri S. K. Poddar.

Excluding Private companies, Companies under Section 25 of the Companies Act, 1956, Foreign Companies and Alternate Directorships.

^ Membership / Chairmanship in Audit Committee and Stakeholders Relationship Committee, including those in the Company.

The Chairman does not have a separate office in the Company, and the Corporate Office of the Company supports the Chairman for discharging his responsibilities. No Director of the Company was a member of more than ten Committees or Chairman of more than five Committees across all the Companies in which he was a Director.

Four Board Meetings were held during the year 2013-2014 on the following dates:-

30th May, 2013

10th August, 2013

11th November, 2013

31st January, 2014

3. Audit Committee / Sub-Committee

(a) Audit Committee

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956 and Section 177 of the Companies Act, 2013.

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

Name of the Director	No. of Meetings attended
Utsav Parekh, Chairman	4
Akshay Poddar, Member	3
Gautam Khaitan, Member	1
Dipankar Chatterji, Member	4

Four Audit Committee Meetings were held during the year 2013-2014 on the following dates:-

27th May, 2013	10th August, 2013
11th November, 2013	31st January, 2014

The details of the payment made during the year 2013-14 are as follows :

i) Non-executive Directors

Name of the Director	Sitting Fee (Rs.) for the year	Commission (Rs.) for the year	Total (Rs.)	No. of Shares held in the Company
S. K. Poddar	80,000	1,00,000	1,80,000	54,01,620
Akshay Poddar	1,00,000	1,00,000	2,00,000	3,33,552
Utsav Parekh	1,10,000	1,00,000	2,10,000	Nil
Gautam Khaitan	50,000	1,00,000	1,50,000	Nil
Dipankar Chatterji	1,00,000	1,00,000	2,00,000	Nil

The details of the remuneration paid to the Executive Director during the year 2013-14 are given below:

ii) Executive Director

Name of the Director	Designation	Salary (Rs.)	Perquisites and Allowances # (Rs.)	Sitting Fees (Rs.)	Retirement Benefits (Rs.)
Hemant Kumar	Executive Director	22,20,000	10,53,247	N.A.	As per Company's Rules

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

The Remuneration paid to Executive Director is decided by the Board of Directors.

(b) Sub-Committee

The Sub-Committee comprises four Directors namely Shri S. K. Poddar, Shri Akshay Poddar, Shri Dipankar Chatterji and Shri Utsav Parekh.

No Committee Meeting was held during the year 2013-2014.

4. Remuneration of Directors

At present, the Remuneration of Executive Director is fixed by the Board of Directors / Sub-Committee of Directors. 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 present ceiling of Rs.1,00,000/- each per annum. Directors are paid a sitting fee of Rs.20,000/- each for attending Board Meeting and Rs.10,000/- each for attending Committee / Sub-committee Meeting.

The Board of Directors at its Meeting held on 31st January, 2014 has constituted a Nomination and Remuneration Committee w.e.f. 1st April, 2014 to formulate the criteria for determining qualifications, attributes and independence of a Director and to recommend / review remuneration for the Directors.

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises the following three Directors and their attendance in the Committee Meeting is given alongside.

Name of the Director	No. of Meetings attended
Utsav Parekh, Chairman	1
Akshay Poddar, Member	1
Gautam Khaitan, Member	0

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

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 of Shares, transmission of Securities, etc. The Company has no transfers pending at the close of the financial year.

A meeting of the Stakeholders Relationship Committee was held on 31st January, 2014.

Shri Kaushik Sonee, Secretary is the Compliance Officer of the Company.

During the year, 23 complaints were received from the shareholders, which were resolved within a reasonable time period.

6. Internal Control System

The Internal Control system of the Company is aimed at proper utilization 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.

7. General Body Meetings

Details of date, time and venue of the Annual General Meetings (AGMs) and Extra Ordinary General Meeting (EOGM) held in last three years are given below:-

Financial Year	Date and time of the AGMs	Date and time of the EOGM	Venue	No. of Special Resolutions approved at the AGMs
2012-2013	14th September, 2013 at 4.30 P.M.	-	K.K. Birla Kala Kendra, Texmaco Estate, Belgharia, Kolkata - 700 056	-
2011-2012	29th August, 2012 at 4.30 P.M.	-	G. D. Birla Sabhagar, 29 Ashutosh Chowdhury Avenue, Kolkata - 700 019	-
2010-2011	1st September, 2011 at 4.30 P.M.	7th July, 2010 at 3.30 P.M.	Birla Building, 9/1 R. N. Mukherjee Road, Kolkata -700 001	4

8. Disclosure

There are no materially significant related-party transactions made by the Company with its Promoters, Directors or Management, Subsidiaries, 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. 2.28 of Audited Financial Statements.

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

The Company has complied with applicable requirements under Clause 49 of the Listing Agreement with the Stock Exchange(s). The Company has already initiated the process of implementing the non-mandatory recommendations as a good Corporate Governance practice.

9. Reconciliation of Share Capital Audit

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

10. Means of Communication

The Quarterly Unaudited Financial Results and the Annual Audited Financial Results as taken on record and approved respectively by the Board of Directors of the Company are published generally in local English and Vernacular newspapers namely The Financial Express and Aajkal / Ekdin. It is also sent immediately to all the Stock Exchanges with which the Shares of the Company are listed. These results are also posted on Company's website www.texinfra.in. The official news release and other related information, if any, are displayed on the aforesaid website of the Company. These are not sent individually to the shareholders. Management Discussion & Analysis Report forms part of the Annual Report.

11. General Shareholder Information

AGM : Date, Time & Venue

On 4th September, 2014 at 3:30 P.M. at K. K. Birla Kala Kendra, Texmaco Estate, Belgharia, Kolkata – 700 056

Financial Calendar

1st April, 2014 to 31st March, 2015

First Quarter Result – Last week of July.

Second Quarter Results – Second week of November.

Third Quarter Results – Last week of January.

Results for the year ending 31st March, 2015-

By Last week of May 2015.

Date of Book Closure

Listing on Stock Exchanges From 30th August, 2014 to 4th September, 2014 (both days inclusive).

Listing on Stock Exchanges

1. National Stock Exchange of India Limited, Mumbai.
2. BSE Limited, Mumbai.
3. The Calcutta Stock Exchange Limited, Kolkata.

The Company has paid listing fees for the period

1st April, 2014 to 31st March, 2015.

Dividend Payment Date

Mid September, 2014

CIN of Company

L70101WB1939PLC009800

Stock Code – Physical

National Stock Exchange – TEXINFRA

BSE – 505400

Calcutta Stock Exchange – 30044

Demat ISIN No. for CDSL/NSDL – INE 435C01024

High / Low market prices of the Company's Equity Shares of Re.1/- each traded on National Stock Exchange of India Limited and BSE Limited during the period April 2013 to March 2014 are furnished here after:

Period	National Stock Exchange of India Limited		BSE Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2013	29.60	26.10	29.50	26.00
May 2013	30.00	26.10	30.00	25.00
June 2013	27.95	23.75	27.50	24.05
July 2013	28.00	19.80	26.25	20.00
August 2013	23.00	19.00	22.80	18.40
September 2013	25.00	20.55	25.00	20.65
October 2013	24.10	21.50	24.00	22.35
November 2013	26.90	22.50	26.95	22.60
December 2013	28.50	22.15	28.60	21.90
January 2014	27.35	21.60	27.40	21.55
February 2014	23.50	21.50	25.75	21.15
March 2014	26.80	22.30	26.65	22.85

Note: There was no trading during the year on The Calcutta Stock Exchange Limited, Kolkata.

Registrar & Transfer Agent (RTA)	M/s. Karvy Computershare Private Limited Plot No: 17- 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081	Phone: 040-23420818 Fax No: 040-23420814 E Mail: einward.ris@karvy.com Website: www.karvycomputershare.com
Share Transfer System	Request for transfer of shares held in physical form may be lodged with Karvy Computershare Private Limited at Hyderabad or may also be sent to Company Secretary at the Registered office of the Company at Kolkata. Share transfers are registered and returned within 15 days from the date of lodgment, provided documents are complete in all respects.	

Distribution of Shareholding and Shareholding Pattern as on 31st March, 2014

No. of Equity Shares held	No. of Folios	%	No. of Shares	%
Upto 5000	24923	98.09	84,95,068	6.67
5001 to 10000	208	0.82	157,5,670	1.24
10001 to 20000	105	0.41	15,57,694	1.22
20001 to 30000	52	0.20	13,41,538	1.05
30001 to 40000	17	0.07	5,90,055	0.46
40001 to 50000	16	0.07	7,33,087	0.57
50001 to 100000	31	0.12	21,99,668	1.73
100001 and above	57	0.22	11,09,33,810	87.06
Grand Total	25409	100.00	12,74,26,590	100.00

Shareholding Pattern as on 31st March, 2014

Category	No. of Shares	%
Promoters	7,62,65,583	59.85
Banks, Insurance Cos., and FIs	35,15,091	2.76
Mutual Funds and U.T.I.	1,13,43,618	8.90
Corporate Bodies	1,27,20,688	9.98
NRI / OCB / FIIs	42,23,607	3.31
Indian Public	1,79,83,732	14.11
Others	13,74,271	1.09
Total	12,74,26,590	100.00

Dematerialisation of Shares as on 31st March, 2014 and Liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 12,59,37,474 Equity shares of the Company representing 98.84% of the Company's Equity Share Capital are dematerialised as on 31st March, 2014.

Code of Conduct and Ethics

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 applicable laws and in a way that excludes considerations of personal advantage. All Directors and Senior Management Personnel have affirmed compliance with the code, and a declaration to this effect, signed by the Executive Director, is attached to this report.

The Company has voluntarily adopted the Model Code of Conduct framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, to, inter-alia, prevent insider trading in the shares of the Company.

Location of the Plants

Plant Location

The Company's Hydel Power Plant is located at Neora, Dist.: Darjeeling, W.B.

Address for Correspondence

Shareholders may contact Shri Kaushik Sonee, Secretary at the Registered Office of the Company for any assistance.

Telephone No : (033) 2569-1500

E-mail : kaushik.sonee@texmaco.in

Shareholders holding Shares in Electronic mode should address all their correspondence to their respective Depository Participants.

Investor Education and Protection Fund (IEPF)

Pursuant to the provision of Section 205A(5) of the Companies Act 1956, dividend for the financial year ended 31st March, 2007 and thereafter, which remain unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956. The Company has already transferred the unclaimed dividend for the year ended 31st March, 2006 to the IEPF.

Information in respect of such unclaimed Dividend, when due for transfer to the said Fund, are given below:

Financial year ended	Date of declaration of Dividend	Last date for claiming Un-paid Dividend	Due date for transfer to IEPF
31.03.2013	14.09.2013	19.10.2020	19.11.2020
31.03.2012	29.08.2012	03.09.2019	03.10.2019
31.03.2011	01.09.2011	06.10.2018	06.11.2018
31.03.2010	12.08.2010	17.09.2017	17.10.2017
31.03.2009	23.07.2009	28.08.2016	28.09.2016
31.03.2008	11.08.2008	16.09.2015	16.10.2015
31.03.2007	18.07.2007	23.08.2014	23.09.2014

Shareholders who have not so far encashed the dividend warrant(s) are requested to seek issue of Duplicate warrant(s) by writing to the Company's Registrar & Transfer Agent M/s. Karvy Computershare Private Limited immediately.

Shareholders are requested to note that no claims shall lie against the Company for the said fund in respect of any amounts which is unclaimed and unpaid for a period of 7 years from the dates that they first became due for payment, and no payment shall be made in respect of any such claims.

12. CEO / CFO Certification

The CEO and the CFO of the Company have given a certificate on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing agreement.

13. Retirement of Director by rotation and re-appointment:

Shri S. K. Poddar is due for retirement by rotation and is eligible for re-appointment at the ensuing Annual General Meeting. Brief particulars regarding Shri Poddar, pursuant to Clause 49 of the Listing Agreement is given here below:

Shri S. K. Poddar

Shri Saroj Kumar Poddar, aged 69 years, a gold medalist in B. Com (Hons.) from Calcutta University, and recipient of the Rashtriya Samman from the Central Board of Direct Taxes is the Chairman of Poddar Heritage Enterprises. The Group of Companies have now been re-positioned under a unified corporate banner 'ADVENTZ'.

Under Shri Poddar, the group has promoted various projects including joint ventures with leading international corporations. The most notable of these ventures are Gillette India Ltd – a joint venture with The Gillette Company of U.S.A, Hettich India Private Ltd – a joint venture with the Hettich Group of Germany, Texmaco UGL Rail Private Ltd – a joint venture with the United Group of Australia and Touax Texmaco Railcar Leasing Private Ltd – a joint venture with Touax, France. Shri Poddar is the Chairman of various Companies including Zuari Global Limited, Zuari Cement Limited, Chambal Fertilisers & Chemicals Limited, Chambal Infrastructure Ventures Limited, Simon India Limited, Texmaco Infrastructure & Holdings Limited, Texmaco UGL Rail Private Ltd. and Zuari Cement Limited (a unit of Ciments Francais). Shri Poddar is involved with art,

culture and sports. A keen collector of contemporary Indian art, Poddars also promote young cricketers to go abroad for training and practice. The family is currently involved in setting up a museum in Delhi with the theme 'India through the ages'. The museum to be named after Shri Poddar's father - in - law, late Dr K K Birla as 'K K Birla Academy', will be fully funded by the family and is scheduled to be commissioned in the next three years. The total turnover of the group is in excess of US \$3 billion. Having served as President of FICCI and International Chamber of Commerce in India, Shri Poddar has been appointed by Government of India on the Board of Trade (the highest body on trade) and also a member of the Court, Indian Institute of Science, Bangalore. Shri Poddar has also served as a Member of the Board of Governors of the IIT, Kharagpur and on the local Board of the Reserve Bank of India for 10 years each. Shri Poddar is presently serving on the Board of Indo Maroc Phosphore S.A. (IMACID).

Shri Poddar is presently associated with following other Companies as a Director.

Name of the Company

Adventz Investments & Holdings Limited
 Chambal Fertilizers and Chemicals Limited
 Chambal Infrastructure Ventures Limited
 Gulbarga Cement Limited
 Lionel India Limited
 Paradeep Phosphates Limited
 Simon India Limited
 Texmaco Rail & Engineering limited
 Zuari Cement Limited
 Zuari Fertilizers & Chemicals Limited
 Zuari Agro Chemicals Limited
 Zuari Global Limited

Shri Poddar is also a member on the various Committees of the following other Companies:

Name of the Company	Committee	Position
Zuari Cement Limited	Audit Committee	Chairman
Simon India Limited	Audit Committee	Member

In view of the background, qualifications and valuable experience of Shri S. K. Poddar, it will be in the interest of the Company that he continues as a Director of the Company.

Certificate

To the Members of
Texmaco Infrastructure & Holdings Limited

We have examined the compliance of the conditions of Corporate Governance by Texmaco Infrastructure & Holdings Limited for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In our opinion and to best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year 31st March, 2014, no investor grievances are pending against the Company as on date, as per the records maintained by the Company and presented to the Stakeholders' Relationship Committee.

We further state that such compliance is neither 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

Place: Kolkata,
Dated: 21st May, 2014

P K Gutgutia
Partner
Membership No.006994

Declaration by the Executive Director

To the Members of
Texmaco Infrastructure & Holdings Limited

In compliance with the requirements of Clause - 49 of the Listing Agreement with Stock Exchanges relating to Corporate Governance, I 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 Infrastructure & Holdings Limited**

Place: Kolkata,
Dated: 21st May, 2014

Hemant Kumar
Executive Director

CEO and CFO Certification

We, Hemant Kumar, Executive Director and P. C. Kejriwal, Chief Financial Officer certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2014 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2014 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 we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For **Texmaco Infrastructure & Holdings Limited**

Place: Kolkata,
Dated: 21st May, 2014

Hemant Kumar
Executive Director

P.C. Kejriwal
Chief Financial Officer

Financial Section

Independent Auditors' Report

To
The Members of
Texmaco Infrastructure & Holdings Limited

Report on the Financial Statements

We have audited the accompanying financial statement of **TEXMACO INFRASTRUCTURE & HOLDINGS LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act 1956 (the "Act") read with the general circular 15/2013 dated 13th September 2013 of the ministry of corporate affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 in the manner

so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- (a) in the case of the Balance Sheet of the State of Affairs of the Company as at 31st March, 2014;
- (b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date ; and
- (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have 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 appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act 1956 (the "Act") read with the general circular 15/2013 dated 13th September 2013 of the ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013
 - e) On the basis of the written representations received from the Directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **K.N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No.304153E

6C, Middleton Street,
Kolkata-700071
21st May, 2014

P K Gutgutia
Partner
Membership No. 6994

Annexure to the Auditors' Report

(Referred to in Paragraph (1) of our Report on other legal & regulatory requirements of even date)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, the Company has a system of verifying all its major fixed assets over a period of three years. The fixed assets 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 account.
- (c) During the year the Company has not disposed off any substantial / major part of fixed assets which may affect the going concern.
- ii) The Company has no inventory and hence para (a) to (c) of clause (ii) of the order is not applicable to the Company.
- iii) (a) The Company has neither granted nor taken any loan secured/ unsecured from / to Companies covered in the register maintained under section 301 of the Companies' Act, 1956 (1 of 1956).
- (b) As stated above sub-clause (b) to (g) of Clause (iii) of the Companies (Auditor's Report) order 2003 are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls system.
- v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that, sub clause (a) & (b) of Clause (v) of the Companies (Auditor's Report) Order, 2003, is not applicable since no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into by the Company during the year.
- vi) The Company has not received any fixed deposit from the public and hence Clause (vi) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii) The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies' Act, 1956 for any of the products of the Company except for generation of hydro-electric power in respect of its unit Neora Hydro. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules prescribed by the central government for the maintenance of cost records and 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 determining whether they are accurate or complete.
- ix) (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, investors education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March 2014 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there were no dues of Sales Tax, Income Tax, Customs, Wealth Tax, Service Tax, Excise Duty, Cess, which have not been deposited on account of disputes.

- x) There are no accumulated losses of the Company as on 31st March 2014. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) Based on our audit procedures the Company has no dues to any financial institution, bank or debenture holders and hence Clause (xi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures, and other securities.
- xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit Fund Company or nidhi / mutual benefit fund / society.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures, and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by its associate Company from a bank which is not prejudicial to the interest of the Company.
- xvi) According to the information and explanations given to us, no term loans were raised and hence application for the purposes for which they were raised does not arise.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act.
- xix) During the year covered by our audit report, the Company has not issued secured debentures.
- xx) The Company has not raised any money by public issues during the year covered by our report.
- xxi) 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 explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **K.N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No.304153E

6C, Middleton Street,
Kolkata-700071
21st May, 2014

P K Gutgutia
Partner
Membership No. 6994

Balance Sheet As at 31st March, 2014

	Note No.	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	1,274.28	1,274.28
(b) Reserves and Surplus	2.2	26,341.99	24,885.70
		27,616.27	26,159.98
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	2.3	234.93	285.82
(b) Other Long Term Liabilities	2.4	1,107.56	1,098.06
(c) Long-Term Provisions	2.5	23.65	17.41
		1,366.14	1,401.29
(3) Current Liabilities			
(a) Trade Payables	2.6	20.92	21.14
(b) Other Current Liabilities	2.7	88.54	89.99
(c) Short-Term Provisions	2.8	249.70	250.18
		359.16	361.31
Total		29,341.57	27,922.58
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.9		
(i) Tangible Assets		13,498.15	12,696.65
(ii) Capital Work-in-Progress		10.32	522.76
		13,508.47	13,219.41
(b) Non-Current Investments	2.10	7,009.64	6,810.28
(c) Long-Term Loans and Advances	2.11	131.84	415.56
		20,649.95	20,445.25
(2) Current Assets			
(a) Current Investments	2.10	4,333.77	4,364.22
(b) Trade Receivables	2.12	7.64	9.19
(c) Cash and Bank Balances	2.13	126.14	76.49
(d) Short-Term Loans and Advances	2.14	4,136.41	2,883.82
(e) Other Current Assets	2.15	87.66	143.61
		8,691.62	7,477.33
Total		29,341.57	27,922.58
Accounting Policies & Notes on Accounts	1 & 2		

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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar } Directors

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

	Note No.	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
I. Revenue From Operations	2.16		
Sale of Products		335.52	238.90
Sale of Services		1034.08	1,061.97
		1369.60	1,300.87
Other Operating Revenues		2.46	0.79
Total		1372.06	1,301.66
II. Other Income	2.17	1379.44	1,295.07
III. Total Revenue (I + II)		2751.50	2,596.73
IV. Expenses:			
Cost of Material Consumed (incl. services)		14.55	10.74
Employee Benefits Expense	2.18	214.89	169.98
Finance Costs	2.19	2.24	1.15
Depreciation and Amortization Expenses	2.20	286.57	285.53
Other Expenses	2.21	334.55	321.79
Total Expenses		852.80	789.19
V. Profit Before Tax (III-IV)		1,898.70	1,807.54
VI. Tax Expense:			
(a) Current Tax		255.00	235.00
(b) Deferred Tax		(50.89)	(40.50)
(c) Income Tax for Earlier Year		14.68	(1.02)
VII. Profit (Loss) for the Period from Continuing Operations(V-VI)		1679.91	1,614.06
VIII. Earnings per Equity Share: (Par Value of Re.1/- each)			
(1) Basic		1.32	1.27
(2) Diluted		1.32	1.27
Accounting Policies & Notes on Accounts	1 & 2		

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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar

} Directors

Cash Flow Statement for the year ended 31.03.2014

(Rs. in Lakhs)

	Year Ended 31.03.2014	Year Ended 31.03.2013
A) Cash Flows from Operating Activities:		
Net Profit before Taxation & Exceptional Items	1,898.70	1,807.54
Adjustments for:		
Depreciation	286.57	285.53
Interest Paid	2.24	1.15
Advances written off	33.75	33.75
Provision and Excess Liabilities Written Back	(0.11)	(16.24)
Interest Received	(370.39)	(396.26)
Income From Investments	(1,001.86)	(852.25)
Profit on Sale Of Fixed Assets(Net)	(6.97)	(0.12)
	(1056.77)	(944.44)
Operating Profit before Working Capital Changes & Exceptional Items	841.93	863.10
(Increase)/Decrease in Trade & Other Receivables	294.17	(10.43)
Increase/(Decrease) in Trade Payables & Other Liabilities	15.15	(133.84)
	309.32	(144.27)
Cash Generated from Operations	1151.25	718.83
Direct Taxes Paid	(179.92)	(254.32)
Cash Flow before Exceptional Items	971.33	464.51
Net Cash from Operating Activities	971.33	464.51
B) Cash Flows from Investing Activities		
Purchase of Fixed Assets	(575.72)	(355.44)
Sale of Fixed Assets	7.06	0.17
(Purchase)/Sale of Investments	(168.91)	(1097.56)
Loan to Body Corporates	(1,385.00)	-
Bank Deposits(Includes having original maturity more than three months)	1.12	0.56
Interest Received	426.34	394.08
Income From Investments	1001.86	852.25
Net Cash used in Investing Activities	(693.25)	(205.94)
C) Cash Flows from Financing Activities		
Interest Paid	(2.24)	(1.15)
Dividend Paid	(225.07)	(222.81)
Net Cash used in Financing Activities	(227.31)	(223.96)
Net Increase/(Decrease) in Cash and Cash Equivalents	50.77	34.61
Cash And Cash Equivalents at the beginning of the year	48.60	13.99
Cash and Cash Equivalents at the end of the year	99.37	48.60
Note:		
(1) Details of Cash and Equivalents as on		
Balances with banks		
Current Accounts	96.33	25.25
Savings Account with Post office	0.06	0.06
Cheques on hand	-	22.11
Cash on hand	2.98	1.18
	99.37	48.60

- (2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standard) Rules, 2006.
- (3) Previous year's figures are regrouped/rearranged wherever necessary.

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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar } Directors

Notes to Accounts

1. ACCOUNTING POLICIES

General

The Financial Statements of Texmaco Infrastructure & Holdings Limited (or the Company) have been prepared and presented under the historical cost convention and on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India. GAAP comprises Accounting Standards notified by the Central Government of India under section 211(3C) of the Companies Act, 1956, other pronouncements of the Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 and guidelines issued by Securities and Exchange Board of India. The Financial Statements are rounded off to the nearest Rupees lakhs.

Fixed Assets

Fixed Assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of Fixed Assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective Assets. Borrowing costs directly attributable to acquisition or construction of those fixed Assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

The Company assesses at each balance sheet date whether there is any indication that an Asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the Asset. If such recoverable amount of the Asset or the recoverable amount of the cash generating unit to which the Asset 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 the 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.

Depreciation

Depreciation has been provided on straight line method except in respect of a unit (Neora Hydro) having a Gross assets Valuing Rs 2,633.66 Lakhs (Previous Year Rs 2,592.46 Lakhs) where Written Down method has been followed in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956.

Investments

Investments are either classified as Current or Non-Current based on management's intention at the time of purchase. Current Investment are stated at lower of cost and fair value.

Non-Current Investments are considered "at Cost" on individual investment basis, unless there is a decline other than temporary in value thereof, in which case adequate provision is made against such diminution in the value of investments. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reason for the reduction is no longer exist.

Revenue Recognition

Sales revenue is recognized on transfer of the significant risks and rewards of ownership of the goods to the buyer and stated at net of Sales Tax, Service Tax, VAT, trade discounts, rebates. Income from services is recognized as the services are rendered based on agreement/arrangement with the concerned parties. Dividend income on investments is accounted for when the right to receive the payment is established. Interest income is recognized on time proportion basis. Certain insurance and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis

Employee Benefits

- (1) The Company's contribution to provident fund, employees' state insurance scheme are charged on accrual basis to Statement of Profit & Loss.
- (2) **Leave:** Leave liability is accounted for based on actuarial valuation at the end of year.
- (3) **Gratuity:** Year-end accrued liabilities on account of gratuity payable to employees are provided on the basis of actuarial valuation.

Notes to Accounts

Contingent Liabilities

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Use of Estimates

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of contingent Liabilities on the date of the Financial Statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Difference between the actual result and the estimates are recognized in the period in which the results are known/ materialized

Borrowing Cost

Interest on borrowings directly attributable to the acquisition, construction or production of qualifying assets is being capitalised till the date of commercial use of the qualifying assets. Other interests on borrowings are recognised as an expense in the period in which they are incurred

Segment Reporting

- a) Based on the organisational structures and its Financial Reporting System, the Company has classified its operation into three business segments namely Real Estate, Hydro Power and Others.
- 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.

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.

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 fixed assets are reduced from the gross value of the respective fixed assets. Other Capital Grants are credited to Reserve & Surplus of the Company.

Earning Per Share

Earnings per share is calculated by dividing the net profit/ loss for the period attributable to equity shares holders by the weighted average number of equity shares outstanding during the period.

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 to Accounts

2. NOTES ON ACCOUNTS

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.1 SHARE CAPITAL		
Authorised Capital		
170000000 Equity shares at par value of Re. 1/- each	1,700.00	1,700.00
300000 6% Preference Share at par value of Rs.100/- each	300.00	300.00
	2,000.00	2,000.00
Issued, Subscribed and Paid Up Capital		
127426590 (127426590) Equity shares at par value of Re. 1/- each fully paid	1,274.27	1,274.27
Add: Forfieted Shares	0.01	0.01
Total (2.1)	1,274.28	1,274.28

Notes:

- (i) The Company has only one class of shares referred to as equity shares having a par value of Re 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.However, no such preferential amounts exist currently.The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	31.03.2014		31.03.2013	
	No. of Equity Share	Amount (Rs in lakhs)	No. of Equity Share	Amount (Rs in lakhs)
Number of Shares at the beginning of the year	127426590	1,274.27	127426590	1,274.27
Number of Shares at the end of the year	127426590	1,274.27	127426590	1,274.27

- (iv) The dividend proposed by the Board of Directors is subject to the approval of shareholders in Annual General meeting. The Company has proposed to pay dividend amounting to Rs.223.62 lakhs (including corporate dividend tax of Rs 32.48 lakhs). The rate of proposed dividend is Re.0.15 per equity shares. (Previous Year Rs Rs.223.62 lakhs including Corporate dividend tax of Rs 32.48 lakhs).

- (v) Paid-up amount of Forfieted Shares is Rs. 500/-.

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

Sl.No.	Name of Shareholders	% of holding	No. of equity shares held
1	ZUARI INVESTMENTS LIMITED	21.40	27,263,900
2	ADVENTZ INVESTMENTS & HOLDINGS LIMITED	7.00	8,918,288
3	ZUARI GLOBAL LIMITED	7.78	9,907,712
4	DUKE COMMERCE LIMITED	6.06	7,726,464

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.2 RESERVES AND SURPLUS		
Capital Redemption Reserve		
Balance as per last Account	415.07	415.07
Securities Premium Reserve		
Balance as per last Account	52.57	52.57
State Capital Investment Subsidy		
Balance as per last Account	250.00	250.00
State Interest Subsidy		
Balance as per last Account	96.66	96.66
General Reserve		
Balance as per last Account	17,112.36	15912.36
Add: Transferred from Statement of Profit and Loss	1,000.00	1200.00
	18,112.36	17112.36
Surplus		
Balance as per last Account	6,959.04	6768.60
Add: Profit after Tax as per Statement of Profit and Loss	1,679.91	1614.06
	8,638.95	8382.66
Less: Appropriation		
Proposed Dividend		
On Equity Shares	191.14	191.14
Tax on Dividend	32.48	32.48
Transfer to General Reserve	1,000.00	1,200.00
	1,223.62	1423.62
	7,415.33	6959.04
Total (2.2)	26,341.99	24885.70

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.3 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Assets		
Items u/s 43B and u/s 40(a)(i)(a) of I.T Act	(250.14)	(267.26)
Deferred Tax Liabilities		
Depreciation	485.07	553.08
Net Deferred Tax (Liability)/ Assets (2.3)	234.93	285.82

Deferred Tax Assets/Liability is recognised as per AS 22 "Accounting for Taxes on Income" issued by the Companies (Accounting Standard) Rules, 2006 The Deferred Tax Assets & Liabilities comprises of Tax effect of following timing differences:

2.4 OTHER LONG TERM LIABILITIES		
Others		
-Advance Against Sale of Land	175.00	-
-Security Deposits	532.56	698.06
-Advance from Others	400.00	400.00
Total (2.4)	1107.56	1098.06

2.5 LONG TERM PROVISIONS		
Provision for Employee Benefits		
-For Leave	5.33	2.05
-For Gratuity	14.39	11.43
Others		
-For Contingency/Others	3.93	3.93
Total (2.5)	23.65	17.41

Note: The Company Accounts for Leave and Gratuity liability based on Actuary Valuation.

2.6 TRADE PAYABLES		
Others	20.92	21.14
Total (2.6)	20.92	21.14

Note: The Company on the basis of information available to it, has not been able to verify the status of vendors under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid/ payable under this Act have not been given.

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.7 OTHER CURRENT LIABILITIES		
Unpaid Dividend on Equity Shares	24.97	26.17
Other payable		
TDS and other taxes payable	6.95	4.98
Liabilities for Expenses	17.83	43.08
Amount Due to Employee	3.97	4.74
PF, ESI amount payable	0.25	0.51
Others Misc. Payable	8.25	6.88
Advance from Customer (Deposit against order)	26.32	3.63
Total (2.7)	88.54	89.99

Note: There is no amount due and outstanding to be credited to the Investor Education and Protection Fund against unpaid dividend as at 31.03.2014

2.8 SHORT-TERM PROVISIONS		
Provision for employee benefits		
-For Leave	2.19	4.39
-For Gratuity	23.89	22.17
Others		
- Proposed Dividend	191.14	191.14
-Tax on Dividend	32.48	32.48
Total (2.8)	249.70	250.18

Note: The Company Accounts for Leave and Gratuity liability based on Actuary Valuation.

Notes to Accounts

2.9 FIXED ASSETS

(Rs. in Lakhs)

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 01/04/13*	Additions during the year	Sales/ Adjustments	As on 31/03/14	As on 01/04/13	Additions during the year	Sales/ Adjustments	As on 31/03/14	As on 31/03/13
Tangible Asstes									
Land (including leasehold)	4,193.69	106.23	-	4,299.92	-	-	-	4,299.92	4,193.69
Buildings*	9,626.10	520.87	0.06	10,146.91	1,597.19	212.04	0.04	1,809.19	8,028.91
Plant & Machinery*	864.14	45.91	0.19	909.86	551.20	47.09	0.13	598.16	312.94
Electrical Machinery	8.16	104.11	-	112.27	5.27	2.93	-	8.20	2.89
Office Equipments	18.94	4.64	0.10	23.48	11.61	0.71	0.09	12.23	7.33
Furniture & Fittings*	66.83	260.99	-	327.82	17.05	8.09	-	25.14	49.78
Vehicles	141.99	45.41	-	187.40	40.88	15.71	-	56.59	101.11
Total	14,919.85	1,088.16	0.35	16,007.66	2,223.20	286.57	0.26	2,509.51	12,696.65
CWIP (Capital Work in Progress)	522.76	3.93	516.37	10.32	-	-	-	10.32	522.76
Grand Total	15,442.61	1,092.09	516.72	16,017.98	2,223.20	286.57	0.26	2,509.51	13,219.41
Previous Year	15,087.51	355.44	0.34	15,442.61	1,937.96	285.53	0.29	2,223.20	13,219.41

NOTE:

- 1) Rs 3,594.98 lakhs (including Rs 106.23 lakhs for the year) expenses incurred for development of land of Birla Textile Capitalised.
- 2) * Includes assets held under co-ownership with others at Kolkata & Delhi. (Refer note no 2.27)

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.10 (a) NON-CURRENT INVESTMENTS		
Non-Current Investments-At Cost		
TRADE INVESTMENTS		
Investment in Equity Instruments (Unquoted)		
Fully paid-up Shares held in:-		
MSTC Limited		
15,000 (2013: 15,000) Shares of Rs 10 each	0.75	0.75
OTHER INVESTMENTS		
Investment in Equity Instruments (Quoted)		
Fully paid-up Shares held in:-		
Zuari Global Limited	2,417.39	2,417.39
(Formerly known as Zuari Industries Limited)		
27,57,941 (2013: 27,57,941) Shares of Rs 10 each		
Zuari Agro Chemicals Limited*	3,289.09	3,089.73
30,00,125 (2013: 28,17,941) Shares of Rs 10 each		
* Alloted (2557941 shares) pursuant to demerger of Zuari Industries Limited to Zuari Agro Chemicals Limited.”		
Calcutta Stock Exchange Limited	123.74	123.74
6,187 (2013: 6187) Shares of Re 1 each		
Chambal Fertilisers & Chemicals Ltd.	45.63	45.63
1,06,864 (2013: 1,06,864) Shares of Rs 10 each		
Upper Ganges Sugar & Ind. Ltd.	24.04	24.04
35,529 (2013: 35,529) Shares of Rs 10 each		
New India Retailing & Investment Ltd.	1.78	1.78
4,100 (2013: 4,100) Shares of Rs 10 each		
Investment in Equity Instruments(Unquoted)		
Fully paid-up Shares held in:-		
Birla Buildings Limited	0.75	0.75
7,500 (2013: 7,500) Shares of Rs 10 each		
Elgin Mills Limited (5% 'B' Cumulative Pref. Shares)	0.01	0.01
120 (2013: 120) Shares of Rs 10 each		
Taparia Limited	0.40	0.40
3,500 (2013: 3,500) Shares of Rs 10 each		
Birla Constructions Limited	1.50	1.50
15,000 (2013: 15,000) Shares of Rs 10 each		
Investment in Equity Instruments of Subsidiary Companies (Unquoted)		
Fully paid-up Shares held in:-		
High Quality Steels Limited	30.23	30.23
12,10,622 (2013: 12,10,622) Shares of Rs 2.50 each		
Macfarlane & Co. Limited (Ordinary Shares)	2.80	2.80
1,39,265 (2013: 1,39,265) Shares of Rs 5 each		
Macfarlane & Co. Limited (Deferred Shares)	0.08	0.08
16,551 (2013: 16,551) Shares of Re 1 each		

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.10 (a) NON-CURRENT INVESTMENTS (contd.)		
Investment in Equity Instruments of Associates Companies		
Fully paid-up Shares held in:-		
Texmaco Rail & Engg.Ltd. (Quoted) 5,46,00,000 (2013: 5,46,00,000) Shares of Re 1 each	546.00	546.00
Lionel India Limited (Unquoted) 5,25,450 (2013: 5,25,450) Shares of Rs 100 each	525.45	525.45
Non-Current Investments- At Cost less provision for other than temporary diminution		
TRADE INVESTMENT		
Investment in Equity Instruments (Unquoted)		
Fully paid-up Shares held in:-		
Wagon India Limited Less:Provision for Diminution in value of Investments 1,499 (2013: 1,499) Shares of Rs 100 each	1.50 (1.50)	1.50 (1.50)
	-	-
OTHER INVESTMENT		
Investment in Equity Instruments (Unquoted)		
Fully paid-up Shares held in:-		
APV Texmaco Limited Less:Provision for Diminution in value of Investments 76,700 (2013: 76,700) Shares of Rs 10 each	5.61 (5.61)	5.61 (5.61)
Total of Non-Current Investments	7,009.64	6,810.28
Aggregate amount of Quoted Investments	6,447.67	6,248.30
Aggregate amount of Unquoted Investments	561.97	561.98
Market Value of of Quoted Investments	32,199.37	32,724.08
Aggregate Provision for diminution in value of Investments	(7.11)	(7.11)

2.10 (b) CURRENT INVESTMENTS - at lower of cost and fair value		
Investments in Mutual Fund (Un-quoted)		
Birla Sun life Floating Rate Fund-Long Term -Growth Direct Nil (2013: 12,02,258) Units of Rs 100 each	-	1,668.88
BSL Floating Rate Fund STP Growth 74179.54 (2013: Nil) Units of Rs 100 each	123.72	-
Birla Sun Life Fixed Term Plan Series KQ (368 days) Growth 7500000 (2013: Nil) Units of Rs. 10 each	750.00	-
Birla Sun Life Fixed Term Plan Series KC (368 days) Growth 10000000 (2013: Nil) Units of Rs. 10 each	1,000.00	-
Reliance Yearly Interval Fund Series 3 Growth Plan (Y3 GP) 1684042 (2013: Nil) Units of Rs. 10 each	184.33	-
DSP Black Rock FMP Series 144 12M Growth - Mat-09-02-2015 5750000 (2013: Nil) Units of Rs. 10 each	575.00	-
ICICI Prudential FMP Series 73 366 Days Plan Cumm 5000000 (2013: Nil) Units of Rs. 10 each	500.00	-

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.10 (b) CURRENT INVESTMENTS - at lower of cost and fair value (contd.)		
Birla Sun Life Saving Fund -Daily Dividend - Direct Plan Nil (2013: 584,063) Units of Rs 100 each	-	584.62
BSL Short Term Fund - Monthly Div. Reinvestment Nil (2013: 89,31,306) Units of Rs 10 each	-	1,036.85
Reliance Income Fund-Growth Plan-Bonus option 26,34,641 (2013: 26,34,641) Units of Rs 10 each	300.00	299.69
SBI Debt Fund Series -A8 -30 days Direct Plan Growth 8507172 (2013: Nil) Units of Rs. 10 each	850.72	-
SBI SHF Ultra Short Term Fund Nil (2013: 77,360) Units of Rs 1000 each	-	774.18
SBI Magnum Insta Cash Fund Direct Plan Growth 1,764 (2013: Nil) Units of Rs 1000 each	50.00	-
Total of Current Investments	4,333.77	4,364.22
Total Investments (a+b)	11,343.41	11,174.50
Aggregate amount of Quoted Current Investments		-
Market Value of Quoted Investments		-
Aggregate amount of Unquoted Investments	4,333.77	4,364.22
Aggregate amount of written down on Current investments	-	-
Aggregate NAV value of unquoted Mutual Funds	4,388.33	4,377.97

2.11 LONG TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Capital Advances	73.91	362.57
Security Deposits	57.72	52.11
Other loans and advances		
Prepaid Expenses	0.21	0.88
Total (2.11)	131.84	415.56

2.12 TRADE RECEIVABLES		
More than Six Months from the Due Date		
Unsecured, Considered Good	-	-
Others-Unsecured ,Considered Good	7.64	9.19
Total (2.12)	7.64	9.19

Note: In the opinion of the management trade receivables have a value on realisation in the ordinary course of business unless otherwise stated, at least to the amount at which they are stated.

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.13 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances with Banks		
Current Accounts	96.33	25.25
Savings Account with Post office	0.06	0.06
Cheques on hand	-	22.11
Cash on hand	2.98	1.18
	99.37	48.60
Other Bank Balances		
Term Deposit of more than twelve months maturity	1.80	1.72
Unpaid Dividend Account	24.97	26.17
	26.77	27.89
Total (2.13)	126.14	76.49

2.14 SHORT TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Loans and Advances to Related Party		
High Quality Steels Ltd (A Wholly Owned Subsidiary Company)	885.00	-
Other Loans and Advances		
Loan to Body Corporates	2,500.00	2,000.00
Advance to Parties	-	18.09
Advance to Employee	5.55	0.24
Other Advances	71.71	104.05
Prepaid Expenses	1.19	0.83
Balances with Government Deptt	2.54	0.43
Income Tax (Net of Provision)	670.42	760.18
Total (2.14)	4,136.41	2,883.82

Note: In the opinion of management, loans & 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.

2.15 OTHER CURRENT ASSETS		
Interest Receivables/Accrued Income	87.66	143.61
Total (2.15)	87.66	143.61

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.16 REVENUE FROM OPERATIONS		
Sale of Products	335.52	238.90
Sale of Services	1,034.08	1,061.97
	1,369.60	1,300.87
Other Operating Revenues	2.46	0.79
Total (2.16)	1,372.06	1,301.66

2.17 OTHER INCOME		
Interest Income		
From Bank	0.07	0.10
From Others	370.32	396.16
Dividend - Income from Non-Current Investments	707.31	676.87
Net Gain on Sale of Current Investments	294.55	175.38
Miscellaneous Receipts and Income	0.11	1.19
Profit on Sale of Fixed Assets	6.97	0.12
Claim Received	-	28.99
Provision & Excess Liabilities Written Back	0.11	16.24
Income Related to Previous Year	-	0.02
Total (2.17)	1,379.44	1,295.07

2.18 EMPLOYEES BENEFITS EXPENSE		
Salaries ,Wages and Bonus	192.62	146.92
Contribution to Provident and Other Funds		
Provident Fund, Pension Fund and ESI	10.94	9.08
Gratuity	4.68	7.86
Staff Welfare Expenses	6.65	6.12
Total (2.18)	214.89	169.98

2.19 FINANCE COST		
Interest Expenses		
Banks	-	-
Others	2.24	1.15
Total (2.19)	2.24	1.15

Notes to Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.20 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation	286.57	285.53
Total (2.20)	286.57	285.53

2.21 OTHER EXPENSES		
Power and Fuel	8.50	7.10
Rent	8.87	5.37
Repairs to buildings	69.24	52.58
Repairs to machinery	34.24	37.27
Repairs to others	4.70	3.23
Insurance	4.72	5.30
Rates and Taxes excluding taxes on Income	13.25	33.51
Director's Sitting Fees	4.40	4.40
Director's Commission	5.00	5.00
Payments to the Auditor		
Auditors' Remuneration	2.00	2.25
For Taxation Matters	0.80	0.80
For Quarterly Review	0.75	0.75
For Other Services	0.50	0.55
For Re-imburement of Expenses	0.25	0.34
Cost Auditors' Remuneration	0.30	0.30
Miscellaneous Expenses	142.94	128.69
Advances Written off	33.75	33.75
Expenses Related to Previous Year	0.34	0.60
Total (2.21)	334.55	321.79

Notes to Accounts

2.22

The Company has agreed to continue with the charge on its property at Kamala Nagar, Delhi in favour of the Bank from where credit facilities were availed for working capital for its Heavy Engineering and Steel Foundry businesses demerged to Texmaco Rail & Engineering Ltd (TexRail), an Associate Company under a Court approved scheme effective from 01.04.2010. It being a requirement of the Bank, during the initial years of the operations of TexRail after demerger, the Company has also given a Corporate Guarantee to the bank in support of the charge against the said working capital facilities to the extent of Rs 50 crore.

2.23

Pursuant to the Supreme Court order dated 25th March, 2010 the Company could retain 35% of its Industrial Land with a F.A.R., 1.5 times of normal and surrender the balance Land to DDA. In terms of the decision taken by the screening committee of the DDA, the Company surrendered and DDA has duly taken possession of 52,201 sq mtrs. land out of 58,951 sq mtrs. that was required to be surrendered to DDA. The balance area has not yet been surrendered being the balance 3 nos residential quarters occupied by ex-employees, not yet vacated. The application filed by the occupants of the quarter in the court of the District Judge has been dismissed. Company's application for issuance of warrant of possession with police assistance will come up for decision on the next date. On issuance of the positive order, we shall obtain the vacant possession of the balance land occupied by the quarters with ex-employees and hand over the same to DDA to complete the process of land surrender.

2.24

As per the Agreement with Chambal Fertilizers & Chemicals Ltd., when they took over the assets and liabilities of Baddi Unit from 01-10-99, Texmaco Infrastructure & Holdings Limited (formerly Texmaco Limited) is liable to pay wages and salary in respect of excess workers/ staff taken over by them over and above the required one to run the Baddi Unit. The Company incurred an expenditure of Rs. 106.23 lakhs (previous year Rs 96.94 lakhs) by way of Legal Expenses and payment of dues and ex-gratia to the ex-employees for obtaining vacant possession of the residential quarters unauthorized occupied by them even after cessation of their employment. These expenses have been shown as expenses on Land and Capitalised under the head " Land".

2.25

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.

2.26

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

2.27

Following assets (Company's share) are held under co ownership with other companies

(Rs. in Lakhs)

Assets	2013-14			2012-13		
	Original Cost	Accumulated Depreciation	WDV	Original Cost	Accumulated Depreciation	WDV
Building	77.01	20.60	56.41	77.01	19.46	57.55
Plant & Machinery	37.26	25.10	12.16	37.26	22.89	14.37
Furniture & Fittings	0.51	0.51	-	0.51	0.51	-

Notes to Accounts

2.28 RELATED PARTY DISCLOSURE

(a) Name of the related parties and relationship:

	Relationship	Parties Where Control Exist 2013-14	Parties Where Control Exist 2012-13
A.	Key Management Personnel	Shri Hemant Kumar (Executive Director)	Shri Hemant Kumar (Executive Director)
B.	Subsidiaries	High Quality Steels Limited (100% of the Capital held by the Company)	High Quality Steels Limited (100% of the Capital held by the Company)
		Macfarlane & Company Limited (71.27% of the Capital held by the Company)	Macfarlane & Company Limited (71.27% of the Capital held by the Company)
C.	Associates	Lionel India Limited (50.00% of the Capital held by the Company)	Lionel India Limited (50.00% of the Capital held by the Company)
		Texmaco Rail & Engineering Limited (30.00% of the Capital held by the Company)	Texmaco Rail & Engineering Limited (30.00% of the Capital held by the Company)
D.	Group Company where transaction exists	Zuari Investments Ltd	Zuari Investments Ltd
		Duke Commerce Ltd.	Duke Commerce Ltd.
		Adventz Securities Enterprises Ltd.	Adventz Securities Enterprises Ltd.
		Zuari Global Ltd.	Zuari Global Ltd.
		Adventz Holdings Ltd	Adventz Holdings Ltd
		Adventz investment & Holdings Ltd.	Adventz investment & Holdings Ltd.
		New Eros Tradecom Ltd.	New Eros Tradecom Ltd.
		Master Exchange & Finance Ltd.	Master Exchange & Finance Ltd.
		Adventz Investments Co. Pvt. Ltd.	Adventz Investments Co. Pvt. Ltd
		Adventz Securities Trading Pvt. Ltd.	Adventz Securities Trading Pvt. Ltd.
		Adventz Finance Pvt. Ltd..	Adventz Finance Pvt. Ltd.
		Eureka Traders Pvt. Ltd.	Eureka Traders Pvt. Ltd
		Abhishek Holdings Pvt. Ltd.	Abhishek Holdings Pvt. Ltd.
		Greenland Trading Pvt. Ltd.	Greenland Trading Pvt. Ltd
		Indrakshi Trading Company Pvt. Ltd.	Indrakshi Trading Company Pvt. Ltd.
		High Quality Steels Ltd.	High Quality Steels Ltd.
		Zuari Agro Chemicals Ltd.	Zuari Agro Chemicals Ltd.

Notes to Accounts

2.28 RELATED PARTY DISCLOSURE (contd.)

(b) Related Party Transactions

Transactions	Others	Key Management Personnel	Associate	Subsidiaries	Grand Total
Remuneration Paid					
Shri Hemant Kumar (Executive Director)	---	32.73	---	---	32.73
	(---)	(24.13)	(---)	(---)	(24.13)
Purchase of Goods/Services					
High Quality Steels Ltd.	---	---	---	12.95	12.95
	(---)	(---)	(---)	(10.01)	(10.01)
Lionel India Ltd.	---	---	2.98	---	2.98
	(---)	(---)	(3.03)	(---)	(3.03)
Dividend Received					
Texmaco Rail & Engineering Ltd.	---	---	546.00	---	546.00
	(---)	(---)	(546.00)	(---)	(546.00)
Zuari Global Ltd.	55.15	---	---	---	55.15
	(51.15)	(---)	(---)	(---)	(51.15)
Zuari Agro Chemicals Ltd.	84.54	---	---	---	84.54
	(76.73)	(---)	(---)	(---)	(76.73)
Dividend Paid					
Abhishek Holdings Pvt. Ltd.	---	---	---	---	---
	(---)	(---)	(---)	(---)	(---)
Adventz Securities Enterprises Ltd.	5.71	---	---	---	5.71
	(5.71)	(---)	(---)	(---)	(5.71)
Adventz Investments Co. Pvt. Ltd.	4.55	---	---	---	4.55
	(4.55)	(---)	(---)	(---)	(4.55)
Adventz Investments and Holdings Ltd	13.54	---	---	---	13.54
	(13.32)	(---)	(---)	(---)	(13.32)
Adventz Securities Trading Pvt. Ltd.	0.80	---	---	---	0.80
	(0.64)	(---)	(---)	(---)	(0.64)
Adventz Finance Pvt. Ltd.	---	---	---	---	---
	(---)	(---)	(---)	(---)	(---)
Duke Commerce Ltd.	11.59	---	---	---	11.59
	(11.59)	(---)	(---)	(---)	(11.59)
Eureka Traders Pvt. Ltd.	---	---	---	---	---
	(---)	(---)	(---)	(---)	(---)
Greenland Trading Pvt. Ltd.	0.05	---	---	---	0.05
	(0.05)	(---)	(---)	(---)	(0.05)
Indrakshi Trading Company Pvt. Ltd.	0.07	---	---	---	0.07
	(0.04)	(---)	(---)	(---)	(0.04)
Master Exchange & Finance Ltd.	0.02	---	---	---	0.02
	(0.02)	(---)	(---)	(---)	(0.02)
New Eros Tradecom Ltd.	1.11	---	---	---	1.11
	(1.11)	(---)	(---)	(---)	(1.11)
Texmaco Rail & Engineering Ltd.	3.52	---	---	---	3.52
	(3.52)	(---)	(---)	(---)	(3.52)
Zuari Investments Ltd.	40.89	---	---	---	40.89
	(43.44)	(---)	(---)	(---)	(43.44)
Zuari Global Ltd.	15.46	---	---	---	15.46
	(12.31)	(---)	(---)	(---)	(12.31)
Loans & Advances					
High Quality Steels Limited	---	---	---	885.00	885.00
	(---)	(---)	(---)	(---)	(---)

Note: - Figures given in brackets are for previous year.

Notes to Accounts

2.29 EMPLOYEES BENEFIT OBLIGATION

Employee Benefits

Defined benefits Plans – As per Actuarial valuation as on March 31, 2014

(Rs. in Lakhs)

	Unfunded Gratuity 2013-14	Unfunded Gratuity 2012-13	Unfunded Leave 2013-14	Unfunded Leave 2012-13
I Change of Benefit Organisation				
Liability at the beginning of the year	33.60	25.74	6.44	5.51
Interest cost	3.02	2.06	0.58	0.44
Current Service Cost	3.41	2.94	0.22	0.18
Past Service Cost (Non Vested Funds)	----	----	----	----
Past Service Cost (Vested Funds)	----	----	----	----
Benefits Paid	----	----	----	----
Actuarial (Gain)/Loss on obligation	----	2.86	0.28	0.31
Curtailments and Settlements	(1.75)	----	----	----
Plan Amendment	----	----	----	----
Liability at the end of the year	38.28	33.60	7.52	6.44
II Fair Value of Plan Assets				
Fair value of Plan Assets at the beginning of the year	----	----	----	----
Expected Return on Plan Assets	----	----	----	----
Contributions	----	----	----	----
Benefit Paid	----	----	----	----
Actuarial (Gain)/Loss on Plan Assets	----	----	----	----
Fair Value of Plan Assets at the end of the year	----	----	----	----
Total Actuarial (Gain)/Loss to be Recognised	----	----	----	----
III Actual Return on Plan Assets				
Expected Return on Plan Assets	----	----	----	----
Actuarial (Gain)/Loss on Plan Assets	----	----	----	----
Actual Return on Plan Assets	----	----	----	----
IV Amount Recognised in the Balance Sheet				
Liability at the end of the year	38.28	33.60	7.52	6.44
Fair Value of Plan Assets at the end of the year	----	----	----	----
Difference	----	----	----	----
Unrecognised Past Service Cost	----	----	----	----
Amount Recognised in the Balance Sheet	----	----	----	----
V Expenses Recognised in the Income Statement				
Current Service Cost	3.41	2.94	0.22	0.18
Interest Cost	3.02	2.06	0.58	0.44
Expected Return on Plan Assets	----	----	----	----
Net Actuarial (Gain)/Loss to be Recognised	(1.75)	2.86	0.28	0.31
Past Service Cost/(Non Vested Benefit) Recognised	----	----	----	----

Notes to Accounts

2.29 EMPLOYEES BENEFIT OBLIGATION (contd.)

Employee Benefits

Defined benefits Plans – As per Actuarial valuation as on March 31, 2014 (contd.)

(Rs. in Lakhs)

	Unfunded Gratuity 2013-14	Unfunded Gratuity 2012-13	Unfunded Leave 2013-14	Unfunded Leave 2012-13
Past Service Cost/(Vested Benefit) Recognised	----	----	----	----
Effect of Curtailment or settlement	----	----	----	----
Curtailments and Settlements	----	----	----	----
Expenses Recognized in the Statement of Profit and Loss	4.68	7.86	1.08	0.93
VI Balance Sheet Reconciliation				
Opening Net Liability	33.60	25.74	6.44	5.51
Expense as above	4.68	7.86	1.08	0.93
Employers Contribution	----	----	----	----
Effect of Curtailment or settlement	----	----	----	----
Benefits paid	----	----	----	----
Amount Recognised in the Balance Sheet	38.28	33.60	7.52	6.44
VII Actuarial Assumption				
Discount Rate Current	9.00%	8.00%	9.00%	8.00%
Rate of Return on Plan Assets	----	----	----	----
Salary Escalation Current	5.00%	5.00%	5.00%	5.00%

2.30 EARNING PER SHARE – The numerator and denominator used to calculate Basic/Diluted Earning per Share

		2013-14	2012-13
Net Profit for the period from ordinary activities attributable to equity shareholders (Excluding Preference Share Dividend) – used as numerator	Rs in Lakhs	1,679.91	1,614.06
Weighted average number of Equity share outstanding used as denominator for Basic earning per share	Number	127426590	127426590
Weighted average number of Equity share used as denominator for Diluted Earning per Share	Number	127426590	127426590
(A) Basic Earning per share (face value of Re 1/- each)	Rs.	1.32	1.27
(B) Diluted Earning per share (face value of Re 1/- each)	Rs.	1.32	1.27

2.31 PARTICULARS OF PURCHASE / SALE OF GOODS & SERVICES

Particulars	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
Sale of Finished Goods		
Sale of Hydro Power	335.52	238.90
Services Rendered		
Rent	1,034.08	1061.97

Notes to Accounts

2.32 AMOUNT REMITTED DURING THE YEAR ON ACCOUNT OF DIVIDEND (AS CERTIFIED BY THE MANAGEMENT):

	2013-14	2012-13
Number of Non-resident Shareholders	17	17
Number of Equity Shares held	14840	14840
Dividend remitted (Rs. in Lakhs)	0.02	0.02
Year of Dividend Paid	2011-12	2010-11

2.33 INFORMATION ABOUT SEGMENT WORKING IS GIVEN BELOW:

(Rs. In Lakhs)

	2013-14				2012-13			
	Real Estate	Mini Hydro	Others	Total	Real Estate	Mini Hydro	Others	Total
	1	2	3	4 (1+2+3)	1	2	3	4 (1+2+3)
Revenue (Net of Excise Duty and Cess)								
External Sales	1,034.08	335.52	----	1,369.60	1,061.97	238.90	----	1,300.87
Internal-Segment Sales				----				----
Total Revenue	1,034.08	335.52		1,369.60	1,061.97	238.90	----	1,300.87
Result								
Segment Result	801.98	20.94	707.63	1,530.55	868.84	(46.79)	590.38	1,412.43
Unallocated Corporate Expenses								
Operating Profit/(Loss)				1,530.55				1,412.43
Finance Costs				(2.24)				(1.15)
Interest Income				370.39				396.26
Total Profit/(Loss) before Tax				1,898.70				1,807.54
Provision for Current Tax				255.00				235.00
Provision for Deferred Tax				(50.89)				(40.50)
Income Tax for earlier year				14.68				(1.02)
Profit/(Loss) from ordinary activities				1,679.91				1,614.06
Extra ordinary items				----				----
Net Profit/(Loss)				1,679.91				1,614.06
Other Information								
Segment assets	12,275.19	1,098.52	15,957.54	29,331.25	12,169.96	1,231.91	13,997.95	27,399.82
Unallocated Corporate assets								
Total assets				29,331.25				27,399.82
Segment liabilities	1,048.71	23.26	194.79	1,266.76	1,041.72	24.15	410.91	1,476.78
Unallocated corporate liabilities								
Total Liabilities				1,266.76				1,476.78
Capital expenditure	162.94	41.20	887.95	1,092.09	99.21	24.78	231.45	355.44
Depreciation	128.91	134.49	23.17	286.57	127.59	142.17	15.77	285.53
Non-cash expenses other than depreciation				33.75				33.75

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

Notes to Accounts

2.34 DETAILS OF EXPENSES/(INCOME) RELATED TO PREVIOUS YEAR

Particulars	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
Expenses		
(i) Dividend	-	0.05
(ii) Interest for Income Tax	0.34	-
(iii) Professional Fees	-	0.55
	0.34	0.60
Income		
(i) Dividend from Investment	-	0.02
	-	0.02

2.35

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

2.36

Figures below Rs. 500/- have been omitted for rounding off and above Rs. 500/- have been rounded off to the next Rs. 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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar } *Directors*

Statement pursuant to Section 212 of the Companies Act, 1956 Related to its Subsidiary Companies

1.	Name of the Subsidiary Companies	High Quality Steels Limited	Macfarlane & Company Limited
2.	Financial year of the Subsidiary Companies ended on	31st March, 2014	31st March, 2014
3.	Shares of the Subsidiaries held by Texmaco Infrastructure & Holdings Limited on the above date		
	a) Number and Face Value	1210622 Equity Shares of Rs. 2.50 each fully paid.	139265 Ordinary Shares of Rs. 5/- each fully paid and 16551 Deferred Shares of Re. 1/- each fully paid.
	b) Extent of holding	100 %	71.27 %
4.	Net aggregate amount of profits/(losses) of the Subsidiaries so far as they concern members of the Holding Company		
	a) For the said financial year of the subsidiaries		
	i) dealt with in the accounts of the Holding Company	NIL	NIL
	ii) not dealt with in the accounts of the Holding Company	Rs.1,294,734	Rs.1,294,167
	b) For the previous financial years of the subsidiary since it become the Holding Company's subsidiary		
	i) dealt with in the accounts of the Holding Company	NIL	NIL
	ii) not dealt with in the accounts of the Holding Company	Rs.16,548,556	Rs.8,802,620
5.	As the financial year of the Subsidiary Companies coincide with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956 is not applicable.		

Place: Kolkata
Dated: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar } Directors

Particulars of Subsidiary Companies

Particulars of Subsidiary Companies as required by General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Company Affairs, Government of India, issued under Section 212(8) of the Companies Act, 1956 for the Financial Year 2013-14 are as follows :-

(Rs. In Lakhs)

	Name of the Subsidiary Companies	High Quality Steels Limited	Macfarlane & Company Limited
(a)	Share Capital (Equity & Deferred)	30.27	10.00
(b)	Reserves and Suplus (Net of Debit Balance of Statement of Profit and Loss)	178.63	141.75
(c)	Total Assets	1,270.23	167.05
(d)	Total Liabilities	1,061.32	15.30
(e)	Details of Investments (Excluding Investment in Subsidiary Companies)		
	- Equity/ Preference Share	3.00	-
	- Government Securities	-	0.04
	- Mutual Funds	-	83.85
(f)	Turnover	438.62	23.28
(g)	Profit/(Loss) before Taxation	19.12	23.11
(h)	Provision for Taxation	6.18	4.96
(i)	Profit/(Loss) after Taxation	12.94	18.15
(j)	Proposed Dividend (including Dividend Tax)	-	-

Independent Auditors' Report

To
The Board of Directors of
Texmaco Infrastructure & Holdings Limited

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **TEXMACO INFRASTRUCTURE & HOLDINGS LIMITED** ("the Company") and its subsidiaries, which comprises the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act 1956 (the "Act") read with the general circular 15/2013 dated 13th September 2013 of the ministry of corporate affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entities internal

control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor on the financial statements of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:-

- (a) in the case of the consolidated Balance Sheet of the State of Affairs of the Company as at 31st March, 2014;
- (b) in the case of consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

Other Matter

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets (net) of Rs. 153.85 Lakhs as at 31st March, 2014, total revenues amounting to Rs. 28.71 Lakhs and net cash inflows amounting to Rs. 13.50 Lakhs for the year then ended. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditor. Our opinion is not qualified in respect of this matter.

For **K.N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No.304153E

6C, Middleton Street,
Kolkata-700071
21st May, 2014

P K Gutgutia
Partner
Membership No. 6994

Consolidated Balance Sheet As at 31st March, 2014

	Note No.	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	1,274.28	1,274.28
(b) Reserves and Surplus	2.2	43,760.30	43,463.24
		45,034.58	44,737.52
(2) Minority Interest			
		43.99	38.98
(3) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	2.3	212.47	263.31
(b) Other Long Term Liabilities	2.4	1,112.42	1,102.02
(c) Long-Term Provisions	2.5	66.04	57.43
		1,390.93	1,422.76
(4) Current Liabilities			
(a) Trade Payables	2.6	96.78	96.50
(b) Other Current Liabilities	2.7	135.47	148.24
(c) Short-Term Provisions	2.8	262.59	263.51
		494.84	508.25
Total		46,964.34	46,707.51
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.9		
(i) Tangible Assets		13,545.45	12,743.71
(ii) Capital Work-in-Progress		914.64	522.76
		14,460.09	13,266.47
(b) Non-Current Investments	2.10(a)	24,112.24	25,097.30
(c) Long-Term Loans and Advances	2.11	133.06	416.75
		38,705.39	38,780.52
(2) Current Assets			
(a) Current Investments	2.10(b)	4,417.62	4,442.67
(b) Trade Receivables	2.12	274.37	108.79
(c) Cash and Bank Balances	2.13	172.53	296.73
(d) Short-Term Loans and Advances	2.14	3,306.77	2,935.19
(e) Other Current Assets	2.15	87.66	143.61
		8,258.95	7,926.99
Total		46,964.34	46,707.51
Accounting Policies & Notes on Accounts	1 & 2		

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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar } Directors

Consolidated Statement of Profit and Loss For the year ended 31st March, 2014

	Note No.	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
I. Revenue From Operations	2.16		
Sale of Products		335.52	238.90
Sale of Services		1,459.76	1,586.81
		1,795.28	1,825.71
Other Operating Revenues		2.46	0.79
Total		1,797.74	1,826.50
II. Other Income	2.17	1,409.59	1,322.98
III. Total Revenue (I + II)		3,207.33	3,149.48
IV. Expenses:			
Cost of Material Consumed (incl. services)		1.60	0.73
Employee Benefits Expense	2.18	593.18	629.24
Finance Costs	2.19	2.33	1.16
Depreciation and Amortization Expenses	2.9	286.57	285.53
Other Expenses	2.20	382.80	387.42
Total Expenses		1,266.48	1,304.08
V. Profit Before Tax (III-IV)		1,940.85	1,845.40
VI. Tax Expense:			
(a) Current Tax		266.00	249.60
(b) Deferred Tax		(50.83)	(44.71)
(c) Income Tax for Earlier Year		14.76	(2.96)
VII. Profit (Loss) for the Period from Continuing Operations(V-VI)		1,710.92	1,643.47
VIII. Minority Interest		(5.01)	(4.91)
IX. Profit After Minority Interest(VII-VIII)		1,705.91	1,638.56
X. Share of Profit/(Loss) in Associates		(77.82)	2,784.88
XI. Profit/(Loss) for the period (IX+X)		1,628.09	4,423.44
XII. Earnings per Equity Share: (Par Value of Re.1 each)			
(1) Basic		1.28	3.47
(2) Diluted		1.28	3.47
Accounting Policies & Notes on Accounts	1 & 2		

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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar

} *Directors*

Consolidated Cash Flow Statement

For the year ended 31st March, 2014

(Rs. in Lakhs)

	Year Ended 31.03.2014	Year Ended 31.03.2013
A) Cash Flows from Operating Activities:		
Net Profit before Taxation & Exceptional Items	1,940.85	1,845.40
Adjustments for:		
Depreciation	286.57	285.53
Interest Paid	2.33	1.16
Advances written off	33.75	33.75
Interest Received	(370.42)	(397.72)
Provision and excess liabilities written back	(1.54)	(16.24)
Income From Investments	(1,007.27)	(857.31)
Profit on Sale Of Fixed Assets (Net)	(6.97)	(0.12)
	(1063.55)	(950.95)
Operating Profit before Working Capital Changes & Exceptional Items	877.30	894.45
(Increase)/Decrease in Trade & Other Receivables	126.76	93.41
Increase/(Decrease) in Trade Payables & Other Liabilities	19.55	(130.81)
	146.31	(37.40)
Cash Generated from Operations	1,023.61	857.05
Direct Taxes Paid	(194.25)	(256.34)
Cash Flow before Exceptional Items	829.36	600.71
Exceptional Items	-	-
Net Cash from Operating Activities	829.36	600.71
B) Cash Flows from Investing Activities		
Purchase of Fixed Assets	(1,480.05)	(355.44)
Sale of Fixed Assets	6.81	0.17
(Purchase)/Sale of Investments	(177.31)	(1,102.60)
Loan to Body Corporates	(500.00)	-
Bank Deposits(Includes having original maturity more than three months)	1.12	0.56
Interest Received	426.37	395.52
Income From Investments	1,007.27	857.31
Net Cash used in Investing Activities	(715.79)	(204.48)
C) Cash Flows from Financing Activities		
Interest Paid	(2.33)	(1.16)
Dividend Paid	(236.57)	(222.81)
Net Cash used in Financing Activities	(238.90)	(223.97)
Net Increase/(Decrease) in Cash and Cash Equivalents	(125.33)	172.26
Cash And Cash Equivalents at the beginning of the year	268.84	96.58
Add: Opening Cash Balances of new fellow subsidiaries companies	2.25	-
Cash and Cash Equivalents at the end of the year	145.76	268.84
Note:		
(1) Details of Cash and Equivalents as on		
Balances with banks		
Current Accounts	127.87	40.92
Savings Account with Post office	0.06	0.06
Cheques on hand	11.67	223.28
Cash on hand	6.16	4.58
	145.76	268.84

- (2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standard) Rules, 2006.
- (3) Previous year's figures are regrouped/rearranged wherever necessary.

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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar

} Directors

Notes to Consolidated Accounts

1. ACCOUNTING POLICIES

General

The Financial Statements of Texmaco Infrastructure & Holdings Limited (or the Company) have been prepared and presented under the historical cost convention and on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India. GAAP comprises Accounting Standards notified by the Central Government of India under section 211(3C) of the Companies Act, 1956, other pronouncements of the Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 and guidelines issued by Securities and Exchange Board of India. The Financial Statements are rounded off to the nearest Rupees lakhs.

Fixed Assets

Fixed Assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of Fixed Assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective Assets. Borrowing costs directly attributable to acquisition or construction of those fixed Assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

The Company assesses at each balance sheet date whether there is any indication that an Asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the Asset. If such recoverable amount of the Asset or the recoverable amount of the cash generating unit to which the Asset 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 the 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.

Depreciation

Depreciation has been provided on straight line method except in respect of a unit (Neora Hydro) having a Gross assets Valuing Rs 2,633.66 Lakhs (Previous Year Rs 2,592.46 Lakhs) where Written Down method has been followed in accordance with the rates in Schedule XIV of the Companies Act, 1956.

Investments

Investments are either classified as current or Non-current based on management's intention at the time of purchase. Current Investment are stated at lower of cost and fair value.

Non-current Investments are considered "at Cost" on individual investment basis, unless there is a decline other than temporary in value thereof, in which case adequate provision is made against such diminution in the value of investments. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reason for the reduction is no longer exist.

Revenue Recognition

Sales revenue is recognized on transfer of the significant risks and rewards of ownership of the goods to the buyer and stated at net of Sales Tax, Service Tax, VAT, trade discounts, rebates. Income from services is recognized as the services are rendered based on agreement/arrangement with the concerned parties. Dividend income on investments is accounted for when the right to receive the payment is established. Interest income is recognized on time proportion basis. Certain insurance and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

Employee Benefits

- (1) The Company's contribution to provident fund, employees' state insurance scheme are charged on accrual basis to Statement of Profit & Loss.
- (2) **Leave:** Leave liability is accounted for based on actuarial valuation at the end of year.
- (3) **Gratuity:** Year-end accrued liabilities on account of gratuity payable to employees are provided on the basis of actuarial valuation.

Notes to Consolidated Accounts

Contingent Liabilities

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Use of Estimates

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of contingent Liabilities on the date of the Financial Statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Difference between the actual result and the estimates are recognized in the period in which the results are known/ materialized.

Borrowing Cost

Interest on borrowings directly attributable to the acquisition, construction or production of qualifying assets is being capitalised till the date of commercial use of the qualifying assets. Other interests on borrowings are recognised as an expense in the period in which they are incurred.

Segment Reporting

- a) Based on the organisational structures and its Financial Reporting System, the Company has classified its operation into three business segments namely Real Estate, Hydro Power and Others.
- 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.

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.

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 fixed assets are reduced from the gross value of the respective fixed assets. Other Capital Grants are credited to Reserve & Surplus of the Company.

Earning Per Share

Earnings per share is calculated by dividing the net profit/ loss for the period attributable to equity shares holders by the weighted average number of equity shares outstanding during the period.

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 to Consolidated Accounts

2. NOTES ON ACCOUNTS

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.1 SHARE CAPITAL		
Authorised Capital		
170000000 Equity shares at par value of Re. 1/- each	1,700.00	1,700.00
300000 6% Preference Share at par value of Rs.100/- each	300.00	300.00
	2,000.00	2,000.00
Issued, Subscribed and Paid Up Capital		
127426590 (127426590) Equity shares at par value of Re. 1/- each fully paid	1,274.27	1,274.27
Add: Forfeited Shares	0.01	0.01
Total (2.1)	1,274.28	1,274.28

Notes:

- (i) The Company at present has only one class of shares referred to as equity shares having a par value of Re 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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Particulars	31.03.2014		31.03.2013	
	No. of Equity Share	Amount (Rs in lakhs)	No. of Equity Share	Amount (Rs in lakhs)
Number of Shares at the beginning of the year	127426590	1274.27	127426590	1274.27
Number of Shares at the end of the year	127426590	1274.27	127426590	1274.27

- (iv) The dividend proposed by the Board of Directors is subject to the approval of shareholders in Annual General Meeting. The Company has proposed to pay dividend amounting to Rs. 223.62 Lakhs (including Corporate Dividend Tax of Rs. 32.48 Lakhs). The rate of dividend is Re 0.15 per share. (Previous year Rs. 223.62 Lakhs including Corporate Dividend Tax of Rs. 32.48 Lakhs).

- (v) Paid-up amount of Forfeited Shares is Rs. 500/-.

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

Sl.No.	Name of Shareholders	% of holding	No. of Equity Shares held
1	ZUARI INVESTMENTS LIMITED	21.40	27263900
2	ADVENTZ INVESTMENTS & HOLDINGS LIMITED	7.00	8918288
3	ZUARI GLOBAL LIMITED	7.78	9907712
4	DUKE COMMERCE LIMITED	6.06	7726464

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.2 RESERVES AND SURPLUS		
Capital Redemption Reserve		
Balance as per last Account	415.07	415.07
Capital Reserve/(Goodwill)		
Balance as per last Account	8,944.32	8,944.32
Add: Goodwill on Acquisition of Fellow Subsidiaries	(0.81)	-
Less: Transfer to General Reserve	0.81	-
	8,944.32	8,944.32
Securities Premium Reserve		
Balance as per last Account	52.57	52.57
	52.57	52.57
Share in Revaluation Reserve in Associates		
Balance as per last Account	341.11	361.79
Less: Share in reduction during the year	(14.60)	(20.68)
	326.51	341.11
State Capital Investment Subsidy		
Balance as per last Account	250.00	250.00
	250.00	250.00
State Interest Subsidy		
Balance as per last Account	96.66	96.66
	96.66	96.66
General Reserve		
Balance as per last Account	16,892.40	15,692.40
Add: Transferred from Consolidated Statement of Profit and Loss	1,505.00	1,200.00
Less: Transfer from Capital Reserve/(Goodwill)	(0.81)	-
	18,396.59	16,892.40
Surplus		
Balance as per last Account	16,471.11	13,471.29
Add: Profit after Tax as per Consolidated Statement of Profit and Loss	1,628.09	4,423.44
Less: Adjustments relating to Associates	(1,092.00)	-
	17,007.20	17,894.73
Less: Appropriation		
Proposed Dividend		
On Equity Shares	191.14	191.14
Tax on Dividend	32.48	32.48
Transfer to General Reserve	1,505.00	1,200.00
	1,728.62	1,423.62
	15,278.58	16,471.11
Total (2.2)	43,760.30	43,463.24

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.3 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Assets		
Items u/s 43B and u/s 40(a)(i)(a) of I.T Act	272.60	289.77
Deferred Tax Liabilities		
Depreciation	(485.07)	(553.08)
Net Deferred Tax (Liability)/ Assets Total (2.3)	(212.47)	(263.31)

Deferred Tax Assets/Liability is recognised as per AS 22 "Accounting for Taxes on Income" issued by the Companies (Accounting Standard) Rules, 2006. The Deferred Tax Assets & Liabilities comprises of Tax effect of above timing differences:

2.4 OTHER LONG TERM LIABILITIES		
Others		
-Advance Against Sale of Land	175.00	-
-Security Deposits	537.42	702.02
-Advance from Others	400.00	400.00
Total (2.4)	1,112.42	1,102.02

2.5 LONG-TERM PROVISIONS		
Provision for employee benefits		
-For Leave	11.34	9.14
-For Gratuity	50.77	44.36
Others		
-For Contingency	3.93	3.93
Total (2.5)	66.04	57.43

Note: The Company Accounts for Leave and Gratuity liability based on Actuary Valuation.

2.6 TRADE PAYABLES		
Others	96.78	96.50
Total (2.6)	96.78	96.50

Note: The Company on the basis of information available to it, has not been able to verify the status of vendors under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid/ payable under this Act have not been given.

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.7 OTHER CURRENT LIABILITIES		
Unpaid Dividend on Equity Shares	24.97	26.17
Other payable		
TDS and Other Taxes Payable	7.07	7.90
Liabilities for Expenses	19.45	44.74
Amount Due to Employee	42.01	50.23
PF, ESI Amount Payable	6.81	8.11
Others Misc. Payable	8.46	7.08
Advance from Customer (Deposit against order)	26.70	4.01
Total (2.7)	135.47	148.24

Note: There is no amount due and outstanding to be credited to the Investor Education and Protection Fund against unpaid dividend account as at 31.03.2014.

2.8 SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
-For Leave	4.37	6.91
-For Gratuity	34.60	32.98
Others		
- Proposed Dividend	191.14	191.14
-Tax on Dividend	32.48	32.48
Total (2.8)	262.59	263.51

Note: The Company Accounts for Leave and Gratuity liability based on Actuary Valuation.

Notes to Consolidated Accounts

2.9 FIXED ASSETS

(Rs. in Lakhs)

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 01/04/13*	Additions during the year	Sales/ Adjustments	As on 31/03/14	As on 01/04/13	Additions during the year	Sales/ Adjustments	As on 31/03/14	As on 31/03/13
Tangible Asstes									
Land (including leasehold)	4,240.75	106.47	-	4,347.22	-	-	-	4,347.22	4,240.75
Buildings*	9,628.38	520.87	0.06	10,149.19	1,599.47	212.04	0.04	8,337.72	8,028.91
Plant & Machinery*	864.54	45.91	0.19	910.26	551.61	47.09	0.13	311.69	312.93
Electrical Machinery	8.24	104.11		112.35	5.34	2.93		104.08	2.90
Office Equipments	18.95	4.64	0.10	23.49	11.62	0.71	0.09	11.25	7.33
Furniture & Fittings*	66.83	260.99	-	327.82	17.05	8.09	-	302.68	49.78
Vehicles	141.99	45.41	-	187.40	40.88	15.71	-	130.81	101.11
Total	14,969.68	1,088.40	0.35	16,057.73	2,225.97	286.57	0.26	13,545.45	12,743.71
CWIP (Capital Work in Progress)	522.76	908.25	516.37	914.64				914.64	522.76
Grand Total	15,492.44	1,996.65	516.72	16,972.37	2,225.97	286.57	0.26	14,460.09	13,266.47
Previous Year	15,137.34	355.44	0.34	15,492.44	1,940.73	285.53	0.29	13,266.47	

NOTE:

- 1) Rs 3,594.98 lakhs (including Rs 106.23 lakhs for the year) expenses incurred for development of land of Birla Textile Capitalised.
- 2) * Includes assets held under co-ownership with others at Kolkata & Delhi. (Refer note no 2.26)

Notes to Consolidated Accounts

		2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.10	(a) NON-CURRENT INVESTMENTS		
(A)	Non-Current Investments-At Cost		
	TRADE INVESTMENTS		
	Investment in Equity Instruments (Unquoted)		
	Fully paid-up Shares held in:-		
	MSTC Limited		
	15,000 (2013: 15,000) Shares of Rs 10 each	0.75	0.75
	OTHER INVESTMENTS		
(a)	Investment in Equity Instruments (Quoted)		
	Fully paid-up Shares held in:-		
	Zuari Global Limited	2,417.39	2,417.39
	27,57,941 (2013: 27,57,941) Shares of Rs 10 each		
	Zuari Agro Chemicals Limited	3,289.09	3,089.73
	30,00,125 (2013: 28,17,941) Shares of Rs 10 each		
	Calcutta Stock Exchange Limited	123.74	123.74
	6,187 (2013: 6187) Shares of Re 1 each		
	Chambal Fertilisers & Chemicals Ltd.	45.63	45.63
	1,06,864 (2013: 1,06,864) Shares of Rs 10 each		
	Upper Ganges Sugar & Ind. Ltd.	24.04	24.04
	35,529 (2013: 35,529) Shares of Rs 10 each		
	New India Retailing & Investment Ltd.	1.78	1.78
	4,100 (2013: 4,100) Shares of Rs 10 each		
(b)	Investment in Equity Instruments (Unquoted)		
	Fully paid-up Shares held in:-		
	Birla Buildings Limited	0.75	0.75
	7,500 (2013: 7,500) Shares of Rs 10 each		
	Elgin Mills Limited (5% 'B' Cumulative Pref. Shares)	0.01	0.01
	120 (2013: 120) Shares of Rs 10 each		
	Taparia Limited	0.40	0.40
	3,500 (2013: 3,500) Shares of Rs 10 each		
	Birla Constructions Limited	1.50	1.50
	15,000 (2013: 15,000) Shares of Rs 10 each		
(c)	Investment in Equity Instruments of Associates Companies		
	Fully paid-up Shares held in:-		
	Texmaco Rail & Engg.Ltd. (Quoted)	18,182.74	19,326.25
	5,46,00,000 (2013: 5,46,00,000) Shares of Re 1 each		
	Lionel India Limited (Unquoted)	24.38	65.29
	5,25,450 (2013: 5,25,450) Shares of Rs 100 each		
(d)	Investment in Government and Trust Securities (Unquoted)		
	12 Year National Plan Saving Certificates	0.01	0.01
	12 Year National Defence Certificates	0.03	0.03

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.10 (a) NON-CURRENT INVESTMENTS (contd.)		
(B) Non-Current Investments- At Cost less provision for diminution other than temporary		
TRADE INVESTMENT		
Investment in Equity Instruments (Unquoted)		
Fully paid-up Shares held in:-		
Wagon India Limited	1.50	1.50
Less:Provision for Diminution in value of Investments	(1.50)	(1.50)
1,499 (2013: 1,499) Shares of Rs 100 each		
	-	-
OTHER INVESTMENT		
Investment in Equity Instruments (Unquoted)		
Fully paid-up Shares held in:-		
APV Texmaco Limited	5.61	5.61
Less:Provision for Diminution in value of Investments	(5.61)	(5.61)
76,700 (2013: 76,700) Shares of Rs 10 each		
	-	-
Total of Non-Current Investments (A+B)	24,112.24	25,097.30
Aggregate amount of Quoted Investments	24,084.41	25,028.56
Aggregate amount of Unquoted Investments	27.83	68.74
Market Value of of Quoted Investments	32,199.37	32,724.08
Aggregate Provision for diminution in value of Investments	(7.11)	(7.11)

2.10 (b) CURRENT INVESTMENTS - at lower of cost and fair value		
Investments in Mutual Fund (Unquoted)		
Birla Sun life Floating Rate Fund-Long Term -Growth Direct	-	1,668.88
Nil (2013: 12,02,258) Units of Rs 100 each		
BSL Floating Rate Fund STP Growth	123.72	-
74179.54 (2013: Nil) Units of Rs 100 each		
Birla Sun Life Fixed Term Plan Series KQ (368 days) Growth	750.00	-
7500000 (2013: Nil) Units of Rs. 10 each		
Birla Sun Life Fixed Term Plan Series KC (368 days) Growth	1,000.00	-
10000000 (2013: Nil) Units of Rs. 10 each		
Reliance Yearly Interval Fund Series 3 Growth Plan (Y3 GP)	184.33	-
1684042 (2013: Nil) Units of Rs. 10 each		
DSP Black Rock FMP Series 144 12M Growth - Mat-09-02-2015	575.00	-
5750000 (2013: Nil) Units of Rs. 10 each		
ICICI Prudential FMP Series 73 366 Days Plan Cumm	500.00	-
5000000 (2013: Nil) Units of Rs. 10 each		
Birla Sun Life Saving Fund -Daily Dividend - Direct Plan	-	584.62
Nil (2013: 584,063) Units of Rs 100 each		

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.10 (b) CURRENT INVESTMENTS - at lower of cost and fair value (contd.)		
BSL Short Term Fund - Monthly Div. Reinvestment Nil (2013: 89,31,306) Units of Rs 10 each	-	1,036.85
Reliance Income Fund-Growth Plan-Bonus option 26,34,641 (2013: 26,34,641) Units of Rs 10 each	300.00	299.69
SBI Debt Fund Series -A8 -30 days Direct Plan Growth 8507172 (2013: Nil) Units of Rs. 10 each	850.72	-
SBI SHF Ultra Short Term Fund Nil (2013: 77,360) Units of Rs 1000 each	-	774.18
SBI Magnum Insta Cash Fund Direct Plan Growth 1,764 (2013: Nil) Units of Rs 1000 each	50.00	-
SBI Premier Liquid Fund 8358 (2013: 7,819) Units of Rs 1000 each	83.85	78.45
Total of Current Investments	4,417.62	4,442.67
Total Investments	28,529.86	29,539.97
Aggregate amount of Unquoted current Investments	4,417.62	4,442.67
Aggregate amount of written down on Current investments	-	-
Aggregate NAV value of unquoted Mutual Funds	4,472.18	4,456.42

2.11 LONG TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Capital Advances	73.90	362.57
Security Deposits	58.95	53.30
Other loans and advances		
Prepaid Expenses	0.21	0.88
Total (2.11)	133.06	416.75

2.12 TRADE RECEIVABLES		
Unsecured, Considered Good		
More than Six Months from the Due Date	99.60	100.10
Others	174.77	8.69
Total (2.12)	274.37	108.79

Note: In the opinion of the management trade receivables have a value on realisation in the ordinary course of business unless otherwise stated, at least to the amount at which they are stated.

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.13 CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with banks		
Current Accounts	127.87	40.92
Savings Account with Post office	0.06	0.06
Cheques on hand	11.67	223.28
Cash on hand	6.16	4.58
	145.76	268.84
Other bank balances		
Term Deposit of more than twelve months maturity	1.80	1.72
Unpaid Dividend Account	24.97	26.17
	26.77	27.89
Total (2.13)	172.53	296.73

2.14 SHORT TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Other loans and advances-		
Loan to Body Corporates	2,500.00	2,000.00
Advance to Parties	46.05	64.14
Advance to Employee	5.93	0.36
Other Advances	76.89	109.13
Prepaid Expenses	1.19	0.83
Balances with Government Deptt.	3.00	0.53
Income Tax (Net of Income Tax Provision)	673.71	760.20
Total (2.14)	3,306.77	2,935.19

Note: In the opinion of management, loans & 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.

2.15 OTHER CURRENT ASSETS		
Interest Receivables	87.66	143.61
Total (2.15)	87.66	143.61

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.16 REVENUE FROM OPERATIONS		
Sale of Products	335.52	238.90
Sale of Services	1,459.76	1,586.81
	1,795.28	1,825.71
Other Operating Revenues	2.46	0.79
Total (2.16)	1,797.74	1,826.50

2.17 OTHER INCOME		
Interest Income		
From Bank	0.11	0.15
From Others	370.31	397.57
Dividend - Income from Non-Current Investments	707.31	676.87
Net Gain on Sale of Current Investments	299.96	180.44
Miscellaneous Receipts and Income	0.11	1.19
Sundry Credit Balance Adjusted	-	0.08
Profit on Sale of Fixed Assets	6.97	0.12
Rent Received	23.28	21.31
Claim Received	-	28.99
Provision & Excess Liabilities Written Back	1.54	16.24
Income Related to Previous Year	-	0.02
Total (2.17)	1,409.59	1,322.98

2.18 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	519.80	541.98
Contribution to Provident and Other Funds		
Provident Fund, Pension Fund and ESI	56.98	60.95
Gratuity	8.03	17.63
Provision for Leave Encashment	-	1.00
Staff Welfare Expenses	8.37	7.68
Total (2.18)	593.18	629.24

2.19 FINANCE COST		
Interest Expenses		
Others	2.33	1.16
Total (2.19)	2.33	1.16

Notes to Consolidated Accounts

	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
2.9 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation	286.57	285.53
Total (2.9)	286.57	285.53

2.20 OTHER EXPENSES		
Power and Fuel	8.60	7.37
Rent	8.87	5.37
Repairs to Buildings	69.24	52.58
Repairs to Machinery	34.24	37.27
Repairs to Others	5.09	3.58
Insurance	4.76	5.35
Rates and Taxes Excluding Taxes on Income	14.26	34.58
Erection Expenses	-	0.06
Expediting Service Charges	41.35	58.93
Director's Sitting Fees	4.40	4.40
Director's Commission	5.00	5.00
Payments to the Auditor (incl Service Tax)		
Auditors' Remuneration	2.40	2.82
For Taxation Matters	0.89	0.80
For Quarterly Review	0.75	0.75
For Other Services	0.54	0.55
For Re-imbusement of Expenses	0.25	0.34
Cost Auditor's Remuneration	0.30	0.30
Miscellaneous Expenses	147.77	133.02
Advances Written Off	33.75	33.75
Expenses Related to Previous Year	0.34	0.60
Total (2.20)	382.80	387.42

2.21 Principles of Consolidated Financial Statement:

The Consolidated Financial Statement that relate Texmaco Infrastructure & Holdings Limited and its various subsidiaries and fellow subsidiaries have been prepared on the following basis:

- The Financial Statements of the Company and its Subsidiaries are combined on a line - by - line basis by adding together the book value of like terms of assets, liabilities, income and expenditure, after fully eliminating intra group balance, intra group transactions and any unrealized profit/loss included therein.
- Investment in Associate Companies has been accounted under the equity method as per (AS 23) – “Accounting for Investment in Associate in Consolidated Financial Statement”.

The Company accounts for its share in the change in net assets of the associates, post acquisition, after eliminating unrealized profit and losses resulting from transactions between the Company and its associates to the extent of its shares, through its Statement of Profit and Loss to the extent such changes is attributable to the associates' Statement of Profit and Loss and through its reserves for the balances, based on available information.

Notes to Consolidated Accounts

2.21 Principles of Consolidated Financial Statement: (contd.)

The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statement as Goodwill or Capital Reserve as the case may be.

- c) The Consolidated Financial Statements have been prepared using uniform accounting policies, except stated otherwise, for like transaction and are presented, to the extent possible, in the same manner as the Company's separate Financial Statement.
- d) The Subsidiaries, Fellow Subsidiaries and Associate Companies considered in the Financial Statement are as follows:

Name	Country of Incorporation	% of Voting power as on 31.03.2014
Subsidiaries		
High Quality Steels Limited	India	100.00
Macfarlane & Company Limited	India	71.27
Fellow Subsidiaries		
Snowblue Conclave Private Limited	India	100.00
Topflow Buildcon Private Limited	India	100.00
Startree Enclave Private Limited	India	100.00
Associates		
Lionel India Limited	India	50.00
Texmaco Rail & Engineering Limited	India	30.00

2.22

The Company has agreed to continue with the charge on its property at Kamala Nagar, Delhi in favour of the Bank from where credit facilities were availed for working capital for its Heavy Engineering and Steel Foundry businesses demerged to Texmaco Rail & Engineering Ltd (TexRail), an associate Company under a Court approved scheme effective from 01.04.2010. It being a requirement of the Bank, during the initial years of the operations of TexRail after demerger, the Company has also given a Corporate Guarantee to the bank in support of the charge against the said working capital facilities to the extent of Rs 50 crore.

2.23

"Pursuant to the Supreme Court order dated 25th March, 2010 the Company could retain 35% of its Industrial Land with a F.A.R., 1.5 times of normal and surrender the balance Land to DDA. In terms of the decision taken by the screening committee of the DDA, the Company surrendered and DDA has duly taken possession of 52,201 sq mtrs. land out of 58,951 sq mtrs. that was required to be surrendered to DDA. The balance area has not yet been surrendered being the balance 3 nos residential quarters occupied by ex-employees, not yet vacated. The application filed by the occupants of the quarter in the court of the District Judge has been dismissed. Company's application for issuance of warrant of possession with police assistance will come up for decision on the next date. On issuance of the positive order, we shall obtain the vacant possession of the balance land occupied by the quarters with ex-employees and hand over the same to DDA to complete the process of land surrender."

2.24

As per the Agreement with Chambal Fertilizers & Chemicals Ltd., when they took over the assets and liabilities of Baddi Unit from 01-10-99, Texmaco Infrastructure & Holdings Limited (formerly Texmaco Limited) is liable to pay wages and salary in respect of excess workers/ staff taken over by them over and above the required one to run the Baddi Unit. The Company incurred an expenditure of Rs. 106.23 lakhs (previous year Rs 96.94 lakhs) by way of Legal Expenses and payment of dues and ex-gratia to the ex-employees for obtaining vacant possession of the residential quarters unauthorized occupied by them even after cessation of their employment. These expenses have been shown as expenses on Land and Capitalised under the head " Land".

Notes to Consolidated Accounts

2.25

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

2.26

Following assets (Company's share) are held under co ownership with other companies

(Rs. in Lakhs)

Assets	2013-14			2012-13		
	Original Cost	Accumulated Depreciation	WDV	Original Cost	Accumulated Depreciation	WDV
Building	77.01	20.60	56.41	77.01	19.46	57.55
Plant & Machinery	37.26	25.10	12.16	37.26	22.89	14.37
Furniture & Fittings	0.51	0.51	-	0.51	0.51	-

2.27 RELATED PARTY DISCLOSURE

(a) Name of the related parties and relationship:

	Relationship	Parties where control Exist 2013-14	Parties where control Exist 2012-13
A.	Key Management Personnel	Shri Hemant Kumar (Executive Director)	Shri Hemant Kumar (Executive Director)
B.	Fellow Subsidiaries	Snowblue Conclave Private Limited (100% of the Capital held by the Company)	--
		Topflow Buildcon Private Limited (100% of the Capital held by the Company)	--
		Startree Enclave Private Limited (100% of the Capital held by the Company)	--
C.	Associates	Lionel India Limited (50.00% of the Capital held by the Company)	Lionel India Limited (50.00% of the Capital held by the Company)
		Texmaco Rail & Engineering Limited (30.00% of the Capital held by the Company)	Texmaco Rail & Engineering Limited (30.00% of the Capital held by the Company)
D.	Group Company where transaction exists	Zuari Investments Ltd	Zuari Investments Ltd
		Duke Commerce Ltd.	Duke Commerce Ltd.
		Adventz Securities Enterprises Ltd.	Adventz Securities Enterprises Ltd.
		Zuari Global Ltd.	Zuari Global Ltd.
		Adventz Holdings Ltd	Adventz Holdings Ltd
		Adventz investment & Holdings Ltd.	Adventz investment & Holdings Ltd.
		New Eros Tradecom Ltd.	New Eros Tradecom Ltd.
		Master Exchange & Finance Ltd.	Master Exchange & Finance Ltd.
		Adventz Investments Co. Pvt. Ltd.	Adventz Investments Co. Pvt. Ltd
		Adventz Securities Trading Pvt. Ltd.	Adventz Securities Trading Pvt. Ltd.
		Adventz Finance Pvt. Ltd..	Adventz Finance Pvt. Ltd.
		Eureka Traders Pvt. Ltd.	Eureka Traders Pvt. Ltd
		Abhishek Holdings Pvt. Ltd.	Abhishek Holdings Pvt. Ltd.
		Greenland Trading Pvt. Ltd.	Greenland Trading Pvt. Ltd
Indrakshi Trading Company Pvt. Ltd.	Indrakshi Trading Company Pvt. Ltd.		
High Quality Steels Ltd.	High Quality Steels Ltd.		
Zuari Agro Chemicals Ltd.	Zuari Agro Chemicals Ltd.		

Notes to Consolidated Accounts

2.27 RELATED PARTY DISCLOSURE (contd.)

(b) Related Party Transactions

Transactions	Others	Key Management Personnel	Associate	Grand Total
Remuneration Paid				
Shri Hemant Kumar (Executive Director)	---	32.73	---	32.73
	(---)	(24.13)	(---)	(24.13)
Purchase of Goods/ Services				
Lionel India Ltd.	---	---	2.98	2.98
	(---)	(---)	(3.03)	(3.03)
Dividend Received				
Texmaco Rail & Engineering Ltd.	---	---	546.00	546.00
	(---)	(---)	(546.00)	(546.00)
Zuari Global Ltd.	55.15	---	---	55.15
	(51.15)	(---)	(---)	(51.15)
Zuari Agro Chemicals Ltd.	84.54	---	---	84.54
	(76.73)	(---)	(---)	(76.73)
Dividend Paid				
Abhishek Holdings Pvt. Ltd.	---	---	---	---
	(---)	(---)	(---)	(---)
Adventz Securities Enterprises Ltd.	5.71	---	---	5.71
	(5.71)	(---)	(---)	(5.71)
Adventz Investments Co. Pvt. Ltd.	4.55	---	---	4.55
	(4.55)	(---)	(---)	(4.55)
Adventz Investments and Holdings Ltd	13.54	---	---	13.54
	(13.32)	(---)	(---)	(13.32)
Adventz Securities Trading Pvt. Ltd.	0.80	---	---	0.80
	(0.64)	(---)	(---)	(0.64)
Adventz Finance Pvt. Ltd.	---	---	---	---
	(---)	(---)	(---)	(---)
Duke Commerce Ltd.	11.59	---	---	11.59
	(11.59)	(---)	(---)	(11.59)
Eureka Traders Pvt. Ltd.	---	---	---	---
	(---)	(---)	(---)	(---)
Greenland Trading Pvt. Ltd.	0.05	---	---	0.05
	(0.05)	(---)	(---)	(0.05)
Indrakshi Trading Company Pvt. Ltd.	0.07	---	---	0.07
	(0.04)	(---)	(---)	(0.04)
Master Exchange & Finance Ltd.	0.02	---	---	0.02
	(0.02)	(---)	(---)	(0.02)
New Eros Tradecom Ltd.	1.11	---	---	1.11
	(1.11)	(---)	(---)	(1.11)
Texmaco Rail & Engineering Ltd.	3.52	---	---	3.52
	(3.52)	(---)	(---)	(3.52)
Zuari Investments Ltd.	40.89	---	---	40.89
	(43.44)	(---)	(---)	(43.44)
Zuari Global Ltd.	15.46	---	---	15.46
	(12.31)	(---)	(---)	(12.31)
Loans & Advances				

Note: - Figures given in brackets are for previous year.

Notes to Consolidated Accounts

2.28 EARNING PER SHARE – The numerator and denominator used to calculate Basic/Diluted Earning per Share

		2013-14	2012-13
Net Profit for the period from ordinary activities attributable to equity shareholders (Excluding Preference Share Dividend) – used as numerator	Rs in Lakhs	1,628.09	4,423.44
Weighted average number of Equity share outstanding used as denominator for Basic earning per share	Number	127426590	127426590
Weighted average number of Equity share used as denominator for Diluted Earning per Share	Number	127426590	127426590
(A) Basic Earning per share (face value of Re 1/- each)	Rs.	1.28	3.47
(B) Diluted Earning per share (face value of Re 1/- each)	Rs.	1.28	3.47

2.29 INFORMATION ABOUT SEGMENT WORKING IS GIVEN BELOW

(Rs. In Lakhs)

	2013-14				2012-13			
	Real Estate	Mini Hydro	Others	Total	Real Estate	Mini Hydro	Others	Total
	1	2	3	4 (1+2+3)	1	2	3	4 (1+2+3)
Revenue (Net of Excise Duty and Cess)								
External Sales	1,034.08	335.52	425.68	1,795.28	1,061.97	238.90	524.84	1,825.71
Internal-Segment Sales				----				----
Total Revenue	1,034.08	335.52	425.68	1,795.28	1,061.97	238.90	524.84	1,825.71
Result								
Segment Result	801.98	20.94	749.84	1,572.76	868.84	(46.79)	626.79	1,448.84
Unallocated Corporate Expenses								
Operating Profit/(Loss)				1,572.76				1,448.84
Finance Costs				(2.33)				(1.16)
Interest Income				370.42				397.72
Total Profit/(Loss) before Tax				1,940.85				1,845.40
Provision for Current Tax				266.00				249.60
Provision for Deferred Tax				(50.83)				(44.71)
Income Tax for earlier year				14.76				(2.96)
Profit/(Loss) from ordinary activities				1,710.92				1,643.47
Extra ordinary items				----				----
Net Profit/(Loss)				1,710.92				1,643.47
Other Information								
Segment assets	12,275.19	1,098.52	34,313.99	47,687.70	12,169.96	1,231.91	33,305.64	46,707.51
Unallocated Corporate assets								
Total assets				47,687.70				46,707.51
Segment liabilities	1,048.71	23.26	377.71	1,449.68	1,041.72	24.15	601.83	1,667.70
Unallocated corporate liabilities								
Total Liabilities				1,449.68				1,667.70
Capital expenditure	162.94	41.20	1,792.51	1,996.65	99.21	28.97	227.26	355.44
Depreciation	128.91	134.49	23.17	286.57	127.59	142.17	15.77	285.53
Non-cash expenses other than depreciation				33.75				33.75

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

Notes to Consolidated Accounts

2.30 DETAILS OF EXPENSES/(INCOME) RELATED TO PREVIOUS YEAR

Particulars	2013-14 (Rs. in Lakhs)	2012-13 (Rs. in Lakhs)
Expenses		
(i) Dividend	-	0.05
(ii) Interest for Income Tax	0.34	-
(iii) Professional Fees	-	0.55
	0.34	0.60
Income		
(i) Dividend from Investment	-	0.02
	-	0.02

2.31

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.

2.32

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

2.33

Figures below Rs. 500/- have been omitted for rounding off and above Rs. 500/- have been rounded off to the next Rs. 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: 21st May, 2014

Kaushik Sonee
Secretary

S.K.Poddar
Dipankar Chatterji
Hemant Kumar } *Directors*





TEXMACO INFRASTRUCTURE & HOLDINGS LTD.

Belgharia, Kolkata 700 056