

TATA PROJECTS LIMITED



31st Annual Report 2009 - 2010



VISION

To be India's premier Engineering, Procurement and Construction Company and "Be Ahead" of expectations of all its stakeholders.

MISSION

- To make our clients successful, while creating stake holder value, with uncompromising quality and safety standards.
- To create a culture that excites our people in pursuit of excellence through innovation, differentiation and continued learning.
- To uphold TATA Group's cherished value of contributing to society to improve the quality of life.

VALUES

- Good Corporate Citizenship
- Humility & Willingness to learn
- Concern for all stakeholders
- Business with Ethics
- Passion for Excellence
- Teamwork

QUALITY POLICY

Tata Projects Limited in its quest to be a leading EPC contracting Company is committed for continual improvement of its processes to enhance customer satisfaction

TATA PROJECTS LIMITED

Meeting the Challenges of Time and Technology

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TATA PROJECTS LIMITED



Mr. F. K. Kavarana
Chairman



Mr. A. J. Engineer
Director



Mr. H. H. Malgham
Director



Mr. Prasad R. Menon
Director



Mr. P. N. Dhume
Director



Mr. Banmali Agrawala
Director



Mr. K.P. Singh
Director



Mr. A.K. Mathur
Executive Director



Mr. A.K. Misra
Executive Director &
Chief Operating Officer

TATA PROJECTS LIMITED

Board of Directors

<i>Chairman</i>	Mr. F. K. Kavarana
<i>Directors</i>	Mr. A. J. Engineer Mr. H. H. Malgham Mr. Prasad R. Menon Mr. P. N. Dhume Mr. Banmali Agrawala Mr. K. P. Singh
<i>Executive Director & Chief Operating Officer</i>	Mr. A. K. Misra
<i>Executive Director</i>	Mr. A. K. Mathur
<i>Company Secretary</i>	Dr. A. Raja Mogili

Offices in India

Registered Office	SBU-Quality Services	Mumbai	Kolkata	New Delhi
Mithona Towers-1 Opp.Wesley Co-Ed.Jr.College 1-7-80 to 87, Prenderghast Road SECUNDERABAD-500003	2 nd Floor, Varun Towers-1 Begumpet HYDERABAD-500016	2 nd Floor, Rang Udyan Building No.1 Sitla Devi Temple Road Mahim (West) MUMBAI-400 016	AMARJYOTI Ground to 3 rd Floor 10, Belvedere Road KOLKATA-700 027	2 nd & 6 th Floors Prem Dohil Sadan 11, Rajendra Place NEW DELHI-110008

Overseas Offices

UAE	KOREA	CHINA
Flat No.209, II Floor Al Yamama Tower P.O. Box No.47662 Zayed II Street (Electra Street) Nr.El Dorado Cinema, Abu Dhabi, UAE	Room-1132 Doosan We've Pavilion Building 58, Susong-dong Jongno-gu Seoul, KOREA-110-858	918, Huai Hai Middle Road 15 th Floor Unit F2, Shanghai CHINA-200020

Factories

Tower Manufacturing Unit Plot No.D1, Krupa Nagar, MIDC, Umred Nagpur-441 203, Maharashtra	Water Purification Plant Development Centre 2-69/2, Kandlakoya, Medchal Mandal R.R. Dist. - 501401, Andhra Pradesh
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Bankers

State Bank of Hyderabad Corporation Bank	Canara Bank State Bank of Travancore Bank of Baroda	Indian Overseas Bank Abu Dhabi Commercial Bank
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Solicitors

M/s. Mulla & Mulla
& Craigie Blunt & Caroe

Auditors

M/s. Deloitte Haskins & Sells
Chartered Accountants

Internal Auditors

M/s. PKF Sreedhar & Santhanam
Chartered Accountants

TATA PROJECTS LIMITED

Management Team (Corporate Executive Committee) (as on 11th May 2010)

Mr. A. K. Misra
Executive Director &
Chief Operating Officer

Mr. A. K. Mathur
Executive Director

Mr. A. K. Sharma
Vice President &
Business Head -
Power Generation

Mr. K. K. Gupta
Vice President &
Business Head -
Quality Services

Mr. A. Venkateshwar
Vice President -
Corporate Affairs

Mr. K.P. Mishra
Vice President &
Business Head -
Metals & Minerals &
EIC* - Eastern Region

Mr. S. C. Jha
Vice President &
Business Head -
Transmission & Distribution &
EIC* - Northern Region

Mr. Dipankar Chatterjee
Senior General Manager &
Business Head -
Water & Waste Water

Mr. Arun Kumar Sharma
Senior General Manager &
Business Head -
Oil, Gas & Hydrocarbons &
EIC* - Western Region

Mr. S. A. A. Irfan
General Manager &
Business Head -
Railways

Mr. K.V.R. Chari
Senior General Manager &
Senior Project Director-PG

Mr. K. Krishna Rao
Senior General Manager &
Head - Erection Services

Mr. K. R. Ramamoorthy
Senior General Manager &
Head - Supply Chain Management

Mr. K. S. Krishnan
General Manager &
Head - Accounts

Mr. R. Ravi Sankar
General Manager &
Head - Human Resources Development

Mr. A. Vidyasagar
General Manager &
Head - Engineering

Mr. Vikramjeet Singh
General Manager &
Head - Contracts

Mr. A.K. Das Sharma
General Manager
Supply Chain Management

Mr. Tuhin Roy
General Manager &
Corporate Quality Head

* Executive In-Charge (EIC)

TATA PROJECTS LIMITED
Report of the Board of Directors

To
The Members

Your Directors are pleased to present their Thirty First Annual Report and the audited statements of accounts of the Company for the year ended 31st March 2010.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March 2010 are summarized below:

(Rupees Crore)

Particulars	2009-2010	2008-2009
Income from Contracts, Services and sale of goods	2,756.76	1,934.08
Less: Indirect Taxes and Duties	45.78	43.21
Total	2,710.98	1,890.87
Other Income	23.39	12.09
Total Income	2,734.37	1,902.96
Operating Expenditure	2,498.29	1,774.72
Operating Profit (PBDIT)	236.08	128.24
Interest	13.84	11.52
Depreciation	18.17	19.86
Profit Before Tax (PBT)	204.07	96.86
Provision for Taxes	71.39	37.80
Profit After Tax(PAT)	132.68	59.06
Balance brought forward from previous year	79.24	36.00
Amount available for appropriations	211.92	95.06
Appropriations		
Proposed Dividend	15.19	6.08
Tax on Proposed Dividend	2.58	1.03
Debenture Redemption Reserve	—	2.81
General Reserve	13.27	5.91
Balance carried to Balance Sheet	180.88	79.24

DIVIDEND

The Board of Directors recommend the payment of a dividend of Rs.75/- per share (75%) for the year ended 31st March 2010 [Previous year Rs.30/- per share (30%)], subject to approval by the Members at the Annual General Meeting.

OPERATIONS

The Total Income for the year aggregated Rs.2,734.37 Crore as against Rs.1,902.96 Crore for the previous year, representing a 43.7% increase. The Company anticipates that this growth momentum would be sustained and would continue in the coming years.

The Operating Profit increased to Rs.236.08 Crore as compared to Rs.128.24 Crore during the previous year, representing a 84.1% increase. Profit Before Tax (PBT), Rs.204.07 Crore was higher by 110.69% as compared to Rs.96.86 Crore for the previous year. The substantial increase in the PBT is due to a number of large value contracts achieving full closure during the year.

STRATEGIC BUSINESS UNITS (SBUS):

1. Power Generation (PG)

During the year PG SBU successfully completed and commissioned Balance of Plant (BoP) of three power plants - Power House-6 of Tata Steel at Jamshedpur, Thermal Power Plant Unit-7 of Rajasthan Rastriya Vidyut Utpadan Nigam Ltd. at Kota and Unit 3 of Hoogly Metcoke Power Corporation Ltd, Haldia - totalling cummulative 1239 MW of EPC (BoP) projects so far executed by the Company since enterering this market segment. The Erection group completed erection of three projects viz., Dong Fang (Sagardhigi) 300 MW, Sepco (Jharsuguda) 2x600 MW and Siemens (Sugen) 1100 MW during the year. The SBU secured its 5th repeat order from the Sterlite group for BoP of 2x80MW CPP at Tuticorin, Tamilnadu.

As part of its growth strategy, your Company is bidding for EPC of total power plants in Thermal and Gas Sector. With the restructuring of in-house civil, engineering and construction capabilities, the work is being carried out substantially in-house. It will help not only in the timely completion of the projects but also improve the profitability.

2. Transmission & Distribution (T&D)

During the year this SBU bagged two prestigious orders from Power Grid Corporation of India for the country's first 800kV HVDC Transmission lines (Saharsa-Gopalgunj, 202 Kms and Barabisa-Islamgunj, 283 Kms). The SBU has the distinction of having successfully erected the first 800kV transmission line tower in India. The SBU is currently executing over 2300 kms of 400/765 kV transmission lines across 17 project sites.

The SBU's Tower Manufacturing Unit at Nagpur achieved 93% (18639 MTs) of its targeted production and is geared up to fully meet the SBU's 2010-11 requirements.

3. Water & Waste Water (W&WW)

During the year, this SBU has been restructured to aggressively focus on Sea Water Desalination Plants coming up across the Indian coast lines. Besides execution of various contracts for Water Treatment Packages of Rashtriya Ispat Nigam Limited (RINL) Visakhapatnam Steel Plant's 6.3 Million Tons Per Annum expansion project, the SBU has secured orders for the Recirculation Water System for Thin Slab Caster & Roller of Tata Steel's 3 Million Tons Per Annum expansion project.

The Water Purification Plant Development Center at Medchal, near Hyderabad, A.P., has established itself as end to end solution provider for safe potable drinking water in rural areas and has supplied and installed 110 Reverse Osmosis (RO) Water Purification Units in various parts of the Country during the year, taking the total number of units installed so far to over 320.

4. Oil, Gas & Hydrocarbon (OG&H)

During the year, this SBU successfully completed and commissioned two EPC Projects of RAK Gas Commission, Ras Al Khaimah, UAE, and also achieved mechanical completion of Cairn Energy India Pty Limited's Radhanpur Crude Oil Blending Terminal Project to receive the crude oil from its onshore oilfields in Rajasthan. During the year, the SBU got prequalification and participated in high value tenders of new clients like Vopak Horizon Fujairah Limited, Port of Fujairah and Emirates General Petroleum Corporation (Emarat), UAE, as also IOCL Paradip Refinery, and succeeded in securing the contract for expansion of Emarat's Petroleum Products Storage and Distribution Terminal at Fujairah.

The SBU has plans to venture into new market segments like Process Plants, Cross Country Pipelines, LPG/LNG Terminals and Underground Cavern Storage projects for Petroleum Products.

5. Railways

This SBU continues to operate in the market segments of Railway Electrification (RE) and Railway Infrastructure Composite Projects (involving civil, electrical and signaling & telecommunication works). In addition, Metro Electrification and Dedicated Freight Corridor have been identified as potential target segments. During the year, the SBU successfully completed a railway siding for DRDO, gauge conversion of Villupuram-Mayiladuturai (Southern Railway) and RE of the Nandalur Pullampet (South Central Railway). New orders

secured during the year include construction of a railway siding for GMR Kamalagar Energy Limited's Thermal Power Plant near Angul, Orissa and RE of Madurai-Tuticorin-Nagercoil Section of Southern Railway.

6. Metals & Minerals (M&M)

This SBU having started in the year 2006-07 is already a leading player in the EPC business in the Metals & Minerals segment with the award of the EPC contract for one of India's largest blast furnaces at Steel Authority of India (SAIL) Rourkela Steel Plant. The SBU is also executing projects in the area of Coke-ovens and Continuous Casters for Public Sector and Private Sector steel plants. With technology tie-up with some of the leading global technology providers in the Metals & Minerals segment, this SBU foresees a very good growth potential in the coming years.

7. Quality Services (Qs)

This SBU is growing steadily in the field of Quality Inspection in Power, Oil & Gas, Cement, Metals & Minerals and Wind Energy sectors. Domestic business has contributed to 56% of the revenue and has helped to overcome the impact of the global recession in its overseas segment, which provides inspection services in 28 Countries.

During the year, TPL-Certification Body was accredited by National Accreditation Board of Certification Bodies (NABCB) as a Certification Body for Quality Management Systems (QMS). The TPL-Inspection Body also became the first engineering diversified Third Party Inspection Body in India to receive the accreditation as per ISO 17020 by NABCB. The SBU received its First Work Order for design approval and inspection of Boiler in China as per Indian Boiler Regulations (IBR).

The SBU commenced International Register of Certificated Auditors(IRCA) Certified Lead Auditor Training Programmes for ISO 9001 in collaboration with Training Solution International, UK and Intertek.

SUBSIDIARIES AND JOINT VENTURE COMPANIES

Artson Engineering Limited

Artson Engineering Limited (AEL), in which the Company holds 75% of the equity share capital is in the business of installing fuel storage and handling facility systems on turnkey basis. AEL's expertise enhances Tata Projects' EPC business opportunities, especially in the Oil, Gas & Hydrocarbon Sector. AEL hopes to achieve by March 2011 the financial projections as per the BIFR's Sanctioned Scheme.

Al-Tawleed Energy & Power Company

Al-Tawleed Energy & Power Company, Saudi Arabia, the Joint Venture with M/s Abdullah Ibrahim Al-Tawaijiri & Partners Co. (Al-Mashrik Contracting Co.) formed in the year 2006 for execution of power, infrastructure and industrial projects in the Kingdom of Saudi Arabia has completed the erection contract for Siemens in May 2009 under difficult circumstances and is continuing to explore new businesses.

TEIL Projects Limited

TEIL Projects Limited (TEIL), a joint venture with Engineers India Limited (EIL) was incorporated for pursuing projects on Engineering, Procurement and Construction(EPC) basis in select sectors such as oil & gas, chemicals & fertilizer, steel, railways, power and other infrastructure duly leveraging competencies and synergy of EIL and TPL in the domestic markets as well as in the Middle East. The Company has identified the market segments of EPC of Captive Power Plants upto 150 MW, Waste Heat Recovery Systems (in consortium with Ormat Systems Ltd. of Israel using their unique Organic Rankine Cycle), select Oil & Gas projects and Low Temperature Thermal Desalination (LTTD) Technology projects in Water & Waste Water. The joint venture expects to secure its first major project in the year 2010-2011.

TPL-TQA Quality Services South Africa (Proprietary) Limited and TPL-TQA Quality Services (Mauritius) Pty. Limited

During the year, TPL-TQA Quality Services South Africa (Proprietary) Limited and TPL-TQA Quality Services (Mauritius) Pty. Limited, were incorporated as joint ventures with TQA Consultants Africa (Proprietary) Ltd., South Africa for providing onshore and offshore inspection services to Eskom Holdings Ltd., South Africa. These companies commenced operations during the year.

EXEMPTION UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 (the Act)

On an application made by the Company under Section 212(8) of the Act, the Central Government vide letter dated 22nd March 2010 has exempted the Company from attaching a copy of the Balance Sheet, Profit and Loss Account, Directors' Report and Auditors' Report and other documents of its subsidiary companies, required to be attached under Section 212(1) of the Act to the Balance Sheet of the Company. Accordingly, the said documents are not being attached with the Balance Sheet of the Company. A gist of the financial performance of the subsidiary companies is contained in the report. The Annual Accounts of the subsidiary companies are open for inspection by any member/ investor and the Company will make available these documents/ details upon request by any Member of the Company or to any investor of its subsidiary companies who may be interested in obtaining the same. Further, the Annual Accounts of the subsidiary companies will be kept open for inspection by any investor at the Company's Registered Office and that of the subsidiary company concerned.

INTERNAL SYSTEMS

The Company's internal control system comprises of audit and compliance reporting by an in-house Internal Audit group and also by an external firm, M/s PKF Sridhar & Santhanam, Chartered Accountants, who have been appointed as the Internal Auditors of the Company. The Internal Auditors independently evaluate the adequacy of internal systems and controls and audit a majority of the transactions in value terms and systems from a process and compliance perspective. Independence of audit and compliance is ensured by the direct reporting of Internal Auditors to the Audit Committee of the Board which provides valuable guidance by proposing steps to improve on the design/operations of the internal controls. There are adequate internal control systems in place in the Company.

TATA BUSINESS EXCELLENCE MODEL (TBEM)

In consonance with the Group's objective to achieve excellence in all its business operations, during the year the Company submitted an application for the 5th time in a row for TBEM External Assessment (EA) and for the first time in Cycle-I. The Company achieved a score of 493 in the last EA and received the "Serious Adoption" Award from the Group Chairman Mr. R. N. Tata for crossing the score band of 350-450.

CREDIT RATING

As per the requirements of BASEL-II guidelines, the Company has been offering itself to be rated by Rating agencies for its Fund-based and Non-fund based limits. Fitch Ratings has re-affirmed the National Long term Rating for the Company at "AA-" with a "Stable" outlook and have also re-affirmed the Company's previous year's ratings, at (a) "AA-" for its debentures and Fund-based limits and (b) "AA-(ind)" / "F1+(ind)" for its Non-fund based limits.

Your Company has also secured an improved Rating of 5A1 in April, 2010 indicative of a "Strong" condition of the Company, from Dun & Bradstreet (Previous year: 5A2 indicative of a "Good" condition).

CORPORATE SUSTAINABILITY (CS)

The Company continued its thrust on Corporate Sustainability (CS) initiatives in focused areas and organized over 180 events in various areas across the organization.

Employability skills training: Underprivileged / disadvantaged students, who were identified through various Non Government Organizations (NGOs) and employees at project sites, were trained in Industrial Training Institutions (ITIs) all over the country and over 98% of the trainees have been employed with the Company's channel partners. The students have been certified through Modular Employable Skill (MES) Test conducted by Government of India.

Primary Education: Company has continued its support to primary education by providing infrastructure, uniforms, books and sponsoring teacher for remedial classes for slow learners at various schools. This year "Volunteers 2 Teach" (an initiative wherein employee volunteers undertake coaching classes in the adopted schools) was launched.

Safe drinking water: The Company gifted Reverse Osmosis (RO) drinking water purification plants manufactured by it to ten villages during the year. Five RO plants were also installed in flood affected Districts of Andhra Pradesh in association with Red Cross Society.

Community Welfare Initiatives: Company conducted medical camps and Adult Literacy program at project sites for its contract labour. Employees organized counseling session for Women Employees, Career Counseling for employee children at Hyderabad, volunteers participated in blood donation camps, undertook Tree plantation at sites and visited home for the aged and Cancer patients on Rose Day.

Flood Relief: Employees contributed a day's salary amounting to Rs. 8 Lac, with a matching grant by the management, and donated the proceeds to Tata Relief Committee towards flood relief in Karnataka & Andhra Pradesh.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company clocked a total of 50.5 million safe man hours of working and reported a loss of 50,531 man hours in the year. Against a target of 550 the Company recorded a Safety Assurance Index (SAI) of 1000. Three million safe man hours were completed at Dariba site while 1 million safe man hours were reported at Krishnapatnam and Radhanpur sites. The Company continues to impart safety training and awareness programmes, keeping in view the Group's emphasis on safety and commitment of the Management to safe working.

HUMAN RESOURCES DEVELOPMENT INITIATIVES

The Company optimized the deployment of human resources through 'Skill inventory' data base to facilitate seamless transferability across projects / SBUs. Creation of exclusive Civil and Erection Services Departments has strengthened and facilitated Construction work across all the SBUs. In spite of challenges in talent acquisition, the Company has been able to attract critical talent. The attrition rate has dropped over the previous year and the manpower strength registered a net growth of 5% for the year due to various initiatives enumerated above. The Company witnessed improving trends on employee engagement, employee satisfaction and productivity (profitability per employee) scores. Industrial Relations at all the project sites remain cordial and harmonious.

CORPORATE GOVERNANCE

Your Company has been constantly putting its best efforts to adopt good corporate governance practices over the years.

The Audit Committee comprising of Mr. H.H. Malgham, Mr. P.N. Dhume and Mr. Banmali Agrawala continues to provide valuable advice and guidance in the areas of costing, finance and internal controls. During the year, Seven (7) Audit Committee Meetings were held.

The Business Review Committee comprising of Mr. F.K. Kavarana, Mr. A.J. Engineer and Mr. H.H. Malgham provides advice and guidance in the areas of business development and execution of major projects.

The Remuneration Committee, comprising of Mr. F.K. Kavarana, Mr. A.J. Engineer and Mr. Prasad R. Menon provides valuable guidance.

AWARDS

For the third year in succession, the Company was rated amongst the Top Ten Most Admired Construction Companies by Construction World - NICMAR. The Company was ranked Fifth amongst India's Fastest Growing Construction Companies based on results of 2008-09 (up from Ninth in 2007-08). The Company was also awarded the prestigious Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI's) Silver Rolling Trophy for the year 2008-09 in the category of 'Excellence in Product Innovation' for the Energy Recovery Unit developed for use in the mobile RO Water Desalination Plant.

PARTICULARS OF EMPLOYEES

A statement giving information about employees of the Company pursuant to section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, is given in the Annexure-1 to this Report.

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

Particulars prescribed under Section 217(1) (e) of the Companies Act 1956 are given in the Annexure-2 to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act 1956, the Board of Directors, based on the representations received from the Operating Management confirm that

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- (ii) in the selection of the accounting policies, it has consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit, of the Company for that period.
- (iii) it has taken proper and sufficient care, to the best of its knowledge and ability, 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) it has prepared the annual accounts on a going concern basis.

DIRECTORS

Mr. Prasad R. Menon, Mr. P.N. Dhume and Mr. Banmali Agrawala, Directors of the Company, retire by rotation at the 31st Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

The Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a Certificate from the Auditors to the effect that their appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act 1956.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere appreciation for the continued support received during the year from the shareholders, customers both in India and abroad, suppliers and vendors, Banks, Financial Institutions, Group Companies, Business Associates, Joint Venture partners and other authorities.

The Board wishes to record its deep appreciation to all the employees of the Company whose enthusiasm, dedication and co-operation have made the Company's excellent performance possible.

On behalf of the Board of Directors

Place : Mumbai
Date : May 11, 2010

F. K. Kavarana
Chairman

ANNEXURE - 1

Statement pursuant to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975.

Sl. No.	Name	Age (Yrs)	Designation	Remuneration		Qualification	Total Experience (Years)	Date of commencement of employment in the company	Last Employment
				Gross Rs.	Net. Rs.				
1	Chari K.V.R.	60	Sr. G.M. (Projects)	42,81,651	28,32,465	B.E. (Elect.)	34	16/10/2007	Bharat Heavy Electricals Ltd.-G.M.
2	Das Sharma A.K.	55	G M (SCM)	27,69,576	18,28,796	B.Com & PG Diploma (Business Mktg.) & LL.B.	35	20/09/2004	ISPAT Industries Ltd. -G.M. (Procurement)
3	Goel P.K.	59	G M & Sr. Project Coordinator	26,93,352	24,04,056	B.E.(Electronics & Communications)	36	03/12/2001	Crompton Greaves Ltd. - Sr. Engg. Projects Manager
4	Gupta K.K.	55	Vice-President & Business Head(QS)	39,12,796	24,68,135	B.E. (Elect.)	30	21/11/2006	Lloyd's Register, Vizag. Sr. Surveyor In-charge.
5	Irfan S.A.A.	47	G M & Business Head (Railways)	27,83,360	18,55,431	B.E. (Civil)	23	13/01/2006	Rites Ltd. - Chief Project Manager
6	Jha S.C.	58	Vice President & Business Head & Executive In-charge (NR)	34,15,783	20,59,547	B.E. (Elect.)	34	23-05-2002	E.M.C. Ltd., Kolkata - G.M.
7	Kapadia M.	56	G M (Projects)	29,87,424	16,51,925	B.E. (Chem.)	28	11/02/2008	Larsen & Toubro Ltd. - Head (New Projects)
8	Krishna Rao K	59	Sr. GM & Sr. Project Director (Erection Services)	33,22,492	20,87,111	B.Sc. (Mech.)	38	18/03/1987	ACC Babcock Ltd., Shahabad. Dy. Superintendent
9	Krishnan K.S.	53	G M & Head (Accounts)	27,89,336	16,92,175	M.Com & ICWA	31	10/02/1986	Institute for Financial Management & Research -Research Assistant
10*	Mathur A.K.	62	Executive Director	61,79,800	39,02,280*	B.E. (Mech.)	41	01/11/2007	Bharat Heavy Electricals Limited - Director.
11*	Misra A.K.	64	Executive Director & Chief Operating Officer	85,56,467*	54,34,784	B.E. (Mech.), PG Diploma in Power Plant Engineering.	42	18/01/2000	DLF Ltd., - Chief of Projects.
12	Mishra K.P.	57	Vice President & Business Head (M&M) & Executive In-charge (ER)	32,18,578	21,02,280	B.E. (Mech.)	35	01/10/2008	Tata Steel Ltd. - Chief (O&M)
13	Purushothaman R.	57	G M - (Commercial & Contracts)	30,50,692	18,35,284	M.Com ICSI (Inter)	36	11/07/2005	Jyothi Structures Ltd., Mumbai. Vice President.
14	Ramamoorthy K.R.	57	Sr. G.M. & Head - SCM	26,65,912	17,03,841	B.Sc. Engg. (Mech.) & AIMA	34	12/01/1987	ACC Babcock Ltd.- Sr. Engineer (Planning)
15	Ramana J.V.	55	G M (Business Development)	29,08,440	18,85,296	B.Tech. (Mech.)	33	29/08/2003	Gulf Markets-RDS, Qatar-G.M. (B.D. & Contracts)
16	Ravi Sankar R.	47	G M & Head (HRD)	27,90,818	16,73,175	B.Sc. & MPM	25	19/07/1988	Rohini Textiles Pvt. Ltd. - Personnel Officer

Sl. No.	Name	Age (Yrs)	Designation	Remuneration		Qualification	Total Experience (Years)	Date of commencement of employment in the company	Last Employment
				Gross Rs.	Net. Rs.				
17	Satyanarayana K	45	G M-& Head (Civil Dept.)	27,99,124	17,25,890	BE (Civil)	22	01/08/2001	Nagarjuna Construction Company Ltd. – Project Manager
18	Sharma A.K.	59	Vice President & Business Head (PG)	47,98,376	30,61,997	B.Sc. Engg. (Civil)	38	03/11/1982	Engineers India Ltd., Baroda. –Civil Construction Engineer.
19 @	Varghese P.V.	60	Vice President & Business Head (OG&H) & Executive in-charge (WR)	28,64,234@	18,32,555	B.Sc (Hons) Engg./ AMIE (CE)	35	03-10-1983	Gammon (India) Ltd. – Estimation Engineer
20	Venkateshwar A.	55	Vice President (Corporate Affairs)	33,44,096	21,57,091	B.E. (Elect.) PG Diploma (HRM); PG Diploma (Mktg)	32	28/03/2007	FA&CAO, Indian Railways Accounts Service
21	Vidyasagar A.	54	GM & Head-Engineering.	29,30,488	18,07,673	B.E. (Mech.)	32	07/06/2004	Electrowatt Engg., Muscat. Discipline Head (Mech. Power)
22	Vinod Kumar Patel	47	D.G.M. (Construction)	24,08,994	16,22,480	B.E. (Mech.)	23	20/08/2007	Sanghi Industries Ltd. – G.M. - Thermal Power Plant

Gross remuneration comprises salary, allowances, monetary value of perquisites, Performance Linked Remuneration (PLR) and the Company's contribution to Provident, Superannuation and Gratuity Funds.

Net remuneration is after tax and is exclusive of Company's contribution to the Provident, Superannuation and Gratuity Funds and monetary value of non cash perquisites.

* The nature of employment is contractual. The Remuneration is inclusive of Commission paid for the FY 2008-09.

@ For part of the year upto 31-12-2009.

None of the employees is a relative of any Director of the Company.

ANNEXURE – 2

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Directors' Report for the accounting year ended March 31, 2010.

A Conservation of Energy : Tower Manufacturing Unit, Nagpur

The Company is conscious of the need for energy conservation and is striving to reduce energy consumption in all its office premises and also at the Tower Manufacturing Unit. Some of the measures taken are as under.

- i. Light Diesel Oil replaced with Equivalent Ignite oil which reduced the energy costs by 25%.
- ii. Received incentive for maintaining unity Power Factor (PF) throughout the year.

B Technology Absorption : Tower Manufacturing Unit, Nagpur

- i. Adoption of modified CNC Machine in fabrication shop and modified Hydraulic System resulted in combined saving of 30 KW.
- ii. Adoption of Cooling Tower in place of Chiller unit for Hydraulic oil cooling of CNC machine which resulted in saving of around 80% on installation and running costs.

C. Foreign Exchange Earnings and Outgo.

(Rs. in Crore)

Earnings / Outgo	Year ended March 31, 2010	Year ended March 31, 2009
Earnings	86.51	169.23
Outgo	108.40	156.74



Financial Report

AUDITORS' REPORT

To The Members of Tata Projects Limited

1. We have audited the attached Balance Sheet of TATA Projects Limited ("the Company") as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (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 it appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2010 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 008072S)

Place : Mumbai
Date : May 11, 2010

K.Rajasekhar
Partner
(Membership No.23341)

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/result, clauses (vi), (x), (xii), (xiii), (xiv), (xviii) and (xx) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (a) The Company had granted loans aggregating Rs.10,700 lacs to 4 parties. At the year-end, the outstanding balances of such loans aggregated Rs. Nil and the maximum amount involved during the year was Rs.8,500 lacs.
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, *prima facie* not prejudicial to the interests of the Company.
 - (c) The receipts of principal amounts and interest have been as per stipulations.
 - (d) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) There have been no transactions other than loans reported under paragraph (iii) (b) above to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956. Accordingly, clause v (b) of the Order is not applicable.
- (vii) In our opinion, the internal audit functions carried out during the year by the Management and by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

- (viii) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any product of the Company.
- (ix) According to the information and explanations given to us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There are no dues for investor education and protection fund.
 - There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - Details of dues of Sales Tax which have not been deposited as on 31st March, 2010 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in lacs)
Orissa Sales Tax Act, 1947	Sales Tax	Sales Tax Appellate Tribunal/ Assistant Commissioner of Sales Tax (Appeals)	1999-2000 to 2003-2004	61.14
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	Sales Tax Appellate Tribunal	1997-98; 2001-02 to 2002-03	140.02
Haryana Value Added Tax Act, 2003	Sales Tax (including interest)	First Appellate Authority	2003-04	7.67

According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited by the Company on account of any dispute.

- In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantee given by the Company for loan taken by the Company's subsidiary from a bank is not *prima facie* prejudicial to the interests of the Company.
- In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

- (xiii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- (xiv) The Company has created security in respect of the debentures issued.
- (xv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 008072S)

Place : Mumbai
Date : May 11, 2010

K.Rajasekhar
Partner
(Membership No.23341)

Balance Sheet as at March 31, 2010

	Schedule	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
I. Sources of Funds			
Shareholders' Funds			
Capital	1	2,025.00	2,025.00
Reserves and Surplus	2	31,898.34	20,407.70
		33,923.34	22,432.70
Loan Funds			
Secured Loans	3	4,282.56	8,380.78
Unsecured Loans	3A	52.68	1.30
Total		38,258.58	30,814.78
II Application of Funds			
Fixed Assets			
Gross Block		19,770.55	15,902.16
Less: Depreciation		8,656.55	6,948.41
Net Block	4	11,114.00	8,953.75
Capital Work in Progress, including capital advances of Rs.4.47 lacs (31.03.2009:Rs.4.20 lacs)		210.89	533.05
		11,324.89	9,486.80
Investments	5	26,626.81	9,714.58
Deferred Tax Asset (Net)		1,750.42	562.05
Current Assets, Loans and Advances			
Interest accrued on Investments		14.87	14.87
Inventories and Contracts-in-progress	6	7,634.80	4,816.68
Sundry Debtors	7	145,600.94	101,187.89
Cash and Bank Balances	8	11,011.19	19,726.48
Other Current Assets	9	2,487.79	2,935.46
Loans and Advances	10	43,578.30	40,402.23
		210,327.89	169,083.61
Less:			
Current Liabilities and Provisions	11	205,622.92	156,478.84
Current Liabilities		6,148.51	1,553.42
Provisions			
		211,771.43	158,032.26
Net Current Assets		(1,443.54)	11,051.35
Total		38,258.58	30,814.78
Notes attached hereto form an integral part of these financial statements	18		

Per our report attached

for Deloitte Haskins & Sells
Chartered AccountantsK.Rajasekhar
PartnerPlace : Mumbai
Date : May 11, 2010

For and on behalf of the Board

K.S.Krishnan
General Manager & Head-AccountsDr A.Raja Mogili
Company SecretaryF. K. Kavarana
ChairmanH.H. Malgham
DirectorA.K.Misra
Executive Director &
Chief Operating Officer

Profit and Loss Account for the year ended March 31, 2010

	Schedule	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
I. Income			
Income from Contracts, Services and Sale of Goods		275,675.98	193,408.58
Less: Indirect Taxes and Duties		4,577.97	4,321.14
Net Income from Contracts, Services and Sale of Goods		271,098.01	189,087.44
Other Income	12	2,338.50	1,208.66
		273,436.51	190,296.10
II. Expenditure			
Project Execution Expenses	13	218,035.29	152,360.78
Raw materials consumed		6,914.76	2,659.55
Purchase of Finished Goods		-	1,349.16
Employee Cost	14	13,857.39	11,186.54
Operations, Establishment and Other Expenses	15	12,731.90	6,971.59
(Increase)/Decrease in Inventories and Contracts in Progress	16	(1,710.08)	2,944.66
Interest	17	1,383.57	1,152.08
Depreciation and Amortisation		1,816.96	1,985.78
		253,029.79	180,610.14
III. Profit before Taxation			
Provision for Income Tax :			
Current		8,327.59	3,679.42
Deferred		(1,188.37)	(5.91)
Fringe Benefit Tax		-	106.00
		7,139.22	3,779.51
IV. Profit after Taxation			
Balance brought forward from previous year		7,924.13	3,600.32
Amount available for appropriation		21,191.63	9,506.77
V. Appropriations:			
Proposed Dividend		1,518.75	607.50
Tax on Dividend		258.11	103.24
Debenture Redemption Reserve		-	281.25
General Reserve		1,326.75	590.65
Balance Carried to Balance Sheet		18,088.02	7,924.13
Earnings Per Share (Rs.)-Basic and Diluted (Face value Rs.100)		655	292
Notes attached hereto form an integral part of these financial statements	18		

Per our report attached

for **Deloitte Haskins & Sells**
Chartered AccountantsK.Rajasekhar
PartnerPlace : Mumbai
Date : May 11, 2010

For and on behalf of the Board

K.S.Krishnan
General Manager & Head-AccountsDr A.Raja Mogili
Company SecretaryF. K. Kavarana
ChairmanH.H. Malgham
DirectorA.K.Misra
Executive Director &
Chief Operating Officer

Cash Flow Statement for the year ended March 31, 2010

	Year ended March 31, 2010 Rs. In Lacs		Year ended March 31, 2009 Rs. In Lacs	
A. Cash Flow from Operating Activities				
Net Profit/(Loss) before Taxation		20,406.72		9,685.96
Adjustments for :				
Depreciation	1,816.96		1,985.78	
Interest Expenditure	1,383.57		1,152.08	
Interest Income	(1,152.01)		(619.38)	
Dividend Income	(502.01)		(173.62)	
Provision for diminution in value of investments (including Premium amortised on purchase of investments)	0.24		0.24	
Provision for Warranties	256.00		-	
Unrealised Exchange Loss / (Gain) (Net)	728.87		195.14	
(Profit)/Loss on sale of fixed assets	(12.30)		28.17	
Profit on sale of long term investments	(119.01)		-	
		2,400.31		2,568.41
Operating profit before working capital changes		22,807.03		12,254.37
Adjustments for :				
(Increase)/Decrease in Inventories	(2,818.12)		2,779.97	
(Increase)/Decrease in Sundry Debtors	(44,672.40)		(38,059.79)	
(Increase)/Decrease in Loans and Advances	(13,106.51)		(8,699.10)	
(Increase)/Decrease in Other Current Assets	242.86		737.95	
Increase/(Decrease) in Trade and Other Payables	48,625.09		62,783.40	
		(11,729.08)		19,542.43
Cash generated from Operations		11,077.95		31,796.80
Income Tax paid (net of refund)		(4,845.07)		(4,033.04)
Fringe Benefit Tax paid		(39.89)		(99.15)
Net Cash Flows from Operating Activities		6,192.99		27,664.61
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	(3,677.13)		(2,352.12)	
Proceeds from sale of fixed assets	34.38		44.00	
Inter Corporate Loan Given	(4,600.00)		(13,750.00)	
Inter Corporate Loan Repaid	14,600.00		5,750.00	
Investment in Mutual Funds	(53,007.70)		(22,572.40)	
Sale of Mutual Funds	36,582.19		22,507.16	
Investment in Subsidiary including Share Application Money (also refer note 10(c) of Schedule 18)	(11.37)		-	
Investment in Joint Venture	(102.98)		(97.02)	
Sale of Long Term Investments	230.16		-	
Advance to Subsidiary	(229.00)		(666.93)	
Loan repaid by Subsidiary	-		200.00	
Income from Investments (Dividend)	6.93		22.50	
Interest income received	1,356.82		453.56	
Net Cash flows (used in) Investing Activities		(8,817.70)		(10,461.25)

Cash Flow Statement for the year ended March 31, 2010

	Year ended March 31, 2010 Rs. In Lacs		Year ended March 31, 2009 Rs. In Lacs	
C. Cash Flow from Financing Activities				
Proceeds from Long - term borrowings	901.04		(90.70)	
Repayment of Short - term borrowings	(4,947.88)		826.30	
Payment of Dividend including Dividend Tax	(710.74)		(493.58)	
Interest expenses	(1,261.49)		(1,062.91)	
Net Cash flows (used in) Financing Activities		(6,019.07)		(820.89)
Net increase/(decrease) in cash and cash equivalents		(8,643.78)		16,382.47
Cash and Cash equivalents at the beginning of the period		19,752.19		3,369.72
Cash and Cash equivalents at the end of the period		11,108.41		19,752.19

Note:	As at	As at
	31.03.2010	31.03.2009
Cash and Cash Equivalents consist of:		
Cash and Bank Balances	11,011.19	19,726.48
Add: Unrealised loss included in Cash and Cash Equivalents	97.22	25.71
	<u>11,108.41</u>	<u>19,752.19</u>

Per our report attached

for Deloitte Haskins & Sells
Chartered AccountantsK. Rajasekhar
PartnerPlace : Mumbai
Date : May 11, 2010

For and on behalf of the Board

K.S. Krishnan
General Manager & Head-AccountsDr A.Raja Mogili
Company SecretaryF. K. Kavarana
ChairmanH.H. Malgham
DirectorA.K. Misra
Executive Director &
Chief Operating Officer

Schedules annexed to and forming part of the Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 1		
Capital		
Authorised 25,00,000 Equity Shares of Rs.100 each	2,500.00	2,500.00
Issued, Subscribed and paid-up 20,25,000 Equity Shares of Rs.100 each	2,025.00	2,025.00
	2,025.00	2,025.00
Of the above - 17,62,500 Equity Shares of Rs.100 each issued as bonus shares by capitalising securities premium.		
Schedule - 2		
Reserves and Surplus		
Securities Premium		
Balance as per last Balance Sheet	4,987.50	6,675.00
Less: Amount utilised towards issue of Bonus Shares	-	1,687.50
	4,987.50	4,987.50
Debentures Redemption Reserve		
Balance as per last Balance Sheet	843.75	562.50
Add : Reserve created during the year	-	281.25
	843.75	843.75
General Reserve		
Balance as per last Balance Sheet	6,652.32	6,061.67
Add: - Transfer from Profit and Loss Account	1,326.75	590.65
	7,979.07	6,652.32
Balance in Profit & Loss Account	18,088.02	7,924.13
	31,898.34	20,407.70

Schedules annexed to and forming part of the Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 3		
Secured Loans		
From Banks		
Buyer's Credit	-	3,617.48
Bank Overdraft	-	1,330.40
i) In case of consortium banks, by first charge on book debts, stocks in process and other current assets ranking pari-pasu;		
ii) in case of Commercial Bank, Qatar, by assignment of contract revenue and project assets of Qatar, which is pending creation of charge;		
iii) in case of BNP Paribas, Hyderabad, exclusive first charge over movable properties and assets relating to project undertaken at Dubai including all movable assets, book debts present and future.		
8% Partly Convertible Debentures (non-convertible portion) (Issued on 29th August, 2006, redeemable at par in 3 equal annual installments commencing at the end of 4th year from the date of allotment) (Secured by way of	3,375.00	3,375.00
i) First paripassu equitable mortgage of all immovable properties of the Company located in Hyderabad, Andhra Pradesh ranking with other lenders of the Company		
ii) First charge by way of hypothecation of all movable properties / fixed assets, and		
iii) Second charge by way of floating charge on current assets, loans & advances, subject to first charge of Company's bankers, and / or working capital lenders)		
Other Loans		
Financial Institutions		
- from HDFC Ltd	-	1.14
- from EXIM Bank	897.85	-
Others	9.71	56.76
(Secured by Hypothecation / Pari Passu Pledge of Fixed Assets, in case of loan from HDFC Ltd. - Secured by equitable Mortgage of House Properties of Employees, and in case of Vehicle loans by hypothecation of vehicle in respect of which the loan is taken)		
	4,282.56	8,380.78
Schedule - 3A		
Unsecured Loans		
Loan from Banks	52.68	1.30
	52.68	1.30

Schedules annexed to and forming part of the Accounts

Schedule- 4 - Fixed Assets

Rs. in lacs

S.No	Particulars	Cost			Depreciation			Net Book Value		
		As on March 31, 2009	Additions	Deductions	As on March 31, 2010	As on March 31, 2009	For the year	On Deductions	As on March 31, 2010	As on March 31, 2009
I	Tangible Assets :									
	Land									
	Freehold	322.32	-	-	322.32	-	-	-	322.32	322.32
	Leasehold	51.98	-	-	51.98	1.56	0.55	2.11	49.87	50.42
	Buildings	819.53	-	-	819.53	83.30	69.13	152.43	667.10	736.23
	Leasehold Improvements	468.80	-	-	468.80	59.23	52.09	111.32	357.48	409.57
	Plant and Machinery (including Erection/Construction Machinery)	9,389.08	2,929.51	10.12	12,308.47	3,226.56	1,219.34	4,439.33	7,869.14	6,162.52
	Furnitures & Fixtures	522.04	49.71	1.11	570.64	201.73	86.92	0.70	287.95	320.31
	Vehicles*	692.38	127.15	114.61	704.92	421.28	107.16	96.85	431.59	271.10
	Office Equipment	581.30	162.15	5.06	738.39	223.29	86.90	4.70	305.49	358.01
	Computers	742.32	128.65	-	870.97	494.47	141.10	-	635.57	247.85
	R & D-Capital/Mobile Desalination Plant	40.24	-	-	40.24	18.69	3.00	-	21.69	21.55
		13,629.99	3,397.17	130.90	16,896.26	4,730.11	1,766.19	108.82	6,387.48	8,899.88
II	Intangible Assets :									
	Software	139.60	602.12	-	741.72	85.73	50.77	-	136.50	53.87
	Goodwill	2,132.57	-	-	2,132.57	2,132.57	-	-	2,132.57	-
		2,272.17	602.12	-	2,874.29	2,218.30	50.77	-	2,269.07	53.87
	Grand Total	15,902.16	3,999.29	130.90	19,770.55	6,948.41	1,816.96	108.82	8,656.55	11,114.00
	Previous Year	13,171.48	2,929.13	198.45	15,902.16	5,088.91	1,985.78	126.28	6,948.41	8,953.75

* includes Heavy Vehicles viz. Tractors, Trailers, Tipppers.

Schedules annexed to and forming part of the Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 5		
Investments		
Long Term (at cost less provision for diminution in value)		
A. TRADE INVESTMENTS - Unquoted		
Virendra Garments Manufacturers Pvt Limited # 1,200 Equity Shares of Rs.100 each, fully paid	1.20	1.20
Al-Tawleed for Energy & Power Co. 300 Cash Shares of Saudi Arabian Rials (SAR) 2000 per share equivalent to SAR 6,00,000 fully paid	75.60	75.60
TEIL Projects Limited 24,997 Equity Shares of Rs.10 each & 49,75,000 share @ Rs.3.97 partly paid (31.03.2009 : 24,997 Equity Shares of Rs.10 each and 49,75,000 Equity Shares of Rs.1.90 partly paid)	200.00	97.02
B. INVESTMENTS IN SUBSIDIARY COMPANY		
Artson Engineering Limited - (Quoted) 2,76,90,000 Equity Shares of Re.1 each, fully paid	276.90	276.90
TPL - TQA Quality Services (Mauritius) Pty Limited - (Unquoted) 70 Ordinary Share of EUR 1 each fully paid subscribed (Acquired during the year)	0.05	-
C. INVESTMENT IN CAPITAL OF PARTNERSHIP FIRM		
Tata Dilworth Secord Meagher & Associates #	1.80	1.80
D. OTHER INVESTMENTS - Unquoted		
UTI - Balanced Fund - Dividend Plan - Payout Nil (31.03.2009 : 10,00,000 units of Rs.10 each)	-	101.15
Canara Robeco Equity Diversified - Growth Plan (Canara Robeco Fortune 94) Nil (31.03.2009 : 1,00,000 units of Rs.10 each)	-	10.00
Exim Bank 3 Nos. 6.35% Exim Bond -2013 of Rs.100 lacs each fully paid #	302.35	302.35
Current Investments (at lower of cost and fair value)		
In Mutual Funds - Unquoted		
Birla Sun Life Savings Fund-Institutional-Daily Dividend-Reinvestment 2,27,41,039.513 units of Rs.10 each (31.03.09 : 1,50,51,184.434 units of Rs.10 each)	2,275.65	1,506.14
ING Treasury Advantage Fund - Institutional Daily Dividend (31.03.09 : 1,50,51,001.020 units of Rs.10 each)	-	1,505.60
Kotak Flexi Debt Scheme Institutional - Daily Dividend (31.03.09 : 1,00,04,038.720 units of Rs.10 each)	-	1,005.16
Religare Ultra Short Term Fund - Institutional Daily Dividend (31.03.09 : 80,20,483.522 units of Rs.10 each)	-	803.31
Tata Floater Fund - Daily Dividend 5,01,72,726.547 units of Rs.10 each (31.03.09 : 2,51,73,241.107 units of Rs.10 each)	5,035.13	2,526.29

Schedules annexed to and forming part of the Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
... Continued Schedule - 5		
UTI Treasury Advantage Fund - Institutional Plan (Daily Dividend Option) - Re investment 2,27,485.634 units of Rs.1,000 each (31.03.09 : 1,50,596.224 units of Rs.1,000 each)	2,275.34	1,506.40
Franklin Templeton India Ultra Short Bond Fund - Daily Dividend Reinvestment 2,26,17,054.310 units of Rs.10 each (Purchased during the year)	2,264.33	-
HDFC Cash Management Fund - Daily Dividend 2,25,05,820.452 units of Rs.10 each (Purchased during the year)	2,257.67	-
ICICI Prudential - Flexible Income Plan Dividend - Daily - Reinvest Dividend 20,27,079.363 units of Rs.100 each (Purchased during the year)	2,143.33	-
JM Money Manager Fund Super Plus Plan Collection 1,94,96,623.924 units of Rs. 10 each (Purchased during the year)	1,950.70	-
GFCD IDFC Money Manager Fund - TP - Super Inst Plan C- Daily Dividend 2,10,82,691.599 units of Rs.10 each (Purchased during the year)	2,108.59	-
Kotak Floater Long Term - Daily Dividend 1,59,33,493.800 units Rs. 10 each (Purchased during the year)	1,606.06	-
SBI - SHF - Ultra Short Term Fund - Institutional Plan - Daily Dividend 85,34,502.747 units of Rs. 10 each (Purchased during the year)	853.96	-
UTI Fixed income Interval Fund - Monthly Interval Plan Series - I - Institutional Dividend Plan - Re-investment 3,00,00,000.000 units of Rs. 10 each (Purchased during the year)	3,002.73	-
	26,631.39	9,718.92
# Less : Provision for diminution in value of investments	4.58	4.34
{Including premium amortised Rs.1.58 lacs (31.03.2009:Rs.34 lacs)}	26,626.81	9,714.58
Notes:-		
i) Aggregate of Quoted Investments		
Cost	276.90	276.90
Market Value	13,235.82	4,776.53
ii) Aggregate of Unquoted Investments (Cost)	26,349.91	9,437.68

Schedules annexed to and forming part of the Accounts

... Continued Schedule - 5

iii) The following current investments were purchased and sold during the period

	Purchased		Sold
	Nos.	Rs. in Lacs	Nos.
1 Birla Sun Life Savings Fund - Instl. - Daily Dividend - Reinvestment	31,173,885.943	3,119.51	23,484,030.864
2 ING Treasury Advantage Fund-Institutional Daily Dividend	178,828.988	17.89	15,229,830.008
3 Kotak Flexi Debt Scheme Institutional - Daily Dividend	10,266,346.156	1,031.51	20,270,384.876
4 Religare Ultra Short Term Fund-Institutional Daily Dividend	7,050,802.056	706.19	15,071,285.578
5 Tata Floater Fund - Daily Dividend	78,309,701.074	7,858.85	53,310,215.634
6 UTI Treasury Advantage Fund - Institutional Plan (Daily Dividend Option) - Re investment	266,848.746	2,668.94	189,959.336
7 DSP BlackRock Money Manager Fund - Institutional Plan - Daily Dividend	151,439.384	1,515.61	151,439.384
8 Franklin Templeton India Ultra Short Bond Fund Super Institutional Plan - Daily Dividend Reinvestment	45,090,984.550	4,514.33	22,473,930.240
9 HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Reinvest	46,729,515.813	4,687.67	24,223,695.361
10 ICICI Prudential - Flexible Income Plan Premium - Daily Dividend (Face Value Rs. 10)	24,863,602.203	2,628.97	24,863,602.203
11 ICICI Prudential - Flexible Income Plan Premium - Daily Dividend (Face Value Rs. 100)	2,358,095.583	2,493.33	331,016.220
12 Sundaram BNP Paribas Ultra ST Fund Super Inst. Div Rein Daily	15,000,844.664	1,505.63	15,000,844.664
13 LIC MF Income Plus Fund - Daily Dividend Plan	13,149,321.963	1,314.93	13,149,321.963
14 HSBC Floating Rate - Long Term Plan-Institutional Option- Daily Dividend	14,993,347.157	1,506.92	14,993,347.157
15 HSBC Floating Rate - Long Term Plan-Institutional Option- Weekly Dividend	13,473,972.165	1,514.38	13,473,972.165
16 JM Money Manager Fund Super Plus Plan - Daily Dividend	46,182,480.422	4,620.70	26,685,856.498
17 GFCD IDFC Money Manager Fund - TP - Super Inst Plan C - Daily Dividend	51,683,273.562	5,169.10	30,600,581.963
18 Templeton India Ultra Short Bond Fund Retail Plan - Daily Dividend Reinvestment	2,153,568.199	215.59	2,153,568.199
19 Kotak Floater Long Term - Daily Dividend	19,405,784.916	1,956.06	3,472,291.116
20 SBI - SHF - Ultra Short Term Fund - Institutional Plan - Daily Dividend	14,530,904.903	1,453.96	5,996,402.156

Schedules annexed to and forming part of the Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 6		
Inventories and Contracts-in-progress		
Contracts-in-progress	6,029.91	4,270.90
Inventories :		
Stores & Spares	15.09	19.57
Raw Materials	1,385.58	273.06
Work in Progress	204.22	202.69
Finished Goods	-	50.46
	7,634.80	4,816.68
Schedule - 7		
Sundry Debtors - Unsecured		
A. Considered good		
Outstanding for more than six months *	48,146.14	33,754.54
Other Debts **	97,454.80 [#]	67,433.35
(A)	145,600.94	101,187.89
B. Considered Doubtful		
Outstanding for more than six months	3,952.62	354.63
Other debts	-	-
	3,952.62	354.63
Less : Provision for Doubtful debts	3,952.62	354.63
(B)	-	-
(A + B)	145,600.94	101,187.89
* includes retention money not due Rs.40,999.80 lacs (31.03.2009 : Rs.24,186.52 lacs)		
** includes retention money not due Rs.21,093.08 lacs (31.03.2009 : Rs. 13,837.41 lacs)		
# includes Rs.271.07 lacs (31.03.2009 : Rs.Nil) receivable from Subsidiary Company		
Schedule - 8		
Cash and Bank Balances		
Cash on hand	19.03	22.15
Balance with Scheduled Banks		
On Current Account	9,918.86	10,947.66
On Deposit Account	-	7,000.00
With other Banks (Non-Scheduled banks)		
- On Current Account		
Citibank N.A, Singapore (Maximum balance outstanding during the year Rs 39.74 lacs (2008-09 Rs.45.69 lacs))	28.54	26.71
Abu Dhabi Commercial Bank, Abu Dhabi (Maximum balance outstanding during the year Rs 410.55 lacs (2008-09 Rs.410.55 lacs))	330.45	410.55
BNP Paribas, Dubai (Maximum balance outstanding during the year Rs 1,515.88 lacs (2008-09 Rs.2,065.47lacs))	349.89	0.90

Schedules annexed to and forming part of the Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
... Continued Schedule - 8		
Indian Overseas Bank - Seoul (Maximum balance outstanding during the year Rs 50.56 lacs (2008-09 Rs.13.48 lacs))	49.47	13.48
National Bank - Fujairah (Maximum balance outstanding during the year Rs 217.85 lacs (2008-09 Rs.294.03 lacs))	49.22	23.13
Commercial Bank - Qatar (Maximum balance outstanding during the year Rs 437.61 lacs (2008-09 Rs.Nil lacs))	265.73	-
Remittance in Transit	-	1,281.90
	11,011.19	19,726.48
Schedule - 9		
Other Current Assets		
Work done but not billed	2,397.17	2,640.03
Interest accrued on loans and advances	90.62	295.43
	2,487.79	2,935.46
Schedule - 10		
Loans and Advances		
(Unsecured considered good unless otherwise specified)		
Loans and Advances		
- Subsidiary	2,726.41	2,515.58
- Others	-	10,000.00
Advances recoverable in cash or in kind or for value to be received		
- Secured	73.41	26.81
- Unsecured	40,632.15	27,859.53
Less: Provision for Doubtful Advances	400.00	400.00
	40,232.15	27,459.53
Advance made towards Share Application money	11.32	-
Advance payment of tax [Net of provisions Rs.Nil (31.03.2009 : Rs.9,086.77 lacs)]	-	197.04
Advance payment of Fringe Benefit Tax [Net of provisions Rs.197.23 lacs (31.03.2009 :Rs.Nil)]	26.28	-
Balance with excise authorities etc.	508.73	203.27
	43,578.30	40,402.23

Schedules annexed to and forming part of the Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 11		
Current Liabilities and Provisions		
Liabilities		
Sundry Creditors - Total outstanding due to Micro and Small Enterprises	218.28	105.10
Sundry Creditors - Total outstanding due to creditors other than Micro and Small Enterprises*	71,470.31	52,356.29
Advance from customers	58,656.43	68,402.03
Advance Billing	156.30	403.67
Other Liabilities	172.05	632.80
Interest accrued but not due on loans	186.02	273.94
Contract expenses	74,763.53	34,305.01
	205,622.92	156,478.84
Notes:		
1. There is no amount due and outstanding to be credited to Investor Education and Protection Fund.		
*2. Includes Rs.42.41 lacs (31.03.2009 Rs.194.19 lacs) payable to Subsidiary		
Provisions		
Retirement Benefits	615.17	829.07
Provision for Warranty	256.00	-
Taxation [Net of Advance payment of taxes Rs.14,113.89 lacs (31.03.2009 : Rs.Nil)]	3,500.48	-
Fringe Benefit Tax [Net of Advance payment of taxes Rs.Nil (31.03.2009 :Rs.183.62 lacs)]	-	13.61
Proposed Dividend	1,518.75	607.50
Tax on Dividend	258.11	103.24
	6,148.51	1,553.42
Schedule - 12		
Other Income		
Interest from		
- Banks (Tax deducted at source Rs.1.19 lacs (2008-09:Rs.2.62 lacs))	10.50	17.19
- On loans and advances (Tax deducted at source Rs.169.79 lacs (2008-09 : Rs. 112.25 lacs))	1,122.46	583.14
- long term investment	19.05	19.05
Dividends from current investments	502.01	173.62
Hire Charges	242.81	300.64
Miscellaneous Income	310.36	115.02
Profit on sale of fixed assets (net)	12.30	-
Profit on sale of long term investments	119.01	-
	2,338.50	1,208.66
	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs

Schedules annexed to and forming part of the Accounts

	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
Schedule - 13		
Project Execution Expenses		
Cost of Supplies/Erection and Civil Works	213,346.19	150,035.63
Engineering Fees	1,811.73	194.37
Insurance Premium	1,400.39	770.40
Bank Guarantee and Letter of credit charges	1,476.98	1,360.38
	218,035.29	152,360.78
Schedule - 14		
Employee Cost		
Salaries	11,559.79	8,941.09
Contribution to Provident Fund / Pension fund	449.69	407.80
Gratuity	155.32	378.17
Superannuation	374.79	214.12
Staff Welfare	650.69	553.86
Overseas Living Allowance	667.11	691.50
	13,857.39	11,186.54
Schedule - 15		
Operations, Establishment & Other Expenses		
Rent	1,216.57	1,080.91
Repairs & Maintenance		
(a) Plant and Machinery including Erection and Construction Equipment	193.34	98.06
(b) Building	1.89	1.60
(b) Others	151.33	149.81
Processing Charges	239.99	93.50
Power and Fuel	359.97	254.18
Stores & Spares consumed	105.50	47.06
Increase/(decrease) in excise duty on finished goods	2.01	(6.21)
Rates and Taxes	84.77	198.89
Motor Vehicle Expenses	932.66	694.80
Travelling Expenses	1,398.08	1,282.09
Professional and Legal Charges	603.31	428.25
Postage, Telephone, Telegram & Telex	397.72	324.27
Printing and Stationery	218.84	190.46
Staff Recruitment/Training expenses	78.78	117.42
Business Development Expenditure	119.58	107.11
Amortisation of Premium/provision for diminution in the value of investments	0.24	0.24
Bad debts	11.53	-
Provision for Doubtful Debts	3,780.93	144.25
	3,792.46	144.25
Less: Provision for Doubtful Debts reversed	182.94	-
	3,609.52	144.25
Provision for Doubtful Advances	-	400.00
Difference in Exchange Rate (net)	807.60	(547.96)
Loss on Sale of Fixed Assets (net)	-	28.17
Agency Commission	124.58	308.38
Brand Equity Contribution	677.74	483.61
Miscellaneous expenses	1,407.88	1,092.70
	12,731.90	6,971.59

Schedules annexed to and forming part of the Accounts

	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
Schedule - 16		
(Increase)/Decrease in Inventories and Contract-in-progress		
Inventories and Contracts-in-progress as at 31st March, 2009		
Finished goods	50.46	62.17
Work-in-progress	202.69	309.39
Contracts-in-progress	4,270.90	7,097.15
	4,524.05	7,468.71
Inventories and Contracts-in-progress as at 31st March, 2010		
Finished goods	-	50.46
Work-in-progress	204.22	202.69
Contracts-in-progress	6,029.91	4,270.90
	6,234.13	4,524.05
Net (Increase)/Decrease in Inventories and Contract-in-progress	(1,710.08)	2,944.66
Schedule - 17		
Interest		
On Debentures	270.00	270.00
On Fixed Loans	5.06	8.99
On Buyer's Credit	51.03	291.58
Others	1,057.48	581.51
	1,383.57	1,152.08

Schedule - 18

Notes to the financial statements for the year ended March 31, 2010

1. Significant Accounting Policies

a. Basis of preparation

The financial statements are prepared under the historical cost convention, on an accrual basis, in conformity with the accounting principles generally accepted in India and in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006.

b. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include accounting for contract costs expected to be incurred to complete the projects, provisions for doubtful debts, obligations under employee retirement benefit plans, income taxes, post contract warranties, and the useful lives of fixed and intangible assets. Actual results could differ from those estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise.

c. Fixed Assets

Fixed Assets are shown at cost less depreciation. Cost comprises purchase price and other attributable expenses incurred up to acquisition and installation.

d. Depreciation/ Amortisation on Fixed Assets

Depreciation is provided for on the written down value method for the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except following assets which are depreciated on Straight Line Method (SLM) basis as per the useful life of assets determined by the management.

	Assets	Rate of depreciation for SLM
1.	Scaffolding Materials	20%
2.	Wire Ropes and Slings	50%
3.	Computer including Software	25%
4.	Motor Cars under car policy for executives	22.5%
5.	Leasehold Land	Amortised over the period of the Lease
6.	Leasehold Improvements	Amortized over the period of the Lease
7.	Goodwill	Amortized over 36 months
8.	Fixed Assets costing less than Rs.10,000 each are fully depreciated in the year of acquisition.	

e. Investments

i) Long Term Investments

Investments are valued at cost of acquisition inclusive of other attributable expenses. Provision is made to recognise diminution, if any other than temporary, in the value of investments. Premium paid on investments acquired to hold till maturity is amortised over the holding period and the same is included in the provision for diminution in the value of investments.

ii) Current Investments are carried lower of cost and fair value.

f. Revenue recognition

i) Income from Contracts

Revenue from execution of contracts is recognised on Percentage Completion method. The stage of completion is determined on the basis of actual work executed during the period.

No profit is recognized till a minimum of 10% progress is achieved on the contract. Cost incurred and invoices raised in respect of such contracts are carried in Balance Sheet as contracts in progress and Advance Billing respectively.

When it is probable at any stage of the contract, that the total cost will exceed the total contract revenue, the expected loss is recognised immediately.

ii) Revenue from Sale of goods and services is recognized on dispatch of goods to customers and at the time of rendering of services respectively. Sales include excise duty but exclude sales tax collected from customers.

iii) Interest on deposits and investments are accounted for on accrual basis.

g. Contracts-in-progress

Contracts-in-progress, represents expenses incurred not forming part of the work executed till Balance Sheet date and startup expenses incurred on the project till income is recognised in accordance with the revenue recognition policy followed by the Company and is valued at cost.

h. Inventories

Raw material, work-in progress and finished goods are valued at lower of cost and net realizable value. Stores and spare parts are carried at cost.

Cost of inventories is ascertained on the "weighted average" method and includes, where appropriate, manufacturing overheads and excise duty.

i. Work done but not billed

Work done but not billed represents value of work executed, billed subsequent to the Balance Sheet date and is valued at contract price.

j. Foreign Exchange Transactions

i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at year-end rates. The difference in translation and realized exchange gains/losses are recognized in the Profit and Loss Account. Forward exchange contracts are accounted for by amortising the difference between the forward rate and the exchange rate on the date of the transaction over the life of the contract.

ii) In respect of items covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized in the Profit and Loss account.

iii) In respect of financial statements of integral foreign operations of foreign branches, fixed assets are recorded at cost, based on the exchange rate prevailing at the date of the transaction. Current assets and current liabilities are reported using the exchange rates on the date of balance sheet, income and expenses are translated at the monthly average rates of exchange. The resultant exchange gains / losses are recognized in the profit and loss account.

k. Retirement benefits

i) Contribution to the Provident and Superannuation Funds which are based on defined contribution plans are expensed as incurred.

ii) The liability for gratuity, which is a defined benefit plan, is provided on the basis of an actuarial valuation as at the Balance Sheet date and the same is funded.

iii) Provision for encashment of unavailed leave and Provision for Pension payable to retired Managing Directors is made on the basis of an actuarial valuation as at the Balance Sheet date.

I. Income Tax

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference 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 arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

m. Provisions, Contingent liabilities and contingent assets

A provision is recognized when company has a present obligation as result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the expenditure required to settle the present obligation. Reimbursement against a provision is recognized as a separate asset based on virtual certainty.

Provision for anticipated warranty costs is made on the basis of technical and available cost estimates.

2. Capacities, Stocks, Production, and Turnover / Income from contracts, etc.

(Previous year figures given in brackets)

Rs. in Lacs

Sl. No.		Quantitative Denomination	Capacity		Opening Stock		Pro-duction Units	Turnover / Income		Closing Stock		Purchase of Finished Goods	
			Licensed	Installed	Units	Rs.		Units	Rs.	Units	Rs.	Unit	Rs.
1	Transmission line towers and other fabricated structural products	Metric Tonne (MT)	24,000 (24,000)	24,000 (24,000)	64 (132)	50.46 (62.17)	18.639 (7.349)	99 (3,670)	83.79 (2,380.08)	- (64)	- (50.46)	- (2,254)	- (1,349)
2	Income from Supply of project equipment and materials							1,42,243.87 (93,549.99)					
3	Income from Erection Engineering and Quality Inspection Services							1,33,348.32 (97,478.51)					
								2,75,675.98 (1,93,408.58)		- (50.46)			

Notes:

- The facility to manufacture transmission line towers and other fabricated structural products as indicated in item 1 above [Tower Manufacturing unit at Nagpur] commenced commercial production on March 20, 2008.
- Installed capacity is as certified by the Management and accepted by the auditors, this being a technical matter.
- Production shown under item 1 includes captive consumption for projects.
- Quantity / value of stocks shown above is after adjustment of shortage / excess found on physical count.
- The Company's main business activity of execution of projects involves procurement and supply of equipment and materials along with rendering of services. The equipment and materials procured by the Company are directly delivered to the project sites and the cost of which is included under the head "Cost of Supplies / Erection and Civil works" (Schedule 13 to the Accounts). Such equipment and materials are specific for each project and numerous in quantity. Hence, in the view of the Company, it is not possible to give quantitative details of purchase and sale of such equipment and materials.
- The Company has developed technology for purifying the water by Defluoridation process known as Brackish Water Reverse Osmosis Plant (BWRO). During the year, the Company has sold 62 units (Previous Year: 165 units) of BWRO Plant for Rs.175.17 (Previous year Rs.551.83 lacs) and is included under item 2 above.

	2009-10		2008-09	
	Quantity (MT)	Value (Rs. in lacs)	Quantity (MT)	Value (Rs. in lacs)
3 Raw materials consumed				
Steel	18,914.55	6,061.11	7,201.96	2,411.48
Zinc	736.67	835.46	291.77	237.51
Others	–	18.19	–	10.56
Total		6,914.76		2,659.55
The consumption figures shown above are after adjustment of excess and shortages found on physical verification.				

	2009-10		2008-09	
	Value (Rs. in lacs)	%	Value (Rs. in lacs)	%
4 Consumption of Imported and Indigenous raw-material, stores and spare parts and the percentage of each to total consumption				
Raw material :				
Indigenous	6,914.76	100	2,659.55	100
Stores & Spares Consumed				
Indigenous	105.50	100	47.06	100

		2009-10 (Rs. in lacs)	2008-09 (Rs. in lacs)
5 Value of Import on CIF Basis			
Projects related equipment and Materials		2,962.29	4,286.40
Capital Goods		2,266.53	667.68
6 Expenditure in Foreign Currency			
a) Expenditure incurred on foreign projects		7,680.45	10,096.26
b) Travel		306.00	43.90
c) Technical Fees		329.50	223.37
d) Income Tax		102.59	19.42
e) Interest		154.13	–
7 Earnings in Foreign Currency			
Erection and Engineering Services & Quality Inspection Services		8,649.33	16,965.49
Interest		1.89	4.13
Miscellaneous		Nil	6.45
8 Auditors' Remuneration			
Audit Fees		11.00	11.00
Tax Audit Fees		2.00	2.00
Other Matters		7.00	7.00
Out of Pocket Expenses		0.89	0.33

9 Contingent Liabilities (not provided for):

i) Bank Guarantees / Standby Letters of Credit issued by the Bank on behalf of the Company (these are generally backed by bank guarantees obtained by the Company from its suppliers / sub-contractors).	2,43,537.52	2,12,952.97
ii) Corporate Guarantees issued to clients under various contracts	4,638.29	5,899.74
iii) Claim against the company not acknowledged as debts.	800.00	–

10. (a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance Rs.4.47 lacs (31.03.2009: Rs. 4.20 lacs)] Rs. 1,753.93 lacs (31.03.2009: Rs. 2,675.16 lacs)

- (b) Uncalled liability on party paid shares in TEIL Projects Limited Rs.300.00 lacs (31.03.2009: Rs. 402.98 lacs)
- (c) During the year, the Company has entered into Shareholders Agreement (SHA) with TQA Consultants Africa (Proprietary) Limited to incorporate TPL-TQA Quality Services South Africa (Proprietary) Limited. In accordance with the SHA, the Company is committed to contribute 60% of the issued capital of ZAR 2,50,000. As at 31st March 2010, no amounts have been invested.

11. Derivatives transaction:

Company uses Forward Exchange Contracts to hedge its exposure in Foreign Currency.

- a) The following are the outstanding derivative contract outstanding as at year end :

Year Ended March 31, 2010				Year Ended March 31, 2009			
Currency	Amount (in Million)	Buy/Sell	Cross Currency	Currency	Amount (in Million)	Buy/Sell	Cross Currency
Euro	1.80	Buy	Indian Rupees	Euro	1.72	Buy	Qatari Riyals
USD	7.16	Buy	Indian Rupees	Japanese Yen	126.00	Buy	Indian Rupees
Euro	4.88	Buy	USD	-	-	-	-

- b) Amount Receivable and Payable in foreign exchange as at year end not covered by forward contracts on account of the following:

	2009-10		2008-09	
	Foreign Currency (In Million)	Rs. Lacs	Foreign Currency (In Million)	Rs. Lacs
1. Receivables in respect of				
(a) Income from Contracts	QAR 42.29 AED 2.15	5,222.98 263.77	QAR 67.69 AED 11.65	9,455.73 1,612.62
(b) Income from services	SGD 0.01	02.87	SGD 0.04	12.00
2. Payables in respect of				
(a) Supply / Erection	QAR 26.15 AED 0.38	3,229.93 48.46	QAR 35.80 AED 4.85	5,001.73 671.71
(b) Other Expenses	QAR 1.56	193.13	QAR 3.05	425.85
3. Loan / Overdraft Facilities	- -	- -	QAR 30.17 AED 0.47	4,215.45 64.88
	USD 2.00	897.85	-	-
4. Bank Balances				
	QAR 2.15 SGD 0.09 AED 5.96 USD 0.11	265.73 28.54 729.56 49.47	QAR 0.01 SGD 0.08 AED 3.13 USD 0.03	0.61 26.70 434.67 13.48
5. Interest Payable	QAR 0.05	6.74	QAR 0.72	101.19

- c) The net difference in foreign exchange debited to the Profit & Loss Account is Rs. 807.60 lacs [31.03.2009: Rs.547.96 lacs (Profit)]. The premium / discount arising in respect of outstanding forward exchange contracts, to be recognized in the Profit and Loss Account in the subsequent accounting period is Rs. Nil (31.03.2009: Rs. Nil)
- d) Consequent to the announcement issued by the Institute of Chartered Accountants of India dated 29th March, 2008 on Accounting for Derivative, the company has marked to market the outstanding derivative contracts as at March 31, 2010 and accordingly the loss of Rs. 398.01 lacs has been recognized in the profit and loss account

12. Managerial remuneration

	2009-10 Rs. in lacs	2008-09 Rs. in lacs
Salaries including contribution to Provident Fund and Superannuation	59.47	51.61
Commission	100.00	65.00
Benefits	23.94	23.01
Sitting Fees	7.35	4.55
Commission to non-whole time Directors	75.00	50.00
	265.76	194.17

Note:-Having regard to the fact that there is an overall contribution to a Gratuity Fund, and the amount applicable to an individual employee is not ascertainable and accordingly, contribution to Gratuity Fund has not been considered in the above computation.

Computation of Net Profit under section 309(5) of the Companies Act, 1956:

	2009-10 Rs. in lacs	2008-09 Rs. in lacs
Profit before Taxation	20406.72	9,685.96
Add:		
Depreciation/Amortization	1,816.96	1,985.78
Managerial Remuneration	258.41	189.62
Directors Sitting Fees	7.35	4.55
Provision for Doubtful Debts (Net of reversals)	3597.99	144.25
Provision for Doubtful Advance	-	400.00
Provision for diminution in value of investments	0.24	0.24
Loss of sale on assets	-	28.17
	5,680.95	2,752.61
	26,087.67	12,438.57
Less:		
Depreciation u/s 350 of the Companies Act, 1956	1,718.15	1,896.13
Profit on sale of Assets	12.48	31.64
Profit on sale of Long term Investment	119.01	
	1,849.64	1,927.77
Net Profit as per the section 309(5) of the Companies Act, 1956	24,238.03	10,510.80
Commission Payable to whole time Directors	100.00	65.00
Commission payable to non-whole time director - 1% of the net profit, restricted to	75.00	50.00

13. Disclosures required to be made under the Accounting Standard (AS-7) Construction Contracts

	Rs. In Lacs	
	2009-10	2008-09
Contract revenue recognised as revenue during the year	2,69,946.24	1,85,848.49
Aggregate amount of contract costs incurred in respect of on going contracts net of recognised profits (less recognized losses) upto the reporting date	7,21,033.67	4,45,095.64
Advance payments received (net of recoveries from progressive bills)	58625.35	68,329.35
Retention amount	62,079.83	38,019.04
Gross amount due from customers for contract work	88,033.67	61,798.34
For the Method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer note 1(f)(i) above		

14. In line with accepted practice in Construction Business, certain revisions to costs and billing of previous years which have crystallized during the year have been dealt with in the current year. The Profit and Loss Account for the year include credits aggregating to Rs. 5,028.33 lacs on account of changes in estimates.

15. Deferred tax Asset / (Liability) [Net] as at March 31, 2010 comprises of:

	Rs. In Lacs	
	2009-10	2008-09
Deferred Tax Assets :		
Arising on account of timing differences in:		
Provision for doubtful debts and advances	1,445.94	256.50
Provision for foreseeable losses	-	57.27
Provision of Leave Encashment and Gratuity etc.	204.36	281.80
Disallowance of under section 43B	96.34	98.57
Others	160.88	19.85
Total (A)	1907.52	713.99
Deferred Tax Liability :		
Arising on account of timing differences in:		
Depreciation	(157.10)	(151.94)
Total (B)	(157.10)	(151.94)
Net Deferred Tax Asset /(Liability) (A) – (B)	1,750.42	562.05

16. Related Party Disclosures:

Information relating to Related Party transactions as per "Accounting Standard 18"

Rs. in lacs

Name of the related party	Relationship	Nature of transaction	2009-10	2008-09
Tata Power Company Limited	Entity holding more than 20%	Income from Contract services Interest on Debentures Dividend paid Expenses recovered Receivables outstanding at year end Advance Billing outstanding at year end Payables, Advance against Services outstanding at year end Guarantees given and outstanding at year end	4,487.38 225.00 290.25 - 3408.87 43.48 1256.11 3638.29	7275.00 225.00 201.56 2.38 4071.05 - 1922.45 5018.29
Virendra Garments Manufacturers Private Limited	Associate	-	-	-
Artson Engineering Limited	Subsidiary	Interest Income Cost of Erection Loan and advance given to subsidiary Loans & Advances repaid Payables at year end Loan & Advance outstanding as at year end Expenses recovered Interest Receivable Guarantees given and outstanding at year end	210.96 623.13 844.69 633.86 42.14 2726.41 10.66 - 3279.79	200.61 1226.41 1500.81 1012.15 194.19 2526.09 10.51 196.14 -
TPL-TQA Quality Services (Mauritius) Pty Limited	Subsidiary (w.e.f. July 2, 2009)	Income from Contract services Investment Receivable outstanding at year end Share application money	270.89 11.37 271.07 11.32	- - - -
Al Tawleed For Energy & Power Co	Joint Venture	Income from Services Expenses Recovered Receivable outstanding at year end Loan & Advance outstanding as at year end Payable at year end	87.22 57.77 84.11 38.04 72.43	55.11 57.74 56.25 - -
TEIL Projects Limited	Joint Venture	Expenses Recovered Investment Loan & Advance outstanding as at year end	5.92 102.98 5.92	18.78 97.02 18.78
Tata Dilworth, Secord Meagher & Associates (TDSMA)	Associate	-	-	-
Mr.A.K.Misra, Executive Director	Key Management personnel	Managerial remuneration	106.13	80.80
Mr.A.K.Mathur, Executive Director	Key Management personnel	Managerial remuneration	77.28	58.82

17. Segment Information

17.1 The Company is in the business of executing Engineering, Procurement and Construction (EPC) contracts in various infrastructure fields, such as Energy Sector which comprises of Power Generation, Transmission, Distribution and related ancillary services including manufacturing activity, Telecommunications, Civil construction and other allied engineering and Quality services. The projects are executed both in India and abroad. Considering the Core activities of the Company as above, the Primary Segment is Business segment and Secondary segment is Geographical segment.

Accordingly the Primary Segments of the Company are:

1. Energy Sector
2. Services
3. Others

and Secondary Segments of the Company are:

1. Domestic
2. Overseas

17.2 Reporting for Business Sector is on the following basis:

Revenue relating to individual segment is recorded in accordance with Accounting Policies followed by the Company. All expenditure, which is directly attributable to a project, is charged to the project and included in the respective segment to which the project related. The costs which cannot be reasonably attributable to any project and are in the nature of general administrative overheads are shown as Unallocable Expenses.

Fixed Assets employed in the specific project are allocated to the segment to which the project relates. The depreciation on the corresponding Assets is charged to respective segments.

18. Disclosure as required by Accounting Standard 19, "Leases" issued by the Institute of Chartered Accountants of India are given below:

Operating Lease:

- i) The Company's significant leasing arrangements are in respect of operating leases for premises (residences, office, etc.). The leasing arrangements, which are not non-cancellable range generally between 11 months to 5 years and are usually renewable by mutual consent on agreed terms. The aggregate lease rents payable are recognized in the Profit and Loss Account for the year and included as Rent (disclosed under Establishment and Other Expenses in schedule-15).
- ii) The company has taken certain properties under non-cancellable leases.

	March 31, 2010 (Rs. in lacs)				March 31, 2009 (Rs. in lacs)			
	Total	Payments not later than one year	Payments later than one year but not later than five years	Payments more than five years	Total	Payments not later than one year	Payments later than one year but not later than five years	Payments more than five years
Total of future minimum lease payments at the balance sheet date	1,361.21	263.39	1,064.23	33.59	1,599.32	238.10	1,126.06	235.15

19. The disclosure requirement required as per AS-27 "Financial Reporting of Interests in Joint Ventures" is given below.

Name of the Joint Venture Company	Al-Tawleed For Energy & Power Co.	TEIL Projects Limited
Nature of Joint Venture	Jointly controlled entity	Jointly controlled entity
Percentage of Holding	30%	50%
Country of Incorporation	Kingdom of Saudi Arabia	India
Proportionate share	As per Management Accounts as on December 31, 2009	As per Audited Accounts as on March 31, 2010
Principal Activity	Engineering, Procuring and Construction contract	

(Previous year's figures are in Italics)

	Rs. in lacs		Rs. in lacs	
A Assets :				
Fixed Assets (Net)	7.78	72.62	24.37	28.20
Net Current Assets	(65.97)	9.88	29.94	16.88
Total Assets	(58.18)	82.50	54.31	45.08
B Liabilities :				
Shareholder's Funds	(58.18)	82.50	54.31	45.08
Loan Funds	-	-	-	-
Total Liabilities	(58.18)	82.50	54.31	45.08
C Total Income	647.67	2000.63	-	-
D Total Expenditure	790.38	1954.30	93.72	51.75
E Capital Commitment	-	644.18	-	-
F Contingent Liabilities	1672.49	723.48	-	-

20. Sundry Creditors – Dues to Micro and Small Enterprises

Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below: Rs. in lacs

	2009-10	2008-09
(a) Principal amount remaining unpaid as on 31 st March	218.28	105.10
(b) Interest due thereon as on 31 st March	2.24	8.87
(c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
(d) Interest due and payable for the period of delay in making payment (which have been paid out but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(e) Interest accrued and remaining unpaid as at 31 st March	11.11	8.87
(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	11.11	8.87

21. The details of investment in partnership firm Tata Dilworth, Secord & Meagher & Associates (TDSMA)

Partners	2009-10		2008-09	
	Share	Capital Rs.in lacs	Share	Capital Rs.in lacs
Tata Projects Limited	60%	1.80	60%	1.80
Dilworth, Secord, Meagher & Associates	40%	1.20	40%	1.20

22. Earnings per Share (EPS):

	2009-10 Rs. in lacs (except number of shares)	2008-09 Rs. in lacs (except number of shares)
a) Weighted Average number of Equity Shares of Rs. 100 each outstanding during the year	20,25,000	20,25,000
b) Net Profit after Tax as per the Profit and Loss account	13,267.50	5906.45
c) Basic and Diluted Earnings per share (Rupees)	655.00	292.00

23. Employee Benefits

Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2010 and recognised in the financial statements in respect of Employee Benefit Schemes

(Rs. in Lacs)

	2009-10		2008-09	
	Gratuity Funded	Pension Unfunded	Gratuity Funded	Pension Unfunded
I Components of Employer Expense				
1 Current Service Cost	136.00	-	57.15	-
2 Interest Cost	52.67	6.81	33.11	3.22
3 Expected Return on Plan Assets	(31.92)	-	(20.05)	-
4 Curtailment Cost/(Credit)	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-
6 Past Service Cost	-	-	-	-
7 Actuarial Losses/(Gains)	(46.94)	3.70	307.96	59.38
8 Total expense recognized in the Statement of Profit & Loss Account	109.81	10.51	378.17	62.60
II 1 Present Value of Defined Benefit Obligation	885.22	94.27	752.60	97.80
2 Fair Value on Plan Assets	885.22	-	456.21	-
3 Status [Surplus/(Deficit)]	-	(94.27)	(296.39)	(97.80)
4 Unrecognised Past Service Cost	-	-	-	-
5 Net Asset/(Liability) recognised in Balance Sheet	-	(94.27)	(296.39)	(97.80)
III Change in Defined Benefit Obligations (DBO)				
1 Present Value of DBO at Beginning of Year	752.60	97.80	413.85	50.74
2 Current Service Cost	136.00	-	57.15	-
3 Interest Cost	52.67	6.81	33.11	3.22
4 Curtailment Cost/(Credit)	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-
6 Plan Amendments	-	-	-	-
7 Acquisitions	-	-	-	-
8 Actuarial (Gains)/Losses	(56.05)	3.70	315.50	59.38
9 Benefits Paid	-	(14.04)	(67.01)	(15.54)
10 Present Value of DBO at the	885.22	94.27	752.60	97.80
IV The major categories of plan assets as a percentage of total plan				
Funded with Tata AIG Life Insurance Co. Ltd. (upto 31.03.2009 funded with Life Insurance Co.Ltd.)	885.22	-	456.21	-
V Actuarial Assumptions				
1 Discount Rate	8.25%	7.50%	7.00%	7.50%
2 Expected Rate of Return on Plan Assets	8.25%		7.00%	
3 Mortality	LIC(1994-96) Ultimate		LIC(1994-96) Ultimate	
4 Turnover Rate	10.00%		10.00%	

24. (i) In the year 2007-08, under a sanctioned scheme of the Board for Industrial and Financial Reconstruction (BIFR), the Company became a strategic investor in Artson Engineering Limited (Artson), a Public Limited Company listed on the Bombay Stock Exchange by acquiring 75% of the equity share capital of Artson. In terms of the rehabilitation scheme sanctioned by BIFR, the Company is exempt from the provisions of Section 58A and 372A and relevant provision of the Companies Act, 1956 and the regulation thereunder for the purpose of providing loan and guarantees and subscribing to the equity capital of Artson.
- (ii) The Company has investment of Rs. 276.90 lacs in Artson and has advanced amounts aggregating to Rs.2,726.41 lacs which are outstanding as on March 31, 2010. Although Artson's net worth has been fully eroded, in view of the long term involvement of the Company in Artson as detailed in paragraph 24 (i) above, management is of the view that no provision is required on this account at this stage.
25. Loans & Advance – Schedule 10 includes Rs. 610.00 lacs (31.03.2009 Rs. 610.00 lacs) on account of taxes deducted at source on inter state supplies under applicable Value Added Tax Acts. The Company has contested the deduction in the applicable judicial forum and management is confident of a favorable outcome in the matter.
26. Loans and advances include claims of Rs. 537.01 lacs (31.03.2009: Rs.404.56 lacs) due from The Tata Power Company Limited.
27. Previous year's figures have been regrouped and restated wherever necessary.

For and on behalf of the Board

K. S. Krishnan
General Manager &
Head-Accounts

F. K. Kavarana
Chairman

Dr A. Raja Mogili
Company Secretary

H. H. Malgham
Director

A. K. Misra
Executive Director &
Chief Operating Officer

Balance Sheet Abstract & Company's General Business Profile (as per Schedule VI, Part (iv) Companies Act, 1956.

I. Registration	
Registration No.	U45203AP1979PLC057431
State Code	01
Balance Sheet Date	31st March, 2010
II. Capital raised during the year	
Public Issue	-
Rights Issue	-
Private Placement	-
Bonus Issue	-
III. Position of Mobilisation and Deployment of Funds	(Rupees in lacs)
Total Liabilities	38,258.58
Total Assets	38,258.58
Sources of Funds	
Paid-up Capital	2,025.00
Reserves & Surplus	31,898.34
Secured Loans	4,282.56
Unsecured Loans	52.68
Deferred tax liability	-
Application of Funds	
Net Fixed Assets	11,114.00
Capital Work-in-progress	210.89
Investments	26,626.81
Net Current Assets	(1,443.54)
Deferred tax Asset	1,750.42
Misc. Expenditure	-
Accumulated Losses	-
IV. Performance of the Company	
Turnover including other Income	273,436.51
Total Expenditure	253,029.79
Profit Before Tax	20,406.72
Profit After Tax	13,267.50
Earnings Per Share (in Rupees)	655
Dividend Rate	75%
V. Generic Names of Principal Products/Services of the Company	
Erection & Turnkey Contracts including supply of Materials and providing technical services.	

For and on behalf of the Board

K.S.Krishnan
General Manager &
Head-Accounts

F. K. Kavarana
Chairman

Dr A.Raja Mogili
Company Secretary

H.H. Malgham
Director

A.K.Misra
Executive Director &
Chief Operating Officer

Financial Statistics

(Rs. in Lacs)

	2005-06	2006-07	2007-08	2008-09	2009-10
1 Gross Income from Contracts, Services and Sale of Goods	47,310.45	93,319.24	134,395.47	193,408.58	275,675.98
2 Operating Expenditure (Incl. Indirect Taxes and Duties)	44,460.04	89,677.40	128,046.85	182,341.38	254,407.23
3 Operating Profit	2,850.41	3,641.84	6,348.62	11,067.20	21,268.75
4 Other Income	220.40	528.39	2,692.20	1,756.62	2,338.50
5 Interest	208.17	426.33	696.02	1,152.08	1,383.57
6 Depreciation and Amortisation	641.58	1,417.58	1,672.68	1,985.78	1,816.96
7 Profit before Taxation	2,221.06	2,326.32	6,672.12	9,685.96	20,406.72
8 Profit after Taxation	1,430.81	1,194.31	4,323.66	5,906.45	13,267.50
9 Earning Per Share (EPS) - Rs./ shares	636	411	1,281	292	655
10 Dividend per share (%)	70%	100%	125%	30%	75%
11 Dividend Pay-out Ratio (%)	13%	33%	11%	12%	13%

12 Return On Capital Employed (ROCE) %	29%	18%	27%	29%	43%
13 Return On Net Worth (RONW) %	24%	9%	26%	27%	40%
14 Long Term Debts / Equity	0.13	0.28	0.20	0.15	0.10
15 Total Debts / Equity	0.31	0.28	0.46	0.39	0.13

16 Capital	225.00	337.50	337.50	2,025.00	2,025.00
17 Shareholder's Reserves	5,804.16	12,788.18	16,336.99	19,563.95	31,054.59
18 Debenture Redemption Reserve	-	281.25	562.50	843.75	843.75
19 Borrowings	1,872.79	3,716.89	7,646.48	8,382.08	4,335.24
20 Gross Block (incl. Capital WIP)	7,348.84	9,792.70	14,281.54	16,435.21	19,981.44
21 Depreciation	2,115.71	3,454.86	5,088.91	6,948.41	8,656.55
22 Net Block	5,233.13	6,337.84	9,192.63	9,486.80	11,324.89



Consolidated Financial Statements

AUDITORS' REPORT

To The Board of Directors of
Tata Projects Limited

1. We have audited the attached Consolidated Balance Sheet of TATA PROJECTS LIMITED ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31st March, 2010 the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in an associate accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiaries and joint ventures, whose financial statements reflect total assets of Rs.9,246.77 lacs as at 31st March, 2010, total revenues of Rs.13,368.19 lacs and net cash flows amounting to Rs.667.07 lacs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures is based solely on the reports of the other auditors.
4. The accounts of the associate have not been considered in the preparation of the Consolidated Financial Statements for reasons stated in Note 1.4 of Schedule 19 to the Consolidated Financial Statement.
5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
6. Subject to paragraph 4 above, based on our audit and on consideration of the separate audit report on individual financial statements of the Company, its aforesaid subsidiaries and joint ventures and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2010;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No.008072S)

K. Rajasekhar
Partner
(Membership No.23341)

Place : Mumbai
Date : May 11, 2010

Consolidated Balance Sheet as at March 31, 2010

	Schedule	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
I. Sources of Funds			
Shareholders' Funds			
Capital	1	2,025.00	2,025.00
Reserves and Surplus	2	31,130.40	19,117.60
		33,155.40	21,142.60
Minority Interest		50.92	-
Loan Funds			
Secured Loans	3	5,344.19	8,380.78
Unsecured Loans	4	101.76	47.71
Total		38,652.27	29,571.09
II Application of Funds			
Goodwill on Consolidation		343.57	342.20
Fixed Assets			
Gross Block		22,048.77	17,743.75
Less: Depreciation		9,997.16	8,200.09
Net Block	5	12,051.61	9,543.66
Capital Work in Progress, including capital advances of Rs.11.05 lacs (31.03.2009:Rs.4.20 lacs)		364.43	533.82
		12,416.04	10,077.48
Investments	6	26,074.26	9,265.06
Deferred Tax Asset (Net)		1,702.09	515.00
Current Assets, Loans and Advances			
Interest accrued on Investments		14.87	14.87
Inventories and Contracts-in-progress	7	8,003.08	5,001.53
Sundry Debtors	8	149,130.89	102,548.24
Cash and Bank Balances	9	11,246.48	20,628.84
Other Current Assets	10	3,768.80	3,104.41
Loans and Advances	11	43,243.00	38,524.92
		215,407.12	169,822.81
Less:			
Current Liabilities and Provisions			
Current Liabilities	12	211,196.99	158,879.26
Provisions		6,093.82	1,572.20
		217,290.81	160,451.46
Net Current Assets		(1,883.69)	9,371.35
Total		38,652.27	29,571.09
Notes attached hereto form an integral part of these financial statements	19		

Per our report attached

For and on behalf of the Board

for Deloitte Haskins & Sells
Chartered AccountantsK.S.Krishnan
General Manager & Head-AccountsF. K. Kavarana
ChairmanK.Rajasekhar
PartnerDr A.Raja Mogili
Company SecretaryH.H. Malgham
DirectorPlace: Mumbai
Date : May 11, 2010A.K.Misra
Executive Director &
Chief Operating Officer

Consolidated Profit and Loss Account for the year ended March 31, 2010

		Year ended Schedule March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
I. Income			
Income from Contracts, Services and Sale of Goods [includes share of joint ventures Rs.648.38 lacs (31.03.2009 : Rs.2000.63 lacs)]		289,046.79	197,450.23
Less: Indirect Taxes and Duties		4,928.00	4,356.04
Net Income from Contracts, Services and Sale of Goods		284,118.79	193,094.19
Other Income	13	2,177.89	1,074.25
		286,296.68	194,168.44
II. Expenditure			
Project Execution Expenses	14	228,094.88	156,005.38
Raw materials consumed		6,914.76	2,659.55
Purchase of Finished Goods		-	1,349.16
Employee Cost	15	15,038.39	11,733.11
Operations, Establishment and Other Expenses (Increase)/Decrease in Inventories and Contracts in Progress	16	13,600.30	7,038.81
Interest	17	(1,710.08)	2,944.66
Depreciation and Amortisation	18	1,404.19	1,152.07
		1,966.31	2,076.24
		265,308.75	184,958.98
III. Profit before Taxation, Appropriation & Minority Interest		20,987.93	9,209.46
Provision for Income Tax :			
Current		8,333.18	3,684.13
Deferred		(1,187.09)	23.30
Fringe Benefit Tax		-	107.67
		7,146.09	3,815.10
IV. Profit after Taxation and before Appropriation and Minority Interest		13,841.84	5,394.36
Share of Minority Interest		(56.72)	-
Profit after Minority Interest		13,785.12	5,394.36
Balance brought forward from previous year		6,597.30	2,785.58
Available for appropriation		20,382.42	8,179.94
V. Appropriations:			
Proposed Dividend		1,518.75	607.50
Tax on Dividend		258.11	103.24
Debenture Redemption Reserve		-	281.25
General Reserve		1,326.75	590.65
Share of Revenue Reserves of Joint Ventures carried forward		(283.69)	4.69
Balance Carried to Balance Sheet		17,562.50	6,592.61
		20,382.42	8,179.94
Earning Per Share (Rs.) - Basic and Diluted (Face value Rs.100)		681	266
Notes attached hereto form an integral part of these financial statements	19		

Per our report attached
for **Deloitte Haskins & Sells**
Chartered Accountants
K.Rajasekhar
Partner

For and on behalf of the Board

K.S.Krishnan
General Manager & Head-Accounts
Dr A.Raja Mogili
Company Secretary

F. K. Kavarana
Chairman
H.H. Malgham
Director
A.K.Misra
Executive Director &
Chief Operating Officer

Place: Mumbai
Date : May 11, 2010

Consolidated Cash Flow Statement for the year ended March 31, 2010

	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before Taxation	20,987.93	9,209.46
Adjustments for :		
Depreciation	1,966.31	2,076.24
Interest Expenditure	1,404.19	1,152.07
Interest Income	(948.75)	(435.41)
Dividend Income	(508.22)	(173.62)
Provision for diminution in value of investments (including Premium amortised on purchase of investments)	0.24	0.24
Provision for Warranty	256.00	-
Unrealised Exchange Loss / (Gain) (Net)	728.87	195.14
(Profit) / Loss on sale of asset	14.03	27.53
Loss on Assets Discarded	11.12	-
Profit on sale of Long Term Investment	(119.01)	-
	<u>2,804.78</u>	<u>2,842.19</u>
Operating profit before working capital changes	23,792.71	12,051.65
Adjustments for :		
(Increase)/Decrease in Inventories	(3,001.55)	2,747.68
(Increase)/Decrease in Sundry Debtors (net of provisions/write offs)	(46,842.00)	(38,288.60)
(Increase)/Decrease in Loans and Advances (net of provisions)	(14,931.70)	(8,874.43)
(Increase)/Decrease in Other Current Assets	(672.26)	684.42
Increase/(Decrease) in Trade and Other Payables	51,777.15	63,728.96
	<u>(13,670.36)</u>	<u>19,998.03</u>
Cash generated from Operations	10,122.35	32,049.68
Income Tax paid (net of refund)	(4,860.91)	(4,050.12)
Fringe Benefit Tax paid	(39.89)	(99.34)
Net Cash flows from Operating Activities	5,221.55	27,900.22
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(4,392.49)	(2,535.16)
Proceeds from sale of fixed assets	61.07	46.02
Inter Corporate Loan Given	(4,600.00)	(13,750.00)
Inter Corporate Loan Repaid	14,600.00	5,750.00
Investment in Mutual Funds	(55,107.70)	(22,572.40)
Sale of Mutual Fund	38,682.19	22,507.16
Sale of Long Term Investment	230.16	-
Income from Investments (Dividend)	13.14	22.50
Interest income received	956.62	465.73
Net Cash flows (used in) Investing Activities	(9,557.01)	(10,066.15)

Consolidated Cash Flow Statement for the year ended March 31, 2010

	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
C. Cash Flow from Financing Activities		
Proceeds from long - term borrowings	903.71	(90.70)
Repayment of short - term borrowings	(3,886.25)	826.30
Payment of Dividend including Dividend Tax	(710.74)	(493.58)
Interest expenses paid	(1,282.11)	(1,062.90)
Net Cash flows (used in) financing activities	(4,975.39)	(820.88)
Net increase/(decrease) in cash and cash equivalents	(9,310.85)	17,013.19
Cash and Cash equivalents at the beginning of the year	20,654.55	3,641.36
Cash and Cash equivalents at the end of the year	11,343.70	20,654.55
Note:	As at 31-03-2010	As at 31-03-2009
Cash and Cash Equivalents consist of:		
Cash and Bank Balances	11,246.48	20,628.84
Add: Unrealised loss included in Cash and Cash Equivalents	97.22	25.71
	11,343.70	20,654.55

Per our report attached

for Deloitte Haskins & Sells
Chartered AccountantsK.Rajasekhar
PartnerPlace: Mumbai
Date : May 11, 2010

For and on behalf of the Board

K.S.Krishnan
General Manager & Head-AccountsDr A.Raja Mogili
Company SecretaryF. K. Kavarana
ChairmanH.H. Malgham
DirectorA.K.Misra
Executive Director &
Chief Operating Officer

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 1		
Capital		
Authorised 25,00,000 Equity Shares of Rs.100 each	2,500.00	2,500.00
Issued, Subscribed and paid-up 20,25,000 Equity Shares of Rs.100 each	2,025.00	2,025.00
	2,025.00	2,025.00
Of the above - 17,62,500 Equity Shares of Rs.100 each issued as bonus shares by capitalising securities premium.		
Schedule - 2		
Reserves and Surplus		
Securities Premium		
Balance as per last Balance Sheet	4,987.50	6,675.00
Less: Amount utilised towards issue of Bonus Shares	-	1,687.50
	4,987.50	4,987.50
Debentures Redemption Reserve		
Balance as per last Balance Sheet	843.75	562.50
Add : Reserve created during the year	-	281.25
	843.75	843.75
General Reserve		
Balance as per last Balance Sheet	6,652.32	6,061.67
Add: Transfer from Profit and Loss Account	1,326.75	590.65
	7,979.07	6,652.32
Foreign Currency Translation Reserve	41.27	36.73
Balance in Profit & Loss Account	17,562.50	6,592.61
Share of Joint Venture		
- Revenue Reserve	(283.69)	4.69
	31,130.40	19,117.60

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 3		
Secured Loans		
From Banks		
Buyer's Credit from Bank	-	3,617.48
Bank Overdraft	-	1,330.40
i) In case of consortium banks, by first charge on book debts, stocks in process and other current assets ranking pari-pasu;		
ii) in case of Commercial Bank, Qatar, by assignment of contract revenue and project assets of Qatar, which is pending creation of charge;		
iii) in case of BNP Paribas, Hyderabad, exclusive first charge over movable properties and assets relating to project undertaken at Dubai including all movable assets, book debts present and future.		
Working Capital Loan from Bank (First Charge by way of hypothecation on Inventories, Book Debts and Other Current Assets)	131.74	-
8% Partly Convertible Debentures (non-convertible portion) (Issued on 29th August, 2006, redeemable at par in 3 equal annual installments commencing at the end of 4th year from the date of allotment) (Secured by way of	3,375.00	3,375.00
i) First pari passu equitable mortgage of all immovable properties of the Company located in Hyderabad, Andhra Pradesh ranking with other lenders of the Company		
ii) First charge by way of hypothecation of all movable properties / fixed assets, and		
iii) Second charge by way of floating charge on current assets, loans & advances, subject to first charge of Company's bankers, and /or working capital lenders)		
Other Loans		
Financial Institutions :		
- from HDFC Ltd.	-	1.14
- from EXIM Bank	897.85	-
Others	9.71	56.76
(Secured by Hypothecation / Pari Passu Pledge of Fixed Assets, in case of Loan from HDFC Ltd. - Secured by equitable Mortgage of House Properties of Employees under the HDFC Employees Housing Loan Scheme and in case of Vehicle loans by hypothecation of vehicle in respect of which the loan is taken)		
	4,414.30	8,380.78
Share of Joint Venture	929.89	-
	5,344.19	8,380.78
Schedule - 4		
Unsecured Loans		
Loan from Banks	52.68	1.30
Loan from Shareholders	2.67	-
Long Term		
- Sales Tax Deferment Loan (SICOM)	46.41	46.41
	101.76	47.71
Share of Joint Venture	-	-
	101.76	47.71

Schedules annexed to and forming part of the Consolidated Accounts

Schedule- 5 - Fixed Assets

Rs. in lacs

S.No	Particulars	Cost				Depreciation				Net Book Value	
		As at March 31, 2009	Additions	Deductions	Currency Realignment	As at March 31, 2010	For the year	On deduction	Currency Realignment	As at March 31, 2010	As at March 31, 2009
I Tangible Assets :											
	Land										
	Freehold	326.61	-	-	-	-	-	-	-	-	326.61
	Leasehold	51.98	-	-	-	1.56	0.55	-	-	2.11	49.87
	Buildings	933.95	-	-	-	136.81	72.18	-	-	208.99	724.96
	Leasehold Improvements	468.80	-	-	-	59.23	52.09	-	-	111.32	357.48
	Plant and Machinery (including Erection/Construction Machinery)	10,697.30	3,442.55	50.90	-	4,167.44	1,322.21	38.04	-	5,451.61	8,637.34
	Furnitures & Fixtures	596.68	61.80	2.59	-	254.64	97.19	1.94	-	349.89	306.00
	Vehicles *	727.77	135.27	114.61	-	456.36	108.92	96.85	-	468.43	280.00
	Office Equipment, Air Conditioners & Electrical Installation	672.69	174.00	11.56	-	288.42	93.57	9.63	-	372.36	462.77
	Computers	832.61	143.24	0.49	-	575.73	149.49	0.49	-	724.73	250.63
	R & D-Capital Mobile Desalination Plant	40.24	-	-	-	18.69	3.00	-	-	21.69	18.55
		15,348.63	3,956.86	180.15	-	19,125.34	1,899.20	146.95	-	7,711.13	11,414.211
II Intangible Assets :											
	Software	139.60	602.12	-	-	85.73	50.77	-	-	136.50	605.22
	Goodwill	2,132.57	-	-	-	2,132.57	-	-	-	2,132.57	-
		2,272.17	602.12	-	-	2,874.29	50.77	-	-	2,269.07	605.22
	Total	17,620.80	4,558.98	180.15	-	21,999.63	1,949.97	146.95	-	9,980.20	12,019.43
	Share of Joint Venture	122.95	2.23	74.86	(1.18)	49.14	16.34	21.84	(0.45)	16.96	32.18
	Grand Total	17,743.75	4,561.21	255.01	(1.18)	22,048.77	1,966.31	168.79	(0.45)	9,997.16	12,051.61
	Previous Year	14,844.36	3,098.80	214.05	14.64	17,743.75	2,076.24	140.50	2.04	8,200.09	9,543.66

* includes Heavy Vehicles viz. Tractors, Trailers, Tipppers.

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 6		
Investments		
Long Term (at cost less provision for diminution in value)		
A. TRADE INVESTMENTS - Unquoted		
Associate		
Virendra Garments Manufacturers Pvt Limited # 1,200 Equity Shares of Rs.100 each, fully paid	1.20	1.20
B. INVESTMENT IN CAPITAL OF PARTNERSHIP FIRM		
Tata Dilworth Secord Meagher & Associates #	1.80	1.80
C. OTHER INVESTMENTS (Non-Trade) - Unquoted		
UTI - Balanced Fund - Dividend Plan - Payout Nil (31.03.2009 : 10,00,000 units of Rs.10 each)	-	101.15
Canara Robeco Equity Diversified - Growth Plan (Canara Robeco Fortune 94) Nil (31.03.2009 : 1,00,000 units of Rs.10 each)	-	10.00
Exim Bank 3 Nos. 6.35% Exim Bond - 2013 of Rs. 100 lacs each fully paid #	302.35	302.35
Current Investment (at lower of cost and fair value)		
In Mutual Funds - Unquoted		
Birla Sun Life Savings Fund - Institutional-Daily Dividend-Reinvestment 2,27,41,039.513 units of Rs.10 each (31.03.09 : 1,50,51,184.434 units of Rs.10 each)	2,275.65	1,506.14
ING Treasury Advantage Fund - Institutional Daily Dividend (31.03.09 : 1,50,51,001.020 units of Rs.10 each)	-	1,505.60
Kotak Flexi Debt Scheme Institutional - Daily Dividend (31.03.09 : 1,00,04,038.720 units of Rs.10 each)	-	1,005.16
Religare Ultra Short Term Fund - Institutional Daily Dividend (31.03.09 : 80,20,483.522 units of Rs.10 each)	-	803.31
Tata Floater Fund - Daily Dividend 5,01,72,726.547 units of Rs.10 each (31.03.09 : 2,51,73,241.107 units of Rs.10 each)	5,035.13	2,526.29
UTI Treasury Advantage Fund - Institutional Plan (Daily Dividend Option) - Re investment 2,27,485.634 units of Rs.1,000 each (31.03.09 : 1,50,596.224 units of Rs.1,000 each)	2,275.34	1,506.40
Franklin Templeton India Ultra Short Bond Fund - Daily Dividend Reinvestment 2,26,17,054.310 units of Rs.10 each (Purchased during the year)	2,264.33	-
HDFC Cash Management Fund - Daily Dividend 2,25,05,820.452 units of Rs.10 each (Purchased during the year)	2,257.67	-
ICICI Prudential-Flexible Income Plan Dividend-Daily-Reinvest Dividend 20,27,079.363 units of Rs.100 each (Purchased during the year)	2,143.33	-
JM Money Manager Fund Super Plus Plan Collection 1,94,96,623.924 units of Rs. 10 each (Purchased during the year)	1,950.70	-
GFCD IDFC Money Manager Fund-TP-Super Inst Planc C-Daily Dividend 2,10,82,691.599 units of Rs.10 each (Purchased during the year)	2,108.59	-
Kotak Floater Long Term - Daily Dividend 1,59,33,493.800 units Rs. 10 each (Purchased during the year)	1,606.06	-

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
SBI - SHF - Ultra Short Term Fund - Institutional Plan - Daily Dividend 85,34,502.747 units of Rs. 10 each (Purchased during the year)	853.96	-
UTI Fixed income Interval Fund - monthly Interval Plan Series - I - Institutional Dividend Plan - Re-investment 3,00,00,000.000 units of Rs. 10 each (Purchased during the year)	3,002.73	-
	26,078.84	9,269.40
Share of Joint Venture	-	-
	26,078.84	9,269.40
# Less : Provision for diminution in value of investments {Including premium amortised Rs. 1.58 lacs (31.03.2009 : Rs.1.34 lacs)}	4.58	4.34
	26,074.26	9,265.06
Notes :		
(i) Aggregate of Quoted Investment (Cost)	-	-
(ii) Aggregate of Un-quoted Investment (Cost)	26,074.26	9,265.06
Schedule - 7 Inventories and Contracts-in-progress		
Contracts-in-progress	6,029.91	4,270.90
Inventories :		
Stores & Spares	383.37	156.54
Raw Materials	1,385.58	273.06
Work in Progress	204.22	202.69
Finished Goods	-	50.46
	8,003.08	4,953.65
Share of Joint Venture	-	47.88
	8,003.08	5,001.53
Schedule - 8 Sundry Debtors - Unsecured		
A. Considered good		
Outstanding for more than six months *	48,370.37	33,694.60
Other Debts **	100,576.75	68,740.57
(A)	148,947.12	102,435.17
B. Considered Doubtful		
Outstanding for more than six months	3,952.62	354.63
Other debts	-	-
	3,952.62	354.63
Less : Provision for Doubtful debts	3,952.62	354.63
(B)	-	-
(A + B)	148,947.12	102,435.17
Share of Joint Venture	183.77	113.07
	149,130.89	102,548.24
* includes retention money not due Rs.41,192.74 lacs (31.03.2009 : Rs.24,413.63 lacs)		
** includes retention money not due Rs.21,106.87 lacs (31.03.2009 : Rs. 13,722.72 lacs)		

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 9		
Cash and Bank Balances		
Cash on hand	46.50	82.78
Balance with Scheduled Banks		
On Current Account	9,932.71	11,493.36
On Deposit Account	58.18	7,026.53
With other Banks (Non-Scheduled banks)		
- On Current Account		
Citibank N.A, Singapore (Maximum balance outstanding during the period Rs 39.74 lacs (2008-09 Rs.45.69 lacs))	28.54	26.71
Abu Dhabi Commercial Bank, Abu Dhabi (Maximum balance outstanding during the period Rs 410.55 lacs (2008-09 Rs.410.55 lacs))	330.45	410.55
BNP Paribas, Dubai (Maximum balance outstanding during the period Rs 1,515.88 lacs (2008-09 Rs.2,065.47lacs))	349.89	0.90
Indian Overseas Bank - Seoul (Maximum balance outstanding during the period Rs 50.56 lacs (2008-09 Rs.13.48 lacs))	49.47	13.48
National Bank - Fujairah (Maximum balance outstanding during the period Rs 217.85 lacs (2008-09 Rs.294.03 lacs))	49.22	23.13
Commercial Bank - Qatar (Maximum balance outstanding during the period Rs 437.61 lacs (2008-09 Rs.Nil lacs))	265.73	-
Gulf Bank, Kuwait (Maximum balance outstanding during the year Rs 111.10 lacs (2008-09 Rs.45.81 lacs))	21.34	6.97
Remittance in Transit	-	1,281.90
	11,132.03	20,366.31
Share of Joint Venture	114.45	262.53
	11,246.48	20,628.84
Schedule - 10		
Other Current Assets		
Work done but not billed	3,677.38	3,005.12
Interest accrued on loans and advances	91.42	99.29
	3,768.80	3,104.41
Share of Joint Venture	-	-
	3,768.80	3,104.41

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2010 Rs. in lacs	As on March 31, 2009 Rs. in lacs
Schedule - 11		
Loans and Advances		
(Unsecured considered good unless otherwise specified)		
Loan and Advances		
- Subsidiary	-	-
- Others	-	10,000.00
Advances recoverable in cash or in kind or for value to be received		
- Secured	73.41	26.81
- Unsecured	41,071.07	28,329.08
Less: Provision for Doubtful Advances	400.00	400.00
Advance payment of tax (Net of provisions)	-	253.51
Fringe Benefit Tax (Net)	19.88	-
Balance with excise authorities etc.	933.25	-
	<u>41,697.61</u>	<u>38,209.40</u>
Share of Joint Venture	1,545.39	315.52
	<u>43,243.00</u>	<u>38,524.92</u>
Schedule - 12		
Current Liabilities and Provisions		
Liabilities		
Sundry Creditors - Total outstanding due to Micro and Small Enterprises	261.23	145.00
Sundry Creditors-Total outstanding due to creditors other than Micro Enterprises and Small Enterprises	73,787.07	52,236.30
Advance from customers	59,948.74	69,312.10
Advance Billing	156.30	403.67
Other Liabilities	1,233.51	1,472.40
Interest accrued but not due	186.02	273.94
Contract expenses	74,763.53	34,305.01
	<u>210,336.40</u>	<u>158,148.42</u>
Share of Joint Venture	860.59	730.84
	<u>211,196.99</u>	<u>158,879.26</u>
Notes		
1. There is no amount due and outstanding to be credited to Investor Education and Protection Fund.		
Provisions		
Retirement Benefits	622.50	838.33
Provision for Warranty	256.00	-
Taxation (Net)	3,433.76	-
Fringe Benefit Tax (Net)	-	20.01
Proposed Dividend	1,518.75	607.50
Tax on Dividend	258.11	103.24
	<u>6,089.12</u>	<u>1,569.08</u>
Share of Joint Venture	4.70	3.12
	<u>6,093.82</u>	<u>1,572.20</u>

Schedules annexed to and forming part of the Consolidated Accounts

	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
Schedule - 13		
Other Income		
Interest from		
- Banks (Tax deducted at source Rs.1.53 lacs (2008-09:Rs.2.62 lacs))	15.50	19.54
- On loans and advances (Tax deducted at source Rs.169.79 lacs (2008-09:Rs.112.25 lacs))	914.20	396.82
- long term investment	19.05	19.05
Dividends from current investments	508.22	173.62
Hire Charges	242.81	300.64
Award money received in respect of loss of profit	62.13	61.90
Miscellaneous Income	311.00	130.21
Profit on Sale of Fixed Assets (Net)	12.30	(27.53)
Profit on Sale of Long Term Investment	119.01	-
	2,204.22	1,074.25
Share of Joint Venture	(26.33)	-
	2,177.89	1,074.25
Schedule - 14		
Project Execution Expenses		
Cost of Supplies/Erection and Civil Works	222,726.44	151,801.86
Engineering Fees	1,811.73	194.37
Insurance Premium	1,424.37	788.17
Bank Guarantee and Letter of credit charges	1,519.68	1,366.35
	227,482.22	154,150.75
Share of Joint Venture	612.66	1,854.63
	228,094.88	156,005.38
Schedule - 15		
Employee Cost		
Salaries	12,423.53	9,315.07
Contribution to Provident Fund/Pension fund	465.61	418.37
Gratuity	172.26	387.31
Superannuation	374.79	214.12
Staff Welfare	821.39	643.46
Overseas Living Allowance	667.11	691.50
	14,924.69	11,669.83
Share of Joint Venture	113.70	63.28
	15,038.39	11,733.11

Schedules annexed to and forming part of the Consolidated Accounts

	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
Schedule - 16		
Operations, Establishment and Other Expenses		
Rent	1,302.11	1,104.24
Repairs & Maintenance		
(a) Plant and Machinery including Erection and Construction Equipment	209.04	98.06
(b) Building	1.89	1.60
(c) Others	155.62	149.81
Processing Charges	239.99	93.50
Power and Fuel	411.85	258.28
Stores & Spares consumed	105.50	47.06
Increase / (decrease) in excise duty on finished goods	2.01	(6.21)
Rates and Taxes	86.30	199.01
Motor Vehicle Expenses	935.58	700.32
Travelling Expenses	1,602.19	1,297.16
Professional and Legal Charges	677.56	463.55
Postage, Telephone, Telegram & Telex	426.55	335.40
Printing and Stationery	239.87	196.81
Staff Recruitment/Training expenses	80.75	117.42
Business Development Expenditure	122.91	110.36
Amortisation of Premium/ provision for diminution in the value of investments	0.24	0.24
Bad Debts	11.53	15.04
Provision for Doubtful Debts	3,780.93	144.25
	3,792.46	159.29
Less: Provision for Doubtful Debts reversed	182.94	-
	3,609.52	159.29
Provision for Doubtful Advances	-	400.00
Bad Advances written off	-	4.25
Difference in Exchange Rate (net)	977.28	(642.07)
Agency Commission	124.58	308.38
Loss on Assets Discarded	11.12	-
Brand Equity Contribution	677.74	483.61
Miscellaneous Expenses	1,513.14	1,103.01
	13,513.34	6,983.08
Share of Joint Venture	86.96	55.73
	13,600.30	7,038.81

Schedules annexed to and forming part of the Consolidated Accounts

	Year ended March 31, 2010 Rs. in lacs	Year ended March 31, 2009 Rs. in lacs
Schedule - 17		
(Increase)/Decrease in Inventories and Contract-in-progress		
Inventories and Contracts-in-progress - Opening		
Finished goods	50.46	62.17
Work-in-progress	202.69	309.39
Contracts-in-progress	4,270.90	7,097.15
	4,524.05	7,468.71
Inventories and Contracts-in-progress - Closing		
Finished goods	-	50.46
Work-in-progress	204.22	202.69
Contracts-in-progress	6,029.91	4,270.90
	6,234.13	4,524.05
Net (Increase)/Decrease in Inventories and Contract-in-progress	(1,710.08)	2,944.66
Share of Joint Venture	-	-
	(1,710.08)	2,944.66
Schedule - 18		
Interest		
On Debentures	270.00	270.00
On Fixed Loans	5.06	8.99
On Buyer's Credit	51.03	291.58
Others	1,077.44	581.50
	1,403.53	1,152.07
Share of Joint Venture	0.66	-
	1,404.19	1,152.07

Schedule - 19

Notes to Accounts on the consolidated financial statements for the year ended March 31, 2010

1.0 Principles of consolidation:

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS 21) - "Consolidated Financial Statements", Accounting Standard 23 (AS 23)-Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) - "Financial Reporting of Interests in Joint Ventures" notified by the Companies (Accounting Standards) Rules, 2006.

- 1.1 The subsidiaries (which alongwith Tata Projects Limited, the parent, constitute the Group) considered in the preparation of these consolidated financial statements is:

Name	Country of Incorporation	Percentage of ownership interest as at March 31, 2010	Percentage of ownership interest as at March 31, 2009
Artson Engineering Limited (AEL)	India	75	75
TPL-TQA Quality Services (Mauritius) Pty Ltd (Wef 2 nd July,2009)	Mauritius	70	-

- 1.2 Interests in Joint Venture:

Name of the Joint Venture	Al Tawleed For Energy & Power Co. Jointly controlled entity	TEIL Projects Limited Jointly controlled entity
Percentage of Holding		
31.03.10	30	50
31.03.09	30	50
		(w.e.f. 15 th July 2008)
Country of Incorporation	Kingdom of Saudi Arabia	India

The Group's interest in joint ventures is accounted for using proportionate consolidation.

- 1.3 The financial statement of M/s Al Tawleed For Energy & Power Co. is drawn for the period from January 1, 2009 to December 31, 2009.
- 1.4. The group's associate is:-

Name of the Company	Country of Incorporation	Percentage of ownership interest as at March 31, 2010	Percentage of ownership interest as at March 31, 2009
Virendra Garments Manufacturers Private Limited	India	24	24

The financial statements of the above Company is not available and hence not considered for consolidation.

2. Significant Accounting Policies

a. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include accounting for contract costs expected to be incurred to complete the projects, provisions for doubtful debts, obligations under employee retirement benefit plans, income taxes, post contract warranties, and the useful lives of fixed and intangible assets. Actual results could differ from those estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise.

b. Fixed Assets

Fixed Assets are shown at cost less depreciation. The cost comprises purchase price and other attributable expenses incurred up to acquisition and installation.

c. Depreciation/Amortisation on Fixed Assets

Depreciation has been provided for on the written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except following assets which have been depreciated on Straight Line Method (SLM) as per the useful life of assets as estimated by the management.

	Assets	Rate of depreciation for SLM
1.	Scaffolding Materials	20%
2.	Wire Ropes and Slings	50%
3.	Computer including Software	25%
4.	Motor Cars under car policy for executives	22.5%
5.	Leasehold Land	Amortised over the period of the Lease
6.	Leasehold Improvement	Amortized over the period of the Lease
7.	Goodwill	Amortized over 36 months
8.	Vacant factory building at Nasik in respect of subsidiary	5% on WDV basis
9.	In respect of Parent Company, fixed assets costing less than Rs. 10,000/- each are fully depreciated in the year of acquisition. In respect of Subsidiary Company, assets costing less than Rs 5,000/- each are fully depreciated in the year of acquisition.	

d. Goodwill on Consolidation

To state goodwill arising on consolidation at cost and to recognise, where applicable, any impairment.

e. Investments

i) Long Term Investments

Investments are valued at cost of acquisition inclusive of other attributable expenses. Provision is made to recognise the diminution, if any other than temporary, in the value of investments.

Premium paid on investments acquired to hold till maturity is amortised over the holding period and the same is included in the provision for diminution in the value of investments.

ii) Current Investments are carried lower of cost and fair value.

iii) Interest in Joint Ventures

To account for interests in jointly controlled entities (incorporated Joint Ventures) using proportionate consolidation.

f. Revenue recognition

i) Income from Contracts

Revenue from execution of contracts is recognised on Percentage Completion method. The stage of completion is determined on the basis of actual work executed during the period.

No profit is recognized till a minimum of 10% progress is achieved on the contract. Cost incurred and invoices raised in respect of such contracts are carried in Balance Sheet as contracts in progress and Advance Billing respectively.

When it is probable at any stage of the contract, that the total cost will exceed the total contract revenue, the expected loss is recognised immediately.

ii) Revenue from Sale of goods and services is recognized on dispatch of goods to customers and at the time of rendering of services respectively. Sales include excise duty but exclude sales tax collected from customers.

iii) Interest income on deposits and income from investments are accounted for on accrual basis.

g. Contracts-in-progress

Contracts-in-progress, represents expenses incurred not forming part of the work executed till Balance Sheet date and startup expenses incurred on the project till income is recognised in accordance with the revenue recognition policy followed by the Company and is valued at cost.

h. Inventories

Raw material, work-in progress and finished goods are valued at lower of cost and net realizable value. Stores and spare parts are carried at cost.

Cost of inventories in respect of Parent Company is ascertained on the "weighted average" method and includes, where appropriate, manufacturing overheads and excise duty. In respect of Subsidiary, cost of inventories have been ascertained on First in first out basis.

i. Work done but not billed

Work done but not billed represents value of work executed, billed subsequent to the Balance Sheet date and is valued at contract price.

j. Foreign Exchange Transactions

i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at year-end rates. The difference in translation and realized exchange gains/losses are recognized in the Profit and Loss Account. Forward exchange contracts are accounted for by amortising the difference between the forward rate and the exchange rate on the date of the transaction over the life of the contract.

ii) In respect of items covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortized as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized in the Profit and Loss account.

iii) In respect of financial statements of integral foreign operations of foreign branches, fixed assets are recorded at cost, based on the exchange rate prevailing at the time of transactions. Current assets and current liabilities are reported using the exchange rates on the date of balance sheet, income and expenses are translated at the monthly average rates of exchange. The resultant exchange gains / losses are recognized in the profit and loss account.

iv) In respect of non integral foreign operation the exchange difference arising on translation of assets / liabilities and income / expenses are recorded in foreign currency fluctuation reserve.

k. Retirement benefits

i) Contribution to the Provident and Superannuation Funds in respect of the parent and TEIL which are based on defined contribution plans are expensed as incurred.

ii) The Gratuity Liability in respect of the parent which is a defined benefit plan, is provided on the basis of actuarial valuation as on Balance Sheet date and the same is funded with Life Insurance Corporation as per their advice.

iii) Provision for encashment of unavailed leave in respect of parent company and subsidiary is made on the basis of actuarial valuation as on the Balance Sheet date.

iv) Pension payable to retired Managing Directors of the Parent Company is made on the basis of actuarial valuation as on the Balance Sheet date.

v) In respect of Joint Venture, Al Tawleed the provision for end of the service benefit is provided as per regulatory requirement of its country of incorporation.

l. Income Tax

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference 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 arising on account of

unabsorbed depreciation of carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

m. Provisions, Contingent liabilities and contingent assets

A provision is recognized when company has a present obligation as result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the expenditure required to settle the present obligation. Reimbursement against a provision is recognized as a separate asset based on virtual certainty.

Provision for anticipated warranty costs is made on the basis of technical and available cost estimates.

3A. Contingent Liabilities (not provided for):

	<i>Year ended March 31, 2010 (Rs. in lacs)</i>	<i>Year ended March 31, 2009 (Rs. in lacs)</i>
i) Bank Guarantees/Standby Letters of Credit issued by the bank on behalf of the company (these are generally backed by bank guarantees obtained by the company from its suppliers/sub-contractors).	2,45,799.66	2,12,956.04
ii) Corporate Guarantees issued to clients under various contracts	3,638.29	5,899.74
iii) Other Corporate Guarantee	1,000.00	-
iv) Claim against the company not acknowledged as debts.	800.00	-
v) Sales Tax (Works Contract Tax) for which appeals are pending	47.08	47.08
vi) In case of M/s. Al-Tawleed, Group's share of bank guarantees issued by the bank on behalf of Al-Tawleed for Energy & Power Co.	-	723.48

3B. (a) Capital Commitments:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance) Rs. 1753.93 lacs(31.03.2009 – Rs. 3319.34 lacs.).

(b) Uncalled liability on partly paid shares Rs.300.00 lacs (31.03.2009: Rs. 402.98 lacs)

4. (a) Managerial Remuneration

	2009-10 Rs.in lacs	2008-09 Rs.in lacs
Salaries including contribution to PF & Superannuation	59.47	51.61
Commission	100.00	65.00
Benefits	23.94	23.01
Sitting Fees	7.35	4.55
Commission to non-whole time Directors	75.00	50.00
	265.76	194.17

Note:-

Having regard to the fact that there is an overall contribution to Gratuity Fund, the amount applicable to an individual employee is not ascertainable and accordingly, contribution to Gratuity Fund has not been considered in the above computation.

(b) The Shareholders of TEIL Projects Limited, have appointed a whole time director with effect from August 12, 2008 in their Annual General Meeting, held on September 12, 2009 subject to the approval of the Central Government. The Company has filed an application dated April 9, 2010 under section 310, 198/309 and other applicable provisions of the Companies Act, 1956 with the Central Government seeking approval for remuneration of Rs.22.15 lacs paid to the director for the year ended March 31, 2010, which is in excess of the limit specified in Schedule XIII to the Companies Act, 1956 by Rs.10.15 lacs. The management is confident of getting the necessary approval and accordingly has expenses the amount of remuneration paid.

(c) In respect of Arson Engineering Limited

- (i) Necessary approvals of the Members and the Central Government pursuant to the provisions of the Companies Act, 1956 read with the Schedule XIII thereto are being obtained for payment of reimbursement of medical expenses of Rs.1.76 lacs incurred by Mr.PS.Chopde, Executive Director-Manufacturing.
- (ii) Filed an application pursuant to the provisions of the Companies Act, 1956 read with the Schedule XIII thereto, with the Central Government seeking its approval for payment of excess remuneration to the extent of Rs.4.92 lacs in respect of payment of remuneration.

5. Disclosures required to be made under the Accounting Standard (AS-7) Construction Contracts

	2009-10 Rs. in lacs	2008-09 Rs. in lacs
Contract revenue recognised as revenue during the year	2,82,048.96	1,89,950.17
Aggregate amount of contract costs incurred in respect of on going contracts net of recognised profits (less recognised losses) upto the reporting date	7,37,406.49	4,43,852.70
Advance payments received (net of recoveries from progressive bills)	60,351.51	69,689.32
Retention amount	62,286.56	38,131.98
Gross amount due from customers for contract work	91,045.96	63,352.89
For the Method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer note 2(f)(i) above		

6. In line with accepted practice in Construction Business, certain revisions to costs and billing of previous years which have crystallized during the year have been dealt with in the current year. The Profit and Loss Account for the year include credits aggregating to Rs. 5,028.33 lacs on account of changes in estimates.

7. (a) Deferred tax Asset / (Liability) [Net] as at 31st March, 2010 comprises of:

	2009-10 Rs. in lacs	2008-09 Rs. in lacs
Deferred Tax Assets :		
Arising on account of timing differences in:		
Provision for doubtful debts and advances	1,445.94	256.50
Provision for foreseeable losses	-	57.27
Provision of leave encashment and gratuity etc.	205.66	283.07
Disallowance under Section 43B	96.34	98.57
Others	160.89	19.85
Total (A)	1,908.82	715.26
Deferred Tax Liability :		
Arising on account of timing differences in:		
Depreciation	(206.73)	(200.26)
Total (B)	(206.73)	(200.26)
Net Deferred Tax Asset /(Liability) (A) - (B)	1,702.09	515.00

- (b) The Draft Rehabilitation Scheme proposed by the Subsidiary Company (Arson Engineering Limited) was sanctioned by the Board for Industrial and Financial Reconstruction (BIFR) on 18th December, 2007 and accordingly the Scheme was given effect in the financial statements prior to the Parent Company acquiring a stake. The Subsidiary Company has filed an appeal with Appellate Authority

for Industrial and Financial Reconstruction (AAIFR), with reference to sanctioned scheme in respect of Income Tax matters, exemption from applicability of Clause 49 of the listing agreement, from property / house rent tax by Nasik Municipal Corporation, etc. The company has received an order from AAIFR dated 1st January 2009 specifying waivers of the above mentioned taxes and penalties and accordingly the effect has been given in the financial statements.

8. Related Party Disclosures:

Information relating to Related Party transactions as per "Accounting Standard 18"

Name of the related party	Relationship	Nature of transaction	2009-10 Rs.in lacs	2008-09 Rs. in lacs
Tata Power Company Limited	Entity holding more than 20%	Income from Contract services	4,487.38	7,275.00
		Interest on Debentures	225.00	225.00
		Dividend paid	290.25	201.56
		Expenses recovered	-	2.38
		Receivables, Loans and advances outstanding at year end	3,408.87	4,071.05
		Advance Billing outstanding at year end	43.48	-
		Payables, Advance against Services outstanding at year end	1,256.11	1,922.45
		Guarantees given and outstanding at year end	3,638.29	5,018.29
Virendra Garments Manufacturers Private Limited	Associate	-	-	-
Al Tawleed For Energy & Power Co	Joint Venture	Income from Services	87.22	55.11
		Expenses Recovered	57.77	57.74
		Receivable outstanding at year end	84.11	56.25
		Loan & Advance outstanding as at year end	38.04	-
		Payable at year end	72.43	-
TEIL Projects Limited	Joint Venture	Expenses Recovered	5.92	18.78
		Investment	102.98	97.02
		Loan&Advance outstanding as at year end	5.92	18.78
Tata Dilworth, Secord Meagher & Associates (TDSMA)	Associate	-	-	-
Mr.A.K.Misra, Executive Director	Key Management personnel	Managerial remuneration	106.13	80.80
Mr.A.K.Mathur, Executive Director	Key Management personnel	Managerial remuneration	77.28	58.82

9. Segment Information

The Group executes Engineering, Procurement and Construction (EPC) contracts in various infrastructure fields, such as Energy Sector which comprises of Power Generation, Transmission, Distribution and related ancillary services including manufacturing activity, Telecommunications, Civil construction and other allied engineering and Quality services. The projects are executed both in India and Abroad. Considering the core activities of the Group as above, Primary Segment is Business segment and Secondary segment is geographical segment.

Accordingly the Primary Segment of the Group are:

1. Energy Sector
2. Services
3. Others (Infrastructure sector and allied services).

and Secondary Segment of the Group are :

1. Domestic
2. Overseas

Reporting for Business Sector is on the following basis :

Revenue relating to individual segment is recorded in accordance with Accounting Policies followed by the Group. All expenditure, which is directly attributable to a project, is charged to the project and included in the respective segment to which the project related. The costs which cannot be reasonably attributable to any project and are in the nature of general administrative overheads are shown as unallocable expenses.

Fixed Assets employed in the specific project are allocated to the segment to which the project relates. The depreciation on the corresponding assets is charged to respective segments.

10. Disclosure as required by Accounting Standard 19, "Leases" issued by the Institute of Chartered Accountants of India are given below:

Operating Lease :

- i) The Group's significant leasing arrangements are in respect of operating leases for premises (residences, office, etc.). The leasing arrangements, which are not non-cancellable range generally between 11 months to 5 years and are usually renewable by mutual consent on agreed terms. The aggregate lease rents payable are recognized in the Profit and Loss Account for the year and included as Rent (disclosed under Establishment and Other Expenses in Schedule 16).
- ii) The group has taken certain properties under non-cancellable leases

	March 31, 2010 (Rs. in lacs)				March 31, 2009 (Rs. in lacs)			
	Total	Payments not later than one year	Payments later than one year but not later than five years	Payments more than five years	Total	Payments not later than one year	Payments later than one year but not later than five years	Payments more than five years
Total of future minimum lease payments at the balance sheet date	1,361.21	263.39	1,064.23	33.59	1,599.32	238.10	1,126.06	235.15

11. The details of investment in partnership firm Tata Dilworth, Secord & Meagher & Associates (TDSMA)

Partners	2009-10		2008-09	
	Share	Capital Rs. in lacs	Share	Capital Rs. in lacs
Tata Projects Limited	60%	1.80	60%	1.80
Dilworth, Secord, Meagher & Associates	40%	1.20	40%	1.20

12. Earnings Per Share (EPS):

	2009-10 Rs. in lacs (except number of shares)	2008-09 Rs. in lacs (except number of shares)
a) Weighted Average number of Equity Shares of Rs. 100 each outstanding during the year	20,25,000	20,25,000
b) Net Profit after Tax as per the Profit and Loss account	13,785.12	5,394.36
c) Basic and Diluted Earnings per share (Rupees)	681	266

13. Employee Benefits

Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2010 and recognised in the financial statements in respect of Employee Benefit Schemes:

	2009-10 Rs. in lacs		
	Gratuity Funded	Leave Encashment Unfunded	Pension Unfunded
I Components of Employer Expense			
1 Current Service Cost	136.00	8.23	-
2 Interest Cost	52.68	0.18	6.81
3 Expected Return on Plan Assets	(31.93)	-	-
4 Curtailment Cost/(Credit)	-	-	-
5 Settlement Cost/(Credit)	-	-	-
6 Past Service Cost	-	-	-
7 Actuarial Losses/(Gains)	(46.94)	(5.66)	3.70
8 Total expense recognized in the Statement of Profit & Loss Account	109.81	2.75	10.51
II Actual Returns			
III 1 Present Value of Defined Benefit Obligation	885.22	3.82	94.27
2 Fair Value on Plan Assets	885.22	-	-
3 Status [Surplus/(Deficit)]	-	(3.82)	(94.27)
4 Unrecognised Past Service Cost	-	-	-
5 Net Asset/(Liability) recognised in Balance Sheet	-	(3.82)	(94.27)
IV Change in Defined Benefit Obligations (DBO)			
1 Present Value of DBO at Beginning of Year	752.60	4.11	97.80
2 Current Service Cost	136.00	8.23	-
3 Interest Cost	52.68	0.18	6.81
4 Curtailment Cost/(Credit)	-	-	-
5 Settlement Cost/(Credit)	-	-	-
6 Plan Amendments	-	-	-
7 Acquisitions	-	-	-
8 Actuarial (Gains)/Losses	(56.05)	(5.66)	3.70
9 Benefits Paid	-	(3.04)	(14.04)
10 Present Value of DBO at the End of Year	885.23	3.82	94.27
V The major categories of plan assets as a percentage of total plan			
Funded with LIC & Tata AIG	885.22	-	-
VI Actuarial Assumptions			
1 Discount Rate	8.25%	7.00%	7.50%
2 Expected Rate of Return on Plan Assets	8.25%	7.00%	-
3 Mortality	LIC(1994-96) Ultimate	LIC(1994-96) Ultimate	-
4 Turnover Rate	10.00%	10.00%	-

14. Loans & Advance – Schedule 11 includes Rs.610.00 lacs (31.03.2009 Rs.610.00 lacs) on account of taxes deducted at source on inter state supplies under applicable Value Added Tax Acts. The Parent Company has contested the deduction in the applicable judicial forum and management is confident of a favorable outcome in the matter.
 15. Loans and advances include claims of Rs. 537.01 lacs (31.03.2009: Rs.404.56 lacs) due from The Tata Power Company Limited.
 16. Previous year's/period's figures have been regrouped and restated wherever necessary.
-

For and on behalf of the Board

K.S.Krishnan
General Manager &
Head-Accounts

Dr A.Raja Mogili
Company Secretary

F. K. Kavarana
Chairman

H.H. Malgham
Director

A.K.Misra
Executive Director &
Chief Operating Officer

TPL Ranked in India's Top Ten Most Admired Construction Companies



Mr. Kamal Nath, Hon'ble Union Minister for Road, Transport and Highways, presenting an award to Mr. A K Misra, Executive Director and Chief Operating Officer, for TPL being ranked in the Top Ten Most Admired Construction Companies by readers of Construction World. TPL has been ranked in the Top Ten Most Admired Construction Companies for the last three years consecutively.

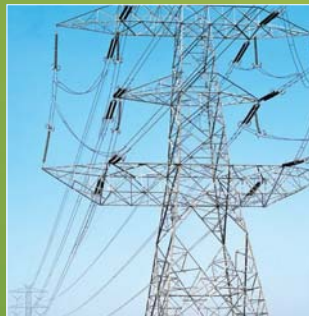
TPL Awarded for Excellence in Product Innovation



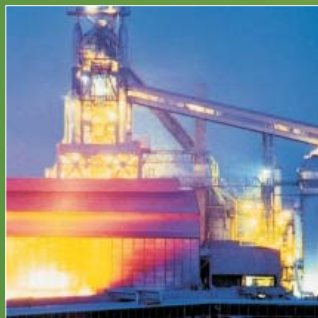
Mr. A K Misra, Executive Director & Chief Operating Officer receiving FAPCCI's Silver Rolling Trophy and a citation in the category of 'Excellence in Product Innovation' from Mr. K Rosaiah, Hon'ble Chief Minister of Andhra Pradesh at FAPCCI's 92nd Annual Awards function in Hyderabad.



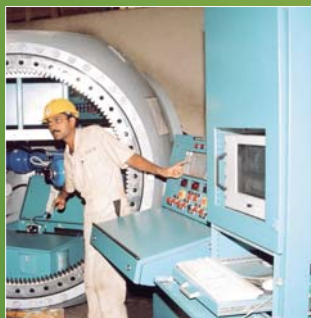
Power Generation



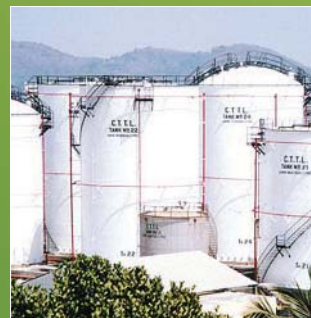
Transmission & Distribution



Metals & Minerals



Quality Services



Oil, Gas & Hydrocarbons



Water & Waste Water



Railways



TATA

TATA PROJECTS LIMITED

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