

**TATA
PROJECTS
LIMITED**



First Annual Report 1979



FIRST ANNUAL REPORT — 1979

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BOARD OF DIRECTORS

K. M. Chinnappa (Chairman)
A. H. Tobacowala
A. B. Kerkar
B. Nehru
F. K. Kavarana
H. P. Bodhanwalla
M. D. Daver
S. P. Manaktala
A. R. Jagannathan
S. R. Subbaraman
R. Prabhakar

Secretary & Chief Accountant

K. V. Sahasranam

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street,
Fort, Bombay 400 023.

BANKERS

State Bank of India

SOLICITORS

S. R. Vakil

AUDITORS

G. N. Joshi & Company,
Chartered Accountants

DIRECTORS' REPORT

To the Members

The Directors hereby present their First Annual Report together with the audited statement of accounts for the year ended 31st December, 1979.

2. ACCOUNTS

The Company was incorporated on the 20th February, 1979 and obtained the certificate to commence business on 24th March, 1979. During the year an expense of Rs. 93,076/- has been incurred against income of Rs. 9,918/- being the interest on term deposit with the Bank.

The Company issued 30,000 Equity Shares of Rs. 100/- each to the subscribers to the Memorandum and Articles of Association in March/April 1979 against which Rs. 30/- per share has been paid-up.

3. OPERATIONS

The Company had bid for a number of assignments both in India and abroad and have secured during the year a major contract from the Bombay Dyeing & Mfg. Co. Ltd., Bombay, for services in connection with a DMT Plant being set up by them in Maharashtra. The project has not progressed much, since the client is yet to obtain the necessary industrial licence from the Government of India. Preliminary work such as site grading of roads, storm water drainage etc. are, however, in progress at site. Some of the other projects for which bids have been submitted during the year are currently under discussions with the prospective clients.

4. DIRECTORS

In accordance with the provisions of Section 255 of the Companies Act, 1956, the Directors of the Company will hold office only until the First Annual General Meeting. They are eligible for re-appointment and in terms of Section 257 of the Companies Act, 1956, the Company has received notices from some members proposing their candidature for the office of Directors.

5. **PARTICULARS OF EMPLOYEES**

There are no employees in the Company who are in receipt of or entitled to receive emoluments in the aggregate of Rs. 36,000/- per annum or more if employed for full year or Rs. 3,000/- per month or more if employed for part of the year during 1979.

6. **AUDITORS**

Members are requested to appoint auditors for the current year and to fix their remuneration, M/s. G. N. Joshi & Co. were appointed by the Board of Directors as Auditors of the Company till the date of the First Annual General Meeting.

Members are also requested to pass a resolution authorising the Board of Directors to appoint Auditors to audit the accounts of the branches and/or divisions of the Company in India and abroad.

On Behalf of the Board of Directors

K. M. Chinnappa
Chairman

Bombay, 4th June 1980.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1979 and also the annexed Profit and Loss Account for the period ended on that date and report that —

1. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in the paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above —
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by Law have been kept by Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the schedule of notes attached, gives the information as required by the Companies Act, 1956 in the manner so required and give true and fair view —
 - (i) in the case of Balance Sheet of the state of affairs of the Company as at 31.12.1979, and
 - (ii) in the case of Profit and Loss Account, of the LOSS for the period ended on that date.

For G. N. JOSHI & CO.,
Chartered Accountants
G. N. JOSHI,
Proprietor.

Bombay, 4th June, 1980.

ANNEXURE TO AUDITOR'S REPORT

(Referred to in Paragraph 1 of our Report of even date)

(1) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed Assets. The fixed assets of the Company have been physically verified by the management during the period and no serious discrepancies as compared to the book records have been noticed on such verification.

(2) The Fixed Assets of the Company have not been revalued during the period.

(3) The Company has not taken any loans from Companies, firms or other Parties listed in the registers maintained under section 301 and 370(1-C) of the Companies Act, 1956. As far as we have been informed there are no other Companies under the same management.

(4) The Company has not given any loans or advances in the nature of loans during the period.

(5) There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the Purchase of other assets.

(6) The Company has not accepted deposits from the public.

(7) As the Company's paid up Capital did not exceed Rs. 25 lacs we have not offered any comments upon internal audit requirement.

(8) As far as we have been informed, the provisions of Provident Fund Act, do, not apply to the Company.

(9) In our opinion and as far as we have been informed since the Company has service activities, we have no comments under para 4A(iii), (viii), (x) and (xii) of the order.

(10) In the first period of its operation, the Company has not executed any job contract relating to its service activity. However as informed to us, the nature of services to be provided by the company does not involve consumption of material and stores. In view of the limited size of operation in the first period, the management has not installed the system to determine the cost of each prospective job.

(11) In view of comment in para (10) above in our opinion, question of comment on system of internal control on issue of stores and allocation of stores and labour to jobs does not arise.

For G. N. JOSHI & CO.,
Chartered Accountants
G. N. JOSHI,
Proprietor.

Bombay, 4th June, 1980.

BALANCE SHEET AS AT 31ST DECEMBER, 1979

	Schedule		Rupees
SOURCES OF FUNDS:			
SHAREHOLDERS FUND:			
Capital	1		9,00,000.00
		TOTAL	9,00,000.00
APPLICATION OF FUNDS:			
FIXED ASSETS:			
Gross Block	2	6,367.58	
Less : Depreciation		637.58	
NET BLOCK			5,730.00
CURRENT ASSETS, LOANS AND ADVANCES:			
A. CURRENT ASSETS:			
Cash and Bank Balance	3	7,81,477.05	
Other Current Assets	4	4,342.46	
Loans and Advances	5	4,14,837.15	
		12,00,656.66	
Less : CURRENT LIABILITIES AND PROVISIONS:			
Liabilities	6	4,16,000.00	
NET CURRENT ASSETS			7,84,656.66
MISCELLANEOUS EXPENDITURE:			
(to the extent not written off or adjusted)			
Preliminary Expenses			25,818.00
Profit and Loss Account			83,795.34
		TOTAL	9,00,000.00

Refer Schedule 9 for notes forming part of the accounts.
As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants.

G. N. JOSHI
Proprietor.

For and on behalf of the Board
K. M. Chinnappa Chairman

B. Nehru
H. P. Bodhanwalla
Dr. M. D. Daver
S. P. Manaktala
A. R. Jagannathan

} Directors

K. V. Sahasranam
Secretary & Chief Accountant

Bombay, 4th June 1980.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST DECEMBER, 1979

	Schedule	Rupees
INCOME	7	9,917.80
LOSS FOR THE PERIOD CARRIED FORWARD		83,795.34
		<hr/>
		TOTAL
		93,713.14
		<hr/> <hr/>
 EXPENDITURE :		
Establishment and other expenses	8	93,075.56
Depreciation		637.58
		<hr/>
		TOTAL
		93,713.14
		<hr/> <hr/>

Refer Schedule 9 for notes forming part of the accounts.
As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants.

G. N. JOSHI
Proprietor.

Bombay, 4th June 1980.

For and on behalf of the Board
K. M. Chinnappa Chairman

B. Nehru
H. P. Bodhanwalla
Dr. M. D. Daver
S. P. Manaktala
A. R. Jagannathan

Directors

K. V. Sahasranam
Secretary & Chief Accountant

**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST DECEMBER, 1979**

1. SHARE CAPITAL:

	Rupees
Authorised — 50,000 Equity Shares of Rs. 100/- each	50,00,000.00
Issued and Subscribed:	
30,000 Equity Shares of Rs. 100/- each	30,00,000.00
Paid up:	
30,000 Equity Shares of Rs. 100/- each	9,00,000.00
Rs. 30/- paid up	

2. FIXED ASSETS:

Particulars	Additions during the period	Gross Block as at 31.12.79	Depreciation for the period	Total Depreciation	Net Block as at 31.12.79
	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture	6,367.58	6,367.58	637.58	637.58	5,730.00

3. CASH AND BANK BALANCES:

Cash on Hand	17.67
Balance with Scheduled Bank	
On Current Account	2,81,459.38
On Term Deposit Account	5,00,000.00
	7,81,477.05

4. OTHER CURRENT ASSETS:

Telephone Deposit	1,000.00
Interest accrued on term deposit	3,342.46
	4,342.46

5. LOANS AND ADVANCES:

(Unsecured, considered good)	
Loans and advances recoverable in cash or kind or for value to be received	4,14,837.15

6. CURRENT LIABILITIES AND PROVISIONS:

Current Liabilities:	
Advances from Customers	4,15,000.00
Sundry Creditors for expenses	1,000.00
	4,16,000.00

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
AS AT 31ST DECEMBER, 1979**

7. INCOME:	Rupees
Interest on term deposit with Bank	9,917.80
<hr/>	
8. ESTABLISHMENT AND OTHER EXPENSES:	
Staff Salary	1,885.48
Travelling expenses	27,698.45
Printing and Stationery	46,709.48
Telex Charges	5,146.90
Books, Periodicals and Subscription	5,280.00
Advertisement Expenses	1,050.00
Bank Commission	17.50
Legal Charges	300.00
Car Expenses	475.50
Postage	583.25
Filing Fees	60.00
Auditor's Remuneration	1,000.00
Preliminary Expenses written off	2,869.00
	<hr/>
	93,075.56
	<hr/>

9. NOTES ON ACCOUNTS :

1. Number of employees of the Company for the period who are in receipt of or entitled to receive emolument in the aggregate of Rs. 3,000/- or more per month if employed for part of the year 'NIL'.
2. Additional information pursuant to Part II of Schedule VI to the Companies Act, 1956, has not been furnished as the same is not applicable.
3. Since this is the first year of the Company's operation there are no comparative previous figures.

As per attached report of even date

For G. N. JOSHI & CO.,
Chartered Accountants.

G. N. JOSHI,
Proprietor.

For and on behalf of the Board

K. M. Chinnappa

Chairman

B. Nehru
H. P. Bodhanwalla
Dr. M. D. Daver
S. P. Manaktala
A. R. Jagannathan

Directors

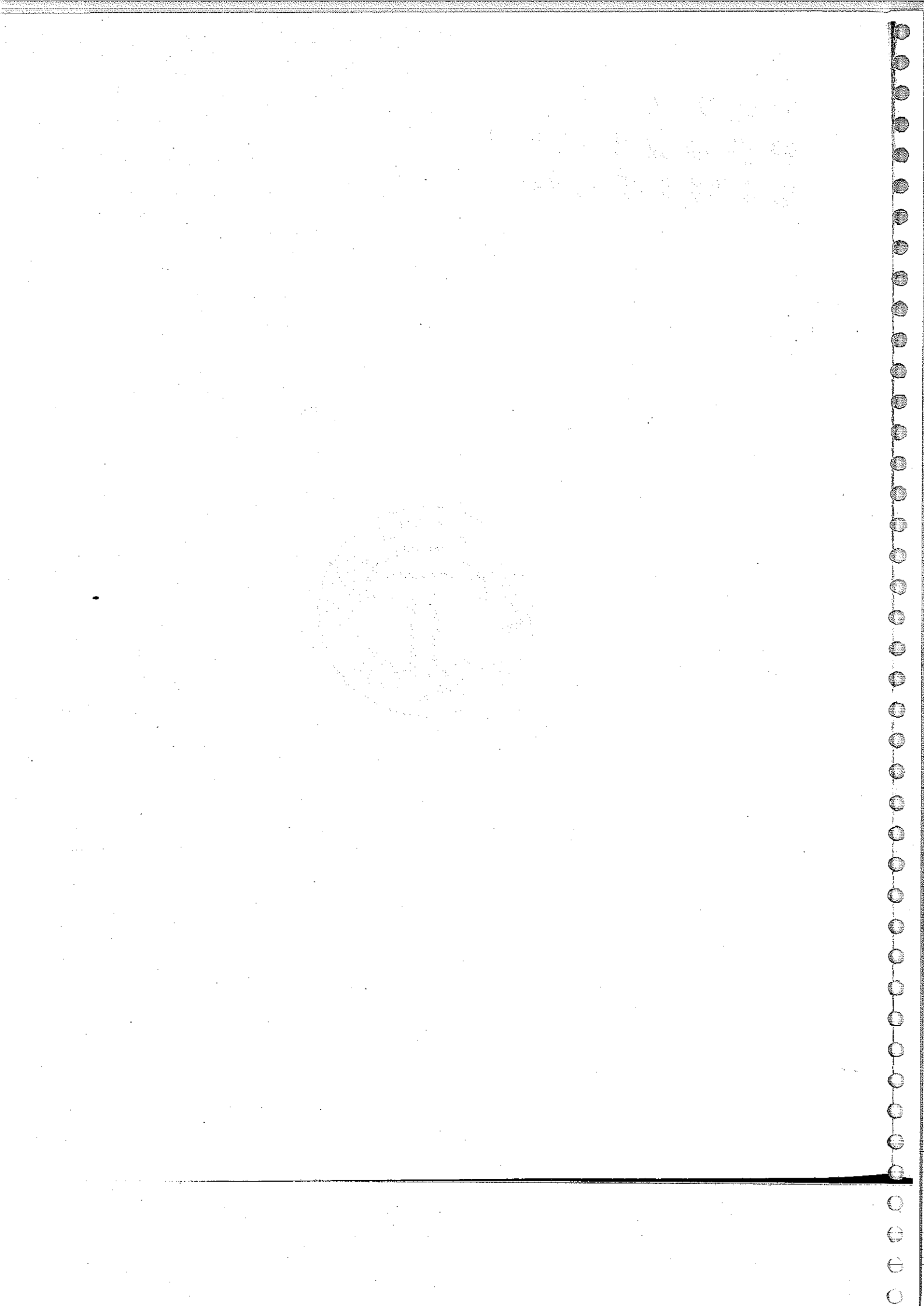
K. V. SAHASRANAM,
Secretary & Chief Accountant.

Bombay, 4th June 1980.

**TATA
PROJECTS
LIMITED**



Second Annual Report 1980

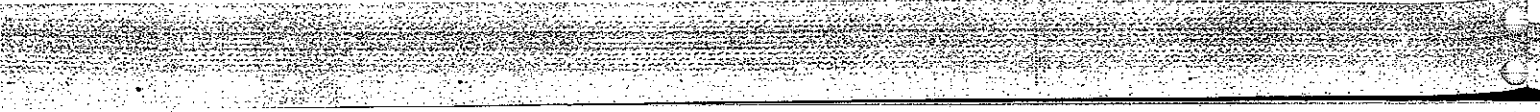
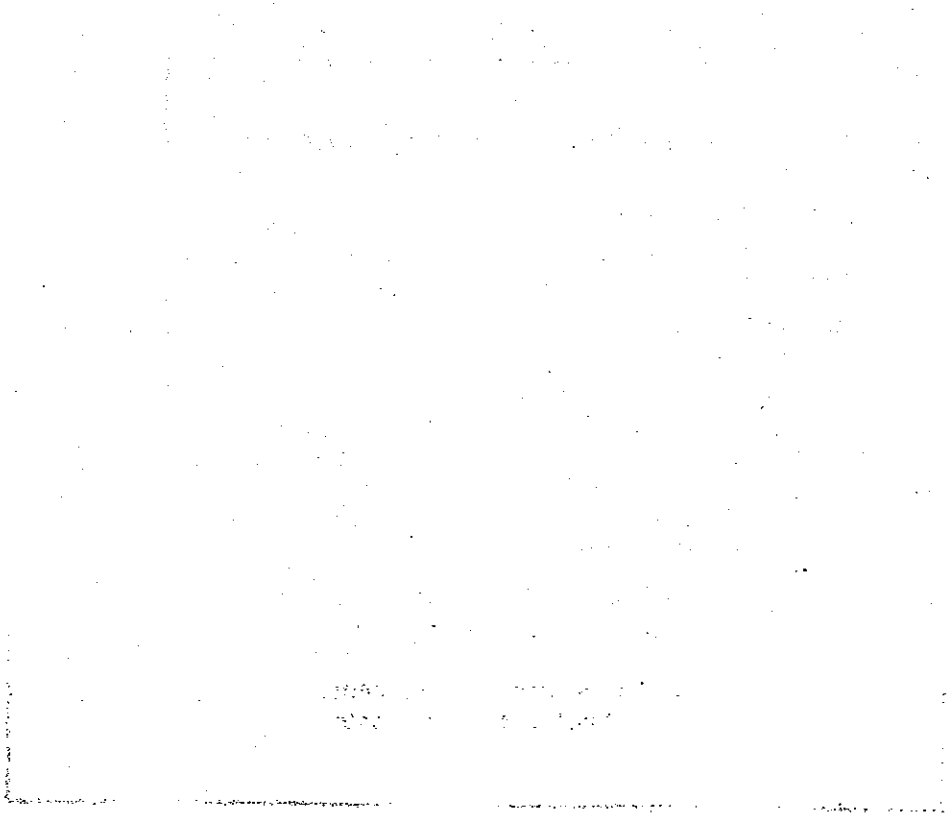




SECOND ANNUAL REPORT — 1980

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BOARD OF DIRECTORS

Chairman

K. M. Chinnappa

Managing Director

A. R. Jagannathan

Directors

A. H. Tobaccowala

A. B. Kerkar

B. Nehru

F. K. Kavaraṇa

H. P. Bodhanwalla

S. P. Manaktala

S. R. Subbaraman

R. Prabhakar

M. D. Daver (resigned on 1-4-1981)

Secretary & Chief Accountant

K. V. Sahasranam

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street
Fort, Bombay 400 023

BANKERS

State Bank of India
Citibank N.A.

SOLICITORS

S. R. Vakil

AUDITORS

G. N. Joshi & Company,
Chartered Accountants

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting herein the Second Annual Report together with the Accounts for the year ended 31st December, 1980.

FINANCIAL RESULTS

	1980	1979
	(Rs. in lacs)	
	Rs.	Rs.
1. Backlog of work at the commencement of the year	412	NIL
2. Contracts secured during the year	745	NIL
3. Total of (1) & (2)	1157*	NIL
4. Income	20.03	0.10
5. Expenses	19.43	0.94
6. Surplus/Deficit	0.60	(0.84)
7. Backlog of work carried forward	1137	412

(* Includes foreign assignments of value Rs. 956 lacs.)

OPERATIONS

The Company improved the business operations during the year and secured new contracts of value Rs. 745 lacs. Some of the major assignments secured during the period include services for — a Refinery Project in Singapore, technical management services for a Power Plant and erection services of a new Thermal Power Project in Saudi Arabia, pre-tender services for a Power Project in Libya, engineering, procurement and construction supervision services for a Thermal Project in Andhra Pradesh etc.

A number of enquiries were received during the year and proposals submitted against some of these are under discussions/negotiation with the clients.

DIRECTORS

In accordance with the provisions of Section 260 of the Companies Act, 1956, three of our Directors M/s. K. M. Chinnappa, S. P. Manaktala and S. R. Subbaraman retire by rotation and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

A statement as required under the provisions of Section 217(2A) of the Companies Act, 1956 is attached.

AUDITORS

M/s. G. N. Joshi & Co., Chartered Accountants, your Company's Auditors retire on the close of the Annual General Meeting and are eligible for reappointment under Section 224 of the Companies Act, 1956.

On behalf of the Board of Directors

K. M. CHINNAPPA
Chairman

Bombay 22nd May, 1981.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1980 and also the annexed Profit and Loss Account for the year ended on that date and report that —

1. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in the paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above —
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the schedule of notes attached, gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st December, 1980, and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

Bombay, 26th May, 1981.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

ANNEXURE TO AUDITOR'S REPORT

(Referred to in Paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the period.
3. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370 (1-C) of the Companies Act, 1956. As far as we have been informed there are no other Companies under the same management.
4. The Company has not given any loans or advances in the nature of loans during the year.
5. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
6. The Company has not accepted deposits from the public.
7. As the Company's paid up Capital did not exceed Rs. 25 lacs we have not offered any comments upon internal audit requirement.
8. As per records of the Company the provident fund dues have generally been regularly deposited during the year with the provident fund authorities.
9. We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956, for this Company.
10. In our opinion and so far as we have been informed since the Company has service activities, and there are no purchases of stores, we have no comments under para 4A (iii), (vii), (viii) and (x) of the order.

11. In respect of the Companies service activities we have to report as follows :

- (a) The nature of the services provided by the Company does not involve consumption of materials. Allocation of man-hours consumed is made to the relative jobs.
- (b) The nature of services provided by the Company does not involve issue or allocation of stores to relative jobs. There is a reasonable system of authorisation at proper levels with necessary control on allocation of labour to jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

Bombay, 26th May, 1981.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

BALANCE SHEET AS AT 31ST DECEMBER, 1980

	Schedule	Rupees	Rupees	Rupees	Previous Year Rupees	Year Rupees
I. SOURCES OF FUNDS:						
SHAREHOLDERS FUND:						
Capital	1			9,00,000		9,00,000
Total				<u>9,00,000</u>		<u>9,00,000</u>
II. APPLICATION OF FUNDS:						
(a) FIXED ASSETS:						
Gross Block	2	87,112			6,368	
Less: Depreciation		15,248			638	
NET BLOCK				71,864		5,730
(b) CURRENT ASSETS, LOANS AND ADVANCES:						
A. CURRENT ASSETS:						
Sundry Debtors	3	8,93,780			—	
Cash and Bank Balance	4	4,07,911			7,81,477	
Other Current Assets	5	1,000			4,343	
Loans and Advances	6	2,01,896			4,14,837	
Work done not billed		5,27,450			—	
			20,32,037			12,00,657
III. LESS: CURRENT LIABILITIES AND PROVISIONS:						
Liabilities	7	11,33,006			4,16,000	
Billing in advance		1,17,259			—	
			12,50,265			4,16,000
NET CURRENT ASSETS				7,81,772		7,84,657
IV. MISCELLANEOUS EXPENDITURE:						
(to the extent not written off or adjusted)						
Preliminary Expenses			22,949			25,818
Profit and Loss Account						
Previous year brought forward — Loss		83,795				83,795
Less: Profit for the year		60,380				
			23,415			
				46,364		
Total				<u>9,00,000</u>		<u>9,00,000</u>

Refer Schedule 10 for notes forming part of the accounts
As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

K. V. SAHASRANAM
Secretary & Chief Accountant

K. M. CHINNAPPA

Chairman

A. R. JAGANNATHAN

Managing Director

B. NEHRU
S. P. MANAKTALA
S. R. SUBBARAMAN

Directors

Bombay,
Dated: 22nd May, 1981.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST DECEMBER, 1980

	Schedule	Rupees	Rupees	Previous Year Rupees
INCOME :	8	20,03,230		9,918
LOSS FOR THE PERIOD CARRIED FORWARD		—		83,795
			20,03,230	93,713
EXPENDITURE :				
Engineering Services		14,68,864		—
Establishment and other expenses	9	4,59,376		93,075
Depreciation		14,610		638
			19,42,850	93,713
I. PROFIT FOR THE YEAR :			60,380	—
TOTAL			20,03,230	93,713

See Schedule 10 for notes forming part of the accounts per attached report of even date.

G. N. JOSHI & CO.,
Chartered Accountants
N. JOSHI
Proprietor

K. V. SAHASRANAM
Secretary & Chief Accountant

For and on behalf of the Board

K. M. CHINNAPPA *Chairman*
A. R. JAGANNATHAN *Managing Director*
B. NEHRU
S. P. MANAKTALA
S. R. SUBBARAMAN } *Directors*

Mumbai,
dated: 22nd May, 1981.

**SCHEDULES 1 TO 10 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

SCHEDULE — 1	Rupees	Previous Year Rupees
SHARE CAPITAL :		
a) Authorised — 50,000 equity shares of Rs. 100/- each	50,00,000	50,00,000
b) Issued and subscribed 30,000 equity shares of Rs. 100/- each	30,00,000	30,00,000
(c) Paid up 30,000 equity shares of Rs. 100/- each. Rs. 30/- paid up	9,00,000	9,00,000

SCHEDULE — 2

FIXED ASSETS :

DESCRIPTION OF ASSETS	COST			DEPRECIATION			NET VALUE	
	As at 31-12-1979	Additions during the year	As at 31-12-1980	Upto 31-12-1979	For the year	Upto 31-12-1980	As at 31-12-1980	As at 31-12-1979
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furnitures, Fixtures and Fittings	6,368	2,645	9,013	638	839	1,477	7,536	5,730
Office Equipments	—	11,988	11,988	—	549	549	11,439	—
Vehicles	—	66,111	66,111	—	13,222	13,222	52,889	—
TOTAL	6,368	80,744	87,112	638	14,610	15,248	71,864	5,730
Previous Year	—	6,368	6,368	—	638	638	5,730	—

Note : No Depreciation has been claimed on franking machine as the same was not put to use during the year.

SCHEDULE — 3	Rupees	Previous Year Rupees
SUNDRY DEBTORS		
Unsecured & Considered Good	NIL	NIL
Outstanding for more than six months	8,93,780	NIL
Other debts	—	—
	<u>8,93,780</u>	<u>NIL</u>
SCHEDULE — 4		
CASH AND BANK BALANCES :		
Cash on hand	666	18
Balance with scheduled Bank on Current Account	4,07,245	2,81,459
On Term Deposit Account	NIL	5,00,000
	<u>4,07,911</u>	<u>7,81,477</u>
SCHEDULE — 5		
OTHER CURRENT ASSETS :		
Telephone deposit	1,000	1,000
Interest accrued on Term Deposit	NIL	3,343
	<u>1,000</u>	<u>4,343</u>
SCHEDULE — 6		
LOANS AND ADVANCES :		
(Unsecured and considered good)		
Loans and advances recoverable in cash or kind or for value to be recovered	2,01,896	4,14,837
	<u>2,01,896</u>	<u>4,14,837</u>
SCHEDULE — 7		
CURRENT LIABILITIES AND PROVISIONS :		
Current Liabilities :		
Advance from Customers	1,84,603	4,15,000
Sundry creditors for expenses	9,48,403	1,000
	<u>11,33,006</u>	<u>4,16,000</u>

SCHEDULE — 8**INCOME**

	Rupees	Previous Year Rupees
1. Billings during 1980	15,82,149	NIL
2. Add: Work done not billed	5,27,450	NIL
	<u>21,09,599</u>	<u>NIL</u>
3. Less: Advance Billings	1,17,259	NIL
4. Income for 1980	19,92,340	NIL
5. Interest on Term Deposit	10,890	9,918
	<u>20,03,230</u>	<u>9,918</u>

SCHEDULE — 9**ESTABLISHMENT AND OTHER EXPENSES**

Staff Salaries	80,907	1,885
Travelling Expenses	1,02,434	27,698
Printing & Stationery	1,05,867	46,709
Telex Charges	39,230	5,147
Books, Periodicals & Subscriptions	482	5,280
Advertisement Expenses	5,000	1,050
Bank Guarantee & Commission charges	36,768	18
Legal Charges	183	300
Car Expenses	4,861	476
Postage, Telephone, Telegram	2,412	583
Filing Fees	60	60
Auditors Remuneration	1,000	1,000
Preliminary Expenses	2,869	2,869
Entertainment Expenses	400	—
Repairs & Maintenance	3,725	—
Electricity & Water Charges	442	—
Freight Charges	11,254	—
General Expenses	5,453	—
Office Meeting Expenses	208	—
Difference in Exchange	2,097	—
Overseas Living Expenses	32,535	—
Staff Recruitment Expenses	15,714	—
Staff Welfare Expenses	5,475	—
	<u>4,59,376</u>	<u>93,075</u>

**SCHEDULE '10' OF NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE
ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 1980**

1. In view of the carried forward loss of the previous year no provision for taxation has been made in the accounts.
2. Provision for Bonus is made during the year.
3. Information pursuant to Part II of Schedule VI of the Companies Act, 1956 :

a) Para 2, Item 3 (i) (c)

	31-12-1980 Rs.	31-12-1979 Rs.
Gross income from engineering services	19,92,340	(NIL)

b) Para 2 Item 3 (ix) (f)

Break-up of expenditure incurred on employees drawing Rs. 36,000/- or more per annum if employed throughout the year or Rs. 3,000/- or more per month if employed for part of the year, is given below :

	Employed throughout the year (a) Rs.	Employed part of the year (b) Rs.
i) Salaries and other benefits	NIL (NIL)	8,685 (NIL)
ii) Contribution to Provident Fund and Family Pension Scheme	NIL (NIL)	488 (NIL)
iii) No. of Employees	NONE (NONE)	ONE (NONE)
c) Para 4D (b) Expenditure in Foreign Currency Travelling and other expenses		Rs. 50,808 (NIL)
d) Para 4D (e) Earnings in Foreign Exchange For services rendered		Rs. 8,13,634 (NIL)

4. Previous year's figures have been regrouped wherever necessary so as to make them, comparable with current year's figures.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

Bombay,
Dated : 22nd May, 1981.

K. V. SAHASRANAM
Secretary & Chief Accountant

For and on behalf of the Board

K. M. CHINNAPPA	Chairman
A. R. JAGANNATHAN	Managing Director
B. NEHRU	
S. P. MANAKTALA	
S. R. SUBBARAMAN	Directors

TATA PROJECTS LIMITED

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(2A) READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER, 1980

Name	Designation/ nature of duties	Remune- ration Rs.	Net Remune- Rs.	Qualification	Experience	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
Mr. R. Srinivasan	Chemical Engineer	9,173/-	7,425/-	B. Tech. (Chemical)	12 years	1-10-1980	35	Hindustan Petroleum Corporation — Bombay

NOTES :

1. "Remuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. "Net Remuneration" is arrived at by deducting from the gross remuneration income tax, and Company's contribution to Provident Fund.
3. The employee concerned was in service only for part of the year.
4. The nature of employment is contractual.
5. The employee is not a relative of any Director of the Company.

Bombay, 22nd May, 1981.

On behalf of the Board of Directors
K. M. CHINNAPPA
Chairman

TATA PROJECTS LIMITED

NOTICE

The **SECOND ANNUAL GENERAL MEETING** of Tata Projects Limited will be held on Friday, the 26th June, 1981 at 3.00 P.M. at the Registered Office of the Company, Bombay House, 24 Homi Mody Street, Fort, Bombay 400 023 to transact the following business :

1. To receive and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31st December, 1980 and the Balance Sheet as at that date.
2. To appoint a Director in place of Mr. K. M. Chinnappa who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. S. P. Manaktala who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. S. R. Subbaraman who retires by rotation and is eligible for re-appointment.
5. To consider and, if thought fit, to pass with or without modification, the following Resolution :

"RESOLVED that, pursuant to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government the Company hereby approves of the terms of appointment and remuneration of Mr. A. R. Jagannathan who has been appointed by the Board of Directors as Managing Director of the Company for a period of 5 years with effect from the 1st March, 1981, upon the terms and conditions set out in the draft agreement submitted to this Meeting and for identification signed by the Chairman thereof, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or agreement without increasing the remuneration provided therein and in such manner as may be agreed to between the Central Government and the Directors and acceptable to Mr. A. R. Jagannathan".

6. To appoint Auditors and to fix their remuneration.

NOTES :

- (a) The relative explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special business under item 5 above is annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXIES NEED NOT BE A MEMBER.

By Order of the Board of Directors

K. V. SAHASRANAM

Secretary & Chief Accountant

Bombay, May 22nd, 1981.

Registered Office :

Bombay House,
24 Homi Mody Street, Fort,
Bombay 400 023.

EXPLANATORY STATEMENTS

As required by Section 173 of the Companies Act, 1956, the following explanatory statements set out all material facts relating to the business mentioned in the accompanying Notice dated 22nd May, 1981.

2. Item No. 5

The Board at the meeting held on February 11, 1981 had appointed Mr. A. R. Jagannathan, a Director of the Company as Managing Director effective 1st March, 1981. Mr. Jagannathan is an Engineering Graduate and has had post-graduate training in United States in Engineering. Mr. Jagannathan has had extensive and considerable engineering and management experience and has been closely associated in various capacities with Tata Electric Companies, Tata Consulting Engineers etc. over the past three decades. Mr. Jagannathan has also been in charge of the operations of the Company since its inception.

In view of his expertise and extensive experience the Board consider that in the interest of the Company Mr. A. R. Jagannathan be appointed as Managing Director on the terms and conditions contained in the Resolution and in the draft agreement submitted to this meeting.

The draft agreement between the Company and Mr. A. R. Jagannathan, Managing Director, contain interalia, the following terms and conditions:

The following will be the terms and conditions of Mr. A. R. Jagannathan as Managing Director:

- (a) The Managing Director shall, subject to the supervision and control of the Board of Directors, carry out such duties and exercise such powers as may be entrusted to him by the Board of Directors.
- (b) Period of Agreement — Five years.
- (c) Remuneration:
 - (i) Salary: Rs. 6,000/- per month in the Grade Rs. 6000-250-7000
 - (ii) Commission: At 1% of the net profits of the Company computed in the manner laid down in Section 309(5) of the Companies Act, 1956, subject however, to a maximum of 50% of the annual salary.
 - (iii) Provident Fund: Benefits under the Provident Fund Scheme in accordance with the Company's rules and regulations in force from time to time subject to the Company's contribution to the Fund not exceeding 10% of the salary.
 - (iv) Benefits under the Company's Superannuation and Group Insurance Schemes in accordance with the Company's practice, rules and regulations in force from time to time, provided that the Company's contribution to the Superannuation Fund together with the contribution to the Provident Fund shall not exceed 25% of the salary.
 - (v) Gratuity: In accordance with the Company's rules and practice in force from time to time.

- (vi) **Medical Benefits:** Reimbursement of expenses for medical treatment and hospitalisation for the Managing Director and his family subject to the condition that the cost to the Company shall not exceed Rs. 15,000/- for every three years of service.
- (vii) **Leave Travel Assistance:** For Managing Director and his wife and children once a year to and from any place in India in accordance with the Company's policies for Senior Executives.
- (viii) **Leave:** One month's leave on full pay and allowances for every 11 months of service which may be accumulated upto a maximum of 3 months, subject to the condition that the leave accumulated but not availed of will not be allowed to be encashed.
- (ix) Reimbursement of the fees of clubs subject to a maximum of two clubs, excluding life membership fees.
- (x) Free furnished residential accommodation with all facilities and amenities, the monetary value of which may be evaluated as per the rule 3 of the Income-tax rules, 1962 or house rent allowance in lieu thereof.
- (xi) A car with driver for use by the Managing Director on the business of the Company as well as for his personal use, the monetary value of which may be evaluated as per the Income-tax rules, 1962.
- (xii) Personal accident insurance for his own benefit, at the cost of the Company, the premium of which shall not exceed Rs. 1,000/- per annum.

PROVIDED THAT the total monetary value of perquisites mentioned in item (x), (xi) and (xii) above together with any excess expenditure on perquisites mentioned in (iii) to (ix) above shall not exceed one-third of the annual salary of the Managing Director.

- (xiii) The remuneration aforesaid including expressly the amenities and benefits aforesaid with the exception of the commission payable on net profits shall, nevertheless, be paid and allowed as the minimum remuneration for any year in case of the absence or inadequacy of profits for such year.

The remuneration and perquisites payable to the Managing Director as aforesaid shall be the total amount payable by the Company.

- (xiv) The Agreement may be terminated by either party by giving to the other party six month's notice.
- (xv) If at any time the Managing Director ceases to be a Director of the Company from any cause whatsoever he shall cease to be the Managing Director in terms of the Agreement.
- (xvi) The Managing Director is appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 283 (1) (i) of the Companies Act, 1956.

- (xvii) The Managing Director shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission nor shall he be entitled to fees payable to Directors for attendance at Board Meetings or meetings of any committee appointed by the Board.
- (d) The draft of the agreement proposed to be entered between the Company and the Managing Director is available for inspection at the Company's registered office during working hours.
- (e) Mr. A. R. Jagannathan, Managing Director is concerned or interested in the Resolution mentioned in item No. 5 of the Notice.
- (f) This may be treated as an abstract of the draft agreement between Mr. A. R. Jagannathan and the Company pursuant to Section 302 of the Companies Act, 1956.

By Order of the Board of Directors

K. V. SAHASRANAM
Secretary & Chief Accountant

Bombay, May 22nd, 1981.

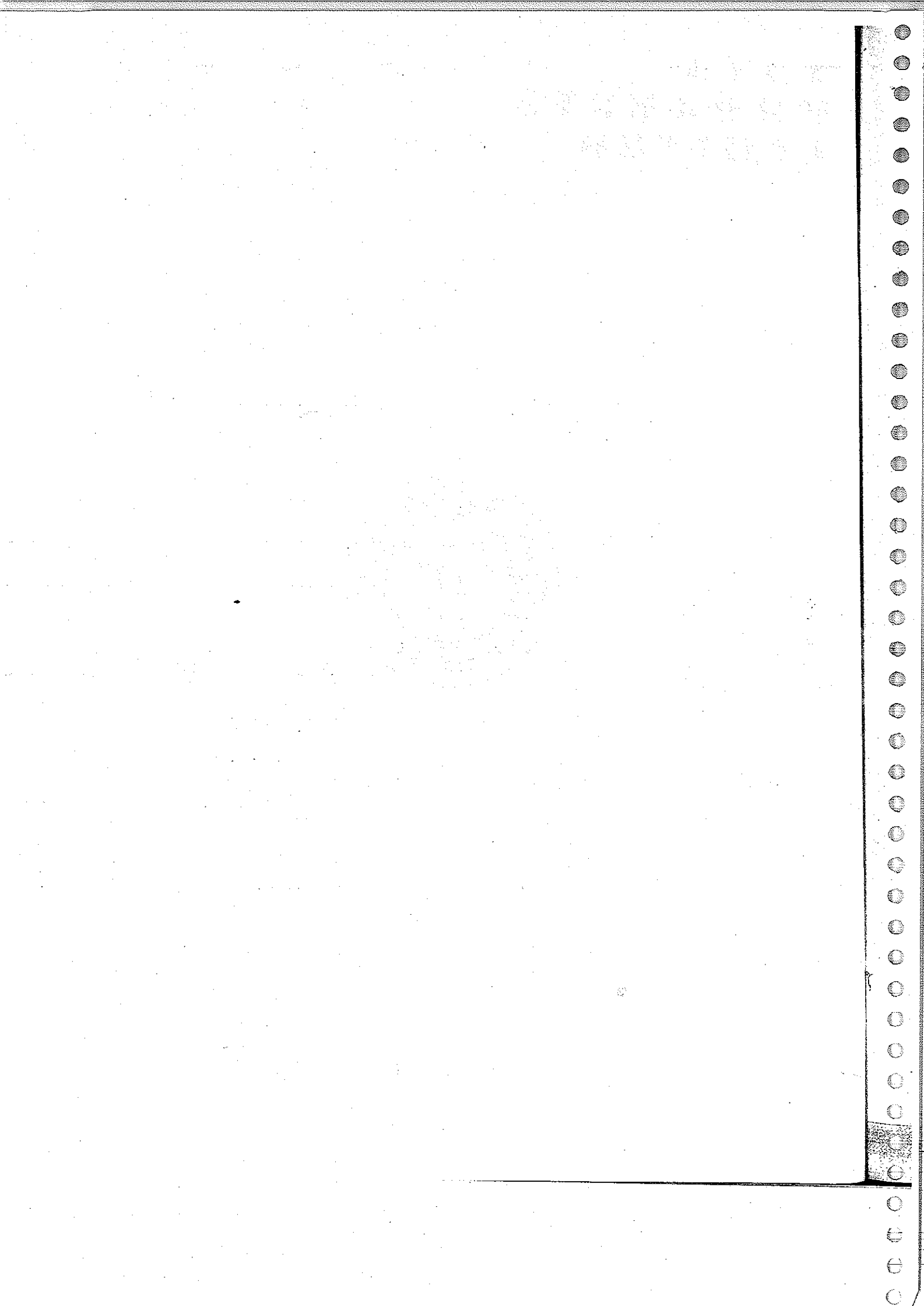
Registered Office :

Bombay House,
24 Homi Mody Street, Fort,
Bombay 400 023.

**TATA
PROJECTS
LIMITED**



Third Annual Report 1981



TATA PROJECTS LIMITED

NOTICE

The FIRST ANNUAL GENERAL MEETING of TATA PROJECTS LIMITED will be held on Friday, the 27th June, 1980 at 11-00 A.M. at the Registered Office of the Company, Bombay House, 24, Homi Mody Street, Fort, Bombay 400 023, to transact the following business :

1. To receive and adopt the Directors' Report and Audited Profit and Loss Account for the period 20th February, 1979 to 31st December, 1979 and the Balance Sheet as at 31st December, 1979.
2. To appoint a Director in place of Mr. K. M. Chinnappa, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.
3. To appoint a Director in place of Mr. A. H. Tobaccowala, who being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.
4. To appoint a Director in place of Mr. A. B. Kerkar, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.
5. To appoint a Director in place of Mr. B. Nehru, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.

TATA PROJECTS LIMITED

6. To appoint a Director in place of Mr. F. K. Kavarana, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.
7. To appoint a Director in place of Mr. H. P. Bodhanwalla, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.
8. To appoint a Director in place of Dr. M. D. Daver, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under provisions of Section 257 of the Companies Act, 1956.
9. To appoint a Director in place of Mr. S. P. Manaktala, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.
10. To appoint a Director in place of Mr. A. R. Jagannathan, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.
11. To appoint a Director in place of Mr. S. R. Subbaraman, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member

proposing his candidature under the provisions of Section 257 of the Companies Act, 1956.

12. To appoint a Director in place of Mr. R. Prabhakar, who, being a first Director, retires from office at this First Annual General Meeting and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature under the provision of Section 257 of the Companies Act, 1956.

13. To appoint Auditors and to fix their remuneration.

NOTES:

(a) The relative explanatory statements, as required by Section 173 of the Companies Act, 1956, in regard to the special business under items 2 to 12 set out above are hereto annexed.

(b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXIES NEED NOT BE A MEMBER.

By Order of the Board of Directors,

K. V. Sahasranam,

Secretary & Chief Accountant

Bombay, 4th June 1980

Registered Office:

Bombay House,
24, Homi Mody Street, Fort,
Bombay-400 023.

EXPLANATORY STATEMENT

1. As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice dated 4th June, 1980.

2. Item Nos. 2 to 12: Mr. K. M. Chinnappa, Mr. A. H. Tobaccowala, Mr. A. B. Kerkar, Mr. B. Nehru, Mr. F. K. Kavarana, Mr. H. P. Bodhanwalla, Dr. M. D. Daver, Mr. S. P. Manaktala, Mr. A. R. Jagannathan, Mr. S. R. Subbaraman and Mr. R. Prabhakar, who were appointed the first Directors of the Company, retire from office at this First Annual General Meeting. As required by Section 257 of the Companies Act, 1956, notices have been received from some members signifying their intention to propose the appointment of the aforesaid gentlemen as Directors. Since all of them are business executives with extensive and varied experience and as they have been associated with the affairs of the Company since its inception, it is considered that it would be in the interest and to the advantage of the Company, if these gentlemen were re-appointed as Directors of the Company.

Each of the Directors is concerned or interested in the Resolution relating to his appointment as Director of the Company.

By Order of the Board of Directors

K. V. Sahasranam,

Secretary & Chief Accountant.

Bombay, 4th June, 1980

Registered Office:

Bombay House,
24, Homi Mody Street, Fort,
Bombay 400 023.

BOARD OF DIRECTORS

Chairman

K. M. Chinnappa

Managing Director

A. R. Jagannathan

Directors

A. H. Tobaccowala

A. B. Kerkar

B. Nehru

F. K. Kavarana

S. P. Manaktala

S. R. Subbaraman

R. Prabhakar

H. P. Bodhanwalla (resigned on ^{11.6.82}~~27.4.82~~)

H. N. Vazifdar (with effect from 11.6.82)

F. S. Tarapore (with effect from 11.6.82)

B. V. Chitnis (with effect from 11.6.82)

Secretary & Chief Accountant

K. V. Sahasranam

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street
Fort, Bombay 400 023

BANKERS

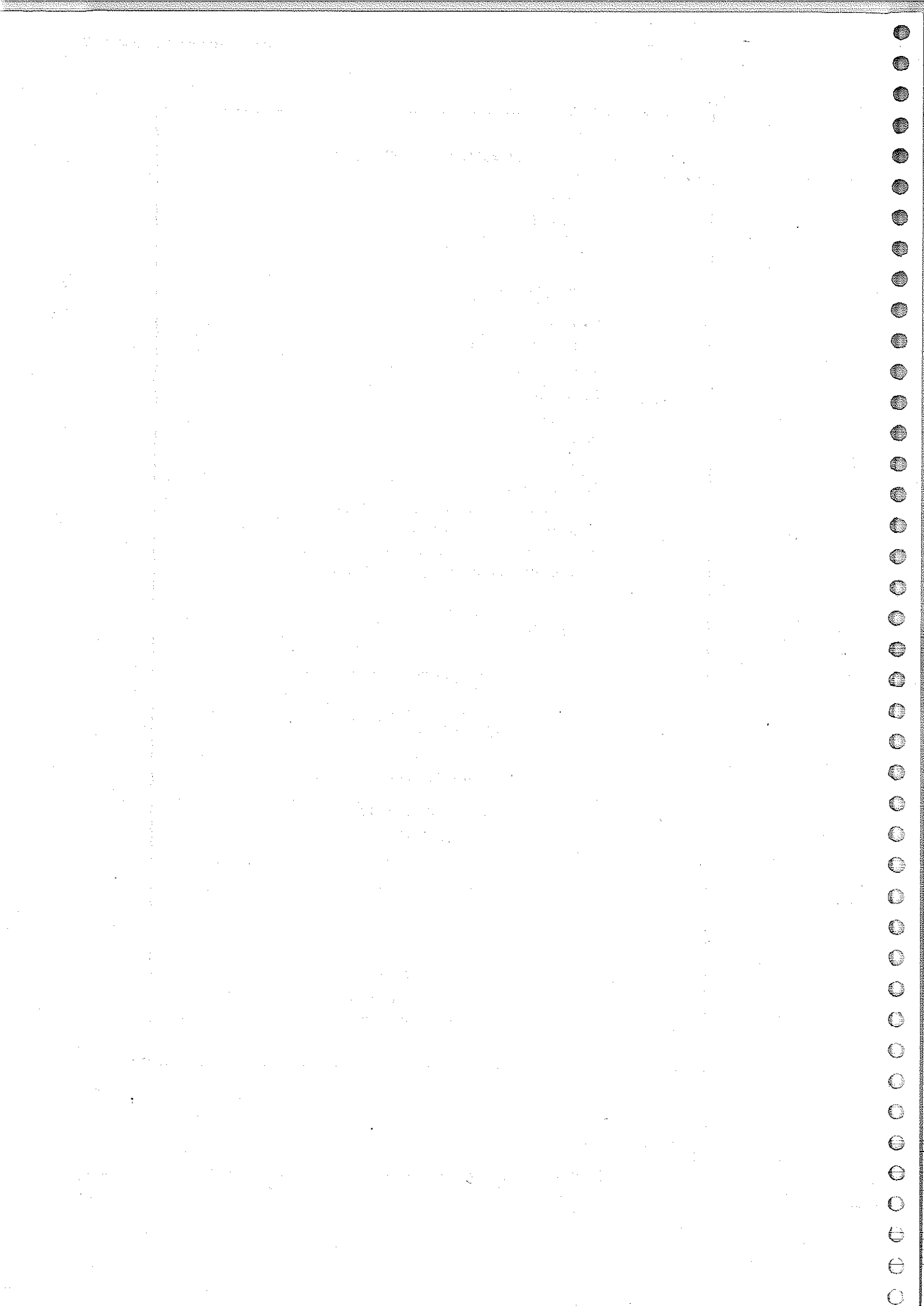
State Bank of India
Citibank N.A.

SOLICITORS

S. R. Vakil

AUDITORS

G. N. Joshi & Company,
Chartered Accountants



DIRECTORS' REPORT

TO THE MEMBERS,

The Directors have pleasure in presenting herein the Third Annual Report and the Audited Accounts of the Company for the year ended 31st December, 1981.

FINANCIAL RESULTS

	1981 Rs	1980 Rs
	[Rs in lacs]	
Income	62.93	20.03
Expenses	<u>60.56</u>	<u>19.43</u>
Profit before taxation	2.37	0.60
Provision for taxation	<u>0.60</u>	<u>—</u>
Profit after taxation	1.77	0.60
Deficit brought forward from previous year	<u>0.23</u>	<u>(0.83)</u>
Surplus carried over to Balance Sheet	<u>1.54</u>	<u>(0.23)</u>

The income from services during the year, which is the third year of operations, amounted to Rs 62.93 lacs as compared to Rs 20.03 lacs in the previous year.

Business opportunities continued to be satisfactory and a number of enquiries were received and proposals submitted against these were under active consideration/discussions with the client.

DIVIDEND

The Directors have decided not to declare any dividend for the year even though there is a profit, keeping in view, resources required for the future operations of the Company.

DIRECTORS

Messrs A.H. Tobaccowala, A.B. Kerkar and B.Nehru retire at this Annual General Meeting by rotation and, being eligible, offer themselves for re-appointment.

Mr. F. S. Tarapore, Mr. H. N. Vazifdar and Mr. B. V. Chitnis were appointed as Additional Directors of the Company with effect from 11th June 1982. They will vacate their offices at the forthcoming Annual General Meeting, but being eligible, offer themselves for re-election.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217(2A) of the Companies Act, 1956 are annexed hereto.

AUDITORS

Messrs G.N. Joshi & Co., Chartered Accountants, the Company's Auditors retire at the closure of this Annual General Meeting. They have signified their willingness to accept re-appointment.

On behalf of the Board

K. M. CHINNAPPA
CHAIRMAN

Bombay, 11th June, 1982

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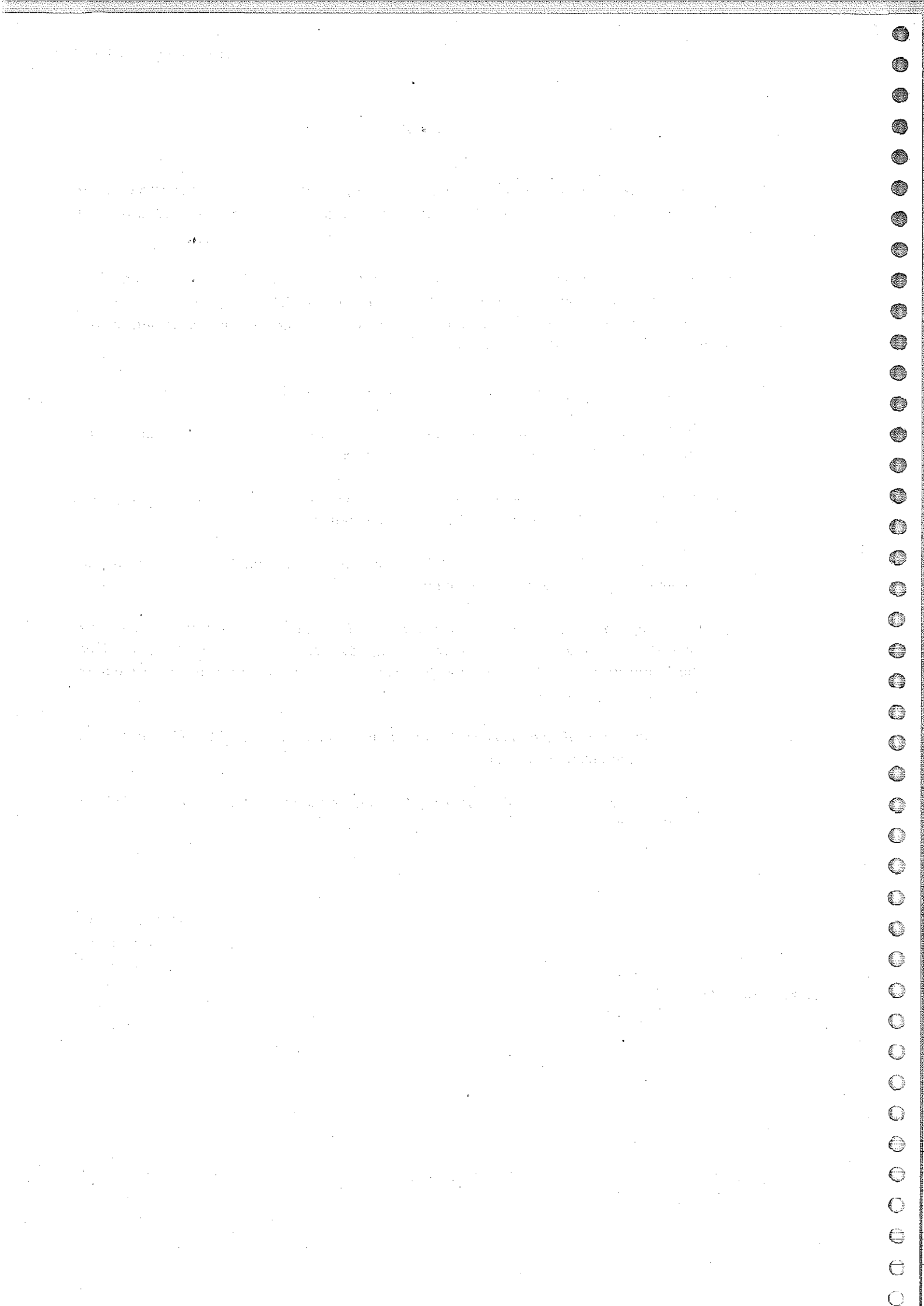
AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1981 and also the annexed Profit and Loss Account for the year ended on that date and report that —

1. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of section 227 (4A) of the companies Act, 1956, we enclose in the Annexure the statement on the matters specified in the paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above--
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the schedule of notes attached, gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view ;
 - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st December, 1981, and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date

Bombay, 14th June, 1982

For G. N. JOSHI & CO.,
Chartered Accountants
G. N. JOSHI
Proprietor



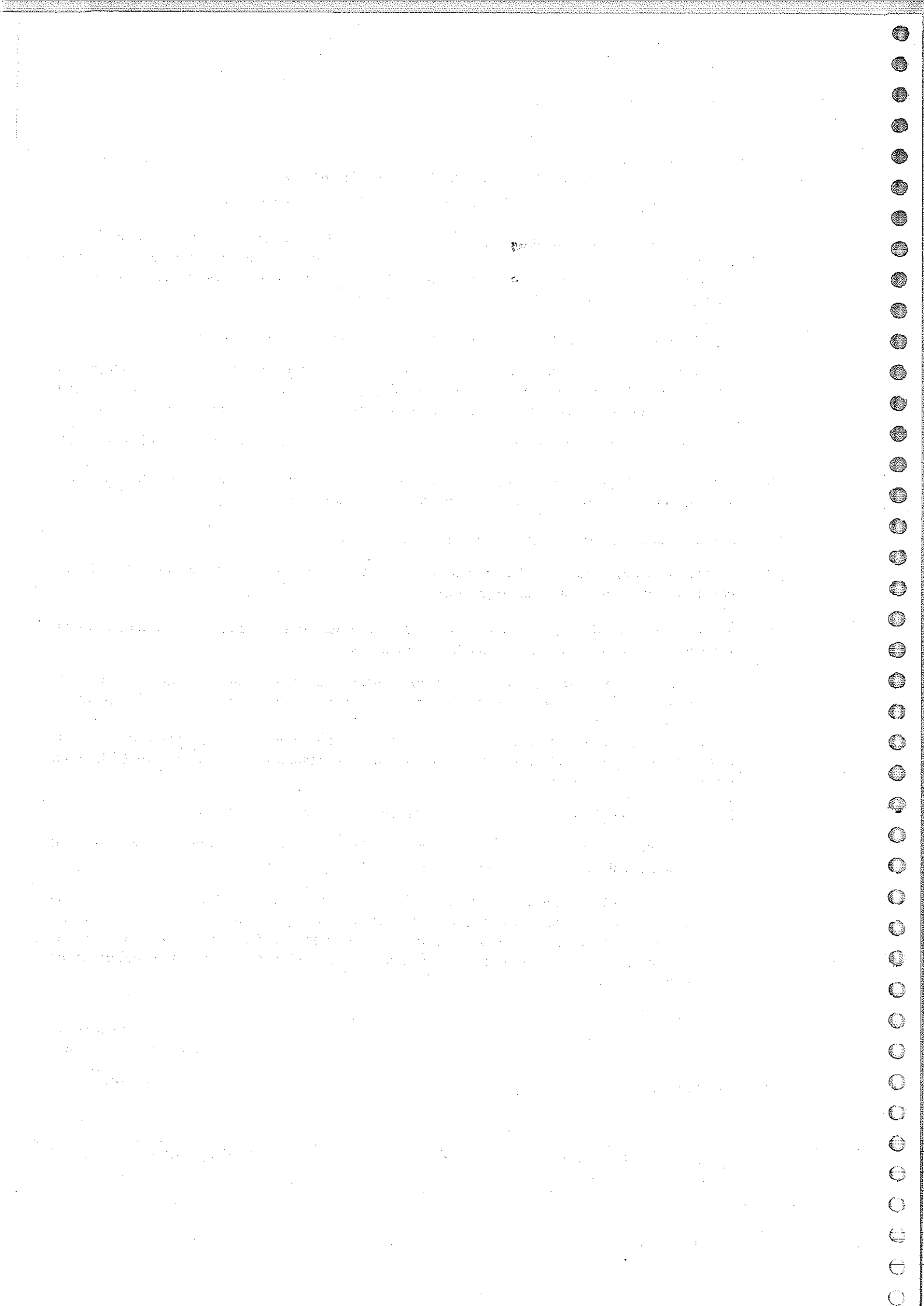
ANNEXURE TO AUDITOR'S REPORT

[Referred to in Paragraph 1 of our Report of even date]

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the period.
3. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370 (1-C) of the Companies Act, 1956. As far as we have been informed there are no other Companies under the same management.
4. The Company has not given any loans or advances in the nature of loans during the year.
5. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
6. The Company has not accepted deposits from the public.
7. As the Company's paid up Capital did not exceed Rs. 25 lacs we have not offered any comments upon internal audit requirement.
8. As per records of the Company the provident fund dues have generally been regularly deposited during year with the provident fund authorities.
9. We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956, for this Company.
10. In our opinion and so far as we have been informed since the Company has service activities, and there are no purchases of stores, we have no comments under para 4A (iii), (vii), (viii) and (x) of the order.
11. In respect of the Companies service activities we have to report as follows:
 - (a) The nature of the services provided by the Company does not involve consumption of materials. Allocation of man hours consumed is made to the relative jobs
 - [b] The nature of services provided by the Company does not involve issue or allocation of stores to relative jobs. There is a reasonable system of authorisation at proper levels with necessary control on allocation of labour to jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

Bombay, 14th June, 1982.

For G. N. JOSHI & CO ;
Chartered Accountants
G. N. JOSHI
Proprietor



BALANCE SHEET AS AT 31ST DECEMBER, 1981

	Schedule	1981			1980	
		Rupees	Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS :						
SHAREHOLDERS FUND :						
Capital	1			✓ 16,50,000		9,00,000
Profit and Loss account Balance	2			✓ 1,53,993		(23,415)
Loan Funds	3			✓ 6,430		NIL
				18,10,423		8,76,585
II. APPLICATION OF FUNDS :						
(a) FIXED ASSETS						
Gross Block	4	7,93,375			87,112	
Less : Depreciation		44,443			15,248	
NET BLOCK				✓ 7,48,932		71,864
(b) CURRENT ASSETS, LOANS AND ADVANCES :						
CURRENT ASSETS :						
Sundry Debtors	5	14,14,180	✓		8,93,780	
Cash and Bank Balance	6	14,15,422	✓		4,07,911	
Other Current Assets	7	26,000	✓		1,000	
Loans and Advances	8	32,20,172			2,01,896	
Work done not billed		3,79,686	✓		5,27,450	
				64,55,460		20,32,037
III. LESS : CURRENT LIABILITIES AND PROVISIONS :						
Liabilities	9	16,34,534	✓		11,33,006	
Provision for taxation		60,000			NIL	
Billings in advance		36,99,435	✓		1,17,259	
				53,93,969		12,50,265
NET CURRENT ASSETS				10,61,491		7,81,772
				18,10,423		8,53,636
IV. MISCELLANEOUS EXPENITURE						
(to the extent not written off or adjusted)						
Preliminary Expenses				NIL		22,949
				18,10,423		8,76,585
		Total Rupees		18,10,423		8,76,585

Refer Schedule 13 for notes forming part of the accounts
As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

K. V. SAHASRANAM
Secretary & Chief Accountant

Bombay, 14th June, 1982

For and on behalf of the Board

K. M. CHINNAPPA

Chairman

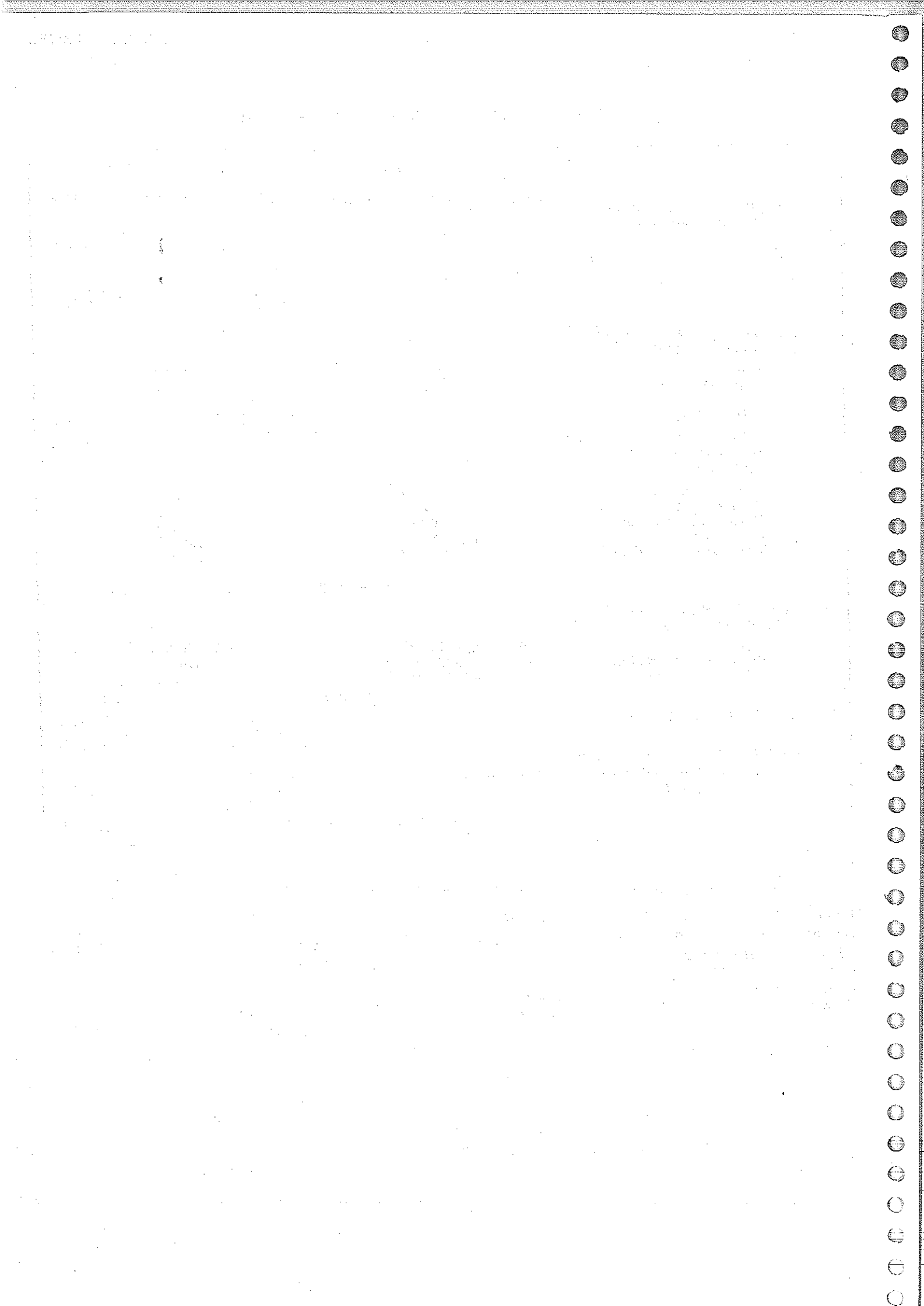
A. R. JAGANNATHAN

Managing Director

S. P. MANAKTALA

S. R. SUBBARAMAN

Directors



PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST DECEMBER, 1981

	Schedule	1981		1980
		Rupees	Rupees	Rupees
I. INCOME :				
From Services	10	61,96,619-54		19,92,340
Others		<u>96,620-03</u>		<u>10,890</u>
			62,93,239	<u>20,03,230</u>
II. EXPENDITURE :				
Engineering Services		24,66,952		14,68,864
Establishment and other expenses	11	35,36,735		4,56,507
Preliminary expenses		22,949		2,869
Depreciation		<u>29,195</u>		<u>14,610</u>
			60,55,831	<u>19,42,850</u>
Profit Before Taxation			2,37,408-06	60,380
Provision For Taxation			60,000	NIL
Profit After Taxation			1,77,408-06	60,380
Less Profit And Loss Account Balance				
Brought Forward From Last Year			(23,415)	(83,795)
Balance Carried To Balance Sheet			<u>1,53,993</u>	<u>(23,415)</u>

Refer Schedule 13 for notes forming part of the accounts
As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

K. V. SAHASRANAM
Secretary & Chief Accountant

Bombay, 14th June, 1982

For and on behalf of the Board

K. M. CHINNAPPA

Chairman

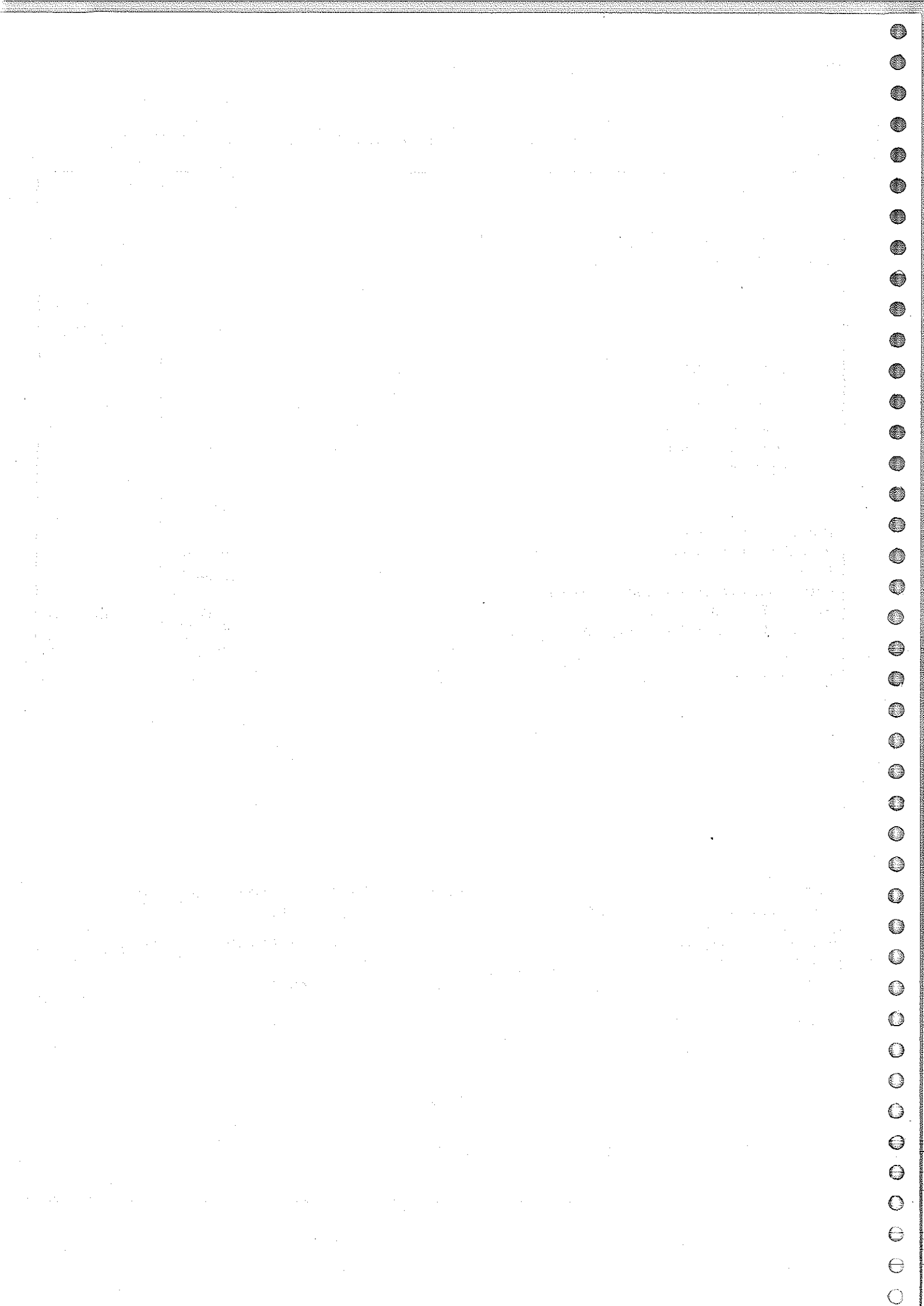
A. R. JAGANNATHAN

Managing Director

S. P. MANAKTALA

S. R. SUBBARAMAN

Directors



**TATA
PROJECTS
LIMITED**



Fourth Annual Report 1982

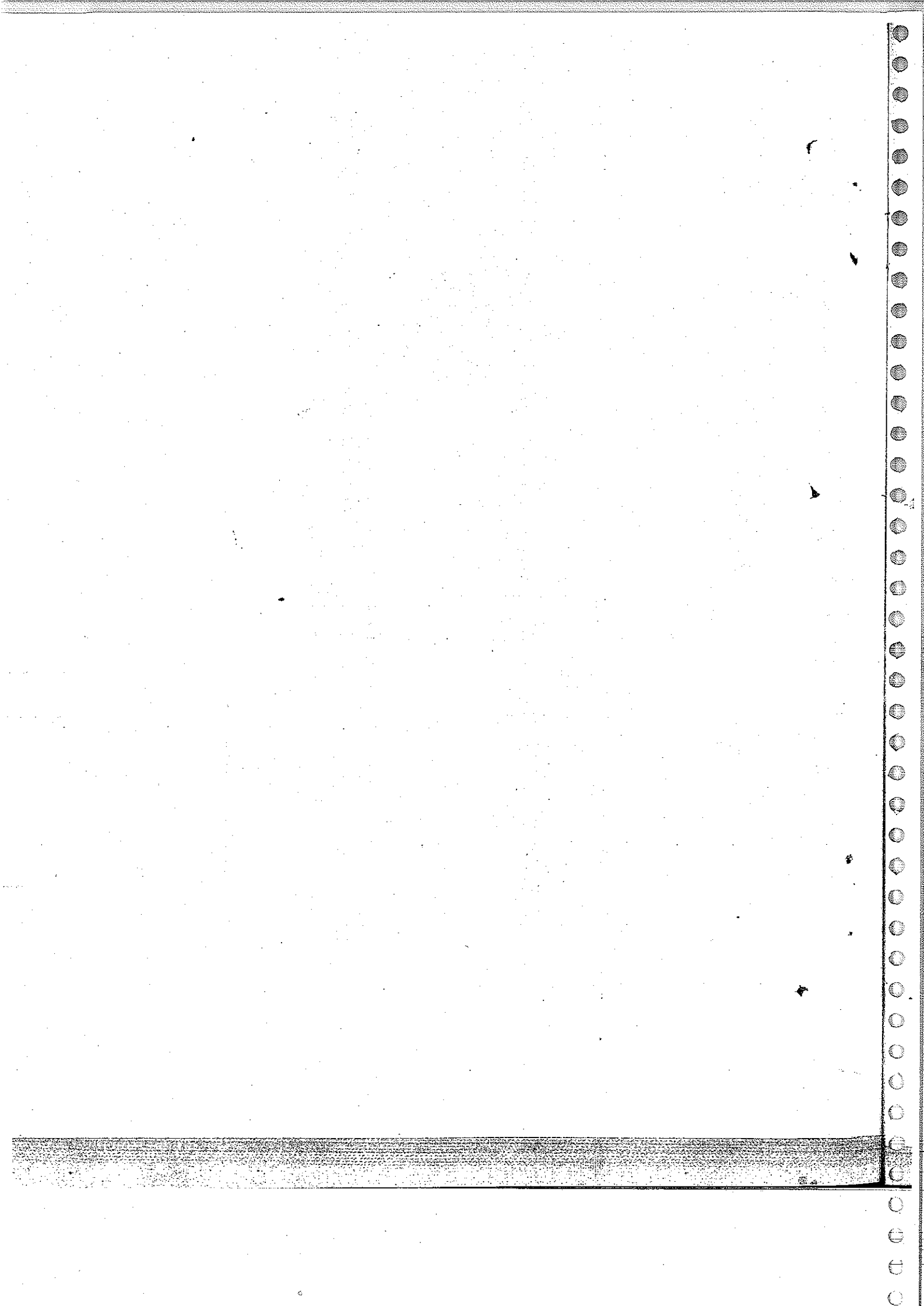




FOURTH ANNUAL REPORT — 1982

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BOARD OF DIRECTORS

Chairman

K. M. Chinnappa

Managing Director

A. R. Jagannathan

Directors

A. H. Tobaccowala

A. B. Kerkar

B. Nehru

F. K. Kavarana

S. P. Manaktala

S. R. Subbaraman

R. Prabhakar

H. N. Vazifdar

F. S. Tarapore

B. V. Chitnis

Secretary & Chief Accountant

K. V. Sahasranam

REGISTERED OFFICE

Bombay House, 24 Homi Mody Street,
Fort, Bombay 400 023.

BANKERS

State Bank of India

Citibank N.A.

Grindlays Bank p.l.c.

SOLICITORS

S. R. Vakil

AUDITORS

G. N. Joshi & Company

Chartered Accountants

TATA PROJECTS LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

The Directors have pleasure in presenting herein the Fourth Annual Report and the Audited Accounts of the Company for the year ended 31st December, 1982.

FINANCIAL RESULTS

	1982	1981
	(Rs. in lacs)	
1. Backlog of work at the beginning of the year	605.07	356.00
2. New Jobs Secured	345.00	312.00
3. Total (1+2)	950.07	668.00
4. Income	247.51	62.93
5. Expenses	242.70	60.56
6. Surplus before tax	4.81	2.37
7. Provision for taxation	1.80	0.60
8. Net Surplus	3.01	1.77
9. Backlog at close of year	702.56	605.07

The turnover and the surplus during the year have shown substantial improvement compared to the previous year at Rs. 247.51 lacs and Rs. 3.01 lacs respectively as compared to Rs. 62.93 lacs and Rs. 1.77 lacs in 1981. The increase in surplus is not commensurate with the turnover mainly due to the fact that a major part of the turnover related to jobs which have been subcontracted to other Companies like, TCE, TEC etc.

The assignment with Esso Refinery, Singapore was completed during the year. Other projects like the DMT Project of BDMC, the T.G. erection for the Ramagundam Thermal Power Station and the Water Supply Project in Malawi were progressing to schedule.

During the year, new assignments of value over Rs. 340 lacs were secured. A number of proposals submitted against enquiries received, both from India and abroad, were under negotiation/active consideration of the clients at the close of the year.

DIRECTORS

Messrs F. K. Kavarana, R. Prabhakar, ~~H. M. Chinnappa and S. D. Manjula~~ retire at this Annual General Meeting and being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, are annexed hereto.

AUDITORS

Messrs G. N. Joshi & Co., Chartered Accountants, the Company's Auditors, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the support and cooperation received from other Companies in the group from time to time. The Directors also wish to thank all employees for their support and cooperation.

On behalf of the Board

K. M. CHINNAPPA
CHAIRMAN

Bombay, 13th June, 1983.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1982 and also the annexed Profit and Loss Account for the year ended on that date and report that —

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above —
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the schedule of notes attached, gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view;
 - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st December, 1982, and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

Bombay, 13th June, 1983.

ANNEXURE TO AUDITOR'S REPORT

[Referred to in Paragraph 1 of our Report of even date]

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the year.
3. As explained to us, physical verification has been conducted in respect of stores during the year and no serious discrepancies were noticed as compared to book records. The Company has adopted the practice of charging off the stores in the year of purchase.
4. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370 (1-C) of the Companies Act, 1956. As far as we have been informed there are no other Companies under the same management.
5. The Company has not given any loans or advances in the nature of loans during the year.
6. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
7. As far as we have been able to ascertain no stores exceeding Rs. 10,000/- in value for each type thereof were purchased during the year from subsidiaries, firms or companies or other parties in which the Directors are interested.
8. As explained to us the Company does not have any unservicable or damaged stores.
9. The Company has not accepted deposits from the public.
10. As explained to us the Company does not have any scrap and there is no bye-product.
11. As the Company's paid up Capital did not exceed Rs. 25/- lacs we have not offered any comments upon internal audit requirement.
12. We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956, for this Company.
13. As per records of the Company the provident fund dues have generally been regularly deposited during the year with the appropriate authorities.
14. In respect of the Company's service activities we have to report as follows :—
 - (a) The nature of the services provided by the Company does not involve consumption of materials. Allocation of man hours consumed is made to the relative jobs.
 - (b) The nature of services provided by the Company does not involve issue or allocation of stores to relative jobs. There is a reasonable system of authorisation at proper levels with necessary control on allocation of labour to jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

Bombay, 13th June, 1983.

BALANCE SHEET AS AT 31ST DECEMBER, 1982

	Schedule	1982		1981	
		Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS :					
SHAREHOLDERS FUND :					
Capital	1		16,50,000		16,50,000
Reserves & Surplus	2		4,55,019		1,53,993
Loan Funds	3				
Secured			59,942		—
Unsecured			—		6,430
TOTAL			<u>21,64,961</u>		<u>18,10,423</u>
II. APPLICATION OF FUNDS :					
(a) FIXED ASSETS					
Gross Block	4	17,20,123		7,93,375	
Less : Depreciation		<u>3,00,623</u>		<u>44,443</u>	
NET BLOCK			14,19,500		7,48,932
(b) CURRENT ASSETS, LOANS AND ADVANCES :					
Sundry Debtors	5	158,76,972		14,14,180	
Cash and Bank Balance	6	19,82,525		14,55,422	
Other Current Assets	7	3,18,275		3,79,686	
Loans and Advances	8	<u>32,07,312</u>		<u>32,06,172</u>	
			213,85,084		64,55,460
LESS :					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	9	203,99,623		53,33,969	
Provisions		<u>2,40,000</u>		<u>60,000</u>	
			206,39,623		53,93,969
NET CURRENT ASSETS			<u>7,45,461</u>		<u>10,61,491</u>
TOTAL			<u>21,64,961</u>		<u>18,10,423</u>
Notes on accounts	13				

per attached report of even date.

G. N. JOSHI & CO.,
Chartered AccountantsN. JOSHI K. V. SAHASRANAM
Proprietor Secretary & Chief Accountant

Mumbai, 13th June, 1983.

For and on behalf of the Board

K. M. CHINNAPPA Chairman

A. R. JAGANNATHAN Managing Director

S. R. SUBBARAMAN }
H. N. VAZIFDAR Directors

B. V. CHITNIS }

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1982

	Schedule	1982 Rupees	Rupees	1981 Rupees
I. INCOME :				
From services	10	2,47,36,044		61,96,619
Others		14,858		96,620
			2,47,50,902	62,93,239
II. EXPENDITURE :				
Engineering Services		1,69,71,091		24,66,952
Establishment and other expenses	11	70,42,605		35,36,735
Preliminary expenses		Nil		22,949
Depreciation		2,56,180		29,195
			2,42,69,876	60,55,831
Profit before taxation			4,81,026	2,37,408
Provision for taxation			1,80,000	60,000
Profit after taxation			3,01,026	1,77,408
Brought forward from previous year			1,53,993	(23,415)
Balance carried to Balance Sheet			4,55,019	1,53,993
Notes on accounts	13			

As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered AccountantsG. N. JOSHI
Proprietor.K. V. SAHASRANAM
Secretary & Chief Accountant

Bombay, 13th June, 1983.

For and on behalf of the Board

K. M. CHINNAPPA	Chairman
A. R. JAGANNATHAN	Managing Director
S. R. SUBBARAMAN	} Directors
H. N. VAZIFDAR	
B. V. CHITNIS	

**SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

SCHEDULE — 1	1982 Rupees	1981 Rupees
SHARE CAPITAL :		
Authorized —		
50,000 Equity Shares of Rs. 100/- each	<u>50,00,000</u>	<u>50,00,000</u>
Issued and Subscribed —		
30,000 Equity Shares of Rs. 100/- each Rs. 55/- called up	<u>30,00,000</u>	<u>30,00,000</u>
Paid up —		
30,000 Equity Shares of Rs. 100/- each Rs. 55/- paid up	<u>16,50,000</u>	<u>16,50,000</u>
 SCHEDULE — 2		
RESERVES AND SURPLUS		
Balance brought forward from previous year	1,53,993	(23,415)
Profit for the year before taxation	<u>4,81,026</u>	<u>2,37,408</u>
	6,35,019	2,13,993
Provision for taxation	<u>1,80,000</u>	<u>60,000</u>
Balance in Profit & Loss Account	<u>4,55,019</u>	<u>1,53,993</u>
 SCHEDULE — 3		
LOAN FUNDS		
Secured		
Bank overdraft	59,942	—
(Secured by Hypothecation of Book Debts)		
Unsecured		
Bank overdraft	—	6,430
	<u>59,942</u>	<u>6,430</u>

TATA PROJECTS LIMITED

SCHEDULE — 4

FIXED ASSETS

DESCRIPTION OF ASSETS	COST			DEPRECIATION			NET VALUE	
	As at 31-12-1981	Additions	As at 31-12-1982	Upto 31-12-1981	For the year	Upto 31-12-1982	As at 31-12-1982	As at 31-12-1981
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture, Fixtures and Fittings	83,029	1,87,017	2,70,046	9,639	26,041	35,680	2,34,366	73,390
Office Equipment	70,231	4,38,143	5,08,374	11,003	74,606	85,609	4,22,765	59,228
Vehicles	66,112	4,41,631	5,07,743	23,801	98,788	1,20,589	3,87,154	42,311
A. C. Equipment	—	31,944	31,944	Nil	4,792	4,792	27,152	Nil
Erection Machinery/Equipment	—	3,59,688	3,59,688	Nil	53,953	53,953	3,05,735	Nil
Total	2,19,372	14,58,423	16,77,795	44,443	2,56,180	3,00,623	13,77,172	1,74,929
Advances against Capital Orders							42,328	5,74,003
							<u>14,19,500</u>	<u>7,48,932</u>
Previous Year	87,112	1,32,260	2,19,372	15,248	29,195	44,443	1,74,929	—

SCHEDULE — 5	1982 Rupees	1981 Rupees
SUNDRY DEBTORS :		
(Unsecured and considered good)		
Outstanding for more than 6 months	63,94,099	21,875
Others	94,82,873	13,92,305
	<u>158,76,972</u>	<u>14,14,180</u>
(Refer Schedule 9 per contra)		
SCHEDULE — 6		
CASH AND BANK BALANCES :		
Cash on hand	5,572	2,402
Balance with scheduled banks on Current Account	41,991	6,67,294
With scheduled bank —		
On term Deposits	1,30,000	—
Margin money against bank guarantee with State Bank of India	40,000	40,000
With other banks — on Current Account		
Citibank N A Singapore		
(Maximum balance during the year Rs. 21,61,097		
1981 — Rs. 7,45,726)	8,64,068	7,45,726
Bank Tejarat, Iran		
(Maximum balance during the year Rs. 18,894/-		
1981 — Rs. Nil)	18,894	—
With other bank		
Citibank N A, Singapore on term deposit	8,82,000	—
	<u>19,82,525</u>	<u>14,55,422</u>
SCHEDULE — 7		
OTHER CURRENT ASSETS :		
Accrued interest	8,359	—
Work done not billed	3,09,916	3,79,686
(at contract value including profit/losses thereon)		
	<u>3,18,275</u>	<u>3,79,686</u>
SCHEDULE — 8		
LOANS AND ADVANCES :		
(Unsecured and considered good)		
Loans and Advances recoverable in cash or in kind or for value		
to be received	27,56,762	29,52,172
Advance payment of tax	4,50,550	2,54,000
	<u>32,07,312</u>	<u>32,06,172</u>
SCHEDULE — 9		
CURRENT LIABILITIES AND PROVISIONS :		
Liabilities		
Advance from Customers	11,72,134	—
Sundry Creditors for expenses	1,16,74,642	9,42,483
Others	2,35,415	6,92,051
Advance billings (Refer Schedule 5 per contra)	73,17,432	36,99,435
	<u>2,03,99,623</u>	<u>53,33,969</u>
Provisions		
Provision for taxation	2,40,000	60,000
	<u>2,06,39,623</u>	<u>53,93,969</u>

SCHEDULE — 10

	Rupees	1982 Rupees	1981 Rupees
INCOME :			
Income from Services		2,47,36,044	61,96,619
Others :			
Difference in exchange (net)	1,261		88,505
Interest on term deposit	13,597		8,115
		14,858	96,620
		<u>2,47,50,902</u>	<u>62,93,239</u>

SCHEDULE — 11**ESTABLISHMENT AND OTHER EXPENSES :**

Staff Salaries		18,13,085	8,42,368
Directors' Sitting Fees		3,750	5,500
Travelling Expenses		9,93,971	8,07,391
Printing and Stationery		2,48,968	2,30,973
Telex Charges		1,39,235	1,11,784
Interest Charges		31,015	Nil
Rent		3,80,205	2,51,580
Books, Periodicals and Subscription		67,367	11,081
Advertisement Expenses		65,953	11,131
Bank Guarantee and Commission Charges		92,941	17,830
Professional and Legal Charges		1,17,160	1,07,951
Motor Vehicle Expenses		3,37,701	50,396
Postage, Telephone, Telegram		2,70,119	83,792
Filing Fees		360	180
Auditors Remuneration for Audit		3,000	2,000
Entertainment Expenses		47,413	26,230
Repairs and Maintenance		8,94,809	87,504
Electricity and Water Charges		77,230	25,801
Freight Charges		70,420	29,142
General Expenses		2,38,471	1,39,785
Overseas Living Expenses		9,06,274	6,25,721
Staff Recruitment Expenses		28,635	3,850
Rates and Taxes		9,943	2,256
Staff Welfare Expenses		1,86,978	62,489
Tax paid overseas		17,602	Nil
		<u>70,42,605</u>	<u>35,36,735</u>

SCHEDULE — 12

	1982 Rupees	1981 Rupees
COMPUTATION OF MANAGING DIRECTOR'S COMMISSION :		
Profit before taxation as per Profit & Loss Account	4,81,776	2,39,973
Add : Depreciation	2,56,180	29,195
Directors' sitting fees	3,750	5,500
Managing Director's remuneration including value of perquisites	92,564	60,391
	<u>8,34,270</u>	<u>3,35,059</u>
Less : Depreciation as per Section 350 of the Companies Act, 1956	2,56,180	29,195
Net profit for the year under Section 198 (i) of the Companies Act, 1956	5,78,090	3,05,864
1% Thereof	5,780	3,060
Commission payable to the Managing Director @ 1% per annum (previous year for 306 days)	<u>5,780</u>	<u>2,565</u>

SCHEDULE — 13

NOTES ON ACCOUNTS

1. Information pursuant to Part II of Schedule VI of Companies Act, 1956 :

	1982 Rs.	1981 Rs.
a) Gross Income from Engineering Services	2,47,36,044	61,96,619
b) Break-up of expenditure incurred on employees drawing Rs. 36,000/- or more per annum if employed throughout the year or Rs. 3,000/- or more per month if employed for part of the year.		
	Employed throughout the year Rs.	Employed part of the year Rs.
i) Salaries and other benefits	3,83,676 (35,222)	1,94,412 (1,79,348)
ii) Contribution to Provident Fund and family pension scheme	32,159 (2,579)	16,391 (9,674)
iii) No. of Employees	EIGHT (ONE)	NINE (SIX)
c) Expenditure in foreign currency salaries and staff dues		10,44,993 (7,74,302)
Others		18,10,205 (2,46,863)
d) Earnings in foreign exchange for services rendered		1,33,22,259 (38,19,816)

2. The remuneration paid during the year to the Managing Director amounting to Rs. 98,344/- (Previous Year Rs. 62,956/-) includes estimated money value of benefits Rs. 23,654/- (Previous Year Rs. 22,891/-). The remuneration is subject to approval of the Central Government.
3. Estimated amount of contract remaining to be executed on Capital account and not provided for Rs. 1,24,000 (Previous Year Rs. 6,20,000/-).
4. Previous year's figures have been regrouped wherever necessary so as to make them comparable with current year's figures.

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217 (2A) READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER, 1982

Sr. No.	Name	Designation/ Nature of duties	Remune- ration	Net	Qualification	Experience Years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
			Rs.	Rs.					
FOR THE FULL YEAR									
1.	Mr. J. B. Godambe	Sr. Construction Engineer	42,751	37,079	B.E. (Mechanical)	17	2-2-1981	41	Tata Electric Cos. — Unit V, Construction Engineer (Projects)
2.	Mr. A. R. Jagannathan	Managing Director	98,344	65,717	B.E.(E)	35	1-3-1981	58	Tata Consulting Engineers — Director (Commercial)
3.	Mr. S. Jayaprakash	Instrumentation Engineer	40,443	37,154	B.Sc. (Physics) DMIT	9	4-8-1981	35	Engineers India Ltd. — Instrumentation Manager
4.	Mr. K. K. Nayak	Manager (Projects)	54,902	38,897	B.Sc. (Physics) DMIT	22	1-6-1981	46	Udhe India Ltd. — Implementation Manager
5.	Mr. S. R. Raj	Sr. Mechanical Engineer	41,370	35,055	B.Tech. (M) M. Engg. (M)	14	16-9-1981	38	Engineers India Ltd. — Project Manager (Design)
6.	Mr. A. P. Shenoy	Consultant	53,742	48,828	B.Sc. (Engineering)	35	13-2-1981	60	BEST Undertaking — Dy. General Manager
7.	Mr. R. Srinivasan	Chemical Engineer	43,967	41,711	B.Tech. (Chemical)	14	1-10-1980	37	Hindustan Petroleum Corporation, Bombay — Assistant Manager
8.	Mr. S. P. Taggaree	Construction Engineer	40,316	34,332	B.E. Honors	28	26-3-1981	48	Tata Electric Cos. Construction Engineer

TATA PROJECTS LIMITED

Sr. No.	Name	Designation/ Nature of duties	Remune- ration Rs.	Net Rs.	Qualification	Experience Years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
PART OF THE YEAR									
1.	Mr. H. N. Anand	Manager Construction	23,061	19,424	M.E.	22	16-8-1982	47	Engineers India Ltd. — Dy. Chief Engineer
2.	Mr. V. Balakrishna	Manager Procurement Service	29,280	24,586	B.A. (Economics) Dip. in Business Management	23	2-4-1982	46	Engineers India Ltd. — Purchase Manager
3	Mr. P. George	Sr. Project Officer	7,150	6,385	B.Sc. (Engineering)	10	21-10-1982	33	Engineers India Ltd. — Sr. Engineer (Co-ordination)
4.	Mr. S. W. Goklany	Chief Engineer	49,468	39,514	B.E.(M) BE(E)	28	1-4-1982	54	Tata Consulting Engineers — Addl. Chief Engineer
5.	Mr. K. D Kanga	Instructor in Electrical maintenance	12,186	8,352	Graduate in Electrical & Mechanical Engineering	30	21-10-1982	55	Tata Electric Co. — Senior Superintendent (Receiving Stations)
6.	Mr. N. N. Pradhan	Senior Project Officer	25,839	20,458	B.E.	13	14-12-1981	36	Power Gas India Ltd.— Project Officer
7.	Mr. R. Prabhakar	Superintendent	7,678	6,683	B.E.	18	25-10-1982	43	Engineers India Ltd. — Sr. Engineer
8.	Mr. A. S. Subbaraman	Project Officer	35,805	32,179	B.Tech. (Chem.)	2	1-1-1982	27	Tata Administrative Service — Project Officer
9.	Mr. R. H. Shah	Chemical Engineer	20,336	19,136	B.Tech. (Chemical)	5	21-5-1981	31	Hindustan Petroleum Corporation — Senior Engineer

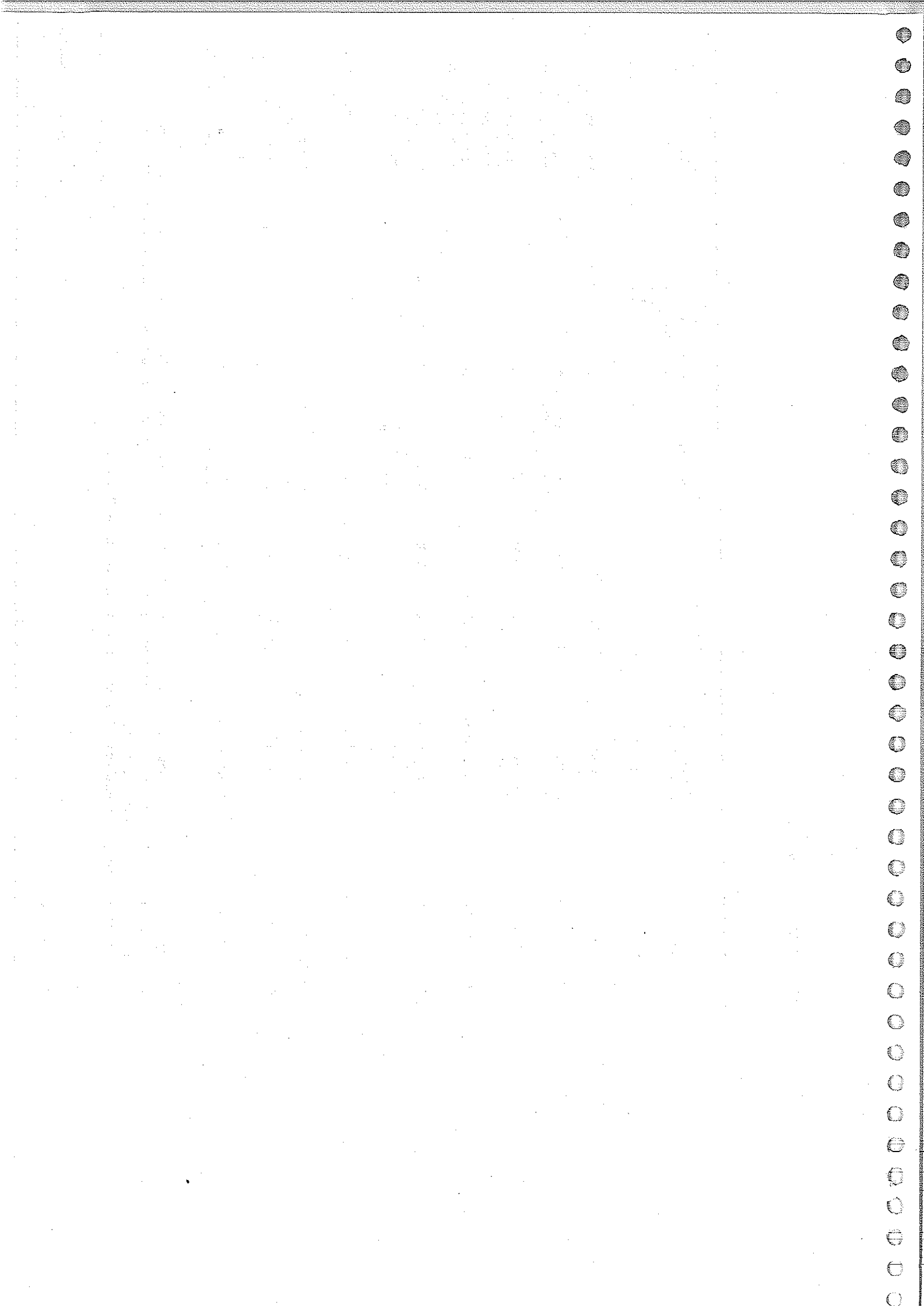
NOTES :

1. "Remuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. "Net Remuneration" is arrived at by deducting from the gross remuneration income tax, and Company's contribution to Provident Fund.
3. The nature of employment is contractual.
4. None of the employees named above is a relative of any Director of the Company.

On behalf of the Board

K. M. CHINNAPPA
Chairman

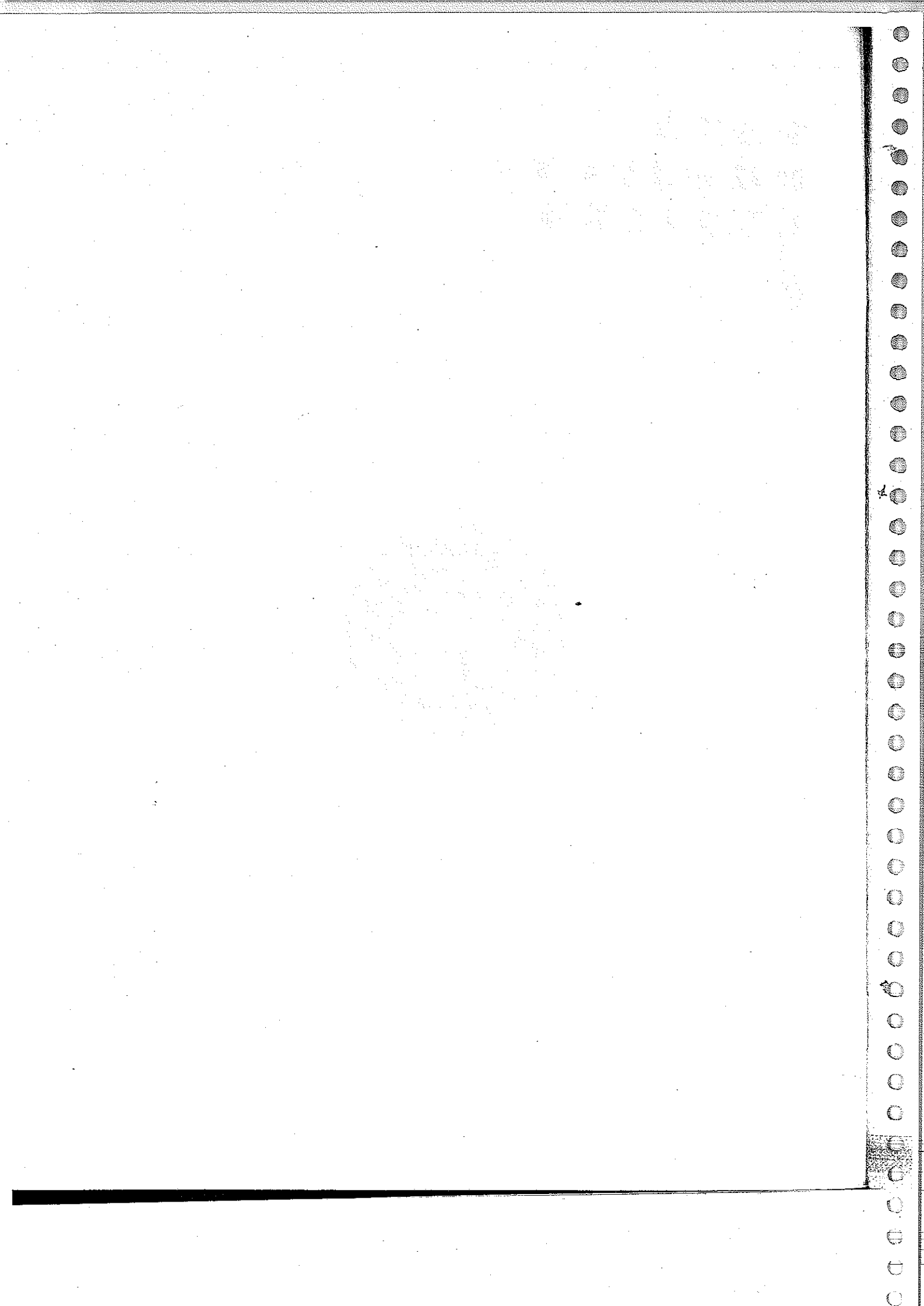
Bombay : 13th June, 1983.



**TATA
PROJECTS
LIMITED**



Fifth Annual Report 1983

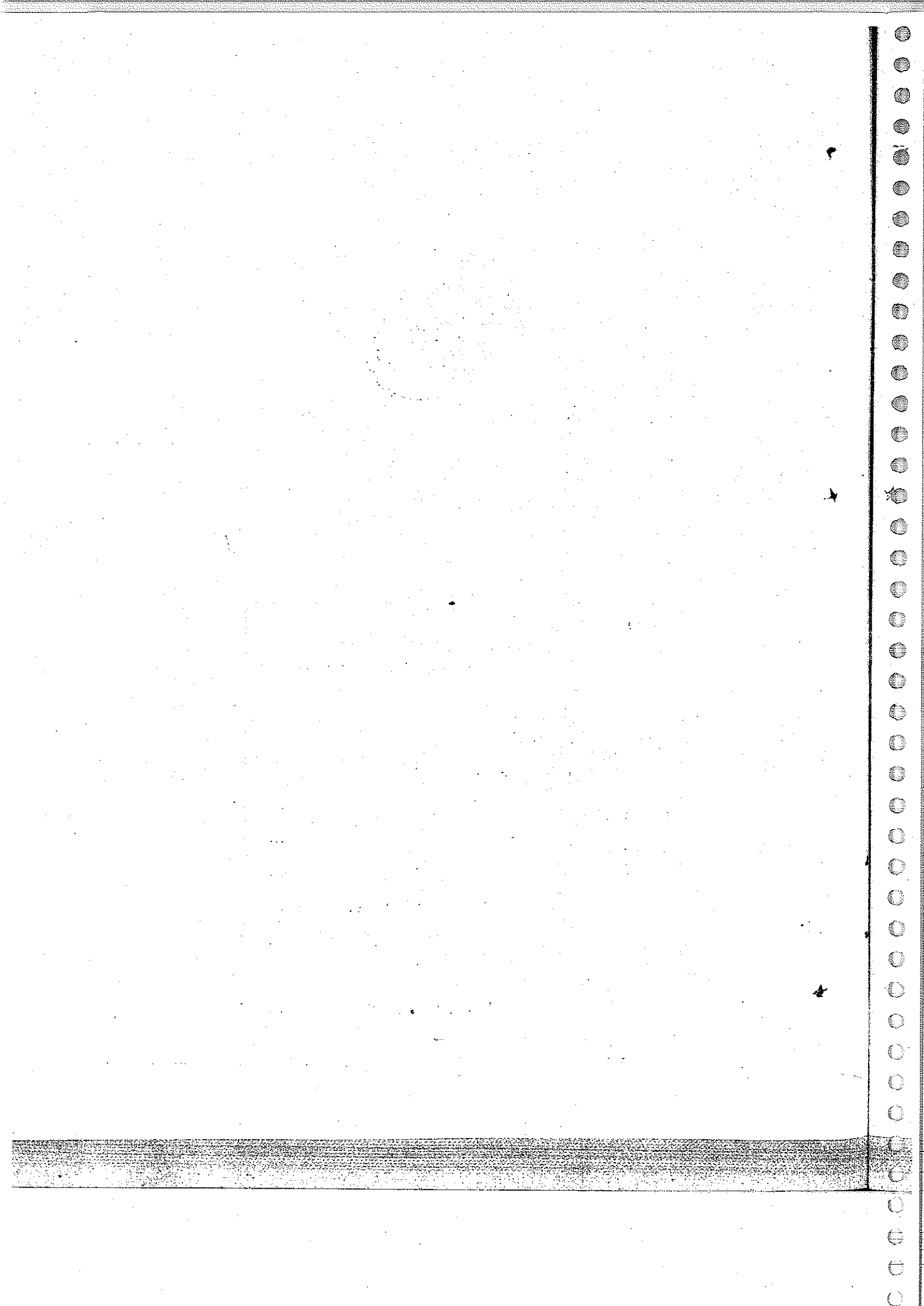




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BOARD OF DIRECTORS

Chairman

K. M. Chinnappa

Managing Director

A. R. Jagannathan

Directors

A. H. Tobaccowala

A. B. Kerkar

F. K. Kavarana

S. P. Manaktala

S. R. Subbaraman

R. Prabhakar

H. N. Vazifdar

F. S. Tarapore

B. V. Chitnis

K. V. Sahasranam
Secretary & Chief Accountant

REGISTERED OFFICE

Bombay House, 24 Homi Mody Street,
Fort, Bombay 400 023.

BANKERS

State Bank of India
Citibank N.A.
Grindlays Bank p.l.c.

SOLICITORS

S. R. Vakil

AUDITORS

G. N. Joshi & Company
Chartered Accountants

DIRECTORS' REPORT**TO THE MEMBERS**

The Directors have pleasure in presenting the Fifth Annual Report and the Audited accounts for the year ended 31st December, 1983.

FINANCIAL RESULTS

	1983	1982
	(Rs. in lacs)	
Backlog of work at the beginning of the year	702.56	605.07
New Jobs Secured	270.00	345.00
Total	972.56	950.07
Income	397.22	247.51
Expenses	373.68	242.70
Surplus before tax	23.54	4.81
Provision for taxation	5.00	1.80
Net Surplus	18.54	3.01
Backlog at close of year	575.34	702.56

OPERATION

The Company continued to maintain steady progress during the year as in the previous years. The turnover at Rs. 397.22 lacs reflects a growth of 60% over the previous year. The income from foreign assignments also increased substantially to Rs. 201.63 lacs against Rs. 133.73 lacs in 1982.

The profit for the year, after tax, of Rs. 18.54 lacs was also substantially higher than the last year's profit of Rs. 3.01 lacs.

DIVIDEND

In view of the improved financial results over the years and in particular in 1983, the Directors recommend for consideration at the Annual General Meeting, declaration of a dividend of 18% on the equity shares of the Company, (subject to deduction of tax). The dividend, if approved, will amount to Rs. 4.32 lacs, for which necessary provision has been made in the accounts.

BUSINESS PROSPECTS

Business prospects continued to be good during the year. New assignments of over Rs. 270 lacs were secured, which included foreign assignments of Rs. 158 lacs. A number of proposals submitted towards the close of the year are under consideration of the clients. Some of these have materialised during the current year.

INVESTMENT

As members are aware, the General Body had approved an investment of Rs. 25 lacs in the Equity Share Capital of Tata-Klockner Industrial Plants Limited. The Company during the year subscribed and paid Rs. 7,49,300/- towards 7493 Equity Shares of Rs. 100 each. Tata-Klockner have since commenced business and are exploring job opportunities both in India and abroad.

DIRECTORS

Messrs. A. H. Tobaccowala, A. B. Kerkar, S. R. Subbaraman and B. V. Chitnis retire at this Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

Messrs. G. N. Joshi & Company, the Company's Auditors retire at the ensuing Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217(2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

Mr. B. Nehru, who was a Director of the Company since its inception resigned w.e.f. 31st August, 1983. The Board wishes to place on record their appreciation of the valuable advice and support received from Mr. Nehru during his association with the Company.

Your Directors wish to place on record their appreciation of the good performance of the officers and other staff at all levels and look forward with confidence to their continued co-operation and good work.

On behalf of the Board of Directors

K. M. CHINNAPPA
CHAIRMAN

Bombay, 27th June, 1984.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1983 and also the annexed Profit and Loss Account for the year ended on that date incorporated into which are accounts of a site of the Company in Malaysia which are audited by another firm of Chartered Accountants and report that —

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above —
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit ;
 - (b) In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of these books ;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account ;
 - (d) The remuneration paid during the year to the Managing Director amounting to Rs. 1,26,559 (Previous year Rs. 98,344/-) includes estimated money value of benefits Rs. 12,706/- (Previous year Rs. 23,654/-). The remuneration is subject to approval of the Central Government.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the schedule of notes attached and subject to para 2(d) above gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view ;
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 1983 and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

Bombay, 27th June, 1984.

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the year.
3. As explained to us, physical verification has been conducted in respect of stores during the year and no serious discrepancies were noticed as compared to book records. The Company has adopted the practice of charging off the stores in the year of purchase.
4. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370(1-C) of the Companies Act, 1956. As far as we have been informed there are no other Companies under the same management.
5. The Company has not given any loans or advances in the nature of loans during the year.
6. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
7. As far as we have been able to ascertain no stores exceeding Rs. 10,000/- in value for each type thereof were purchased during the year from subsidiaries, firms or companies or other parties in which the Directors are interested.
8. As explained to us the Company does not have any unserviceable or damaged stores.
9. The Company has not accepted deposits from the public.
10. As explained to us the Company does not have any scrap and there is no bye-product.
11. As the Company's paid up Capital did not exceed Rs. 25 lacs we have not offered any comments upon internal audit requirement.
12. We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, for this Company.
13. As per records of the Company the provident fund dues have generally been regularly deposited during the year with the appropriate authorities.
14. In respect of the Company's service activities we have to report as follows :
 - (a) The nature of the services provided by the Company does not involve consumption of materials. Allocation of man hours consumed is made to the relative jobs.
 - (b) The nature of services provided by the Company does not involve issue or allocation of stores to relative jobs. There is a reasonable system of authorisation at proper levels with necessary control on allocation of labour to jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G. N. JOSHI & CO.
Chartered Accountants

G. N. JOSHI
Proprietor

Bombay, 27th June, 1984.

BALANCE SHEET AS AT 31ST DECEMBER, 1983

	Schedule	1983		1982	
		Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS :					
SHAREHOLDERS FUND :					
Capital	1		23,50,000		16,50,000
Reserve & Surplus	2		18,77,460		4,55,019
Loan Funds	3				
Secured			—		59,942
Unsecured			48,657		—
TOTAL			42,76,117		21,64,961
II. APPLICATION OF FUNDS :					
(a) FIXED ASSETS	4				
Gross Block		31,09,528		17,20,123	
Less: Depreciation		10,58,213		3,00,623	
NET BLOCK			20,51,315		14,19,500
INVESTMENTS	5		7,49,300		NIL
(b) CURRENT ASSETS, LOANS AND ADVANCES :					
Sundry Debtors	6	2,60,24,352		1,58,76,972	
Cash and Bank Balance	7	1,20,56,665		19,82,525	
Other Current Assets	8	26,42,091		3,18,275	
Loans and advances	9	55,51,599		32,07,312	
			4,62,74,707		2,13,85,084
LESS :					
CURRENT LIABILITIES AND PROVISIONS	10				
Liabilities		4,36,27,205		2,03,99,623	
Provisions		11,72,000		2,40,000	
			4,47,99,205		2,06,39,623
NET CURRENT ASSETS			14,75,502		7,45,461
TOTAL			42,76,117		21,64,961
Notes on Accounts	14				

For and on behalf of the Board

K. M. CHINNAPPA

Chairman

A. R. JAGANNATHAN

Managing Director

A. H. TOBACOWALA

S. P. MANAKTALA

S. R. SUBBARAMAN

H. N. VAZIFDAR

B. V. CHITNIS

Directors

as per attached report of even date.

for G. N. JOSHI & CO.,
Chartered AccountantsG. N. JOSHI
ProprietorK. V. SAHASRANAM
Secretary & Chief Accountant

Bombay, 27th June, 1984.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1983

	Schedule	1983 Rupees	1982 Rupees
I. INCOME :			
From Services		3,95,60,381	2,47,36,044
Others	11	1,61,762	14,858
		<u>3,97,22,143</u>	<u>2,47,50,902</u>
II. EXPENDITURE :			
Engineering Services		2,58,43,590	1,69,71,091
Establishment and other expenses	12	1,07,66,522	70,42,605
Depreciation		7,57,590	2,56,180
		<u>3,73,67,702</u>	<u>2,42,69,876</u>
Profit before taxes and statutory appropriations		23,54,441	4,81,026
Provision for taxation		5,00,000	1,80,000
Profit after taxation		<u>18,54,441</u>	<u>3,01,026</u>
Transfer to General Reserve		6,50,000	NIL
Distributable profits		<u>12,04,441</u>	<u>3,01,026</u>
Balance brought forward from last year		4,55,019	1,53,993
Amount available for appropriation		<u>16,59,460</u>	<u>4,55,019</u>
Proposed dividend		4,32,000	NIL
Balance carried to Balance Sheet		<u>12,27,460</u>	<u>4,55,019</u>
Notes on accounts	14		

As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

K. V. SAHASRANAM
Secretary & Chief Accountant

Bombay, 27th June, 1984.

For and on behalf of the Board

K. M. CHINNAPPA

Chairman

A. R. JAGANNATHAN

Managing Director

A. H. TOBACOWALA

S. P. MANAKTALA

S. R. SUBBARAMAN

H. N. VAZIFDAR

B. V. CHITNIS

Directors

**SCHEDULES 1 TO 14 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

		1983 Rupees	1982 Rupees
SCHEDULE — 1			
SHARE CAPITAL :			
Authorised —			
50,000 Equity Shares of Rs. 100/- each		50,00,000	50,00,000
Issued and Subscribed —			
30,000 Equity Shares of Rs. 100/- each Rs. 80/- called up		30,00,000	30,00,000
Paid up —			
30,000 Equity Shares of Rs. 100/- each Rs. 80/- paid up	24,00,000		
Less : Calls-in-arrears	50,000	23,50,000	16,50,000
SCHEDULE — 2			
RESERVES AND SURPLUS :			
General Reserve —			
Balance as per last Balance Sheet	NIL		NIL
Add : Amount set aside during the year	6,50,000		NIL
		6,50,000	NIL
Surplus —			
Balance in Profit & Loss Account		12,27,460	4,55,019
		18,77,460	4,55,019
SCHEDULE — 3			
LOAN FUNDS :			
Secured :			
Bank overdraft (Secured by hypothecation of book debts)		NIL	59,942
Unsecured :			
Bank overdraft		48,657	NIL
		48,657	59,942

SCHEDULE — 4

FIXED ASSETS

DESCRIPTION OF ASSETS	C O S T		DEPRECIATION		NET BLOCK	
	As at 31-12-1982	Additions	As at 31-12-1983	Upto 31-12-1983	As at 31-12-1983	As at 31-12-1982
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture, Fixtures and Fittings	2,70,046	1,13,983	3,84,029	90,688	2,93,341	2,34,366
Office Equipment	5,08,374	10,76,987	15,85,361	6,13,592	9,71,769	4,22,765
Vehicles	5,07,743	1,54,699	6,62,442	2,28,960	4,33,482	3,87,154
Air-Conditioning Equipment	31,944	4,721	36,665	13,586	23,079	27,152
Erection Machinery/ Equipment	3,59,688	Nil	3,59,688	1,11,387	2,48,301	3,05,735
Total	16,77,795	13,50,390	30,28,185	10,58,213	19,69,972	13,77,172
Advance against Capital Orders					81,343	42,328
					20,51,315	14,19,500
Previous Year	2,19,372	14,58,423	16,77,795	3,00,623	13,77,172	—

SCHEDULE — 5

INVESTMENTS :

Unquoted :

Equity Shares of Tata Klockner Industrial Plants Limited :
at cost
(7493 Equity Shares of Rs. 100/- each fully paid)

1983
Rupees

7,49,300

1982
Rupees

NIL

SCHEDULE — 6

SUNDRY DEBTORS :

(Unsecured and considered good)

Outstanding for more than 6 months

Others

47,16,250

2,13,08,102

2,60,24,352

63,94,099

94,82,873

1,58,76,972

SCHEDULE — 7**CASH AND BANK BALANCE :**

	1983 Rupees	1982 Rupees
Cash on hand	62,190	5,572
Balance with scheduled banks on current account	32,63,170	41,991
With scheduled bank on term deposits	NIL	1,30,000
Margin money against bank guarantee with State Bank of India	40,000	40,000
With other banks on current account		
Citibank N A, Singapore	11,34,869	8,64,068
(Maximum balance during the year Rs. 11,34,869, 1982 — Rs. 21,61,097)		
Citibank N A, Kuala Lumpur	13,54,479	NIL
(Maximum balance during the year Rs. 13,54,479, 1982 — Rs. Nil)		
Grindlays Bank p.l.c., Zurich	51,17,652	NIL
(Maximum balance during the year Rs. 81,11,987, 1982 — Rs. Nil)		
Bank Tejarat, Iran	8,65,304	18,894
(Maximum balance during the year Rs. 8,65,304, 1982 — Rs. 18,894)		
Standard Bank, Sierra Leone	2,19,001	NIL
(Maximum balance during the year Rs. 2,54,500, 1982 — Rs. Nil)		
With other bank		
Citibank N A, Singapore on term deposit	NIL	8,82,000
	<u>1,20,56,665</u>	<u>19,82,525</u>

SCHEDULE — 8**OTHER CURRENT ASSETS :**

Accrued interest	NIL	8,359
Work done not billed (at contract value including Profit/Losses thereon)	26,42,091	3,09,916
	<u>26,42,091</u>	<u>3,18,275</u>

SCHEDULE — 9**LOANS AND ADVANCES :**

(Unsecured and considered good)

Loans and Advances recoverable in cash or in kind or for value to be received	47,51,049	27,56,762
Advance payment of tax	8,00,550	4,50,550
	<u>55,51,599</u>	<u>32,07,312</u>

SCHEDULE — 10**CURRENT LIABILITIES AND PROVISIONS :**

Liabilities :

Advance from Customers	40,12,185	11,72,134
Sundry Creditors for expenses	2,34,07,427	1,16,74,642
Others	7,83,518	2,35,415
Advance billings	1,54,24,075	73,17,432
	<u>4,36,27,205</u>	<u>2,03,99,623</u>

Provisions :

Provision for taxation	7,40,000	2,40,000
Proposed dividend	4,32,000	NIL
	<u>4,47,99,205</u>	<u>2,06,39,623</u>

SCHEDULE — 11	1983 Rupees	1982 Rupees
INCOME :		
Others :		
Difference in exchange (net)	NIL	1,261
Interest on term deposit	1,50,192	13,597
Miscellaneous Income	11,570	NIL
	<u>1,61,762</u>	<u>14,858</u>
SCHEDULE — 12		
ESTABLISHMENT AND OTHER EXPENSES :		
Staff Salaries	39,56,191	18,13,085
Directors' Sitting Fees	6,250	3,750
Travelling Expenses	11,40,901	9,93,971
Printing and Stationery	2,29,765	2,48,968
Telex Charges	1,61,354	1,39,235
Interest Charges	13,980	31,015
Rent	4,57,222	3,80,205
Books, Periodicals & Subscription	85,802	67,367
Advertisement Expenses	29,125	65,953
Bank Guarantee and Commission Charges	1,83,752	92,941
Professional and Legal Charges	4,69,498	1,17,160
Motor Vehicle Expenses	3,29,596	3,37,701
Postage, Telephone, Telegram	2,61,805	2,70,119
Filing Fees	190	360
Auditors Remuneration for Audit	5,000	3,000
Entertainment Expenses	76,289	47,413
Repairs and Maintenance	7,07,577	8,94,809
Electricity and Water Charges	34,833	77,230
Freight Charges	88,963	70,420
General Expenses	2,48,468	2,38,471
Overseas Living Expenses	3,70,344	9,06,274
Staff Recruitment Expenses	1,33,557	28,635
Rates and Taxes	13,289	9,943
Staff Welfare Expenses	4,77,958	1,86,978
Tax paid/payable overseas	6,16,210	17,602
Loss on difference in exchange (net)	4,66,603	NIL
Donations	2,02,000	NIL
	<u>1,07,66,522</u>	<u>70,42,605</u>
SCHEDULE — 13		
COMPUTATION OF MANAGING DIRECTOR'S COMMISSION :		
Profit before taxation as per Profit & Loss Account	23,79,314	4,81,776
Add: Depreciation	7,57,590	2,56,180
Directors' sitting fees	6,250	3,750
Managing Director's remuneration including value of perquisites	1,01,686	92,564
	<u>32,44,840</u>	<u>8,34,270</u>
Less: Depreciation as per Section 350 of the Companies Act, 1956	7,57,590	2,56,180
	<u>24,87,250</u>	<u>5,78,090</u>
Net profit for the year under Section 198(i) of the Companies Act, 1956	24,87,250	5,78,090
1% thereof	24,873	5,780
Commission payable to the Managing Director @ 1% per annum	24,873	5,780

SCHEDULE — 14

NOTES ON ACCOUNTS

1. Information pursuant to Part II of Schedule VI of Companies Act, 1956 :

	1983 Rupees	1982 Rupees
a) Gross Income from Engineering Services	3,95,60,381	2,47,36,044
b) Break-up of expenditure incurred on employees drawing Rs. 36,000/- or more per annum if employed throughout the year or Rs. 3,000/- or more per month if employed for part of the year.		
	Employed throughout the year Rs.	Employed part of the year Rs.
i) Salaries and other benefits	9,10,297 (3,83,676)	6,09,265 (1,94,412)
ii) Contribution to Provident Fund and Family Pension Scheme	50,485 (32,159)	24,337 (16,391)
iii) No. of Employees	SEVENTEEN (EIGHT)	THIRTY (NINE)
	1983	1982
c) Expenditure in foreign currency, salaries and staff dues	14,25,266	10,44,993
Others	45,69,376	18,10,205
d) Earnings in foreign exchange for services rendered	2,01,63,038	1,33,22,259

2. The remuneration paid during the year to the Managing Director amounting to Rs. 1,26,559. (Previous year Rs. 98,344/-) includes estimated money value of benefits Rs. 12,706. (Previous year Rs. 23,654/-). The remuneration is subject to approval of the Central Government.

3. Estimated amount of contract remaining to be executed on Capital account and not provided for Rs. 2,50,343 (Previous year Rs. 1,24,000/-).

4. Previous year's figures have been regrouped wherever necessary so as to make them comparable with current year's figures.

As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

K. V. SAHASRANAM
Secretary & Chief Accountant

For and on behalf of the Board

K. M. CHINNAPPA

Chairman

A. R. JAGANNATHAN

Managing Director

A. H. TOBACOWALA

S. P. MANAKTALA

S. R. SUBBARAMAN

H. N. VAZIFDAR

B. V. CHITNIS

Directors

Bombay, 27th June, 1984.

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217 (2A) READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER, 1983.

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(a)	Particulars of employees employed throughout the financial year and who are in receipt of remuneration of not less than Rs. 38,000/- in terms of Section 217 (2A) (i).								
1.	Mr. H. N. Anand	Manager Construction	73,113	57,108	M.E.	22	16-8-1982	48	Engineers India Ltd. — Dy. Chief Engineer
2.	Maj. C. K. Belliappa	Executive Officer	38,074	34,950	B.E. (M)	23	3-11-1982	46	Ministry of Defence — Major in Army
3.	Mr. V. Balakrishna	Manager Procurement Service	45,924	39,895	B.A. (Eco.) Dip. in Business Management	23	2-4-1982	47	Engineers India Ltd. — Purchase Manager
4.	Mr. S. W. Goklany	Chief Engineer	73,015	57,337	B.E. (Mech.) B.E. (Elec.)	28	1-4-1982	55	Tata Consulting Engineers — Addl. Chief Engineer
5.	Mr. J. B. Godambe	Sr. Construction Engineer	46,040	38,123	B.E. (Mech.)	17	2-2-1981	42	Tata Electric Cos. — Unit V Construction Engineer (Projects)
6.	Mr. P. George	Sr. Project Officer	42,063	34,197	B.Sc. (Engineering)	10	21-10-1982	34	Engineers India Ltd. — Sr. Engineer (Co-ordination)
7.	Mr. A. R. Jagannathan	Managing Director	1,26,559	69,918	B.E. (Elec.)	35	1-3-1981	59	Tata Consulting Engineers — Director (Commercial)
8.	Mr. M. S. Jagan	Project Officer	49,448	44,068	B.Sc. B.E. (Elec.) MBA	1	1-4-1982	28	Tata Electric Cos. — Engineer Trainee
9.	Mr. K. Krishnamurthy	Project Officer	37,063	35,555	B. Tech. MBA	9	10-3-1981	37	SIET Institute
10.	Mr. K. D. Kanga	Instructor in Electrical Maintenance	70,740	65,400	Graduate in Electrical & Mechanical Engineering	30	21-10-1982	58	Tata Electric Co. — Senior Superintendent (Receiving Stations)
11.	Mr. R. Prabhakar	Superintendent	47,879	41,403	B.E.	18	25-10-1982	44	Engineers India Ltd. — Sr. Engineer

Sr. No.	Name	Designation/ Nature of duties	Gross Remune- ration	Net Remune- ration	Qualification	Experience years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
			Rs.	Rs.					
1	2	3	4	5	6	7	8	9	10
12.	Mr. S. R. Raj	Sr. Mechanical Engineer	49,794	43,394	B.Tech. (M) M.Engg. (M)	14	16-9-1981	39	Engineers India Ltd. — Project Manager (Design)
13.	Mr. A. P. Shenoy	Consultant	59,820	55,809	B.Sc. (Engineering)	35	13-2-1981	61	BEST Undertaking — Dy. General Manager
14.	Mr. A. K. Sharma	Lead Planning Engineer	39,776	36,405	B.Sc.	10	3-11-1982	32	Engineers India Ltd. — Lead Planning Engineer
15.	Mr. R. Srinivasan	Chemical Engineer	50,243	45,618	B.Tech. (Chemical)	14	1-10-1980	38	Hindustan Petroleum Corpn. Bombay — Assistant Manager
16.	Mr. S. Srikrishna	Accounts Executive	41,083	39,126	B.Com. ACA	7	4-10-1982	33	Nirlon Synthetic Fibre Co. Ltd. — Sr. Accountant
17.	Mr. A. J. Vyas	Welding Engineer.	38,021	36,539	B.E. (Mech.)	8	1-12-1982	31	Engineers India Ltd. —

(b) Particulars of employees employed for part of the year who were in receipt of remuneration at the rate of not less than Rs. 3,000/- per month in terms of Section 217 (2A) (ii).

1.	Mr. N. A. De X Alphonso	Manager Commercial & Business Dev.	61,563	48,417	B.Sc. (Chem.) B.E. (Chem.)	28	1-3-1983	52	Tata Consulting Engineers — Commercial & Development Manager
2.	Mr. V. C. Brahmabhatt	Specialist Industrial Vocational Training (Adm.)	6,508	6,508	B.A. Dip. in Public relations Labour Welfare Management	38	30-11-1983	59	Ahmedabad Electricity Co. Ltd. — Sr. Admn. & Personnel Officer
3.	Mr. K. R. Ayyar	Chief Financial Officer	64,850	64,850	M.Sc. (Maths.) Dip. in Stats.	32	14-9-1983	59	Director of Audit Western Railway —
4.	Mr. R. C. Bajpai	Manager Business Development	33,278	28,980	B.Tech. (Engg.) Hons.	21	1-3-1983	44	Tata Consulting Engineers — Manager Commercial
5.	Mr. K. Balasubramaniam	Senior Engineer (Instrumentation)	7,465	7,032	B.E. (Elec.)	20	2-11-1983	43	Tutocorin Thermal Power Project — Assistant Div. Engineer
6.	Mr. R. M. Daruwalla	Specialist Instructor Mech. Maint.	19,996	19,968	Comb. Ch. (MOT) Mar. ENG. (LOND.)	37	15-9-1983	59	Tata Electric Cos. — Asst. Supdt.

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
7.	Mr. S. Dattatreya	Mechanical Engineer	7,488	6,933	AMIE (Mech.) BOC	16	9-11-1983	38	Petromin Refinery Riyadh — Mechanical Engineer (Supervision)
8.	Mr. S. Ghosh	Specialist Instructor Training	8,584	8,584	B.Sc. Section A & B of AMIE	13	20-11-1983	38	National Productivity Council — New Delhi
9.	Mr. R. Gangadhara Subramanian	Instrumentation Engineer	29,062	27,634	B.E. (Elec.)	13	29-4-1983	37	Ennore Thermal Power Station — Assistant Division Engineer (Instn.)
10.	Mr. S. V. Gokhale	Specialist in Industrial Vocational Training (Tech.)	13,256	12,658	B.Sc. B.E., MMS Dip. in Business Management	16	9-10-1983	41	Tata Engineering & Locomotive Co. Ltd. — Asst. Manager Training
11.	Mr. Hari Krishnan	Dy. Manager (Procur.)	8,172	7,069	B.Sc. (Elec.)	11	24-10-1983	34	Engineers India Ltd. — Senior Engineer
12.	Mr. A. K. Jain	Civil Engineer	22,703	21,753	B.E.	9	1-6-1983	31	Engineers India Ltd. — Civil Engineer
13.	Mr. S. Jayaprakash	Instrumentation Engineer	10,089	8,055	B.Sc. (Phys.) DMIT	9	4-8-1981	47	Engineers India Ltd. — Instrumentation Manager
14.	Mr. V. S. Karpur	Mechanical Engineer	9,374	9,074	B.E.	12	3-10-1983	34	Engineers India Ltd. — Engineer
15.	Brig. N. P. Manaktala	Manager Inspection/ Expediting Admn.	7,164	5,900	All India Dip. in Electrical Eng.	33	1-11-1983	55	Army — Ministry of Defence
16.	Mr. Mahesh Govind	Insp. in Supry. Foreman Management & Work Methods	20,510	20,510	M.S. Mech. Engg.	39	22-9-1983	60	Indian Industrial Consultants — Partner
17.	Mr. P. H. Neelakantan	Project Accountant	19,065	19,065	M.Com. DSM, DTM	39	27-9-1983	58	Tata Electric Cos. — Sr. Superintendent
18.	Mr. K. K. Nayak	Manager (Projects)	7,922	5,644	B.Sc. (Physics) DMIT	22	1-6-1981	47	Udhe India Ltd. — Implementation Manager
19.	Mr. P. M. Pujara	Field Inspection Engr.	23,644	22,444	B.E.	9	23-5-1983	35	Engineers India Ltd. — Engineer
20.	Mr. G. S. Rathur	Special Instructor in workshop Practice	10,388	9,988	B.A., B.Com., AMIE	27	9-10-1983	48	Tata Electric Cos. — Erector

Sr. No.	Name	Designation/ Nature of duties	Gross Remune- ration	Net Remune- ration	Qualification	Experience years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
			Rs.	Rs.					
1	2	3	4	5	6	7	8	9	10
21.	Mr. C. K. Reddy	Consultant Thermal Power Projects	7,814	7,214	B.A. B.E. (Elec.)	33	22-4-1983	57	Andhra Pradesh State Electricity Board — Senior Consultant
22.	Mr. Sayed Salim	Senior Asst. Engineer	31,264	31,264	B.E. M.Sc. (Eng.)	10	24-2-1983	34	Tamil Nadu Electricity Board — Asst. Engineer
23.	Mr. V. N. Subramaniam	Manager Estimation Contracts	38,185	34,557	B.Sc. (Engg.) Mechanical	19	9-5-1983	43	Gammon India Ltd, Bombay — Asst. Engineer/Senior Div. Engineer
24.	Mr. R. Rajagopal	Project Officer	24,497	23,797	B.Tech, MBA	5	2-5-1983	28	Philvastine Enterprises — Nigeria Project Consultant
25.	Mr. M. R. Sen	Construction Superintendent (Boiler)	22,562	16,928	B.E. (Elec.)	32	2-8-1983	62	Tata Electric Cos. — Officer on Special Duty.
26.	Mr. Suresh Oomen	Accounts Executive	18,858	18,608	B.Tech, MBA	9	27-6-1983	33	K.S.B. Pumps Ltd., — Costing Dept.
27.	Mr. G. R. Sarangan	Chief Executive Officer & General Manager	66,493	66,493	M.S.E.B. B.E. (Elec.)	32	24-9-1983	56	Chief Engineer (Hydro.) — MSEP
28.	Mr. H. L. Sharma	Project Manager	63,209	63,209	B.Sc. (Civil Engineer)	36	26-9-1983	56	Govt. of Punjab Dept. of Irrigation & Power — Chief Engineer & Head of Dept.
29.	Mr. K. A. Seetharaman	Instructor Thermal Power Stn.	8,584	8,584	Elec. Engg. Practice	34	20-11-1983	57	Tamil Nadu Electricity Board — Chief Engineer
30.	Mr. N. Zalani	Principal Engineer (Mechanical)	14,434	13,181	B.Sc. (Engg.) Mechanical	17	20-9-1983	40	Maraven S. R. Rsfinery Carden, Venezuela — Principal Engineer

NOTES:

1. "Remuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. "Net Remuneration" is arrived at by deducting from the gross remuneration income tax, and Company's contribution to Provident Fund.
3. The nature of employment is contractual.
4. None of the employees named above is a relative of any Director of the Company, except Brig. N. P. Manaktala who is the brother of Mr. S. P. Manaktala, Director of the Company.

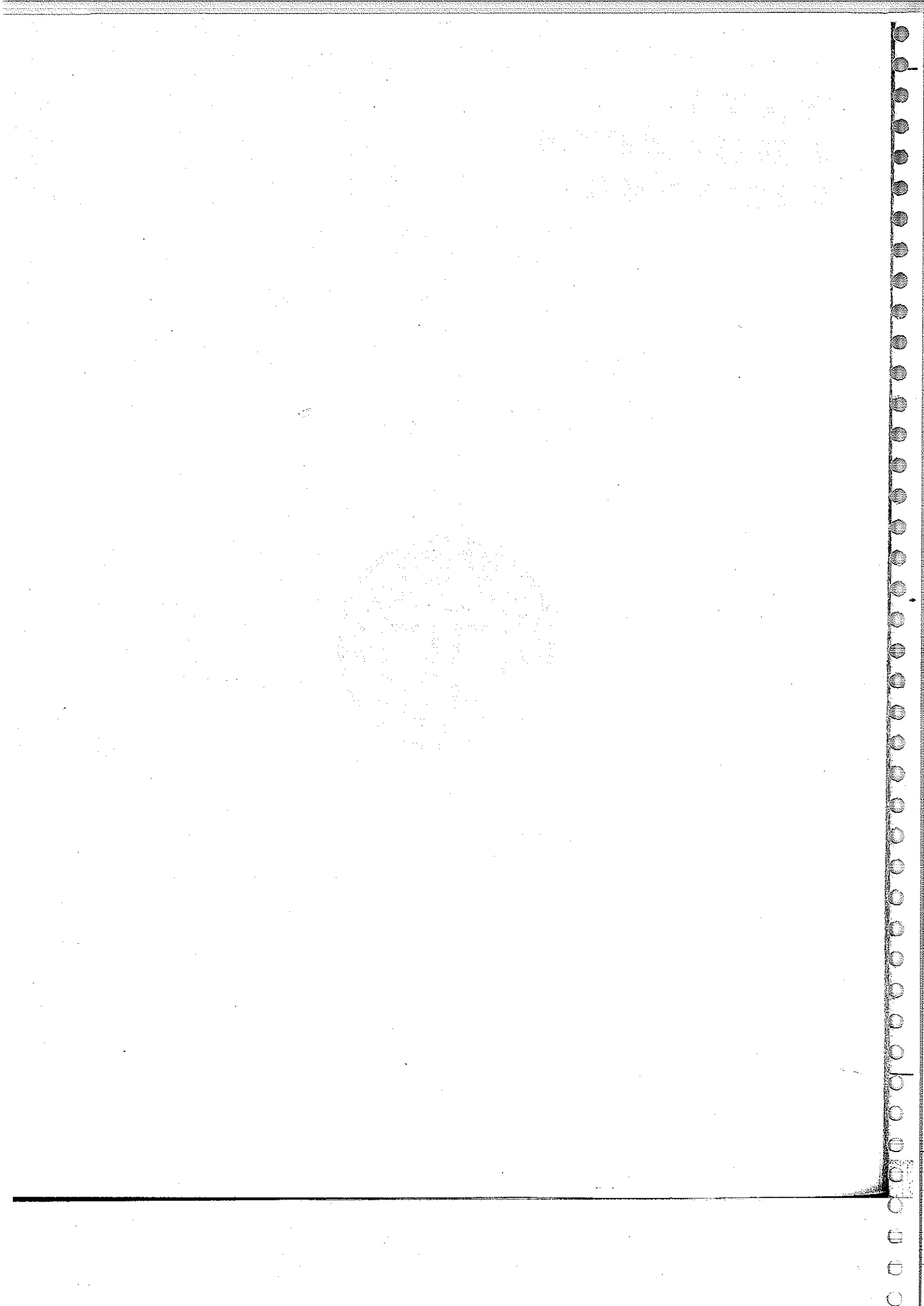
Bombay, 27th June, 1984.

On behalf of the Board
K. M. CHINNAPPA
Chairman

**TATA
PROJECTS
LIMITED**



Sixth Annual Report 1984



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BOARD OF DIRECTORS

Chairman

K. M. Chinnappa

Managing Director

A. R. Jagannathan

Directors

A. H. Tobaccowala

A.B. Kerkar

F. K. Kavarana

S. P. Manaktala

S. R. Subbaraman

R. Prabhakar (upto 31.3.85)

H. N. Vazifdar

F. S. Tarapore

B. V. Chitnis

Secretary & Chief Accountant

K. V. Sahasranam

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street,
Fort, Bombay 400 023.

BANKERS

State Bank of India

Citibank N.A.

Grindlays Bank p.l.c.

SOLICITORS

S. R. Vakil

AUDITORS

G. N. Joshi & Company

Chartered Accountants

DIRECTORS' REPORT

THE MEMBERS

The Directors have pleasure in presenting the Sixth Annual Report and the Audited accounts for the year ended 31st December, 1984.

FINANCIAL RESULTS

	1984	(Rs. in lacs)	1983
Income	519.59		397.22
Expenses	473.07		373.68
Surplus before tax	46.52		23.54
Provision for taxation	11.00		5.00
Net surplus	35.52		18.54

OPERATIONS

Backlog of work at the beginning of the year	575.34	702.56
New Jobs Secured	300.00	270.00
Total	875.34	972.56
Backlog at close of year	378.71	575.34

The operations continued to show improvement as compared to the previous year and there has been an increase of 31% in the turnover at Rs. 519.59 lacs as compared to Rs. 397.22 lacs in the previous year. The income from foreign assignments amounted to Rs. 332.74 lacs as against Rs. 201.63 lacs in 1983. This increase in the foreign earnings is mainly due to the assignments in Nigeria, Singapore, Malaysia and Sierra Leone. There has been a substantial improvement in the net surplus after tax at Rs. 35.52 lacs as against Rs. 18.54 lacs in the previous year. The major contribution to the profitability has been from some of the foreign assignments executed during the year.

During the year three major contracts viz. the DMT Plant at Patalganga for Bombay Dyeing, the Power Plant erection at Ramagundam and the Gas Turbine erection in Malaysia were successfully completed.

BUSINESS PROSPECTS

During the year under report new business of value Rs. 300 lacs was secured as against Rs. 270 lacs in the previous year. The business prospects continue to be good and contracts of value over Rs. 20 crores for which proposals have been submitted were pending decision of the clients at the close of the year, of which, contracts of value Rs. 60 lacs have been secured during the current year. Efforts to explore new areas of business are being continued.

DIVIDEND

Your Directors recommend dividend of 20% subject to deduction of tax for the year under review. The dividend, if approved, will absorb Rs. 4.80 lacs and will be paid to those members whose names appear on the Register of Members of the Company at the date of the Annual General Meeting.

TATA-KLOCKNER

Tata-Klockner Industrial Plants Ltd, in which the Company has a 49% participation in the equity capital has made improvement in its operation during the year, even though, the overall effect has been a loss and with the carry forward of the previous year's loss, the net operational results have ended in a loss of Rs. 5.79 lacs as of 31st December, 1984. The Company however expects to improve its operations in the coming years.

MR. R. PRABHAKAR

Mr. R. Prabhakar, who was a Director of the Company since its inception died due to heart-attack suddenly on 31st March, 1985. The Board wishes to place on record its appreciation of the valuable services rendered by Mr. Prabhakar and convey their heart-felt condolences to the bereaved family.

DIRECTORS

M/s. K. M. Chinnappa, F. K. Kavarana, F. S. Tarapore and H. N. Vazifdar retire at this Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

Messrs. G. N. Joshi & Co., Chartered Accountants, the Company's Auditors, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the good performance of the officers and other staff at all levels and look forward with confidence to their continued co-operation and good work.

On behalf of the Board of Directors

K. M. CHINNAPPA

CHAIRMAN

Bombay, 31st May, 1985.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, and also the annexed Profit and Loss Account for the year ended on that date incorporated into which are units of a site of the Company in Malaysia which are audited by another firm of Chartered Accountants and that —

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above —
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) The remuneration paid during the year to the Managing Director amounting to Rs. 1,58,240 (Previous year Rs. 1,26,559/-) includes estimated money value of benefits Rs. 7,700 (Previous year Rs. 12,706/-). The remuneration is subject to approval of the Central Government.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to Note No. 4 regarding non-provision of gratuity liability, read together with the other notes contained in the schedule of notes attached and subject to para 2(d) above gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view;
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 1984 and
 - (ii) In the case of the Profit and Loss Account of the profit for the year ended on that date.

For G. N. JOSHI & CO.,
Chartered Accountants

G.N. JOSHI
Proprietor

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the year.
3. As explained to us, physical verification has been conducted in respect of stores during the year and no serious discrepancies were noticed as compared to book records. The Company has adopted the practice of charging off the stores in the year of purchase.
4. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370 (1-C) of the Companies Act, 1956. As far as we have been informed there are no other Companies under the same management.
5. The Company has not given any loans or advances in the nature of loans during the year.
6. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
7. As far as we have been able to ascertain no stores exceeding Rs. 10,000/- in value for each type thereof were purchased during the year from subsidiaries, firms or companies or other parties in which the Directors are interested.
8. As explained to us the Company does not have any unserviceable or damaged stores.
9. The Company has not accepted deposits from the public.
10. As explained to us the Company does not have any scrap and there is no bye product.
11. As the Company's paid up Capital did not exceed Rs. 25 lacs we have not offered any comments upon internal audit requirement.
12. We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, for this Company.
13. As per records of the Company the provident fund dues have generally been regularly deposited during the year with the appropriate authorities.
14. In respect of the Company's service activities we have to report as follows:
 - (a) The nature of the services provided by the Company does not involve consumption of materials. Allocation of man hours consumed is made to the relative jobs.
 - (b) The nature of services provided by the Company does not involve issue or allocation of stores to relative jobs. There is a reasonable system of authorisation at proper levels with necessary control on allocation of labour to jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G. N. JOSHI & CO.,
Chartered Accountants

G.N. JOSHI
Proprietor

BALANCE SHEET AS AT 31ST DECEMBER, 1984

	Schedule	1984		1983	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS:					
SHAREHOLDERS FUND:					
Capital	1		24,00,000		23,50,000
Reserves & Surplus	2		49,49,771		18,77,460
Loan Funds	3				
Secured			8,34,865		—
Unsecured			—		48,657
TOTAL			81,84,636		42,76,117
APPLICATION OF FUNDS:					
a) FIXED ASSETS	4				
Gross Block		45,75,796		31,09,528	
Less: Depreciation		17,30,718		10,58,213	
NET BLOCK INVESTMENTS	5		28,45,078		20,51,315
			7,49,300		7,49,300
b) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	2,96,17,935		2,60,24,352	
Cash Bank Balance	7	2,32,10,576		1,20,56,665	
Other Current Assets	8	14,91,641		26,42,091	
Loans and Advances	9	94,16,989		55,51,599	
			6,37,37,141		4,62,74,707
LESS:					
CURRENT LIABILITIES AND PROVISIONS	10				
Liabilities		5,68,26,883		4,36,27,205	
Provisions		23,20,000		11,72,000	
			5,91,46,883		4,47,99,205
NET CURRENT ASSETS			45,90,258		14,75,502
TOTAL			81,84,636		42,76,117
Notes on Accounts	14				

For and on behalf of the Board

per attached report of even date

G. N. JOSHI & CO.
Chartered Accountants

K. M. CHINNAPPA

CHAIRMAN

A. R. JAGANNATHAN

MANAGING DIRECTOR

S. P. MANAKTALA

S. R. SUBBARAMAN

H. N. VAZIFDAR

} DIRECTORS

G. N. JOSHI
ProprietorK. V. SAHASRANAM
Secretary & Chief Accountant

Mumbai, 31st May, 1984

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1984

	Schedule	1984 Rupees	1983 Rupees
I. INCOME			
From Services		4,96,62,798	3,95,60,381
Others	11	22,96,407	1,61,762
		<u>5,19,59,205</u>	<u>3,97,22,143</u>
II. EXPENDITURE:			
Engineering Services		2,74,14,624	2,58,43,590
Establishment and other expenses	12	1,92,19,765	1,07,66,522
Depreciation		6,72,505	7,57,590
		<u>4,73,06,894</u>	<u>3,73,67,702</u>
Profit before taxes and statutory appropriations		46,52,311	23,54,441
Provision for taxation		11,00,000	5,00,000
Profit after taxation		35,52,311	18,54,441
Transfer to Foreign Projects Reserve		3,00,455	—
		<u>32,51,856</u>	<u>18,54,441</u>
Transfer to General Reserve		5,99,316	6,50,000
Distributable Profits		<u>26,52,540</u>	<u>12,04,441</u>
Balance brought forward from last year		12,27,460	4,55,019
Amount available for appropriation		38,80,000	16,59,460
Proposed dividend		4,80,000	4,32,000
Balance carried to Balance Sheet		<u>34,00,000</u>	<u>12,27,460</u>
Notes on accounts	14		

As per attached report of even date

For G. N. JOSHI & CO.,
Chartered AccountantsG. N. JOSHI
ProprietorK. V. SAHASRANAM
Secretary & Chief Accountant

Bombay, 31st May, 1984

For and on behalf of the Board

K. M. CHINNAPPA

CHAIRMAN

A. R. JAGANNATHAN

MANAGING DIRECTOR

S. P. MANAKTALA

S. R. SUBBARAMAN

H. V. VAZIFDAR

} DIRECTORS

**SCHEDULES 1 TO 14 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

		1984 Rupees	1983 Rupees
SCHEDULE — 1			
SHARE CAPITAL:			
Authorised —			
10,000 Equity Shares of Rs. 100/- each		<u>50,00,000</u>	<u>50,00,000</u>
Issued and Subscribed —			
10,000 Equity Shares of Rs. 100/- each			
Rs. 80/- called up		<u>30,00,000</u>	<u>30,00,000</u>
Paid up —			
10,000 Equity Shares of Rs. 100/- each			
Rs. 80/- paid up	24,00,000		24,00,000
Less: Calls-in arrears	<u>Nil</u>		<u>50,000</u>
		<u>24,00,000</u>	<u>23,50,000</u>
SCHEDULE — 2			
RESERVES AND SURPLUS			
Foreign Projects Reserves A/c. (as per Sec. 80-HHB of I T Act)		3,00,455	Nil
General Reserve —			
Balance as per Last Balance Sheet	6,50,000	Nil	
Add: Amount set aside during the year	<u>5,99,316</u>	<u>6,50,000</u>	
		<u>12,49,316</u>	<u>6,50,000</u>
		<u>15,49,771</u>	<u>6,50,000</u>
Surplus — Balance in Profit & Loss Account		<u>34,00,000</u>	<u>12,27,460</u>
		<u>49,49,771</u>	<u>18,77,460</u>
SCHEDULE — 3			
LIABILITIES AND FUNDS:			
Secured:			
Bank overdraft (Secured by Hypothecation of book debts)		8,34,865	Nil
Unsecured:			
Bank overdraft		Nil	48,657
		<u>8,34,865</u>	<u>48,657</u>

SCHEDULE — 4

FIXED ASSETS

Description of Assets	COST			DEPRECIATION			NET BLOCK		
	As at 31-12-1983	Additions	Deductions	As at 31-12-1984	Upto 31-12-1983	For 1984	Upto 31-12-1984	As at 31-12-1984	As at 31-12-1983
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture, Fixtures and Fittings	3,84,029	2,00,186	—	5,84,215	90,688	1,00,502	1,91,190	3,98,025	2,93,341
Office Equipment	15,85,361	1,74,088	—	17,59,449	6,13,592	1,89,520	8,03,112	9,56,337	9,71,769
Vehicles	6,62,442	10,26,993	41,800	16,47,635	2,28,960	3,31,418	5,60,378	10,87,257	4,33,482
Air-Conditioning Equipment	36,665	20,920	—	57,585	13,586	9,762	23,348	34,237	23,079
Survey & Drawing Instruments	Nil	19,947	—	19,947	—	4,058	4,058	15,889	Nil
Erection Machinery/ Equipment	3,59,688	—	—	3,59,688	1,11,387	37,245	1,48,632	2,11,056	2,48,301
Total	30,28,185	14,42,134	41,800	44,28,519	10,58,213	6,72,505	17,30,718	26,97,801	19,69,972
Advance against Capital orders								1,47,277	81,343
								28,45,078	20,51,315
Previous year	16,77,795	13,50,390	—	30,28,185	3,00,623	7,57,590	10,58,213	19,69,972	—

SCHEDULE — 5**INVESTMENTS:**

Unquoted

Equity Shares of Tata Klockner Industrial Plants Limited:
cost (7493 Equity Shares of Rs. 100/- each fully paid)**1984**
Rupees**1983**
Rupees7,49,3007,49,300**SCHEDULE — 6****UNSECURED DEBTORS:**

(Unsecured and considered good)

Outstanding for more than 6 months

Others

41,94,300

47,16,250

2,54,23,6352,13,08,1022,96,17,9352,60,24,352**SCHEDULE — 7****CASH AND BANK BALANCES:**

Cash on hand

Balance with scheduled banks on Current Account

With scheduled bank on term deposits

Margin money against bank guarantee with State Bank of India

With other banks on Current Account

Citibank N A, Singapore

(Maximum balance during the year

Rs. 15,73,884-1983 — Rs. 11,34,869)

Citibank N A, Kuala Lumpur

(Maximum balance during the year

Rs. 11,24,742-1983 — Rs. 13,54,479)

Grindlays Bank p.l.c., Zurich

Maximum balance during the year

Rs. 63,20,197-1983 — Rs. 81,11,987)

Bank Tejarat, Iran

(Maximum balance during the year

Rs. 10,69,613-1983 — Rs. 8,65,304)

Standard Bank, Sierra Leone

(Maximum balance during the year

Rs. 5,81,510-1983 — Rs. 2,54,500)

With other bank

Grindlays Bank p.l.c. Zurich

1984
Rupees**1983**
Rupees

11,632

62,190

97,15,208

32,63,170

13,00,000

Nil

Nil

40,000

12,91,128

11,34,869

5,91,763

13,54,479

57,17,808

51,17,652

2,87,527

8,65,304

5,81,510

2,19,001

37,14,0002,32,10,5761,20,56,665

SCHEDULE — 8**OTHER CURRENT ASSETS:**

Work done not billed (at contract value including Profit/Losses thereon)	<u>14,91,641</u>	<u>26,42,091</u>
	<u>14,91,641</u>	<u>26,42,091</u>

SCHEDULE — 9**LOANS AND ADVANCES:**

(Unsecured and considered good)

Loans and Advances recoverable in cash or in kind or for value to be received	<u>77,00,345</u>	<u>47,51,049</u>
Advanced payment of tax	<u>17,16,644</u>	<u>8,00,550</u>
	<u>94,16,989</u>	<u>55,51,599</u>

SCHEDULE — 10**CURRENT LIABILITIES AND PROVISIONS:**

Liabilities:

Advance from Customers	<u>10,04,867</u>	<u>40,12,185</u>
Sundry Creditors for expenses	<u>2,76,84,813</u>	<u>2,34,07,427</u>
Others	<u>1,00,32,658</u>	<u>7,83,518</u>
Advance billings	<u>1,81,04,545</u>	<u>1,54,24,075</u>
	<u>5,68,26,883</u>	<u>4,36,27,205</u>

Provisions:

Provision for taxation	<u>18,40,000</u>	<u>7,40,000</u>
Proposed dividend	<u>4,80,000</u>	<u>4,32,000</u>
	<u>5,91,46,883</u>	<u>4,47,99,205</u>

SCHEDULE — 11**INCOME:**

Others:

	1984 Rupees	1983 Rupees
Difference in exchange (Net)	<u>18,38,045</u>	Nil
Interest on term Deposit	<u>3,67,591</u>	<u>1,50,192</u>
Miscellaneous Income	<u>86,071</u>	<u>11,570</u>
Profit on Sale of fixed assets	<u>4,700</u>	Nil
	<u>22,96,407</u>	<u>1,61,762</u>

SCHEDULE – 12**ESTABLISHMENT AND OTHER EXPENSES:**

Staff Salaries		67,83,578	39,56,191
Director's Sitting Fees		5,750	6,250
Travelling Expenses		19,61,583	11,40,901
Printing and Stationery		3,99,816	2,29,765
Telex Charges		95,599	1,61,354
Interest Charges		1,336	13,980
Rent		9,54,822	4,57,222
Books, Periodicals & Subscription		60,108	85,802
Advertisement Expenses		30,293	29,125
Bank Guarantee and Commission Charges		1,49,549	1,83,752
Professional and Legal Charges		6,72,048	1,04,608
Commission		18,64,803	3,64,890
Motor Vehicle Expenses		14,76,259	3,29,596
Postage, Telephone, Telegram		5,36,153	2,61,805
Filing Fees		Nil	190
Auditors Remuneration:		8,260	5,000
For Audit	7,500		
Out-of-pocket Expenses	760		
Entertainment Expenses		1,66,986	76,289
Repairs and Maintenance		5,10,637	7,07,577
Electricity and Water Charges		79,291	34,833
Freight Charges		1,03,685	88,963
General Expenses		4,86,133	2,48,468
Overseas Living Expenses		8,47,340	3,70,344
Staff Recruitment Expenses		33,192	1,33,557
Rates and Taxes		21,157	13,289
Staff Welfare Expenses		7,30,423	4,77,958
Tax paid/payable overseas		12,40,964	6,16,210
Loss on difference in exchange (net)		Nil	4,66,603
Donation		Nil	2,02,000
		<u>1,92,19,765</u>	<u>1,07,66,522</u>

SCHEDULE – 13**COMPUTATION OF MANAGING DIRECTOR'S COMMISSION:**

Profit before taxation as per Profit & Loss Account		46,92,809	23,79,314
Add: Depreciation		6,72,505	7,57,590
Directors' sitting fees		5,750	6,250
Managing Director's remuneration including value of perquisite		1,17,920	1,01,686
		<u>54,88,984</u>	<u>32,44,840</u>
Less: Depreciation as per Section 350 of the Companies Act, 1956		5,48,966	7,57,590
Net profit for the year under Section 198(i) of the Companies Act, 1956		49,40,018	24,87,250
1% thereof		49,400	24,873
Commission payable to the Managing Director Limited to 1% of the net profit or 50% of the annual salary		<u>40,500</u>	<u>24,873</u>

SCHEDULE — 14

NOTES ON ACCOUNTS

1. Information pursuant to Part II of Schedule VI of Companies Act, 1956:

	1984 Rupees	1983 Rupees
Gross Income from Engineering Services	4,96,62,798	3,95,60,381
b) Break-up of expenditure incurred on employees drawing Rs. 36,000/- or more per annum if employed throughout the year or Rs. 3,000/- or more per month, if employed for part of the year.		
	Employed throughout the year Rs.	Employed part of the year Rs.
i) Salaries and other benefits	28,15,311 (9,10,297)	5,63,672 (6,09,265)
ii) Contribution to Provident Fund and Family Pension Scheme	96,484 (50,485)	47,356 (24,337)
iii) No. of Employees	THIRTY NINE (Seventeen) 1984	SEVENTEEN (Thirty) 1983
c) Expenditure in foreign currency salaries and staff dues	40,45,580	14,25,266
Others	50,31,991	45,69,376
d) Earnings in foreign exchange for services rendered	3,32,73,865	2,01,63,038

2. The remuneration paid during the year to the Managing Director amounting to Rs. 1,58,240 (Previous year Rs. 1,26,559/-) includes estimated money value of benefits Rs. 7,700 (Previous year Rs. 12,706/-). The remuneration is subject to approval of the Central Government.

3. Estimated amount of contract remaining to be executed on Capital account and not provided for Rs. 4,24,280 (Previous year Rs. 2,50,343/-).

4. No Provision for gratuity is made as the Management is of the opinion the same will be accounted for on cash basis.

5. Previous year's figures have been regrouped wherever necessary so as to make them comparable with current year's figures.

As per attached report of even date.

For G. N. JOSHI & CO.,
Chartered Accountants

G. N. JOSHI
Proprietor

K. V. SAHASRANAM
Secretary & Chief Accountant

For and on behalf of the Board

K. M. CHINNAPPA

CHAIRMAN

A. R. JAGANNATHAN

MANAGING DIRECTOR

S. P. MANAKTALA

S. R. SUBBARAMAN

H. N. VAZIFDAR

} DIRECTORS

Bombay, 31st May, 1984

INFORMATION AS PER SECTION 217 (2A) READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER, 1984.

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experienc years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(a) Particulars of employees employed throughout the financial year and who are in receipt of remuneration of not less than Rs. 36,000/- in terms of Section 217 (2A) (i).									
1.	Mr. N. A. De X. Alphonoso	General Manager (Commercial)	81,064	53,675	B.Sc. (Chem) B.E. (Chem.)	29	01-03-1983	53	Tata Consulting Engineers — Commercial & Development Manager
2.	Mr. K. R. Ayyar	Chief Financial Officer	2,42,341	2,42,341	M.Sc. (Maths.) Dip. in Statistics	32	14-09-1983	60	Director of Audit — Western Railway
3.	Mr. V. Balakrishna	Manager Procurement Services	50,264	36,955	B.A. (Eco.) Dip. in Business Management	24	02-04-1982	48	Engineers India Ltd. — Purchase Manager
4.	Maj. C. K. Belliappa	Executive Officer (Admn.)	41,416	33,403	B.E. (Mech.)	23	03-11-1982	47	Ministry of Defence — Govt. of India Major in the Army.
5.	Mr. R. C. Bajpai	Dy. General Manager (Commercial)	52,508	40,380	B.Tech. (Engg.) Hons.	21	01-03-1983	45	Tata Consulting Engineers — Manager Commercial
6.	Mr. V. C. Brahmabhatt	Specialist Industrial Vocational Training (Admn.)	83,088	83,088	B.A. Diploma in Public relations Labour Welfare Management	38	30-11-1983	60	Ahmedabad Electricity Co. Ltd. — Sr. Administration & Personnel Officer.
7.	Mr. K. Balasubramaniam	Senior Engineer (Instrumentation)	50,540	41,500	B.E. (Elec.)	20	02-11-1983	44	TNEB — Tuticorin Thermal Power Project — Asst. Div. Engineer
8.	Mr. S. W. Goklany	Chief Engineer (Technical Services)	77,352	54,605	B.E. (Elec.) B.E. (Mech.)	29	01-04-1982	56	Tata Consulting Engineers — Addl. Chief Engineer
9.	Mr. J. B. Godambe	Principal Engineer (Constrn.)	51,046	39,642	B.E. (Mech.)	18	02-02-1981	43	Tata Electric Cos. — Unit V Construction Engineer (Projects)
10.	Mr. S. Ghosh	Specialist Instructor Training	83,088	83,088	B.Sc. Section A & B of AMIE	13	20-11-1983	39	National Productivity Council, New Delhi — Director (Plant Engg.)
11.	Mr. R. Gangadhara Subramanian	Instrumentation Engineer	45,492	36,485	B.E. (Elec.)	14	29-04-1983	38	TNEB — Ennore Thermal Power Station — Assistant Division Engineer (Instn.)
12.	Mr. S. V. Gokhale	Specialist in Industrial Vocational Training (Tech.)	57,922	53,804	B.Sc. B.E. MMS, Dip. in Business Management	17	09-10-1983	42	Tata Engineering & Locomotive Co. Ltd. — Asst. Manager Training.

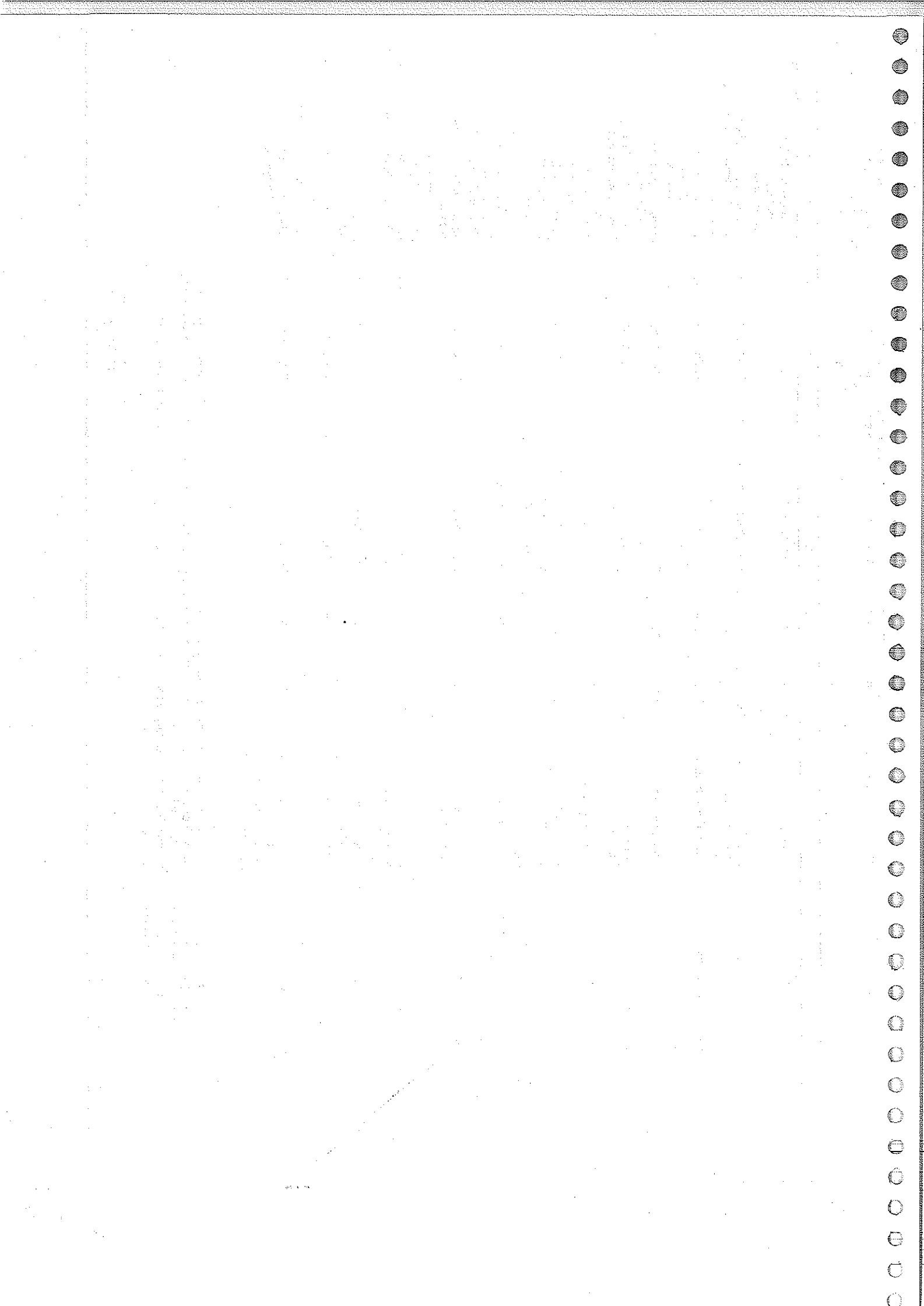
Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experienc years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
13.	Mr. Hariharan Krishnan	Dy. Manager (Procurement)	43,125	35,734	B.Sc. (Elec.)	12	24-10-1983	35	Engineers India Limited — Senior Engineer.
14.	Mr. A. R. Jagannathan	Managing Director	1,58,240	99,192	B.E. (Elec.)	36	01-03-1981	60	Tata Consulting Engineers — Director (Commercial)
15.	Mr. M. S. Jagan	Project Officer	50,614	39,803	B.Sc. B.E. (Elec.) MBA	2	01-04-1982	29	Tata Electric Co. — Engineer Trainee
16.	Mr. S. M. Jawade	Project Officer (Planning)	37,284	30,722	B.Tech. (Chem.) PCDM — IIMC	2	02-11-1982	28	Engineers India Ltd. — Assistant Engineer (Planning)
17.	Mr. K. Krishnamurthy	Senior Project Officer	40,432	33,512	B.Tech. MBA	10	10-03-1981	38	SIET Institute — Faculty Member
18.	Mr. K. D. Kanga	Instructor in Electrical Maintenance	1,10,669	1,04,658	Graduate in Electrical & Mechanical Engineering	31	21-10-1982	57	Tata Electric Cos. — Senior Superintendent (Receiving Stations.)
19.	Mr. V. S. Karpur	Mechanical Engineer	42,139	34,398	B.E.	13	03-10-1983	35	Engineers India Ltd. — Engineer
20.	Brig. N. P. Manaktala	Manager/ Inspection/ Expediting Admn.	42,984	32,089	All India Dip. in Electrical Engineering.	34	01-11-1983	56	Army — Ministry of Defence
21.	Mr. Mahesh Govind	Inspn. in Supry. Foreman Management & Work Methods	83,088	83,088	M.Sc. (Mech. Engineering)	40	22-09-1983	61	Indian Industrial Consultants — Partner.
22.	Mr. P. H. Neelakantan	Project Accountant	81,286	75,448	M.Com. DSM, DTM	40	27-09-1983	59	Tata Electric Cos. — Senior Superintendent.
23.	Mr. R. Prabhakar	Superintendent (Civil)	51,046	39,998	B.E.	19	25-10-1982	45	Engineers India Ltd. Senior Engineer
24.	Mr. P. M. Pujara	Field Inspection Engineer.	40,938	32,635	B.E.	10	23-05-1983	36	Engineers India Ltd. — Engineer.
25.	Mr. S. R. Raj	Principal Engineer (Mech.)	53,070	41,436	B.Tech. (M) M.Engg. (M)	15	16-09-1981	40	Engineers India Ltd. — Project Manager (Design)
26.	Mr. G. S. Rathur	Specialist Instructor in Workshop Practice	48,810	44,467	B.A., B.Com AMIE	28	09-10-1983	49	Tata Electric Cos. — Erector
27.	Mr. R. Rajagopal	Project Officer	38,408	30,901	B.Tech. MBA	6	02-05-1983	29	Philvastine Enterprises Nigeria — Project Consultant
28.	Mr. D. S. Rathie	Senior Assistant Engineer	37,408	30,738	B.Sc. (Elect.) Engg.)	7	05-10-1983	33	National Thermal Power Corporation — Engineer.
29.	Mr. A. P. Shenoy	Project Co-ordinator	80,560	70,360	B.Sc. (Engg.)	36	13-02-1981	62	BEST Undertaking — Dy. General Manager
30.	Mr. A. K. Sharma	Lead Planning Engineer	45,380	35,587	B.Sc. (Engg.)	11	03-11-1982	33	Engineers India Ltd. — Lead Planning Engineer

Sr. No.	Name	Designation/ Nature of duties	Gross	Net	Qualification	Experience years	Commence ment of employment with the Company	Age	Last employment before joining the Company
			Remune- ration Rs.	Remune- ration Rs.					
1	2	3	4	5	6	7	8	9	10
31.	Mr. R. Srinivasan	Principal Engineer (Chem.)	54,121	43,633	B.Tech. (Chemical)	15	01-10-1980	39	Hindustan Petroleum Corpn. Bombay — Assistant Manager
32.	Mr. S. Srikrishna	Accounts Executive	45,492	37,232	B.Com. ACA	8	04-10-1982	34	Nirlon Synthetics Fibre Ltd. — Senior Accountant
33.	Mr. Sayed Salim	Senior Assistant Engineer	38,708	32,904	B.E. M.Sc. (Engg.)	11	24-02-1983	35	Tamil Nadu Electricity Board — Asstt. Engineer
34.	Mr. V. N. Subramanian	Manager Estimation & Contracts	62,974	40,420	B.Sc. (Engg.) Mechanical	20	09-05-1983	44	Gamman India Ltd. — Asstt. Engineer/ Senior Div. Engineer
35.	Mr. Suresh G. Oommen	Accounts Executive	39,308	32,479	B.Tech MBA	10	27-06-1983	34	K.S.B. Pumps Ltd. — Cost Dept.
36.	Mr. G. R. Sarangan	Chief Executive Officer & General Manager	2,49,264	2,49,264	B B.E. (Elec.)	33	24-09-1983	57	Chief Engineer (Hydro) MSEB
37.	Mr. H. L. Sharma	Project Manager	2,35,416	2,35,416	B.Sc. (Civil) Engineer	37	26-09-1983	57	Govt. of Punjab Dept. of Irrigation & Power — Chief Engineer & Head of Department.
38.	Mr. K. A. Seetharaman	Instructor Thermal Power Stn.	83,088	83,088	Elec. Engg. Practice	35	20-11-1983	58	Tamil Nadu Electricity Board — Chief Engineer
39.	Mr. A. J. Vyas	Welding Engineer	41,238	35,052	B.E. (Mech.)	9	01-12-1982	32	Engineers India Ltd. — Inspection Engineer
b) Particulars of employees employed for part of the year who were in receipt of remuneration at the rate of not less than Rs. 3,000/- per month in terms of Section 217 (2A) (ii).									
1.	Mr. H. N. Anand	Manager Construction & Field Services	45,122	27,928	M.E.	22	16-08-1982	49	Engineers India Ltd. — Dy. Chief Engineer
2.	Mr. S. G. Bhatt	Specialist/ Instructor in Electrical Maintenance	13,370	13,370	B.E. (Elect.) P.G. Dip. in Indl. Mgnt.	29	07-11-1984	51	Industrial Consultants — (Self Employed)
3.	Mr. G. J. Bhingare	Specialist/ Instructor (Mechanical Maintenance of Electric Power Equipment)	12,380	12,380	B.Sc. (Elect. Engg.) M.Sc. (Physc.) LLB	28	11-11-1984	60	Maharashtra State Electricity Board — Technical Director/ Member (Elec./Mech.)
4.	Mr. R. M. Daruwalla	Specialist Instructor Mech. Maint.	56,594	55,626	Comb. Chief (MOT) MI Mar Eng. (LOND)	37	15-09-1983	60	Tata Electric Cos. — Assistant Superintendent

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
5.	Mr. P. George	Sr. Project Officer	16,143	12,641	B.Sc. (Engg.)	10	21-10-1982	35	Engineers India Ltd. — Senior Engineer (Co-ordination)
6.	Mr. S. P. Gupta	Electrical Maintenance Engineer	43,157	39,960	B.Sc. (Elec. Engg.)	23	19-02-1984	57	Tata Iron and Steel Co. Ltd. — Assistant Superintendent (Power)
7.	Mr. N. P. Hiriyaniyah	Senior Consultant	22,750	18,750	B.E. (Elec.) (Mech.)	31	11-06-1984	59	Damodar Valley Corporation — Chief Engineer
8.	Mr. A. K. Jain	Civil Engineer	19,449	17,264	B.E.	9	01-06-1983	32	Engineers India Ltd. — Civil Engineer
9.	Mr. S. M. Khole	Instrumentation Engineer	23,474	19,924	B.Sc. (Hons.) B.E. (Instn.)	16	21-06-1984	42	Deccan Fibre Glass Ltd. Senior Instrumentation Engineer
10.	Mr. S. K. Ketkar	Mech. Engineer	1,05,563	81,282	B.E. (Mech.)	11	9-5-1984	33	UDHE India Ltd. — Mech. Engineer
11.	Mr. M. V. Mantri	Specialist in Operations and Training Documentation	39,227	36,084	Dip. in Electronics and Radio Engg. M.Sc. (Physc.)	15	03-05-1984	43	Tata Electric Cos. — Senior Assistant Engineer.
12.	Mr. G. Pullareddy	Project Engineer	15,074	12,323	M.Tech. (Chem.)	9	16-08-1984	41	Reliance Cellulose Products Ltd. — Plant in-charge.
13.	Mr. C. Rangaswamy	Dy. Manager (Commercial)	32,870	27,084	B.Sc. DMIT	12	11-04-1984	39	Instrumentation Limited Kota — Senior Engineer (Marketing)
14.	Mr. M. R. Sen	Construction Superintendent (Boiler)	35,410	24,387	B.E. (Elec.)	32	02-08-1983	63	Tata Electric Cos. — Officer on Special Duty
15.	Mr. R. Srinivasan	Principal Engineer (Chemical)	42,959	33,919	M.E. (Chem.)	18	16-04-1984	44	Hindustan Antibiotics Ltd. — Deputy Manager
16.	Mr. C. G. Thangasamy	Senior Engineer	10,210	8,809	B.E. (Mech.)	14	04-10-1984	41	Franco Tosi Legnano, Italy, Jeddah — Commissioning Engineer
17.	Mr. A. G. Tendulkar	Specialist/Instructor In Relay, Protection Communication and Metering Equipments Maintenance	29,920	27,262	D.E.E. A.M.E.E.	15	10-05-1984	43	Tata Electric Cos. — Resident Engineer

NOTES:

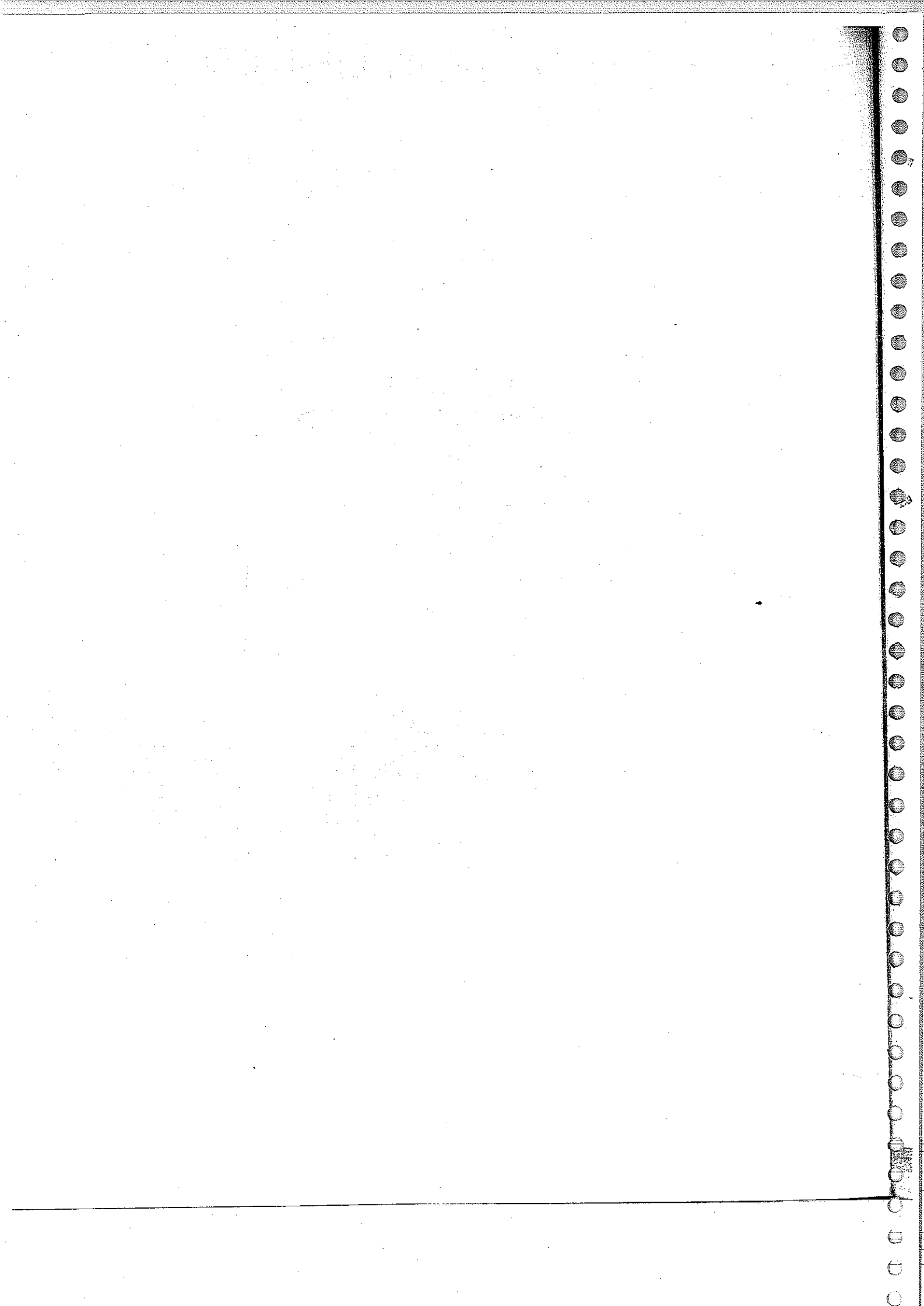
1. "Reuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. "Net Remuneration" is arrived at by deducting from the gross remuneration income-tax, and Company's contribution to Provident Fund.
3. The nature of employment is contractual.
4. None of the employees named above is a relative of any Director of the Company, except Brig. N. P. Manaktala who is the brother of Mr. S. P. Manaktala Director of the Company.



TATA PROJECTS LIMITED

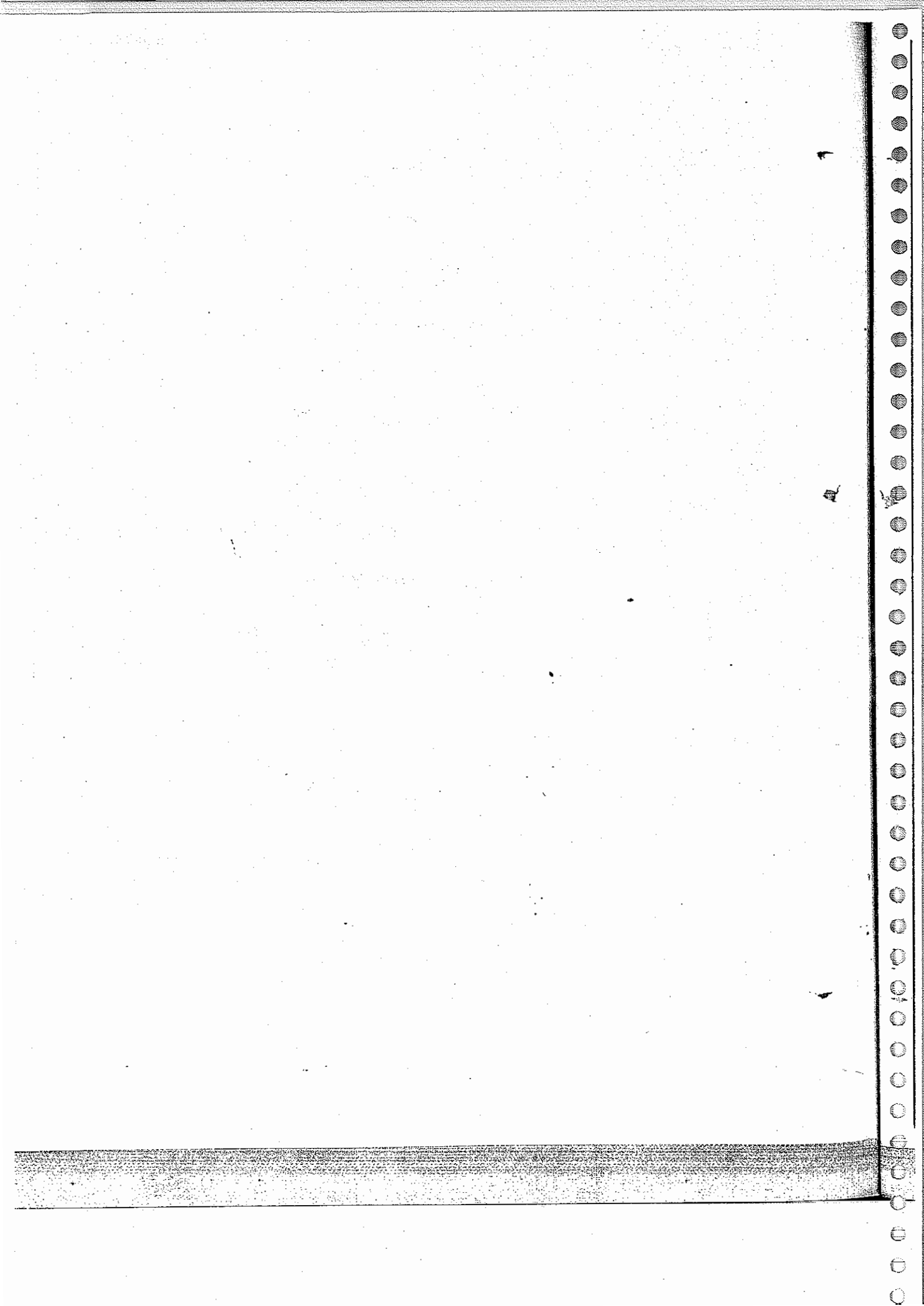
SEVENTH
ANNUAL REPORT
1985





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BOARD OF DIRECTORS

Chairman

K.M. Chinnappa

Managing Director

A.R. Jagannathan

Directors

A.H. Tobaccowala

A.B. Kerkar

F.K. Kavarana

S.P. Manaktala

S.R. Subbaraman

F.S. Tarapore

B.V. Chitnis

S. Gupta

Secretary & Financial Controller

K.V. Sahasranam

Senior Executives

N.A. De. X. Alphonso

(General Manager, Chemical Projects)

S.W. Goklany

(General Manager, Power Projects)

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street,
Fort, Bombay 400 023.

BANKERS

Grindlays Bank p.l.c.

Citibank N.A.

State Bank of India

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi & Company

Chartered Accountants

DIRECTORS' REPORT

TO THE MEMBERS

The Directors have pleasure in presenting the Seventh Annual Report on the business and operations of the Company, and the Audited accounts for the year ended 31st December, 1985.

FINANCIAL RESULTS

	1985	1984
	(Rs. in lacs)	
Income	581.56	519.59
Expenses	532.68	473.07
Surplus before tax	48.88	46.52
Provision for taxation	12.00	11.00
Net surplus	36.88	35.52

OPERATIONS

Backlog of work at the beginning of the year	378.71	575.34
New jobs secured	400.00	300.00
Total	778.71	875.34
Backlog at close of year excluding technical services contract	211.73	378.71

The turnover has increased by 11.92% as compared to 1984. The earnings on the foreign assignment was Rs. 316.31 lacs as against Rs. 332.74 lacs in the previous year. The surplus has been only marginally high as compared to last year, mainly due to reduced margins on some of the Indian assignments.

During the year the Gas Turbine Project at Uran for the Kraftwerk Union was completed. The progress of work on the other major assignments like Manuguru, Godavari Fertilizers, Mangalore Fertilizers etc. was satisfactory and generally as per schedule.

BUSINESS PROSPECTS

During the year new contracts of value over Rs. 400 lacs were secured as against Rs. 300 lacs in the previous year. The major assignments were—Erection of one unit of 40 MW Hydro Turbine at Panchet for the Damodar Valley Corporation, erection of 2 x 500 MW Turbine Generator and auxiliaries at Rihand Thermal Power Station for National Thermal Power Corporation and erection of D G sets for the Mangalore Fertilizers. At the close of the year proposals submitted of value over Rs. 1500 lacs were under consideration/discussion with the clients and some of these are likely to materialise in the current year.

DIVIDEND

Your Directors recommend dividend of 20% subject to deduction of tax for the year 1985. The dividend, if approved, will absorb Rs. 4.80 lacs and will be paid to those members whose names appear in the Register of Members of the Company on the date of the next Annual General Meeting.

TATA KLOCKNER

Tata Klockner has made a small profit of Rs. 3.05 lacs in its operation in 1985. This has been set off against previous years' losses. The carry forward loss at the end of the year is Rs. 3.12 lacs.

Tata Klockner has offered to the Company an additional 4750 equity shares of Rs. 100/- each. Your Directors have approved subscribing to this, and the Government of India's approval for making this investment by the Company has also been obtained.

DIRECTORS

M/s A H Tobaccowala, S P Manaktala and S R Subbaraman retire by rotation and being eligible, offer themselves for re-appointment.

Mr Syamal Gupta, who was appointed as an additional Director on 6th June, 1986, under the Articles of Association holds such office till the date of the forthcoming Annual General Meeting. Mr Syamal Gupta is eligible for appointment and the Company has received a notice from a member in writing proposing his candidature for the office.

AUDITORS

Messrs. G N Joshi & Company, Chartered Accountants, the Company's Auditors retire at the ensuing Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217(2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

Your Directors record their appreciation of the good performance of the Executives and staff at all levels and look forward to their continued co-operation and good work.

On behalf of the Board of Directors
K. M. CHINNAPPA
CHAIRMAN

Bombay, 6th June, 1986.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1985 and also the annexed Profit and Loss Account for the year ended on that date incorporated into which are accounts of two sites of the Company in Malaysia and Uran which are audited by another firm of Chartered Accountants and report that—

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in paragraph 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above—
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of account;
 - (d) The remuneration paid during the year to the Managing Director amounting to Rs. 1,66,127 (Previous year Rs. 1,50,240/-) includes estimated money value of benefits Rs. 10,597 (Previous year Rs. 7,700/-). The remuneration is subject to approval of the Central Government;
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to Note No. 4 regarding non-provision of gratuity liability, read together with the other notes contained in the schedule of notes attached and subject to para 2(d) above gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view;
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 1985 and
 - (ii) In the case of the Profit and Loss Account of the profit for the year ended on that date.

For G. N. JOSHI & Co.,
Chartered Accountants

S.B. PANDIT
Partner

Bombay, 6th June, 1986

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the year.
3. As explained to us, physical verification has been conducted in respect of stores during the year and no serious discrepancies were noticed as compared to book records. The Company has adopted the practice of charging off the stores in the year of purchase.
4. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370(1-C) of the Companies Act, 1956. As far as we have been informed there are no other Companies under the same management.
5. The Company has not given any loans or advances in the nature of loans during the year.
6. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
7. As far as we have been able to ascertain no stores exceeding Rs. 10,000/- in value for each type thereof were purchased during the year from subsidiaries, firms or companies or other parties in which the Directors are interested.
8. As explained to us the Company does not have any unserviceable or damaged stores.
9. The Company has not accepted deposits from the public.
10. As explained to us the Company does not have any scrap and there is no by-product.
11. As the Company's paid up Capital did not exceed Rs. 25 lacs we have not offered any comments upon internal audit requirement.
12. We are informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1) of the Companies Act, 1956, for this Company.
13. As per records of the Company the provident fund dues have generally been regularly deposited during the year with the appropriate authorities.
14. In respect of the Company's service activities we have to report as follows:
 - (a) The nature of the services provided by the Company does not involve consumption of materials. Allocation of man hours consumed is made to the relative jobs.
 - (b) The nature of services provided by the Company does not involve issue or allocation of stores to relative jobs. There is a reasonable system of authorisation at proper levels with necessary control on allocation of labour to jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G.N. JOSHI & CO.,
Chartered Accountants

S.B. PANDIT
Partner

Bombay, 6th June, 1986

BALANCE SHEET AS AT 31ST DECEMBER, 1985

	Schedule	1985		1984	
		Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS:					
SHAREHOLDERS FUND:					
Capital	1		24,00,000	24,00,000	7 ^a
Reserves & Surplus	2		83,98,260	49,49,771	
Loan Funds	3				
Secured			—	8,34,865	
Unsecured			—	—	
TOTAL			107,98,260	81,84,636	
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS	4				
Gross Block		46,65,789		45,75,796	
Less: Depreciation		21,41,124		17,30,718	
NET BLOCK INVESTMENTS			25,24,665	28,45,078	
b) CURRENT ASSETS, LOANS AND ADVANCES:	5		7,49,500	7,49,300	
Sundry Debtors	6	372,02,071		296,17,935	
Cash and bank balances	7	148,02,302		232,10,576	
Other current assets	8	14,33,466		14,91,641	
Loans and advances	9	149,99,738		94,16,989	
			684,37,577	637,37,141	
LESS: CURRENT LIABILITIES AND PROVISIONS	10				
Liabilities		576,33,482		568,26,883	
Provisions		32,80,000		23,20,000	
			609,13,482	591,46,883	
NET CURRENT ASSETS			75,24,095	45,90,258	
TOTAL			107,98,260	81,84,636	
Notes on Accounts	14				

For and on behalf of the Board

As per attached report of even date
For G. N. JOSHI & CO.,
Chartered Accountants

K. M. CHINNAPPA

CHAIRMAN

A. R. JAGANNATHAN

MANAGING DIRECTOR

S. B. PANDIT
PartnerS. P. MANAKTALA
S. R. SUBBARAMAN
B. V. CHITNIS

} DIRECTORS

K. V. SAHASRANAM
Secretary & Financial Controller

Bombay, 6th June, 1986

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1985

	Schedule	Rupees	1985 Rupees	1984 Rupees
I. INCOME				
From Services			566,98,134	496,62,798
Others	11		14,58,200	22,96,407
			<u>581,56,334</u>	<u>519,59,205</u>
II. EXPENDITURE				
Engineering Services			193,13,238	274,14,624
Establishment and other expenses	12		333,01,342	192,19,765
Depreciation			6,53,265	6,72,505
			<u>532,67,845</u>	<u>473,06,894</u>
Profit before taxes and statutory appropriations			48,88,489	46,52,311
Provision for taxation			12,00,000	11,00,000
Profit after tax			36,88,489	35,52,311
Tax provision of previous years no longer required			2,40,000	—
			<u>39,28,489</u>	<u>35,52,311</u>
Transfer to foreign projects reserve			12,590	3,00,455
			<u>39,15,899</u>	<u>32,51,856</u>
Balance brought forward from last year			34,00,000	12,27,460
			<u>73,15,899</u>	<u>44,79,316</u>
Apropriations:				
Proposed dividend		4,80,000		4,80,000
Transfer to General Reserve		51,35,899		5,99,316
			<u>56,15,899</u>	<u>10,79,316</u>
Balance carried to Balance Sheet			<u>17,00,000</u>	<u>34,00,000</u>

Notes on accounts

14

As per attached report of even date
For G. N. JOSHI & CO.,
Chartered Accountants

S. B. PANDIT
Partner

K. V. SAHASRANAM
Secretary & Financial Controller

For and on behalf of the Board
K. M. CHINNAPPA CHAIRMAN

A. R. JAGANNATHAN MANAGING DIRECTOR

S. P. MANAKTALA
S. R. SUBBARAMAN } DIRECTORS
B. V. CHITNIS }

Bombay, 6th June, 1986

**SCHEDULES 1 TO 14 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

	Rupees	1985 Rupees	1984 Rupees
SCHEDULE—1			
SHARE CAPITAL:			
Authorised— 50,000 Equity shares of Rs. 100/- each		<u>50,00,000</u>	50,00,000
Issued and Subscribed— 30,000 equity shares of Rs. 100/- each Rs. 80/- called up		<u>30,00,000</u>	30,00,000
Paid up— 30,000 Equity shares of Rs. 100/- each Rs. 80/- paid up Less: Calls-in arrears		<u>24,00,000</u> —	24,00,000 50,000
		<u>24,00,000</u>	<u>23,50,000</u>
SCHEDULE—2			
RESERVES AND SURPLUS			
Foreign Projects Reserves (as per Sec.80-HHB of I.T. Act) Balance as per last Balance Sheet Amount set aside during the year		<u>3,00,455</u> 12,590	3,00,455 —
		3,13,045	3,00,455
General Reserve— Balance as per last Balance Sheet Add: Amount set aside during the year		<u>12,49,316</u> 51,35,899	6,50,000 5,99,316
		63,85,215	12,49,316
		<u>66,98,260</u>	15,49,771
Surplus— Balance in Profit & Loss Account		<u>17,00,000</u>	34,00,000
		<u>83,98,260</u>	<u>49,49,771</u>
SCHEDULE—3			
LOAN FUNDS:			
Secured Bank overdraft (Secured by Hypothecation of book debts)		—	8,34,865
Unsecured: Bank overdraft		—	—
		—	8,34,865

SCHEDULE—4

FIXED ASSETS

Description of Assets	COST			DEPRECIATION				NET BLOCK		
	As at 31-12-84	Additions	Deductions	As at 31-12-85	Upto 31-12-84	For 1985	On Deduction	Upto 31-12-85	As at 31-12-85	As at 31-12-84
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture, Fixtures and fittings	5,84,215	5,20,799	—	11,05,014	1,91,190	2,73,282	—	4,64,472	6,40,542	3,93,025
Office equipment	17,59,449	1,56,994	3,94,034	15,22,409	8,03,112	1,28,563	(1,52,048)	7,79,627	7,42,782	9,56,337
Vehicles	16,47,635	2,47,997	3,66,034	15,29,598	5,60,378	2,12,243	(90,811)	6,81,810	8,47,788	10,87,257
Air Conditioning equipment	57,585	—	—	57,585	23,348	5,136	—	28,484	29,101	34,237
Survey and drawing instruments	19,947	—	—	19,947	4,058	2,383	—	6,441	13,506	15,889
Erection Machinery/ equipment	3,59,688	—	—	3,59,688	1,48,632	31,658	—	1,80,290	1,79,398	2,11,056
Total	44,28,519	9,25,790	7,60,068	45,94,241	17,30,718	6,53,265	(2,42,859)	21,41,124	24,53,117	26,97,801
Advance against Capital orders									71,548	1,47,277
									<u>25,24,665</u>	<u>28,45,078</u>
Previous year	30,28,185	14,42,134	41,800	44,28,519	10,58,213	6,72,505	—	17,30,718	26,97,801	—

	1985 Rupees	1984 Rupees
SCHEDULE—5		
INVESTMENTS:		
Unquoted		
Equity shares of Tata Klockner Industrial Plants Limited: at cost (7495 Equity shares of Rs. 100/- each fully paid)	<u>7,49,500</u>	<u>7,49,300</u>
SCHEDULE—6		
SUNDRY DEBTORS		
(Unsecured and considered good)		
Outstanding for more than 6 months	176,64,207	41,94,300
Others	<u>213,66,164</u>	<u>254,23,635</u>
	390,30,371	296,17,935
Less: Provision for doubtful debts	<u>18,28,300</u>	<u>—</u>
	<u>372,02,071</u>	<u>296,17,935</u>
SCHEDULE—7		
CASH AND BANK BALANCES:		
Cash on hand	22,149	11,632
Balance with scheduled banks on Current Account	58,04,992	97,15,208
With Scheduled bank on term deposits	10,00,000	13,00,000
With other banks on Current Account:		
Citibank N A, Singapore	4,68,549	12,91,128
(Maximum balance during the year Rs. 15,45,700—1984 Rs. 15,73,884)		
Citibank N A, Kuala Lumpur	4,83,747	5,91,763
(Maximum balance during the year Rs. 4,83,747—1984 Rs. 11,24,742)		
Grindlays Bank p.l.c., Zurich	70,07,017	57,17,808
(Maximum balance during the year Rs. 140,21,123—1984 Rs. 63,20,197)		
Bank Tejarat, Iran	15,848	2,87,527
(Maximum balance during the year Rs. 3,33,342—1984 Rs. 10,69,613)		
Standard Bank, Sierra Leone	—	5,81,510
(Maximum balance during the year Rs. Nil—1984 Rs. 5,81,510)		
With other bank		
Grindlays Bank p.l.c., Zurich	—	37,14,000
	<u>1,48,02,302</u>	<u>2,32,10,576</u>

	1985 Rupees	1984 Rupees
SCHEDULE—8		
OTHER CURRENT ASSETS:		
Work done not billed (at contract value including Profit/Losses thereon)	<u>14,33,466</u>	<u>14,91,641</u>
SCHEDULE—9		
LOANS AND ADVANCES:		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind or for value to be received	<u>121,52,890</u>	<u>77,00,345</u>
Advance payment of tax	<u>28,46,848</u>	<u>17,16,644</u>
	<u>149,99,738</u>	<u>94,16,989</u>
SCHEDULE—10		
CURRENT LIABILITIES AND PROVISIONS:		
Liabilities:		
Advance from Customers	15,91,141	10,04,867
Sundry Creditors for expenses	339,98,673	276,84,813
Others	26,25,346	100,32,658
Advance billings	<u>194,18,322</u>	<u>181,04,545</u>
	576,33,482	568,26,883
Provisions:		
Provision for taxation	28,00,000	18,40,000
Proposed dividend	<u>4,80,000</u>	<u>4,80,000</u>
	<u>609,13,482</u>	<u>591,46,883</u>
SCHEDULE—11		
INCOME:		
Others		
Difference in exchange (Net)	6,47,832	18,38,045
Interest on term deposit	5,40,208	3,67,591
Miscellaneous income	9,126	86,071
Profit on sale of fixed assets	<u>2,61,034</u>	<u>4,700</u>
	<u>14,58,200</u>	<u>22,96,407</u>

SCHEDULE—12

ESTABLISHMENT AND OTHER EXPENSES:

	1985 Rupees	1984 Rupees
Staff Salaries	104,00,385	67,83,578
Director's sitting fees	4,250	5,750
Travelling expenses	29,03,890	19,61,583
Printing & Stationery	4,18,447	3,99,816
Telex charges	1,60,849	95,599
Interest charges	41,915	1,336
Rent	6,19,990	9,54,822
Books, Periodicals & Subscription	97,292	60,108
Advertisement expenses	87,730	30,293
Bank Guarantee and Commission charges	1,74,643	1,49,549
Professional and Legal charges	1,92,651	6,72,048
Commission	13,42,857	18,64,803
Motor Vehicle Expenses	10,96,290	14,76,259
Postage, Telephone, Telegram	7,52,596	5,36,153
Filing fees	240	—
Auditors Remuneration:	22,780	8,260
For Audit fee	7,500	
For tax audit (including Rs. 5000/- for 1984)	10,000	
For other work	4,500	
Out-of-pocket expenses	780	
Entertainment expenses	2,21,929	1,66,986
Repairs and Maintenance	6,21,015	5,10,637
Electricity and water charges	1,71,457	79,291
Freight charges	3,48,742	1,03,685
General expenses	3,78,465	4,86,133
Overseas Living Expenses	22,66,293	8,47,340
Staff Recruitment Expenses	92,208	33,192
Rates and taxes	22,029	21,157
Staff Welfare expenses	14,77,509	7,30,423
Tax paid/payable overseas	25,06,910	12,40,964
Erection expenses	50,32,987	—
Donation	16,693	—
Provision for doubtful debts	18,28,300	—
	<u>333,01,342</u>	<u>192,19,765</u>

SCHEDULE—13

COMPUTATION OF MANAGING DIRECTOR'S COMMISSION

Profit before taxation as per Profit and Loss Account	49,30,239	46,92,809
Add: Depreciation	6,53,265	6,72,505
Directors' Sitting fees	4,250	5,750
Managing Director's remuneration including value of perquisite	1,24,377	1,17,920
	<u>57,12,131</u>	<u>54,88,984</u>
Less: Depreciation as per Section 350 of the Companies Act, 1956	5,65,335	5,48,966
Net Profit for the year under Section 198(i) of the Companies Act, 1956	51,46,796	49,40,018
1% thereof	51,468	49,400
Commission payable to the Managing Director Limited to 1% of the net profit or 50% of the annual salary.	<u>41,750</u>	<u>40,500</u>

SCHEDULE—14

NOTES ON ACCOUNTS

1. Information pursuant to Part II of Schedule VI of Companies Act, 1956

	1985 Rupees	1984 Rupees
a) Gross income from Engineering Services	566,98,134	496,62,798
b) Break-up of expenditure incurred on employees drawing Rs. 36,000/- or more per annum if employed throughout the year or Rs. 3000/- or more per month, if employed for part of the year.		
	Employed throughout the year Rs.	Employed part of the year Rs.
i) Salaries and other benefits	26,85,272 (28,15,311)	17,09,023 (5,63,672)
ii) Contribution to Provident Fund and Family Pension Scheme	1,67,432 (96,484)	32,155 (47,356)
iii) No. of Employees	43 (39)	34 (17)
c) Expenditure in foreign currency		
Salaries and staff dues	47,15,887	40,45,580
Others	60,74,079	50,31,991
d) Earnings in foreign exchange for services rendered	316,31,542	332,73,865
2. The remuneration paid during the year to the Managing Director amounting to Rs. 1,66,127 (Previous year Rs. 1,58,240/-) includes estimated money value of benefits Rs. 10,597 (Previous year Rs. 7,700/-). The remuneration is subject to approval of the Central Government.		
3. Estimated amount of contract remaining to be executed on Capital account and not provided for Rs. 4,57,850 (Previous year Rs. 4,24,280/-).		
4. No Provision for gratuity is made as the Management is of the opinion the same will be accounted for on cash basis.		
5. Previous year's figures have been regrouped wherever necessary so as to make them comparable with current year's figures.		

Schedules 1 to 13

As per attached report of even date
For G. N. JOSHI & CO.,
Chartered Accountants

S. B. PANDIT
Partner

K. V. SAHASRANAM
Secretary & Financial Controller

For and on behalf of the Board

K. M. CHINNAPPA CHAIRMAN

A. R. JAGANNATHAN MANAGING DIRECTOR

S. P. MANAKTALA
S. R. SUBBARAMAN } DIRECTORS
B. V. CHITNIS

Bombay, 6th June, 1986

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(2A) READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER, 1985.

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(a) Particulars of employees employed throughout the financial year and who are in receipt of remuneration of not less than Rs. 36,000/- in terms of Section 217 (2A) (i)									
1.	Mr. N. A. De.X Alphonso	General Manager (Commercial)	84,776	60,549	B.Sc. (Chem.) B.E. (Chem.)	30	01.03.1983	54	Tata Consulting Engineers—Commercial & Development Manager
2.	Mr. V. Balakrishna	Manager Procurement Services	52,134	39,167	B.A. (Eco.) Dip. in Business Management	25	02.04.1982	49	Engineers India Ltd—Purchase Manager
3.	Mr. S. G. Bhatt	Specialist/Instructor in Electrical Maintenance	87,624	87,624	B.E. (Elect.) P.G. Dip. in Indl. Mgnt.	30	07.11.1984	52	Industrial Consultants— (Self Employed)
4.	Mr. R. C. Bajpai	Dy. General Manager (Commercial)	54,752	40,296	B.Tech. (Engg.) Hons.	22	01.03.1983	46	Tata Consulting Engineers— Manager Commercial
5.	Mr. K. Balasubramagiam	Senior Engineer (Instrumentation)	56,070	48,048	B.E. (Elec.)	21	02.11.1983	45	TNEB-Tuticorin Thermal Power Project—Asst. Div. Engineer.
6.	Mr. S. Dattatreya	Senior Engineer (Mechanical)	97,279	95,071	AMIE (Mech) B.O.C.	16	09.11.1983	40	Petromin Refinery, Riyadh
7.	Mr. S.W. Goklany	Chief Engineer (Technical Services)	81,064	59,873	B.E. (Elec.) B.E. (Mech.)	30	01.04.1982	57	Tata Consulting Engineers—Addl. Chief Engineer
8.	Mr. J.B. Godambe	Principal Engineer (Constn.)	54,588	41,539	B.E. (Mech.)	19	02.02.1981	44	Tata Electric Cos.— Unit V Construction Engineer (Proj.)
9.	Mr. R. Gangadhara Subramanian	Instrumentation Engineer	50,743	44,973	B.E. (Elec.)	15	29.04.1983	39	TNEB-Ennore Thermal Power Station— Assistant Division Engr. (Instn.)
10.	Mr. S. P. Gupta	Electrical Maintenance Engineer	49,896	46,200	B.Sc. (Elec. Engg.)	24	19.02.1984	58	Tata Iron and Steel Co. Assistant Superintendent (Power)
11.	Mr. N. D. Gadgil	Electrical Testing Engineer	77,806	73,305	AMIE (Section A & B)	32½	14.06.1984	57	Gujarat Electricity Board
12.	Mr. N. K. Gupta	Project Manager	1,19,490	1,14,366	B.Sc. B.E.	17	01.01.1985	42	Tata Electric Companies

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
13.	Mr. A. K. Goyale	Senior Engineer (Mech.)	94,289	92,021	B.Sc. (Hons.) Marine Engg.	10 yrs 3 months	19.09.1983	36	A.L. Navigation Limited Athens, Greece.
14.	Mr. Hariharan Krishnan	Dy. Manager (Procurement)	46,932	43,653	B.Sc. (Elec.)	13	24.10.1983	36	Engineers India Ltd.— Senior Engineer
15.	Mr. A. R. Jagannathan	Managing Director	1,66,127	1,18,471	B.E. (Elec.)	37	01.03.1981	61	Tata Consulting Engineers Director (Commercial)
16.	Mr. S. M. Jawade	Project Officer (Planning)	40,315	36,636	B.Tech. (Chem.) PGDM—IIMC	3	02.11.1982	29	Engineers India Ltd.— Assistant Engineer (Planning)
17.	Mr. Jitendra Doshi	Senior Assistant Engineer	37,198	35,155	B.E. (M)	5½ yrs.	08.05.1984	29	Hindustan Petroleum Corpn.
18.	Mr. V. S. Karpur	Senior Construction Engineer	46,932	41,855	B.E.	14	03.10.1983	36	Engineers India Ltd.— Engineer
19.	Mr. S. M. Khole	Instrumentation Engineer	60,499	58,039	B.Sc. (Hons.) B.E. (Instn.)	17	21.06.1984	43	Deccan Fibre Glass Ltd. Senior Instrumentation Engr.
20.	Mr. S. K. Ketkar	Mechanical Engineer	2,17,853	1,66,725	B.E. (Mech.)	12	09.05.1984	34	UDHE India Ltd.— Mech. Engineer
21.	Mr. D. G. Lad	Driver	37,177	32,163	VII Std.	12	01.03.1983	47	Tata Consulting Engineers
22.	Brig. N. P. Manaktala	Manager/ Inspection/ Expediting Admn. Engineer	45,228	34,025	All India Dip in Electrical Engineering	35	01.11.1983	57	Army—Ministry of Defence
23.	Mr. E. K. R. Nambiar	Superintendent (Civil)	37,027	34,705	DME	14	02.01.1981	37	IAEC Limited
24.	Mr. R. Prabhakar	Field Inspection Engineer	53,576	42,130	B.E.	20	25.10.1982	46	Engineers India Ltd.— Senior Engineer
25.	Mr. P. M. Pujara	Project Engineer	44,844	40,553	B.E.	11	23.05.1983	37	Engineers India Ltd.— Engineer
26.	Mr. G. Pullareddy	Principal Engineer (Mechanical)	41,712	38,050	M.Tech. (Chem.)	10	16.08.1984	42	Reliance Cellulose Products Ltd.— Plant in-charge
27.	Mr. S. R. Raj	Dy. Manager (Commercial)	55,690	43,939	B.Tech. (M) M.Engg. (M)	16	16.09.1981	41	Engineers India Ltd.— Project Manager (Design)
28.	Mr. C. Rangaswami	Project Officer	45,888	40,699	B.Sc. DMIT	13	11.04.1984	40	Instrumentation Limited Kota—Senior Engineer (Marketing)
29.	Mr. R. Rajagopal	Meter-cum-Service Engineer	42,235	39,268	B.Tech. MBA	7	02.05.1983	30	Philvastine Enterprises Nigeria—Project Consultant
30.	Mr. M. B. Rao	Engineer	95,383	91,159	B.E.	17	01.01.1985	42	Tata Electric Companies

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
31.	Mr. T. S. Raman	Protection Specialist	1,29,108	1,24,152	B.Sc. B.E.(E)	20	01.01.1985	47	Tata Electric Companies
32.	Mr. A. P. Shenoy	Project Co-Ordinator	87,971	77,471	B.Sc. (Engg.)	37	13.02.1981	63	BEST Undertaking— Dy. General Manager
33.	Mr. A. K. Sharma	Lead Planning Engineer	49,020	44,627	B.Sc. (Engg.)	12	03.11.1982	34	Engineers India Ltd.— Lead Planning Engineer
34.	Mr. S. Srikrishna	Accounts Executive	50,052	45,908	B.Com. ACA	9	04.10.1982	35	Nirlon Synthetics Fibre Ltd.—Senior Accountant
35.	Mr. V. N. Subramanian	Manager Estimation & Contracts	65,288	52,807	B.Sc. (Engg.) Mechanical	21	09.05.1983	45	Gammon India Ltd.— Senior Div. Engineer
36.	Mr. Sayed Salim	Senior Engineer (Instn.)	42,912	39,900	B.E.M.Sc. (Engg.)	12	24.02.1983	36	Tamil Nadu Electricity Board— Asst. Engineer
37.	Mr. Suresh G. Oommen	Executive (Estimation & Cost Control)	43,800	39,559	B.Tech. MBA	11	27.06.1983	35	KSB Pumps Ltd.— Cost Dept.
38.	Mr. R. Srinivasan	Principal Engineer (Chemical)	62,974	46,866	M.E. (Chem.)	19	16.04.1984	45	Hindustan Antibiotics Ltd.—Deputy Manager
39.	Mr. K. A. Seetharaman	Instructor Thermal Power Station	87,786	87,786	Elec. Engg. Practice	36	20.11.1983	59	Tamil Nadu Electricity Board— Chief Engineer
40.	Mr. M. Sardana	Construction Engineer	40,147	37,219	DME AMIE (Section 'A')	18	11.12.1981	47	Electrico, (Partnership Firm)
41.	Mr. N. Subramanian	Stores & Transport Officer	37,536	35,040	B.Com.	19	08.07.1982	45	Engineers India Ltd.
42.	Mr. A. J. Vyas	Welding Engineer	44,323	40,319	B.E. (Mech.)	10	01.12.1982	33	Engineers India Ltd.— Inspection Engineer
43.	Mr. P. V. Verghese	Engineer	36,660	32,851	B.Sc. B.Sc. (Hons) Engg. AMII-Chem. Engg.	7 yrs & 8 months	03.10.1983	36	Gammon (India) Limited
b) Particulars of employees employed for part of the year who were in receipt of remuneration at the rate of not less than Rs. 3,000/- per month in terms of Section 217(2A)(ii),									
1.	Mr. K. R. Ayyar	Chief Financial Officer	2,07,704	2,07,704	M.Sc. (Maths.) Dip. in Statistics	33	14.09.1983	61	Director of Audit— Western Railway
2.	Maj. C. K. Belliappa	Executive Officer (Admn.)	17,894	16,891	B.E. (Mech.)	24	03.11.1982	48	Ministry of Defence— Govt. of India
3.	Mr. V. C. Brahmabhatt	Specialist Industrial Vocational Training (Admn.)	76,151	76,151	B.A. Diploma in Public relations Labour Welfare	39	30.11.1983	61	Major in the Army Ahmedabad Electricity Co. Ltd.— Sr. Administration & Personnel Officer
4.	Mr. G. J. Bhingate	Specialist Instructor (Mechanical Maintenance of Electric Power Equipment)	76,594	76,594	B.Sc. (Elect. Engg.) M.Sc. (Physc.) LLB	29	11.11.1984	61	Maharashtra State Electricity Board— Technical Director/ Member (Elec/Mech.)

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
5.	Mr. K. R. Banerjee	Chief Project Manager (Instn.)	43,845	32,197	B.Sc. (Physcs.) D.I.I.Sc.	26	15.04.1985	52	Instrumentation Limited
6.	M. D. Chandrasekharan	Diesel Power Plant Shift Engineer	14,377	14,377	B.E. (M) M.O.T.	13	21.10.1985	39	Ratnakar Shipping Company Ltd.
7.	Mr. R. V. Duraisami	Project Manager	30,112	24,762	B.E. (Hons.) (Elect.)	34	24.04.1985	59	Tamil Nadu Electricity Board
8.	Mr. Deepak W. Advani	Diesel Power Plant Shift Engineer	20,834	20,360	B.E. (E) B.S. M.O.T.	8	05.07.1985	38	Mangalore Yard
9.	Mr. S. Ghosh	Specialist Instructor Training	87,017	87,017	B.Sc. Section A & B of AMIE	14	20.11.1983	40	National Productivity Council, New Delhi— Director (Plant Engg.)
10.	Mr. S. V. Gokhale	Specialist in Industrial Vocational Training (Tech.)	64,524	61,113	B.Sc. B.E. MMS, Dip. in Business Management	18	09.10.1983	43	Tata Engineering & Locomotive Co. Ltd.— Asst. Manager Training
11.	Mr. C. L. Gupta	Chief Operations Engineer	13,110	11,350	B.Sc. (Chem.) B.Sc. (Mech. Engg.)	33	16.10.1985	58	Maharashtra State Electricity Board
12.	Mr. S. K. Ghosal	Asst. Manager (Technical Services)	5,357	4,736	B.Tech. (Chem.)	13	19.11.1985	36	Krebs & Cie (I) Pvt. Ltd.
13.	Mr. M. S. Jagan	Project Officer	10,477	9,713	B.Sc. B.E. (Elec.) MBA	3	01.04.1982	30	Tata Electric Cos.— Engineer Trainee
14.	Mr. K. Krishnamurthy	Senior Project Officer	35,466	33,160	B.Tech. MBA	11	10.03.1981	39	SIET Institute— Faculty Member
15.	Mr. Mahesh Govind	Inspn. in Supry. Foreman Management & Work Methods	72,942	72,942	M.Sc. (Mech.) Engineering	41	22.09.1983	62	Indian Industrial Consultants Partner
16.	Mr. M. V. Mantri	Specialist in Operations and Training Documentation	51,544	47,401	Dip. in Electronics and Radio Engg. M.Sc. (Physc.)	16	03.05.1984	44	Tata Electric Cos.— Senior Assistant Engineer
17.	Mr. Mohd. Akhtar Surury	Chief Inspector	36,552	28,335	B.Sc. (Mech. Engg.)	19	17.05.1984	44	Bharat Heavy Electricals Limited
18.	Mr. P. H. Neelakantan	Project Accountant	1,15,528	1,10,366	M.Com. DSM, DTM	41	27.09.1983	60	Tata Electric Cos.— Senior Superintendent
19.	Mr. L. A. Noronha	Specialist/ Instruction in Relay Protection Communication & Metering Equipment & Maintenance	23,927	23,927	B.E. (E) M.E. (E) AMIE (I) C.Eng. (I)	19	18.09.1985	46	Karnataka Electricity Board

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
20.	Mr. G. S. Rathaur	Specialist Instructor in Workshop Practice	43,059	39,147	B.A.B.Com. AMIE	29	09.10.1983	50	Tata Electric Cos.—
21.	Mr. D. S. Rathie	Senior Assistant Engineer	10,037	8,768	B.Sc.(Elect.) Engg.)	8	05.10.1983	34	National Thermal Power Corporation—Engineer
22.	Mr. N. Ramamurthy	Dy. Chief Engineer	3,459	3,209	B.Sc. DMIT	22	07.10.1985	49	Hyundai Engineering & Construction Company, Saudi Arabia
23.	Mr. K. V. Reddy	Principal Engineer	8,275	8,000	B.E.(M)	17	28.10.1985	41	Secretariat of Electricity, HOMS Power Station, Libya
24.	Mr. H. P. Rangaraj	Manager—Projects	4,353	3,388	B.E.(M)	28 yrs 9 months	10.12.1985	52	Toyo Engg. (I) Limited
25.	Mr. R. Srinivasan	Principal Engineer (Chem.)	13,609	12,904	B.Tech. (Chemical)	16	01.10.1980	40	Hindustan Petroleum Corpn. Bombay—
26.	Mr. G. R. Sarangan	Chief Executive Officer & General Manager	2,51,807	2,51,807	B.E. (Elec.)	34	24.09.1983	58	Assistant Manager Chief Engineer (Hydro)—MSEB
27.	Mr. H. L. Sharma	Project Manager	2,13,245	2,13,245	B.Sc. (Civil) Engineer	38	26.09.1983	58	Govt. of Punjab Dept. of Irrigation & Power—
28.	Mr. K. Srinivasan	Superintendent (Electrical)	43,328	34,509	B.E. (Elec.)	32	05.04.1985	56	Chief Engineer & Head of Department Tamil Nadu Electricity Board
29.	Mr. Y. K. Sharma	Diesel Power Plant Shift Engineer	56,836	55,990	B.Sc. (Hons.) B.Sc. (Mech. Engg.)	8	11.03.1985	35	Continental Shipping Corpn.
30.	Mr. P. Sankaran	Diesel Mechanical Maintenance Engineer	27,546	27,361	B.Sc. (Mech. Engg.) M.O.T.	12	02.09.1985	38	Shipping Corporation of India Limited
31.	Mr. S. Sudhakar	Senior Chemical Engineer	7,706	7,406	B.Sc. (Chem.) Engg.)	11	30.05.1985	33	Dalal Projects Services Pvt. Ltd.
32.	Mr. C. G. Thangasamy	Senior Engineer	31,971	29,441	B.E. (Mech.)	15	04.10.1984	42	Franco Tosi Legnano, Italy, Jeddah—
33.	Mr. M. Narasimha Rao	Inspection Engineer	11,681	10,756	LME AMIE (Mech) DBM	15 yrs. & 2 months	23.09.1985	35	Commissioning Engineer Toyo Engineering Ltd., Kuwait
34.	Mr. P. Vimala Rao	Senior Inspector	10,305	9,361	LEE AMIE M.Tech. (Control Systems)	21	15.10.1985	40	Bharat Heavy Electricals Limited

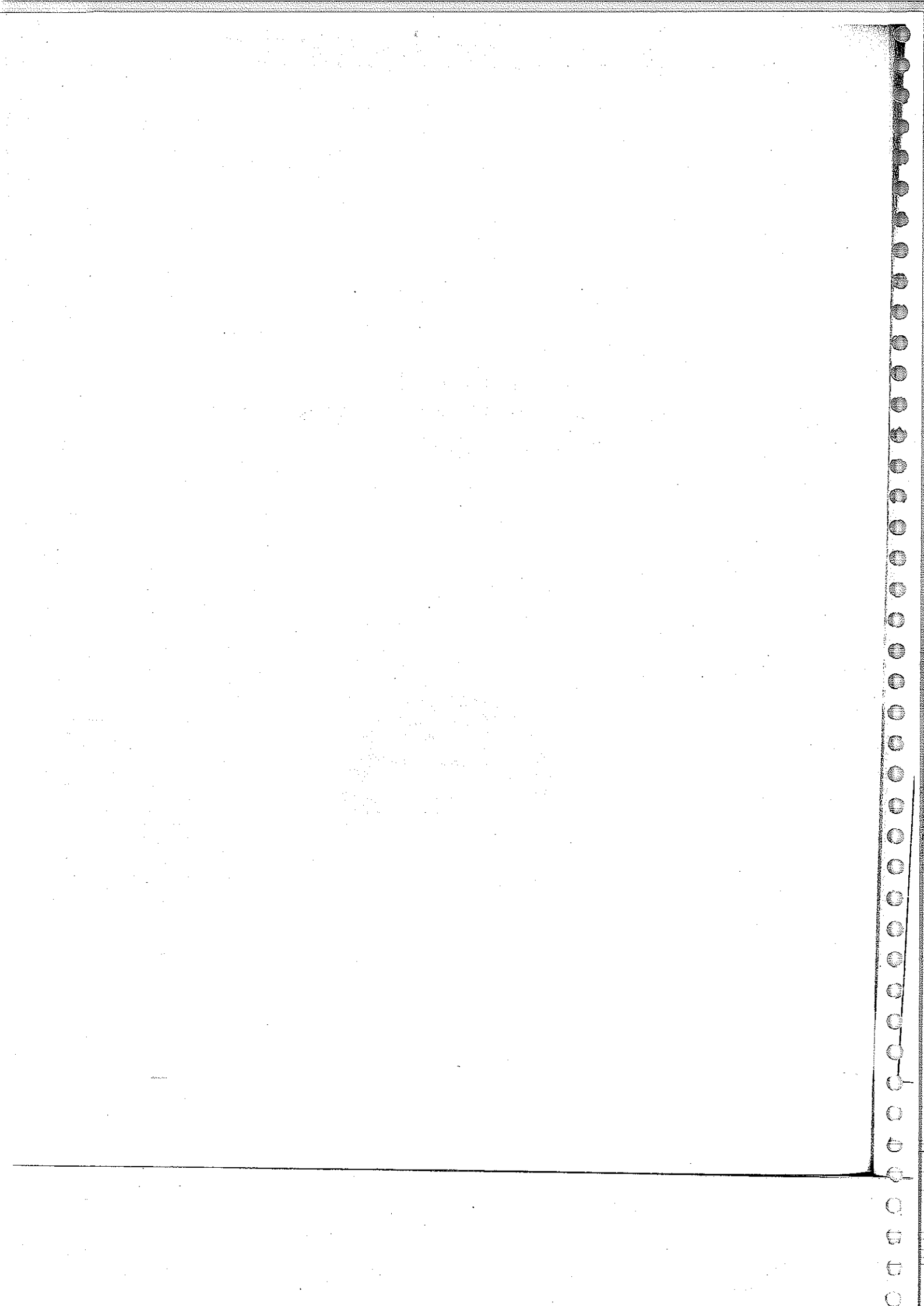
NOTES:

1. "Remuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. "Net Remuneration" is arrived at by deducting from the gross remuneration income-tax, and Company's contribution to Provident Fund.
3. The nature of employment is contractual.
4. None of the employees named above is a relative of any Director of the Company, except Mr N P Manaktala who is the brother of Mr S P Manaktala Director of the Company.

TATA PROJECTS LIMITED

EIGHTH ANNUAL REPORT 1986





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BOARD OF DIRECTORS

Chairman

K.M. Chinnappa

Managing Director

A.R. Jagannathan

Directors

A.H. Tobaccowala
A.B. Kerkar (upto 14.7.87)
F.K. Kavarana
S.P. Manaktala
S.R. Subbaraman
F.S. Tarapore
B.V. Chitnis
S. Gupta
S. Ramakrishnan

Secretary

K.V. Sahasranam

Senior Executives

N.A. De.X. Alphonso
(General Manager, Chemical Projects)
S.W. Goklany
(General Manager, Power Projects)

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street
Fort, Bombay 400 001.

BANKERS

Grindlays Bank p.l.c.
Citibank N.A.
State Bank of India

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates
Chartered Accountants

DIRECTORS' REPORT**TO THE MEMBERS**

The Directors have pleasure in presenting the Eighth Annual Report on the business and operations of the Company, and the audited accounts for the year ended 31st December, 1986.

FINANCIAL RESULTS

	1986	(Rs. in lacs)	1985
Income	556.27		581.56
Expenses	516.66		532.68
Surplus before tax	39.61		48.88
Provision for taxation	12.03		12.00
Net Surplus	27.58		36.88

OPERATIONS

Backlog of work at the beginning of the year	211.73	378.71
New jobs secured	860.00	400.00
Total	1071.73	778.71
Backlog at close of year excluding technical services contract	533.84	211.73

There is a shortfall in the turnover as compared to 1985 mainly due to the long delay in the commencement of some of the assignments. It is expected that these will pick up in the current year and the progress will be maintained as in the previous years. The surplus at Rs. 39.61 lacs is less, as compared to the previous year due to some of the major foreign assignments having been completed in the earlier year and on which the margins were higher as compared to the Indian assignments and the smaller turnover.

BUSINESS PROSPECTS

During the year new contracts of value Rs. 860 lacs were secured as against Rs. 400 lacs in the previous year. One of the major assignments related to erection of the boiler for the 500 MW Trombay Thermal Power Station for the Tata Electric Companies. Job prospects in the current year appear to be satisfactory and a number of proposals submitted are under active consideration of the clients.

DIVIDEND

Your Directors recommend a dividend of 20%, subject to deduction of tax, for the year 1986. The dividend, if approved, will absorb Rs. 6.00 lacs and will be paid to those members whose names appear in the Register of Members of the Company on the date of the next Annual General Meeting.

TATA KLOCKNER

Operations of the Tata Klockner continue to be still not satisfactory. The Company has not been able to secure any major assignment during the year and are still exploring job opportunities which are yet to materialise.

TATA-DSMA

Your Directors have decided to invest Rs. 1.80 lacs, in the share capital of the partnership firm—Tata-DSMA. This amounts to 60% of the capital, the balance being held by DSMA, Canada. The formalities are in the process and actual investment will be made in the current year.

MALAYSIA SITE

The operations of this site were closed in 1985, and no material transactions had taken place during the year calling for separate audit by another firm of Chartered Accountants.

DIRECTORS

Mr. A.B. Kerkar, a Director of the Company since its inception resigned effective 14th July, 1987 and the Board wish to place on record their appreciation of the valuable contribution made by Mr. Kerkar in the development of the Company.

M/s. K.M. Chinnappa, F.S. Tarapore and B.V. Chitnis retire by rotation and being eligible, offer themselves for reappointment.

Mr. S. Ramakrishnan, who was appointed as Additional Director on the 14th July, 1987, under the Articles of Association holds such office till the date of the forthcoming Annual General Meeting. Mr. Ramakrishnan is eligible for appointment and the Company has received a notice from a member in writing proposing his candidature for the office.

AUDITORS

M/s G.N. Joshi Associates, Chartered Accountants, the Company's Auditors retire at the ensuing Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217(2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

The executives and staff at all levels of the Company continued to do good work as in the previous years and your Directors wish to place on record their appreciation of the good work done by these staff.

On behalf of the Board of Directors

K.M. CHINNAPPA
CHAIRMAN

Bombay, 14th July, 1987.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1986 and also the annexed Profit and Loss Account for the year ended on that date incorporated into which are accounts of (1) Uran site of the Company, which are audited by another firm of Chartered Accountants, and (2) Malaysia site which are unaudited and accepted as certified by management and report that—

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above—
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of account;
 - (d) The remuneration paid during the year to the Managing Director amounting to Rs. 1,72,615 (Previous year Rs. 1,66,127) includes estimated money value of benefits Rs. 12,904 (Previous year Rs. 10,597). The remuneration is subject to approval of the Central Government for the period prior to 1st March, 1986;
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to unaudited accounts of Malaysia Site as specified above and Note No. 4 regarding non-provision of gratuity liability, read together with the other notes contained in the schedule of notes attached and subject to para 2 (d) above gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 1986 and
 - (ii) In the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. Joshi Associates
Chartered Accountants

S.B. PANDIT
Partner

Bombay, 14th July, 1987

ANNEXURE TO AUDITOR'S REPORT
(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the year.
3. As explained to us, physical verification has been conducted in respect of stores during the year and no serious discrepancies were noticed as compared to book records. The Company has adopted the practice of charging off the stores in the year of purchase.
4. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370(1-C) of the Companies Act, 1956. As far as we have been informed, there are no other Companies under the same management.
5. The Company has not given any loans or advances in the nature of loans during the year.
6. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
7. As far as we have been able to ascertain no stores exceeding Rs. 10,000/- in value for each type thereof were purchased during the year from subsidiaries, firms or companies or other parties in which the Directors are interested.
8. As explained to us the Company does not have any unserviceable or damaged stores.
9. The Company has not accepted deposits from the public.
10. As explained to us the Company does not have any scrap and there is no by-product.
11. As the Company's paid up capital did not exceed Rs. 25 lacs at the beginning of the year, we have not offered any comments upon internal audit requirement.
12. We are informed that the maintenance of cost records has not been prescribed by Central Government under Section 209(1) of the Companies Act, 1956, for this Company.
13. As per records of the Company the provident fund dues have generally been regularly deposited during the year with the appropriate authorities.
14. In respect of the Company's service activities we have to report as follows:
 - (a) Materials and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase and therefore it does not require system of recording receipts, issues and consumption of materials and stores. There is a system for providing reasonable allocation of the materials and man-hours consumed to the relative jobs.
 - (b) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G.N. Joshi Associates
Chartered Accountants

S.B. PANDIT
Partner

Bombay, 14th July, 1987.

BALANCE SHEET AS AT 31ST DECEMBER, 1986

	Schedule	1986		1985	
		Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS:					
SHAREHOLDERS FUND:					
Capital	1		30,00,000		24,00,000
Reserves & Surplus	2		105,57,165		83,98,260
TOTAL			<u>135,57,165</u>		<u>107,98,260</u>
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS					
Gross Block	3			46,65,789	
Less: Depreciation		58,16,449		21,41,124	
		<u>26,93,277</u>			
NET BLOCK INVESTMENTS	4		31,23,172		25,24,665
			<u>12,24,500</u>		<u>7,49,500</u>
b) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	5	315,88,001		372,02,071	
Cash and bank balances	6	137,49,330		148,02,302	
Other current assets	7	21,13,486		14,33,466	
Loans and advances	8	343,25,568		149,99,738	
			<u>817,76,385</u>		<u>684,37,577</u>
LESS:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	9	679,64,430		576,33,482	
Provisions		46,02,462		32,80,000	
			<u>725,66,892</u>		<u>609,13,482</u>
NET CURRENT ASSETS			<u>92,09,493</u>		<u>75,24,095</u>
TOTAL			<u>135,57,165</u>		<u>107,98,260</u>
Notes on Accounts	13				

For and on behalf of the Board

As per attached report of even date.
For G.N. Joshi Associates
Chartered Accountants

K.M. CHINNAPPA CHAIRMAN
A.R. JAGANNATHAN MANAGING DIRECTOR

S.B. PANDIT
Partner

K.V. SAHASRANAM
Secretary

S.P. MANAKTALA
S.R. SUBBARAMAN
F.S. TARAPORE
B.V. CHITNIS
S. GUPTA } DIRECTORS

Bombay, 14th July, 1987.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1986

	Schedule	Rupees	1986 Rupees	1985 Rupees
I. INCOME				
From Services			550,19,716	566,98,134
Others	10		6,07,058	14,58,200
			<u>556,26,774</u>	<u>581,56,334</u>
II. EXPENDITURE				
Engineering Services			190,40,348	193,13,238
Establishment and other expenses	11		319,74,562	333,01,342
Depreciation			6,50,497	6,53,265
			<u>516,65,407</u>	<u>532,67,845</u>
Profit before taxes and statutory appropriations			39,61,367	48,88,489
Provision for taxation			10,00,000	12,00,000
Profit after tax			29,61,367	36,88,489
Tax provision for tax of previous year			(2,02,462)	2,40,000
			<u>27,58,905</u>	<u>39,28,489</u>
Transfer to foreign projects reserve			—	12,590
			<u>27,58,905</u>	<u>39,15,899</u>
Balance brought forward from last year			17,00,000	34,00,000
			<u>44,58,905</u>	<u>73,15,899</u>
Appropriations:				
Proposed dividend		6,00,000		4,80,000
Transfer to General Reserve		21,58,905		51,35,899
			<u>27,58,905</u>	<u>56,15,899</u>
Balance carried to Balance Sheet			<u>17,00,000</u>	<u>17,00,000</u>
Notes on accounts	13			

For and on behalf of the Board

As per attached report of even date.
For G.N. Joshi Associates
Chartered Accountants

K.M. CHINNAPPA

CHAIRMAN

A.R. JAGANNATHAN

MANAGING DIRECTOR

S.B. PANDIT
Partner

S.P. MANAKTALA
S.R. SUBBARAMAN
F.S. TARAPORE
B.V. CHITNIS
S. GUPTA

DIRECTORS

K.V. SAHASRANAM
Secretary

Bombay, 14th July, 1987.

**SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

SCHEDULE—1**SHARE CAPITAL:**

	Rupees	1986 Rupees	1985 Rupees
Authorised— 50,000 Equity Shares of Rs. 100/- each		<u>50,00,000</u>	<u>50,00,000</u>
Issued and subscribed— 30,000 Equity Shares of Rs. 100/- each Rs. 100/- called up.		<u>30,00,000</u>	<u>30,00,000</u>
Paid-up— 30,000 Equity Shares of Rs. 100/- each fully paid up (Previous year Rs. 80/- paid-up)		<u>30,00,000</u>	<u>24,00,000</u>
		<u>30,00,000</u>	<u>24,00,000</u>

SCHEDULE—2**RESERVES AND SURPLUS**

Foreign Projects Reserves (as per Sec. 80-HHB of I.T. Act) Balance as per last Balance Sheet Amount set aside during the year	3,13,045 — <u> </u>	3,00,455 12,590 <u> </u>	3,13,045 <u> </u>
General Reserves— Balance as per last Balance Sheet Add: Amount set aside during the year	63,85,215 21,58,905 <u> </u>	12,49,316 51,35,899 <u> </u>	85,44,120 <u> </u>
Surplus— Balance in Profit & Loss Account		17,00,000	17,00,000
		<u>105,57,165</u>	<u>83,98,260</u>

SCHEDULE—3

FIXED ASSETS

Description of Assets	COST			DEPRECIATION				NET BLOCK		
	As at 31-12-85	Additions	Deductions	As at 31-12-86	Upto 31-12-85	For 1986	On Deduction	Upto 31-12-86	As at 31-12-86	As at 31-12-85
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture, Fixtures and fittings	11,05,014	3,05,624	—	14,10,638	4,64,472	1,51,053	—	6,15,525	7,95,113	6,40,542
Office Equipment	15,22,409	29,117	—	15,51,526	7,79,627	1,30,802	—	9,10,429	6,41,097	7,42,782
Vehicles	15,29,598	6,80,325	3,23,511	18,86,412	6,81,810	2,60,589	98,344	8,44,055	10,42,357	8,47,788
Air-Conditioning Equipment	57,585	30,358	—	87,943	28,484	11,826	—	40,310	47,633	29,101
Survey and drawing instruments	19,947	—	—	19,947	6,441	2,026	—	8,467	11,480	13,506
Erection Machinery/ Equipment	3,59,688	2,66,274	—	6,25,962	1,80,290	66,851	—	2,47,141	3,78,821	1,79,398
Computer	—	83,150	—	83,150	—	27,350	—	27,350	55,800	—
Total	45,94,241	13,94,848	3,23,511	56,65,578	21,41,124	6,50,497	98,344	26,93,277	29,72,301	24,53,117
Advance against Capital orders									1,50,871	71,548
									31,23,172	25,24,665
Previous year	44,28,519	9,25,790	7,60,068	45,94,241	17,30,718	6,53,265	(2,42,859)	21,41,124	24,53,117	—

	1986 Rupees	1985 Rupees
SCHEDULE—4		
INVESTMENTS:		
Unquoted Equity Shares of Tata Klockner Industrial Plants Limited: at cost (12245 Equity Shares of Rs. 100/- each fully paid)	12,24,500	7,49,500

SCHEDULE—5**SUNDRY DEBTORS**

(Unsecured and considered good)		
Outstanding for more than 6 months	139,09,199	176,64,207
Others	207,37,102	213,66,164
	<u>346,46,301</u>	<u>390,30,371</u>
Less: Provision for doubtful debts	30,58,300	18,28,300
	<u>315,88,001</u>	<u>372,02,071</u>

SCHEDULE—6**CASH AND BANK BALANCES:**

Cash on hand	55,165	22,149
Balance with scheduled banks on Current Account	28,93,050	58,04,992
With scheduled banks on term deposits	75,00,000	10,00,000
With other banks on Current Account:		
Citibank N.A., Singapore (Maximum balance during the year Rs. 9,31,101—1985 Rs. 15,45,700)	2,09,165	4,68,549
Citibank N.A., Kuala Lumpur (Maximum balance during the year Rs. 4,83,747—1985 Rs. 4,83,747)	31,950	4,83,747
Grindlays Bank p.l.c., Zurich (Maximum balance during the year Rs. 184,15,647—1985 Rs. 140,21,123)	19,35,400	70,07,017
Bank Tejarat, Iran (Maximum balance during the year Rs. 10,18,273—1985 Rs. 3,33,342)	11,24,600	15,848
	<u>137,49,330</u>	<u>148,02,302</u>

	1986 Rupees	1985 Rupees
SCHEDULE—7		
OTHER CURRENT ASSETS:		
Work done not billed (at contract value including Profit/Losses thereon)	21,13,486	14,33,466
SCHEDULE—8		
LOANS AND ADVANCES:		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received	290,72,046	121,52,889
Advance payment of tax	52,53,522	28,46,848
	<u>343,25,568</u>	<u>149,99,737</u>
SCHEDULE—9		
CURRENT LIABILITIES AND PROVISIONS:		
Liabilities:		
Advance from Customers	129,24,612	15,91,141
Sundry Creditors for expenses	318,81,404	339,98,673
Others	13,87,293	26,25,346
Advance billings	217,71,121	194,18,322
	<u>679,64,430</u>	<u>576,33,482</u>
Provisions:		
Provision for taxation	40,02,462	28,00,000
Proposed dividend	6,00,000	4,80,000
	<u>725,66,892</u>	<u>609,13,482</u>
SCHEDULE—10		
INCOME:		
Others		
Difference in exchange (Net)	1,89,356	6,47,832
Interest on term deposits	2,74,046	5,40,208
Miscellaneous income	1,20,818	9,126
Profit on sale of fixed assets	22,838	2,61,034
	<u>6,07,058</u>	<u>14,58,200</u>

SCHEDULE—11**ESTABLISHMENT AND OTHER EXPENSES:**

	1986 Rupees	1985 Rupees
Staff Salaries	95,04,321	104,00,385
Director's sitting fees	6,000	4,250
Travelling expenses	30,18,314	29,03,890
Printing & Stationery	5,39,600	4,18,447
Telex charges	2,50,110	1,60,849
Interest charges	2,267	41,915
Rent	6,55,441	6,19,990
Books, Periodicals & Subscription	96,204	97,292
Advertisement expenses	34,057	87,730
Bank Guarantee and Commission Charges	4,72,946	1,74,643
Professional and Legal Charges	5,81,800	1,92,651
Commission	13,29,232	13,42,857
Motor Vehicle Expenses	10,12,927	10,96,290
Postage, Telephone, Telegram	8,48,568	7,52,596
Filing fees	300	240
Auditor's Remuneration:	23,849	22,780
For Audit Fee	12,500	7,500
For tax audit (including Rs. 5000/- for 1984)	5,000	10,000
For other work	5,500	4,500
Out-of-pocket expenses	849	780
Entertainment expenses	2,10,100	2,21,929
Repairs and Maintenance	9,29,639	6,21,015
Electricity and water charges	80,434	1,71,457
Freight charges	1,43,641	3,48,742
General expenses	2,99,298	3,78,465
Overseas Living Expenses	26,00,246	22,66,293
Staff Recruitment Expenses	1,71,220	92,208
Rates and taxes	1,05,334	22,029
Staff Welfare Expenses	13,88,335	14,77,509
Tax paid/payable overseas	13,38,686	25,06,910
Erection expenses	50,87,760	50,32,987
Donation	13,936	16,693
Provision for doubtful debts	12,30,000	18,28,300
	<u>319,74,562</u>	<u>333,01,342</u>

SCHEDULE—12**COMPUTATION OF MANAGING DIRECTOR'S COMMISSION**

Profit before taxation as per Profit and Loss Account	40,03,557	49,30,239
Add: Depreciation	6,50,497	6,53,265
Directors' sitting fees	6,000	4,250
Managing Director's remuneration including value of perquisite	1,30,425	1,24,377
	<u>47,90,479</u>	<u>57,12,131</u>
Less: Depreciation as per Section 350 of the Companies Act, 1956	5,71,434	5,65,355
Net Profit for the year under Section 198(i) of the Companies Act, 1956	42,19,045	51,46,796
1% thereof	42,190	51,468
Commission payable to the Managing Director limited to 1% of the net profit or 50% of the annual salary (Rs. 43,250)	<u>42,190</u>	<u>41,750</u>

SCHEDULE—13

NOTES ON ACCOUNTS

1. Information pursuant to Part II of Schedule VI of Companies Act, 1956.

	1986 Rupees	1985 Rupees
a) Gross income from Engineering Services	550,19,716	566,98,134
b) Break-up of expenditure incurred on employees drawing Rs. 36,000/- or more per annum if employed throughout the year or Rs. 3000/- or more per month, if employed for part of the year.		
	Employed throughout the year Rs.	Employed part of the year Rs.
i) Salaries and other benefits	32,07,516 (26,85,272)	9,43,831 (17,09,023)
ii) Contribution to Provident Fund and Family Pension Scheme	1,62,814 (1,67,432)	26,278 (32,155)
iii) No. of Employees	55 (43)	26 (34)
c) Expenditure in foreign currency salaries and staff dues	41,96,593	47,15,887
Others	84,81,188	60,74,079
d) Earnings in foreign exchange for services rendered	336,92,007	316,31,542

2. The remuneration paid during the year to the Managing Director amounting to Rs. 1,72,615 (Previous year Rs. 1,66,127/-) includes estimated money value of benefits Rs. 12,904 (previous year Rs. 10,597/-). The remuneration is subject to approval of the Central Government, for period prior to 1st March, 1986.

3. Estimated amount of contract remaining to be executed on capital account and not provided for Rs. 4,99,872 (Previous year Rs. 4,57,850/-).

4. No provision for gratuity is made as the Management is of the opinion the same will be accounted for on cash basis.

5. Previous year's figures have been regrouped wherever necessary so as to make them comparable with current year's figures.

Schedules 1 to 13.

As per attached report of even date.
For G.N. Joshi Associates
Chartered Accountants

S.B. PANDIT
Partner

K.V. SAHASRANAM
Secretary

For and on behalf of the Board

K.M. CHINNAPPA

CHAIRMAN

A.R. JAGANNATHAN

MANAGING DIRECTOR

S.P. MANAKTALA
S.R. SUBBARAMAN
F.S. TARAPORE
B.V. CHITNIS
S. GUPTA

}] DIRECTORS

Bombay, 14th July, 1987.

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217 (2A) READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 1986

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(a) Particulars of employees employed throughout the financial year and who are in receipt of remuneration of not less than Rs. 36,000/- in terms of Section 217 (2A) (i)									
1.	Mr. N.A. De, X Alphonso	General Manager (Commercial)	93,128	64,224	B.Sc. (Chem.) B.E. (Chem.)	31	01.03.1983	55	Tata Consulting Engineers—Commercial & Development Manager
2.	Mr. N.S. Agashe	Engineer (E)	38,592	35,793	B.E. (E) DMET	8	15.12.1984	33	The Shipping Corpn Of India Ltd.— Fourth Engg officer (A-Float Sr Engineer)
3.	Mr. V. Balakrishna	Manager (Procurement Services)	61,748	47,723	B.A. (Eco.) Dip In Business Management	26	02.04.1982	50	Engineers India Ltd— Purchase Manager
4.	Mr. K. Balasubramaniam	Senior Engineer (Instrumentation)	58,824	49,932	B.E. (Elec.)	22	02.11.1983	46	TNEB—Tuticurin Thermal Power Project— Asst. Div. Engineer
5.	Mr. G.J. Bhingare	General Manager (Iran)	1,08,000	1,08,000	B.Sc. (Elect. Engg.) M.Sc. (Phy.) L.L.B.	30	11.11.1984	62	Maharashtra State Electricity Board— Technical Director Member (Elec/DYGM)
6.	Mr. K.R. Banerjee	Chief Project Manager (Instn)	71,242	55,494	B.Sc. (Phy.) D.I.I.Sc.	27	15.04.1985	53	Instrumentation Limited—DYGM
7.	Mr. V.N. Bhat	Senior Asst. Engineer	36,504	34,656	B.E. (Mech.)	5	31.12.1981	30	T.E.C.—Project Specialist
8.	Mr. P.C. Cariappa	Sr. Administrative Officer	35,460	33,501	B.Sc.	9	01.12.1983	34	F.S. Engineer Pvt Ltd— Manager
9.	Mr. S. Dattatreya	Senior Engineer (Mechanical)	81,998	74,283	AMIE (Mech.) B.O.C.	17	09.11.1983	41	Petromin Refinery Riyadh
10.	Mr. R.V. Duraisami	Project Manager	50,800	41,775	B.E. (Hons.) (Elect.)	35	24.04.1985	60	Tamil Nadu Electricity Board—Chief Engineer
11.	Mr. S.W. Goklany	General Manager (Power)	91,272	63,915	B.E. (Elec.) B.E. (Mech.)	31	01.04.1982	58	Tata Consulting Engineers—Addl. Chief Engineer
12.	Mr. J.B. Godambe	Construction Manager	61,040	47,959	B.E. (Mech.)	20	02.02.1981	45	Tata Electric Cons Unit V Construction— Engineer (Proj)

Sr. No.	Name	Designation/ Nature of duties	Gross Remune- ration Rs.	Net Remune- ration Rs.	Qualification	Experience years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
13.	Mr. Gangadhara Subramanian	Instrumentation Engineer	53,482	43,823	B.E. (Elec.)	16	29.04.1983	40	TNEB—Ennore Thermal Power Station— Assistant Division Engineer (Instn.)
14.	Mr. N.D Gadgil†	Electrical Testing Engineer	92,287	83,957	AMIE (Section A & B)	33	14.06.1984	58	Gujarat Electricity Board— Supdt Engineer
15.	Mr. N.K. Gupta	Project Manager	89,866	76,716	B.Sc. B.E	18	01.01.1985	43	Tata Electric Co.,
16.	Mr. A.K. Goyale	Senior Engineer (Mech.)	50,046	42,480	B.Sc. (Hons.) Marine Engg.	11	19.09.1983	37	A.L. Navigation Limited— Athens, Greece
17.	Mr. C.L. Gupta	Chief Operations Engineer	71,378	56,588	B.Sc. (Chem.) B.Sc. (Mech. Engg.)	34	16.10.1985	59	Maharashtra State Electricity Board— Chief Engineer
18.	Mr. S.K. Ghosal	Asst. Manager (Technical Services)	47,222	37,980	B. Tech.	14	19.11.1985	37	Kerbs & Cic (I) Pvt. Ltd.
19.	Mr. Hariharan Krishnan	Dy. Manager (Procurement)	65,238	57,072	B.Sc. (Elec.)	14	24.10.1983	37	Engineers India Limited— Senior Engineer
20.	Mr. A.R. Jagannathan	Managing Director	1,17,520	70,317	B.E. (Elec.)	38	01.03.1981	62	Tata Consulting Engineers— Director (Commercial)
21.	Mr. Jitendra Doshi	Senior Assistant Engineer	41,013	38,907	B.E. (M)	6	08.05.1984	30	Hindustan Petroleum Corp.—Engineer
22.	Mr. V.S. Karpur	Senior Construction Engineer	54,164	43,874	B.E.	15	03.10.1983	37	Engineers India Ltd— Engineer
23.	Mr. S.M. Khole	Instrumentation Engineer	64,564	56,616	B.Sc. (Hons.) B.E. (Instn.)	18	21.06.1984	44	Deccan Fibre Glass Ltd— Senior Instrumentation Engineer
24.	Mr. D.G. Lad	Driver	40,818	36,909	VII Std.	13	01.03.1983	48	Tata Consulting Engineers— Driver
25.	Brig. N.P. Manaktala	Manager-Inspection/ Expediting Admn	58,384	44,121	All India Dip in Electrical Engg.	36	01.11.1983	58	Ministry of Defence-Army
26.	Mr. Mohd Akhtar Surury.	Chief Inspector	64,830	50,444	B.Sc. (Mech. Engg.)	20	17.05.1984	45	Bharat Heavy Electricals Limited
27.	Mr. M. Narasimha Rao	Inspection Engineer	46,926	43,776	LME AMIE (Mech.) DBM	16	23.09.1985	36	Toyo Engineering Ltd., Kuwait
28.	Mr. R. Prabhakar	Superintendent (Civil)	60,648	49,646	B.E.	21	25.10.1982	47	Engineers India Ltd— Senior Engineer
29.	Mr. P.M. Pujara	Field Inspection Engineer	49,226	40,454	B.E.	12	23.5 1983	38	Engineers India Ltd— Engineer
30.	Mr. G. Pullareddy	Project Engineer	47,345	42,780	M.Tech. (Chem.)	11	16.08.1984	43	Reliance Cellulose Products Ltd—Plant in charge

Sr. No.	Name	Designation/ Nature of duties	Gross Remune- ration Rs.	Net Remune- ration Rs.	Qualification	Experience years	Date of commence- ment of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
31.	Mr. S.R. Raj	Principle Engineer (Mechanical)	73,715	62,082	B.Tech. (M) M. Engg. (M)	17	16.09.1981	42	Engineers India Ltd— Project Manager—Design
32.	Mr. R. Rajagopal	Project Officer	46,339	43,063	B. Tech. M.B.A.	8	02.05.1983	31	Philvastine Enterprises Nigeria—Project Consultant
33.	Mr. M.B. Rao	Meter-Cum-Service Engineer	92,122	81,468	B.E.	18	01.01.1985	43	Tata Electric Companies
34.	Mr. K.V. Reddy	Principle Engineer	60,526	49,424	B.E. (M)	18	28.10.1985	42	Secretariat of Electricity HOMS Power Station, Libya
35.	Mr. H.P. Rangraj	Manager Projects	78,198	61,578	B.E. (M)	30	10.12.1985	53	Toyo Engg (I) Limited— Engineering Manager
36.	Mr. A.P. Shenoy	General Manager (Nigeria)	84,608	72,480	B.Sc. (Engg.)	38	13.02.1981	64	BEST undertaking Dy. General Manager
37.	Mr. A.K. Sharma	Lead Planning Engineer	53,577	43,383	B.Sc. (Engg.)	13	03.11.1982	35	Engineers India Ltd— Lead Planning Engg.
38.	Mr. V.N. Subramanian	Project Manager	71,908	59,574	B.Sc. (Engg.) Mechanical	22	09.05.1983	46	Gammon India Ltd— Senior Div Engineer
39.	Mr. Syed Salim	Senior Engineer (Instrn)	44,988	37,196	B.E. M.Sc. (Engg.)	13	24.02.1983	37	Tamil Nadu Electricity Board—Asst. Engineer
40.	Mr. Suresh G. Oommen	Executive (Estimation & Cost Control)	47,926	40,365	B.Tech. M.B.A.	12	27.06.1983	36	K.S.B. Pumps Ltd— Cost Dept
41.	Mr. K.A. Seetharaman	Instructor Thermal Power Station	88,680	88,680	Elec. Engg. Practice	37	20.11.1983	60	Tamil Nadu Electricity Board—Chief Engineer
42.	Mr. M. Sardana	Construction Engineer	45,163	41,335	DME, AMIE (Section 'A')	19	11.12.1981	48	Electrico, (Partnership firm)
43.	Mr. N. Subramanian	Stores & Transport Officer	42,865	39,793	B.Com.	20	08-07-1982	46	Engineers India Ltd.—
44.	Mr. G.R. Sarangan	Chief Executive Officer & General Manager	67,320	34,700	B.E. (Elec.)	35	24.09.1983	59	Chief Engineer (Hydro) MSEB
45.	Mr. K. Srinivasan	Superintendent (Electrical)	66,042	52,356	B.E. (Elec.)	33	05.04.1985	57	Tamil Nadu Electricity Board - Electrical Supdt.
46.	Mr. Y.K. Sharma	Diesel Power Plant Engineer	39,097	37,405	B.Sc. (Hons) B.Sc. (Mech. Engg.)	9	11.03.1985	36	Continental Shipping Corp.
47.	Mr. C.J. Surendra	Sr. Asst. Engg.	37,108	35,154	B.E. (Hons.) (Civil)	5	20.7.1984	31	Mcsmally Bharat Engg. Co. Ltd—Engg. Const.
48.	Mr. C. Shankar	Accounts Executive	35,983	34,159	B.Sc. A.C.A. ICWA (Inter)	2	10.07.1985	28	HIFCO GROWTH Fund Ltd—Hyderabad— Asst. Manager
49.	Mr. S. Santhanagopalan	Accounts Executive	35,982	34,150	B.Com. C.A. I.C.W.A. (Inter)	3	04.07.1985	28	Neyveli Lignite Corp Ltd— Asst. A/C's Manager
50.	Mr. M.R. Sen	Construction Supdt.	61,600	50,100	B.E. (Elec.)	39	30.12.1985	64	TEC—Officer on Spl Duty— Project Manager
51.	Mr. G. Srinivasa Rao	Senior Inspection Engineer (S.E.)	45,819	42,262	B.E. (M)	13	06.01.1986	41	M/s Ansaldo Italian— Shift Charge Engg.
52.	Mr. A.J. Vyas	Welding Engineer	48,516	40,003	B.E. (Mech.)	11	01.12.1982	34	Engineers India Ltd— Inspection Engineer
53.	Mr. P.V. Verghese	Engineer	39,972	36,660	B.Sc. (Hons.) (Engg.) AMII—Chem. Engg.	9	03.10.1983	37	Gammon (India) Limited— Design Engineer
54.	Mr. T.S. Raman	Protection Specialist	84,177	71,667	B.Sc. B.E. (Elec.)	21	01.01.1985	48	Tata Electric Companies— Senior Maintain Engg.
55.	Mr. R. Srinivasan	Principal Engineer (Chem.)	74,232	66,612	B.Tech. (chemical)	17	01.10.1980	41	Hindustan Petroleum Corp. Bombay—Assistant Manager

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
b) Particulars of employees employed for part of the year who were in receipt of remuneration at the rate not less than Rs. 3,000/- per month in terms of section 217(2A)(ii).									
1.	Mr. S.G. Bhatt	Specialist Instructor in Electrical Maintenance	66,816	66,816	B.E. (Elect.) P.G. Dip in Indl. Mgnt.	31	07.11.1984	53	Industrial Consultants (Self Employed)
2.	Mr. R.C. Bajpai	Dy. General Manager (Commercial)	51,142	38,348	B.Tech. (Engg.)	23	01.03.1983	47	Tata Consulting Engineers— Manager Commercial
3.	Mr. P.L. Bhatnagar	Specialist/Instructor (Mechanical Maint. of Electrical Power Equipment)	88,754	83,793	B.Sc. L.E.E. F.I.E.	32	05.02.1986	59	Tata Electric Co.,— Asst. Superintendent Maintenance
4.	Mr. D. Chandrasekaran	Diesel Power Plant Shift Engineer	23,768	19,656	B.E. (M) M.O.T.	14	21.10.1985	40	Ratnakar Shipping Co. Ltd.
5.	Mr. Deepak W. Advani	Diesel Power Plant Shift Engineer	42,937	41,673	B.E. (E) B.S. M.O.T.	9	05.07.1985	39	Mangalore Yard
6.	Mr. Deepak Dhuwalia	Asst. Engineer (Mechanical)	4,159	4,159	B.E. (M)	3	10.11.1986	26	Capol Farm Equipment Ltd.—Sr. Engineer
7.	Mr. S.P. Gupta	Electrical Maintenance Engineer	54,988	51,700	B.Sc. (Elec.)	25	19.02.1984	59	Tata Iron and Steel Co.—Asst. Superintendent (Power)
8.	Mr. G.J. Hajare	Control & Protection Engineer	22,070	20,974	B.E. (Electrical)	14	20.06.1986	37	MSEB Bombay— Asst. Engineer
9.	Mr. S.B. Helwatkar	Sr. Asst. Engineer	11,518	10,820	B.E., D.B.H.	8	01.09.1986	30	M/s Guide Line Engg. Pvt Ltd., Nagpur— Sr. Engineer
10.	Mr. S.M. Jawade	Project Officer (Planning)	23,914	21,710	B. Tech. (Chem.) PGDM-IIMC	4	02.11.1982	30	Engineers India Ltd.— Assistant Engineer (Planning)
11.	Mr. G. Jayagopal	Sr. Inspection Engineer	7,814	6,394	B.E. (Elec.)	14	16.10.1986	38	General Chemical Co., Liberia—Elec. Engineer
12.	Mr. S.K. Manjanatha	Protection Engineer	53,313	53,313	B.E. (E)	17	24.03.1986	39	Karnataka Electricity Board—Asst. Executive Engineer
13.	Mr. E.K.R. Nambiar	Engineer	25,350	16,693	D.M.E.	15	02.01.1981	38	IAEC Ltd.,
14.	Mr. P.H. Neelakantan	Project Accountant	84,632	84,632	M. Com. D.S.M., D.T.M.	42	27.09.1983	61	Tata Electric Co.'s— Senior Superintendent
15.	Mr. L.A. Naronha	Specialist/Instruction in relay protection communications & metering equipment & Maintenance	1,14,792	1,14,792	B.E. (E) M.E. (E) A.M.I.E. (I)	20	18.09.1985	47	Karnataka Electricity Board

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
16.	Mr. C. Rangaswami	Dy. Manager (Commercial)	25,996	19,938	B.Sc., DMIT	14	11.04.1984	41	Instrumentation Ltd., Kota—Senior Engineer (Marketing)
17.	Mr. S.S. Ramānujam	Engineer	16,168	15,194	I.E.E.	24	18.08.1986	47	Chem Fab Alkalies Ltd— Sr. Elec. Engineer
18.	Mr. G. Ramakrishnan	Erection Engineer	33,533	31,733	DEE	34	17.02.1986	60	Tamilnadu Electricity Board—Divisional Engineer
19.	Mr. S. Srikrishna	Accounts Executive	48,159	39,830	B. Com. A.C.A.	10	04.10.1982	36	Nirlon Synthetics Fibre Ltd— Senior Accountant
20.	Mr. V. Srinivasan	Principle Engineer	16,146	14,310	B.E. (Chem.)	21	09.07.1986	47	Kamar Petro Chemicals & Plastics Ltd. Madras General Manager
21.	Mr. Sanjib Datta	Asst. Engineer	16,773	15,800	D.M.E.	14	02.07.1986	40	Simon Carves (Ind) Ltd. Calcutta—Mechanical Foreman.
22.	Mr. P. Sankaran	Diesel Mechanical (Mechanical)	50,522	48,391	B.Sc. (Mech. Engg.) MOT	13	02.09.1985	39	Shipping Corporation of India Ltd.
23.	Mr. M.G. Tonse	Project Engineer (Mechanical)	38,500	30,500		40	01.06.1986	61	Tata Electric Co. Sr. Maintenance Engineer
24.	Mr. P.B. Thimmaiah	Asst. Engineer	10,370	9,742	D.C.E. B.E. (Civl)	31	25.05.1986	28	Techno Al Constructions Pvt. Ltd.—Site Engineer
25.	Mr. P. Vimala Rao	Senior Inspector	21,475	18,824	LEE AMIE	22	15.10.1985	41	Bharat Heavy Electricals Ltd.
26.	Mr. A.B. Vaidya	Construction Super- indent (Electrical)	16,500	14,100	DEE	37	10.10.1986	60	Tata Electric Co's— Asst. Superintendent

NOTES:

1. "Remuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. "Net Remuneration" is arrived at by deducting from the gross remuneration income-tax, and Company's contribution to Provident Fund.
3. The nature of employment is contractual.
4. None of the employees named above is a relative of any Director of the Company, except Brig. N.P. Manaktala who is the brother of Mr. S.P. Manaktala Director, of the Company.

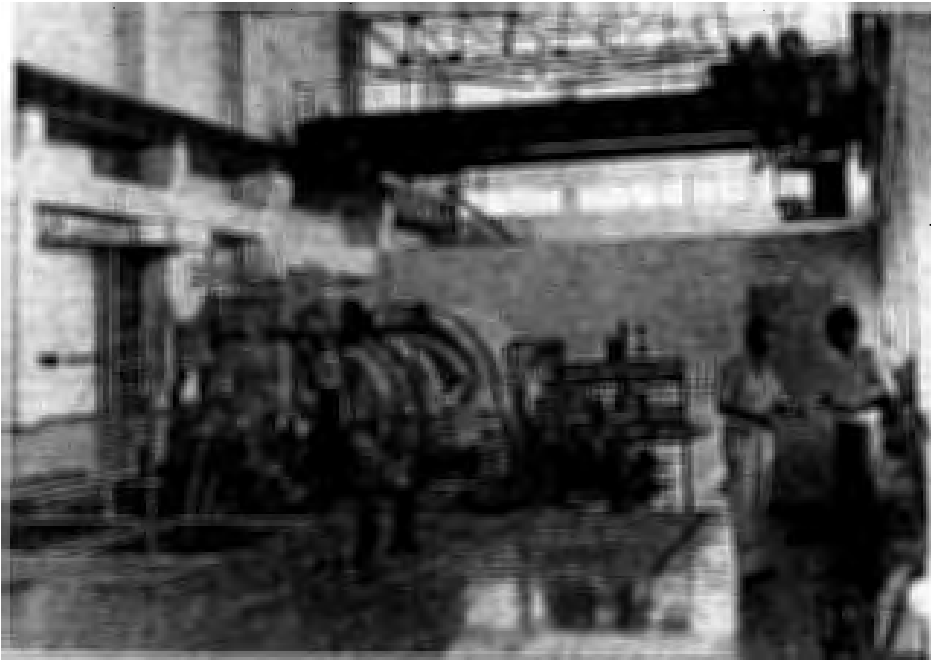
Bombay 14th July, 1987

On behalf of the Board
K.M. CHINNAPPA
Chairman

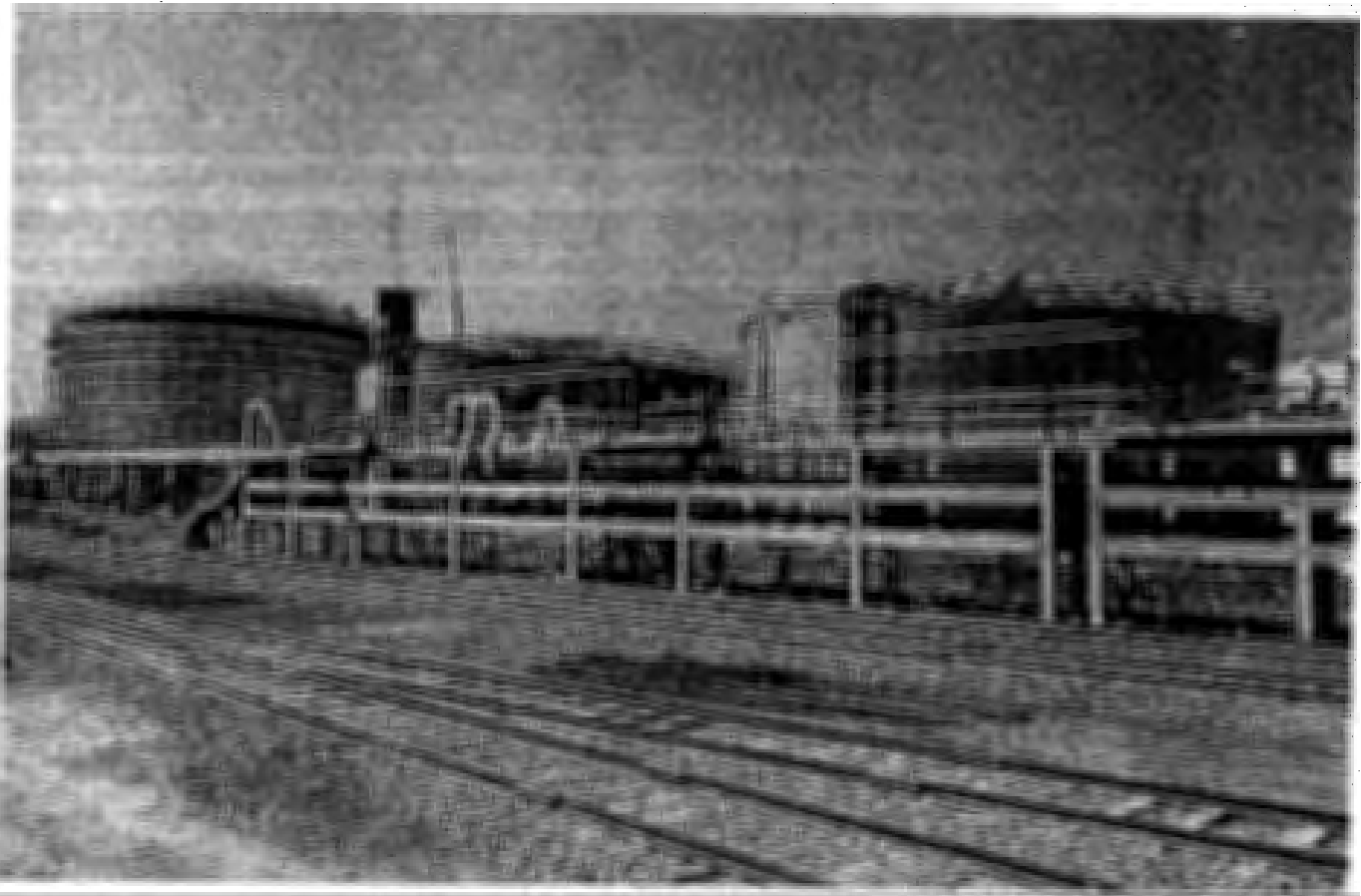
TATA PROJECTS LIMITED

NINTH ANNUAL REPORT 1987



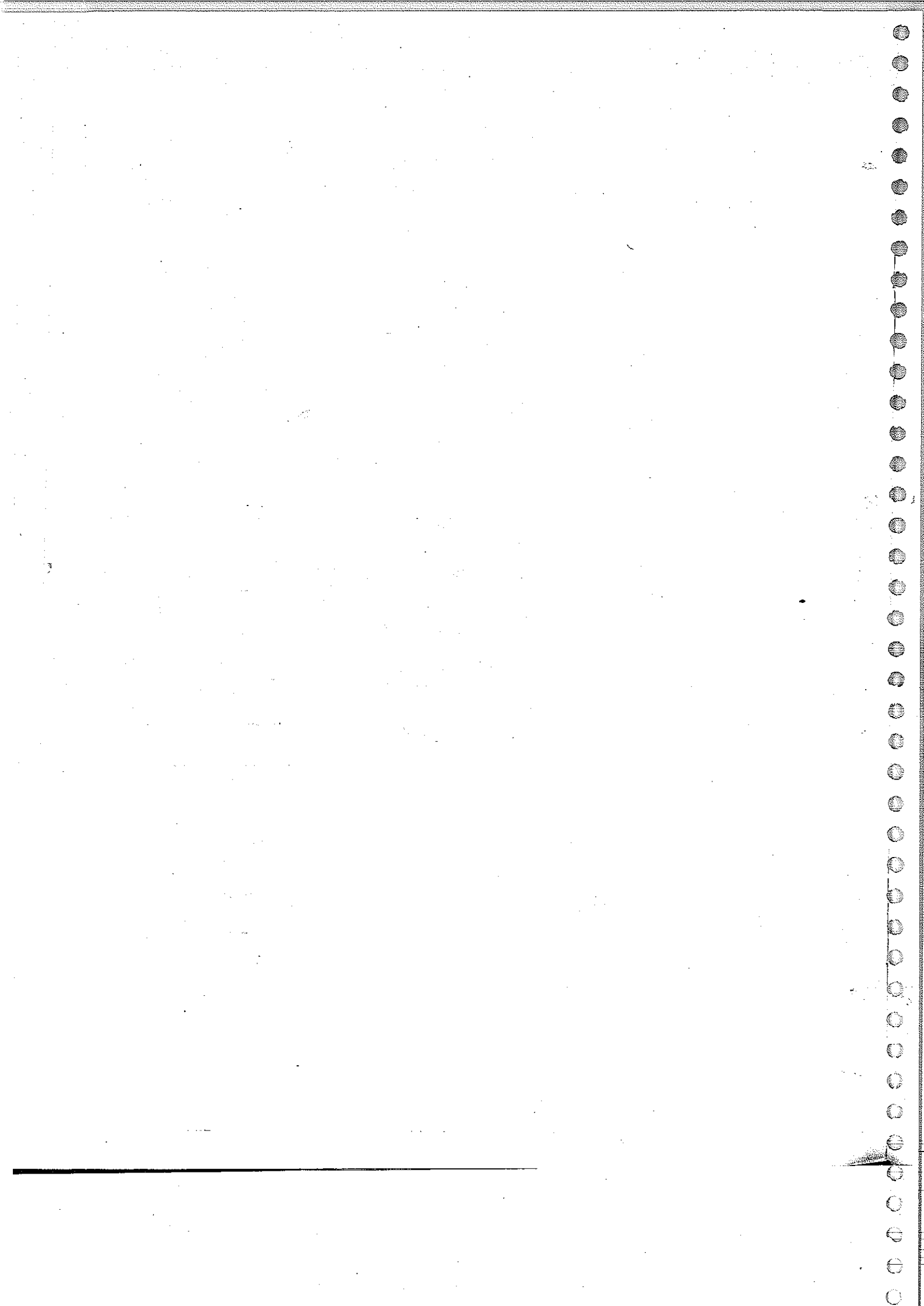


Turbine Bay of a Captive Power Plant



Godavari Fertilisers & Chemicals Ltd. - Raw Material Storage and Handling Facilities, Visakhapatnam

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BOARD OF DIRECTORS**Chairman**

K.M. Chinnappa

Managing Director

A.R. Jagannathan

Directors

A.H. Tobaccowala

F.K. Kavarana

S.P. Manaktala

S.R. Subbaraman

F.S. Tarapore

B.V. Chitnis

S. Gupta

S. Ramakrishnan

Secretary

K.V. Sahasranam

Senior Executives

N.A. De X. Alphonso

(General Manager, Chemical Projects)

S.W. Goklany

(General Manager, Power Projects)

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street
Fort, Bombay 400 001.

BANKERS

Grindlays Bank p.l.c.

Citibank N.A.

State Bank of India

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates

Chartered Accountants

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Ninth Annual Report and Audited Accounts of the Company for the year ended 31st December, 1987.

FINANCIAL RESULTS

	1987	1986
	(Rs. in lacs)	
Income	748.10	556.27
Expenses	<u>704.66</u>	<u>516.66</u>
Surplus before tax	43.44	39.61
Provision for taxation	<u>17.00</u>	<u>12.03</u>
Net Surplus	<u>26.44</u>	<u>27.58</u>

OPERATIONS

Backlog of work at the beginning of the year	533.84	211.73
New jobs secured during the year	<u>4546.26</u>	<u>860.00</u>
Total	<u>5080.10</u>	<u>1071.73</u>
 Backlog at close of year	 <u>4355.53</u>	 <u>533.84</u>

The major construction assignments at Trombay and Rihand progressed substantially during the year which has been reflected in the increased turnover as compared to the previous year. The surplus has not increased correspondingly mainly due to increased cost of farmed out work and reduced margins on domestic contracts as compared to foreign assignments. Proposals submitted for a number of projects were under active consideration of the clients at the close of the year.

BUSINESS PROSPECTS

Business prospects during the year were satisfactory. Your Company secured a major turnkey contract for a 600 room hotel project in the USSR on a turn key basis of value Rs. 43 crores. The other major assignment related to services for the expansion of photo films project of the Govt. of India in Ooty.

DIVIDEND

Your Directors recommend payment of a dividend of 25% subject to deduction of tax, on the equity share capital for the year 1987. The dividend, if approved, will be paid to those members whose names appear in the Register of Members of the Company on the date of the next Annual General Meeting.

TATA KLOCKNER

Operations of the Company has shown marginal improvement during 1987 and the Company anticipate that 1988 results will wipe out the balance carry forward losses of Rs. 9.00 lacs and show further improved results.

TATA-DSMA

The statutory requirements and formalities of investment of Rs. 1.80 lacs in the firm are complete.

DIRECTORS

Messrs F.K. Kavarana, S.P. Manaktala and S. Gupta retire by rotation, at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-appointment.

AUDITORS

Messrs G.N. Joshi Associates, Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

Your Directors greatly appreciate the continued dedicated and sincere services of the employees at all levels in the Company.

On behalf of the Board of Directors

K.M. CHINNAPPA
CHAIRMAN

Bombay, 27th May, 1988.

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st December, 1987 and also the annexed Profit and Loss Account for the year ended on that date and report that —

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure the statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above —
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of account;
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to Note No. 4 regarding non-provision of gratuity liability, read together with Note Nos. 6 & 8 regarding change in accounting policies and the other Notes contained in the Schedule of Notes attached gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view —
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st December, 1987 and
 - (ii) In the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. Joshi Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay, 27th May, 1988

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets of the Company have been physically verified by the management during the year and no serious discrepancies as compared to the book records have been noticed on such verification.
2. The fixed assets of the Company have not been revalued during the year.
3. As explained to us, physical verification has been conducted in respect of stores during the year and no serious discrepancies were noticed as compared to book records. The Company has adopted the practice of charging off the stores in the year of purchase.
4. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under Section 301 and 370(1-C) of the Companies Act, 1956. As far as we have been informed, there are no other Companies under the same management.
5. The Company has not given any loans or advances in the nature of loans during the year.
6. There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of other assets.
7. As far as we have been able to ascertain no stores exceeding Rs. 10,000/- in value for each type thereof were purchased during the year from subsidiaries, firms or companies or other parties in which the Directors are interested.
8. As explained to us the Company does not have any unserviceable or damaged stores.
9. The Company has not accepted deposits from the public.
10. As explained to us the Company does not have any scrap and there is no by-product.
11. The Internal Audit System is being strengthened to commensurate with its size and nature of its business.
12. We are informed that the maintenance of cost records has not been prescribed by Central Government under Section 209(1) of the Companies Act, 1956, for this Company.
13. As per records of the Company the provident fund dues have generally been regularly deposited during the year with the appropriate authorities.
14. In respect of the Company's service activities we have to report as follows:
 - (a) Materials and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase and therefore it does not require system of recording receipts, issues and consumption of materials and stores. There is a system for providing reasonable allocation of the materials and man-hours consumed to the relative jobs.
 - (b) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G.N. Joshi Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay, 27th May, 1988

BALANCE SHEET AS AT 31ST DECEMBER, 1987

	Schedule	1987		1986	
		Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS :					
SHAREHOLDERS FUND :					
Capital	1		30,00,000		30,00,000
Reserves & Surplus	2		1,24,51,199		1,05,57,165
Loan Funds	3		40,465		—
TOTAL			1,54,91,664		1,35,57,165
II. APPLICATION OF FUNDS :					
a) FIXED ASSETS	4				
Gross Block		73,69,799		58,16,449	
Less: Depreciation		41,91,789		26,93,277	
NET BLOCK			31,78,010		31,23,172
b) INVESTMENT	5		14,04,500		12,24,500
c) CURRENT ASSETS, LOANS AND ADVANCES :					
Sundry Debtors	6	3,83,51,598		3,15,88,001	
Cash and bank balances	7	74,29,979		1,37,49,330	
Other current assets	8	46,26,859		21,13,486	
Loans and advances	9	4,57,88,476		3,43,25,568	
			9,61,96,912		8,17,76,385
LESS :					
CURRENT LIABILITIES AND PROVISIONS	10				
Liabilities		7,90,37,758		6,79,64,430	
Provisions		62,50,000		46,02,462	
			8,52,87,758		7,25,66,892
NET CURRENT ASSETS			1,09,09,154		92,09,493
TOTAL			1,54,91,664		1,35,57,165

Notes on Accounts 14

For and on behalf of the Board

As per attached report of even date.
For G.N. Joshi Associates
Chartered AccountantsK.M. CHINNAPPA CHAIRMAN
A.R. JAGANNATHAN MANAGING DIRECTORG.N. JOSHI
PartnerK.V. SAHASRANAM
SecretaryA.H. TOBACOWALA
S.P. MANAKTALA
S.R. SUBBARAMAN
B.V. CHITNIS
S. GUPTA } DIRECTORS

Bombay, 27th May, 1988

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1987

	Schedule	1987 Rupees	1987 Rupees	1986 Rupees	1986 Rupees
I. INCOME					
From Services		7,24,31,271		5,50,19,716	
Others	11	<u>23,78,729</u>		<u>6,07,058</u>	
			7,48,10,000		5,56,26,774
II. EXPENDITURE					
Engineering Services & Erection Expenses		4,31,61,798		2,41,28,108	
Establishment and other expenses	12	<u>2,57,47,259</u>		<u>2,68,86,802</u>	
Depreciation		<u>15,56,909</u>		<u>6,50,497</u>	
			7,04,65,966		5,16,65,407
Profit before taxes and statutory appropriations			43,44,034		39,61,367
Provision for taxation			<u>17,00,000</u>		<u>10,00,000</u>
Profit after tax			26,44,034		29,61,367
Tax provision for tax of previous year			—		<u>2,02,462</u>
			26,44,034		27,58,905
Balance brought forward from last year			<u>17,00,000</u>		<u>17,00,000</u>
			43,44,034		44,58,905
*Appropriations:					
Proposed dividend		7,50,000		6,00,000	
Transfer to General Reserve		<u>18,94,034</u>		<u>21,58,905</u>	
			26,44,034		27,58,905
Balance carried to Balance Sheet			<u>17,00,000</u>		<u>17,00,000</u>

Notes on accounts 14

As per attached report of even date.
For G.N. Joshi Associates
Chartered Accountants

G.N. JOSHI
Partner

K.V. SAHASRANAM
Secretary

Bombay, 27th May, 1988

For and on behalf of the Board

K.M. CHINNAPPA CHAIRMAN

A.R. JAGANNATHAN MANAGING DIRECTOR

A.H. TOBACOWALA
S.P. MANAKTALA
S.R. SUBBARAMAN
B.V. CHITNIS
S. GUPTA } DIRECTORS

**SCHEDULES 1 to 14 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

SCHEDULE — 1

SHARE CAPITAL:

	1987	1986
	Rupees	Rupees
Authorised — 50,000 Equity Shares @ Rs. 100/- each	<u>50,00,000</u>	<u>50,00,000</u>
Issued and subscribed — 30,000 Equity Shares of Rs. 100/- each Rs. 100/- called up	<u>30,00,000</u>	<u>30,00,000</u>
Paid-up — 30,000 Equity Shares of Rs. 100/- each fully paid up.	<u>30,00,000</u>	<u>30,00,000</u>

SCHEDULE — 2

RESERVES AND SURPLUS

Foreign Projects Reserves (as per Sec. 80-HHB of I.T. Act) Balance as per last Balance Sheet	<u>3,13,045</u>	<u>3,13,045</u>
General Reserves — Balance as per last Balance Sheet Add: Amount set aside during the year	<u>85,44,120</u> <u>18,94,034</u> <u>1,04,38,154</u>	63,85,215 21,58,905 85,44,120
Surplus — Balance in Profit & Loss Account	<u>17,00,000</u>	<u>17,00,000</u>
	<u><u>1,24,51,199</u></u>	<u><u>1,05,57,165</u></u>

SCHEDULE — 3

LOAN FUNDS

SECURED:

Bank Overdraft (Secured by Hypothecation of book debts)	<u>40,465</u>	—
	<u>40,465</u>	—

SCHEDULE — 4

FIXED ASSETS

Description of Assets	COST			DEPRECIATION			NET BLOCK			As at 31.12.86
	As at 31.12.86	Additions	Deduction	As at 31.12.87	Upto 31.12.86	For 1987 Deduction	On Deduction	Upto 31.12.87	As at 31.12.87	
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Furniture, Fixtures and Fittings	14,10,638	3,15,521	—	17,26,159	6,15,525	1,11,063	—	7,26,588	9,99,571	7,95,1
Office Equipment	15,51,526	26,340	6,225	15,71,641	9,10,429	2,21,536	3,463	11,28,502	4,43,139	6,41,0
Vehicles	18,86,412	2,99,533	1,64,561	20,21,384	8,44,055	4,10,713	54,934	11,99,834	8,21,550	10,42,3
Air-conditioning Equipment	87,943	20,875	—	1,08,818	40,310	22,834	—	63,144	45,674	47,6
Survey and drawing instruments	19,947	—	—	19,947	8,467	3,826	—	12,293	7,654	11,4
Erection Machinery/ Equipment	6,25,962	11,20,738	—	17,46,700	2,47,141	7,37,676	—	9,84,817	7,61,883	3,78,8
Computer	83,150	92,000	—	1,75,150	27,350	49,261	—	76,611	98,539	55,8
	56,65,578	18,75,007	1,70,786	73,69,799	26,93,277	15,56,909	58,397	41,91,789	31,78,010	29,72,3
Advance against Capital Orders									—	1,50,8
									31,78,010	31,23,1
Previous Year	45,94,241	13,94,848	3,23,511	56,65,578	21,41,124	6,50,497	98,344	26,93,277	29,72,301	

	1987 Rupees	1986 Rupees
SCHEDULE — 5		
INVESTMENTS:		
1) In Shares:		
Unquoted Equity Shares of Tata Klockner Industrial Plants Limited at cost (12245 Equity shares of Rs. 100/- each fully paid)	12,24,500	12,24,500
2) In Partnership Firms:		
Tata Dilworth, Secord, Meaghar & Associates	<u>1,80,000</u>	—
	<u>14,04,500</u>	<u>12,24,500</u>

SCHEDULE — 6

SUNDRY DEBTORS

(Unsecured and considered good)
Outstanding for more than 6 months
Others

Less: Provision for doubtful debts

2,01,14,185	1,39,09,199
<u>2,12,95,713</u>	<u>2,07,37,102</u>
4,14,09,898	3,46,46,301
<u>30,58,300</u>	<u>30,58,300</u>
<u>3,83,51,598</u>	<u>3,15,88,001</u>

SCHEDULE — 7

CASH AND BANK BALANCES:

Cash on hand

Balance with scheduled banks on Current Account

With Scheduled Banks on term deposits

TOTAL

12,006	55,165
74,17,973	61,94,165
—	75,00,000
<u>74,29,979</u>	<u>1,37,49,330</u>

	1987 Rupees	1986 Rupees
SCHEDULE — 8		
OTHER CURRENT ASSETS:		
Work done not billed (at contract value including Profit/Losses thereon)	46,26,859	21,13,486
SCHEDULE — 9		
LOANS AND ADVANCES:		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received	3,79,45,406	2,90,72,046
Advance payment of tax	<u>78,43,070</u>	<u>52,53,522</u>
	<u>4,57,88,476</u>	<u>3,43,25,568</u>
SCHEDULE — 10		
CURRENT LIABILITIES AND PROVISIONS:		
Liabilities:		
Advance from Customers	1,34,48,809	1,29,24,612
Sundry Creditors for expenses	4,23,05,939	3,18,81,404
Others	42,27,334	13,87,293
Advance billings	<u>1,90,55,676</u>	<u>2,17,71,121</u>
	7,90,37,758	6,79,64,430
Provisions:		
Provision for taxation	55,00,000	40,02,462
Proposed dividend	<u>7,50,000</u>	<u>6,00,000</u>
	<u>8,52,87,758</u>	<u>7,25,66,892</u>
SCHEDULE — 11		
INCOME:		
Others		
Difference in exchange (Net)	2,59,463	1,89,356
Interest:		
Banks	92,982	2,37,088
Others (TDS Rs. 1,02,831, previous year Rs. Nil)	5,56,255	36,958
Miscellaneous income	1,63,253	1,20,818
Profit on sale of fixed assets	11,458	22,838
Surplus on foreign currency revaluation	<u>12,95,318</u>	<u>—</u>
	<u>23,78,729</u>	<u>6,07,058</u>

SCHEDULE — 12**ESTABLISHMENT AND OTHER EXPENSES:**

	1987 Rupees	1986 Rupees
Staff Salaries	99,53,315	95,04,321
Director's sitting fees	7,500	6,000
Travelling expenses	24,73,030	30,18,314
Printing & Stationery	6,86,552	5,39,600
Interest charges	55,016	2,267
Rent	9,21,502	6,55,441
Books, Periodicals & Subscription	70,396	96,204
Advertisement expenses	59,227	34,057
Bank Guarantee and Commission Charges	2,37,751	4,72,946
Professional and Legal Charges	14,77,771	5,81,800
Commission	1,91,366	13,29,232
Motor Vehicle Expenses	8,03,930	10,12,927
Postage, Telephone, Telegram & Telex	14,57,344	10,98,678
Filing fees	—	300
Auditor's Remuneration	30,100	23,849
For Audit fees	12,500	12,500
For Tax audit	5,000	5,000
For other work	11,000	5,500
Out of pocket expenses	1,600	849
Entertainment expenses	1,96,315	2,10,100
Repair and Maintenance	6,47,985	9,29,639
Electricity and water charges	1,64,152	80,434
Freight charges	1,30,112	1,43,641
General expenses	1,28,449	2,99,298
Overseas Living Expenses	28,32,079	26,00,246
Staff Recruitment Expenses	80,733	1,71,220
Rates and taxes	94,132	1,05,331
Staff Welfare Expenses	14,50,462	13,88,335
Tax paid/payable overseas	15,17,445	13,38,686
Donation	80,595	13,936
Provision for doubtful debts	—	12,30,000
	<u>2,57,47,259</u>	<u>2,68,86,802</u>

SCHEDULE — 13**COMPUTATION OF MANAGING DIRECTOR'S COMMISSION**

Profit before taxation as per Profit and Loss Account	43,90,277	40,03,557
Add: Depreciation	15,56,909	6,50,497
Directors' sitting fees	7,500	6,000
Managing Director's remuneration including value of perquisite	1,16,427	1,30,425
	<u>60,71,113</u>	<u>47,90,479</u>
Less: Depreciation as per Section 350 of the Companies Act, 1956	14,46,820	5,71,434
Net Profit for the year under Section 198(i) of the Companies Act, 1956	46,24,293	42,19,045
1% thereof	46,243	42,190
Commission payable to the Managing Director limited to 1% of the net profit or 50% of the annual salary (Rs. 49,224)	<u>46,243</u>	<u>42,190</u>

SCHEDULE — 14

NOTES ON ACCOUNTS

1. Information pursuant to Part II of Schedule VI of Companies Act, 1956

	1987 Rupees	1986 Rupees
a) Gross income from Engg Services	7,24,31,271	5,50,19,716
b) Break-up of expenditure incurred on employees drawing Rs. 36,000/- or more per annum if employed throughout the year of Rs. 3,000/- or more per month, if employed for part of the year.		
	Employed throughout the year Rs.	Employed part of the year Rs.
i) Salaries and other benefits	29,40,133 (32,07,516)	3,93,783 (9,43,831)
ii) Contribution to Provident Fund and Family Pension Scheme	1,37,018 (1,62,814)	10,913 (26,278)
iii) No. of Employees	52 (55)	11 (26)
c) Expenditure in foreign currency salaries and staff dues	22,42,323	41,96,593
Others	89,11,032	84,81,188
d) Earning in foreign exchange for services rendered	1,60,35,000	3,36,92,007

2. The remuneration paid during the year to the Managing Director amounting to Rs. 1,62,670/- (Previous year Rs. 1,72,615/-) includes estimated money value of benefits Rs. 17,979/- (previous year Rs. 12,904/-). The remuneration is subject to approval of the Central Government, for period prior to 1st March, 1986.

3. Estimated amount of contract remaining to be executed on capital account and not provided for Rs. Nil. (Previous year Rs. 4,99,872/-).

4. No provision for gratuity is made as the Management is of the opinion the same will be accounted for on cash basis.

5. Stores and consumables purchased by the Company during the year are written off in the year of purchase.

6. During the year, the Company has undertaken a major turnkey contract. In contrast to the policy of accounting income on a proportionate completion basis which has been followed by the Company so far, the Company has now decided to account for income on turnkey contracts on completed contract basis. Accordingly, the expenditure incurred on turnkey contracts during the year 1987 amounting to Rs. 8,44,266/- has been carried over to the next year.

7. The details of investment in partnership:

Partner	Percentage of Profit/Loss	Capital Rs.
Tata Projects Limited	60%	180,000
Dilworth, Secord, Meagher & Associates	40%	120,000

8. During the year, the Company has initiated a policy of revaluing the bank balance held in foreign currency at year end rates. The profit on such revaluation amounting to Rs. 12,95,318/- has been taken to Profit & Loss Account as other income.
9. Previous year's figures has been regrouped wherever necessary so as to make them comparable with current year's figures.

Schedules 1 to 14.

As per attached report of even date.
For G.N. Joshi Associates
Chartered Accountants
G.N. JOSHI
Partner

For and on behalf of the Board

K.M. CHINNAPPA CHAIRMAN

A.R. JAGANNATHAN MANAGING DIRECTOR

A.H. TOBACOWALA }
S.P. MANAKTALA } DIRECTORS
S.R. SUBBARAMAN }
B.V. CHITNIS }
S. GUPTA }

K.V. SAHASRANAM
Secretary

Bombay, 27th May, 1988

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217 (2A) READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 1987

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(a) Particulars of employees employed throughout the financial year and who are in receipt of remuneration of not less than Rs. 36,000/- in terms of Section 217 (2A) (i)									
1.	Mr. N.A. de X Alphonso	General Manager (Commercial)	89,448	70,642	B.Sc. (Chem.) B.E. (Chem.)	32	01.03.1983	56	Tata Consulting Engineers — Commercial & Development Manager
2.	Mr. V. Balakrishna	Sr. Manager (Procurement Services)	65,592	59,751	B.A. (Eco.) Dip. in Business Management	27	02.04.1982	51	Engineers India Limited — Purchase Manager
3.	Mr. K. Balasubramaniam	Senior Engineer (Instrumentation)	61,972	57,870	B.E. (Elec.)	23	02.11.1983	47	TNEB — Tuticorin Thermal Power Project
4.	Mr. S. Dattatreya	Senior Engineer (Mechanical)	72,803	70,031	AMIE (Mech.) B.O.C.	18	09.11.1983	42	Petromin Refinery Riyadh
5.	Mr. R.V. Duraisami	Project Manager	50,120	42,020	B.E. (Hons.) (Elect.)	36	24.04.1985	61	Tamil Nadu Electricity Board — Chief Engineer
6.	Mr. S.W. Goklany	General Manager (Power)	87,792	70,140	B.E. (Elec.) B.E. (Mech.)	32	01.04.1982	59	Tata Consulting Engineers — Addl. Chief Engineer
7.	Mr. J.B. Godambe	Construction Manager	60,069	52,793	B.E. (Mech.)	21	02.02.1981	46	Tata Electric Cos. Unit V Construction — Engineer (Proj.)
8.	Mr. R.G. Subramanian	Instrumentation Engineer	56,664	52,567	B.E. (Elec.)	17	29.04.1983	41	TNEB — Ennore Thermal Power Station — Assistant Div. Engineer
9.	Mr. N.D. Gadgil	Electrical Testing Engineer	73,950	72,450	AMIE (Section A & B)	34	14.06.1984	59	Gujarat Electricity Board — Supdt. Engineer
10.	Mr. A.K. Goyle	Senior Engineer (Mech.)	52,064	49,342	B.Sc. (Hons.) Marine Engg.	12	19.09.1983	38	A.L. Navigation Limited — Athens, Greece.
11.	Mr. C.L. Gupta	Chief Operations Engineer	62,612	56,480	B.Sc. (Chem.) B.Sc. (Mech. Engg.)	35	16.10.1985	60	Maharashtra State Electricity Board — Chief Engineer
12.	Mr. S.K. Ghosal	Asst. Manager (Technical Services)	50,411	46,320	B. Tech.	15	19.11.1985	38	Kebs & Cic (I) Private Limited
13.	Mr. Harihara Krishnan	Dy. Manager (Procurement)	55,220	52,115	B.Sc. (Elec.)	15	24.10.1983	38	Engineers India Limited — Senior Engineer
14.	Mr. A.R. Jagannathan	Managing Director	1,69,830	1,34,327	B.E. (Elec.)	39	01.03.1981	63	Tata Consulting Engineers Director (Commercial)
15.	Mr. V.S. Karpur	Sr. Construction Engineer	56,800	50,530	B.E.	16	03.10.1983	38	Engineers India Limited — Engineer

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
16.	Mr. S. M. Khole	Instrumentation Engineer	59,152	54,497	B.Sc. (Hons.) B.E. (Ins.)	19	21.06.1984	45	Deccan Fibre Glass Limited Senior Instrumentation Engineer
17.	Brig. N.P. Manaktala	Manager-Inspection, Expediting & Administration	38,070	32,500	All India Dip. in Electrical Engineering	37	01.11.1983	59	Ministry of Defence — Army
18.	Mr. Mohd. Akhtar Surury	Manager (Inspection, Q.A. & Q.C.)	68,075	59,207	B.Sc. (Mech. Engg.)	21	17.05.1984	46	Bharat Heavy Electricals Ltd.
19.	Mr. M. Narasimha Rao	Inspection Engineer	54,347	50,722	LME AMIE (Mech.) DBM	17	23.09.1985	37	Toyo Engineering Limited, Kuwait
20.	Mr. R. Prabhaakar	Construction Manager	64,247	56,553	B.E.	22	25.10.1982	48	Engineers India Limited Senior Engineer
21.	Mr. P.M. Pujara	Field Inspection Engineer	52,192	46,407	B.E.	13	23.05.1983	39	Engineers India Limited — Engineer
22.	Mr. G. Pullareddy	Project Engineer	54,420	50,419	M.Tech. (Chem.)	12	16.08.1984	44	Reliance Cellulose Products Limited Plant in Charge
23.	Mr. S.R Raj	Project Manager	66,994	61,478	B. Tech. (M) M. Engg. (M)	18	16.09.1981	43	Engineers India Limited — Project Manager Design
24.	Mr. R. Rajagopal	Project Officer	53,144	50,483	B. Tech. M.B.A.	9	02.05.1983	32	Philvastime Enterprises Nigeria — Project Consultant
25.	Mr. K.V. Reddy	Principal Engineer	64,640	55,293	B.E. (M)	19	28.10.1985	43	Secretariat of Electricity HOMS Power Station, Libya.
26.	Mr. H.P. Rangaraj	Deputy General Manager	83,067	70,423	B.E. (M)	31	10.12.1985	54	Toyo Engineering (I) Ltd — Engineering Manager
27.	Mr. A.K. Sharma	Principal Engr. Construction	58,002	52,466	B.Sc. (Engg.)	14	03.11.1982	36	Engineers India Limited — Lead Planning Engg.
28.	Mr. V.N. Subramanian	Project Manager	74,661	67,301	B.Sc. (Engg.) Mechanical	23	09.05.1983	47	Gammon India Limited — Senior Div. Engineer
29.	Mr. Syed Salim	Instrumentation Engineer	55,094	51,761	B.E. M.Sc. (Engg.)	14	24.02.1983	38	Tamil Nadu Electricity Board — Assistant Engineer
30.	Mr. Suresh G. Oommen	Executive (Estimation & Cost Control)	51,146	48,081	B. Tech. M.B.A.	13	27.06.1983	37	K.S.B. Pumps Limited — Cost Department
31.	Mr. K.A. Seetharaman	Project Engineer	66,000	64,040	B.E.	38	20.11.1983	61	Tamil Nadu Electricity Board — Chief Engineer
32.	Mr. M. Sardana	Construction Engineer	47,285	43,442	DME, AMIE (Section 'A')	20	11.12.1981	49	Electrico (Partnership firm)
33.	Mr. N. Subramanian	Stores & Transport Officer	44,139	41,245	B. Com.	21	08.07.1982	47	Engineers India Limited
34.	Mr. G.R. Sarangan	Project Manager	72,850	66,950	B.E. (Elec.)	36	24.09.1983	60	Chief Engineer (Hydro), MSEB

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
35.	Mr. K. Srinivasan	Superintendent (Electrical)	69,093	59,777	B.E. (Elec.)	34	05.04.1985	58	Tamil Nadu Electricity Board — Electrical Supdt.
36.	Mr. C. Shankar	Accounts Executive	42,213	40,075	B.Sc. A.C.A. ICWA	4	01.07.1985	29	HIFCO GROWTH Fund Limited — Hyderabad. Asst. Manager
37.	Mr. S. Santhanagopalan	Accounts Executive	40,962	38,875	B.Com. C.A. I.C.W.A. (Inter)	4	04.07.1985	29	Neyveli Lignite Corporation Limited — Asst. A/C's Manager
38.	Mr. M.R. Sen	Construction Supdt.	54,000	53,000	B.E. (Elec.)	40	30.12.1985	65	TEC — Officer on Special Duty — Project Manager
39.	Mr. G. Srinivasa Rao	Senior Inspection Engineer (S.E.)	54,564	50,983	B.E. (M)	14	06.01.1986	42	M/s. Ansaldo Italian — Shift Charge Engr.
40.	Mr. A.J. Vyas	Senior Engineer	51,551	45,787	B.E. (Mech.)	12	01.12.1982	35	Engineers India Limited — Inspection Engineer
41.	Mr. P.V. Varghese	Engineer	45,140	40,470	B.Sc. (Hons.) (Engg.) AMII — Chem. Engg.	10	03.10.1983	38	B.Tech. (Chem.) Gammon India Limited — Design Engineer
42.	Mr. R. Srinivasan	Principal Engineer (Chem.)	72,798	67,069	B.Tech. (Chem.)	18	01.10.1980	42	Hindustan Petroleum Corporation Bombay — Asst. Manager
43.	Mr. D. Chandrasekaran	Diesel Power Plant Shift Engineer	48,856	44,907	B.E. (M) MOT	15	21.10.1985	41	Ratnakar Shipping Company Limited
44.	Mr. G.J. Hajare	Relay & Protection Engineer	58,418	55,494	BE (Elec.)	15	20.06.1986	38	MSEB Bombay Asst. Engineer
45.	Mr. S.S. Ramanujam	Engineer	41,247	37,805	LEE	25	18.08.1986	48	Chem Fab Alkalies Limited Sr. Elec. Engineer
46.	Mr. G. Ramakrishnan	Erection Engineer	39,325	39,083	DEE	35	17.02.1986	61	TNEB — Divisional Engineer
47.	Mr. P. Sankaran	Diesel Mechanical Maint. Engineer	44,747	39,370	B.Sc. (Mech. Engg.) MOT	14	02.09.1985	40	Shipping Corporation of India Limited
48.	Mr. M.G. Tonse	Project Engineer (Mechanical)	66,000	66,000	Diploma in Mech. Engg.	41	01.06.1986	62	Tata Electric Companies — Sr. Maintenance Engineer
49.	Mr. K. Madhava Rao	Asst. Manager — Personnel	46,629	43,062	M.A. (TISS)	10	02.06.1983	31	Telegraph Dept.
50.	Mr. O.P. Murali	Construction Supdt.	53,992	50,234	DE (Mech.)	16	02.12.1986	37	IRD Mechanalysis (India) Ltd.
51.	Mr. V. Gopalakrishnan	Project Engineer (Electrical)	58,928	53,598	AMIE	41	02.02.1987	61	Tata Electric Companies
52.	Mr. D.C. Lad	Driver	42,059	39,767	VII Std.	14	01.03.1983	49	Tata Consulting Engineers — Driver

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
b) Particulars of employees employed for part of the year who were in receipt of remuneration at the rate not less than Rs. 3,000/- per month in terms of section 217(2A) (ii)									
1.	Mr. G.J. Bhingare	General Manager (Iran)	45,000	45,000	B.Sc. (Elec. Engg.) M.Sc. (Phy.) LLB	31	11.11.1984	63	Maharashtra State Electricity Board Technical Director
2.	Mr. K.R. Banerjee	Chief Project Manager (Instrumentation)	28,633	27,834	B.Sc. (Phy) D.I.I.Sc.	28	15.04.1985	54	Instrumentation Limited Dy. GM.
3.	Mr. G. Jaigopal	Sr. Inspection Engineer	35,954	32,972	BE (Elec.)	15	16.10.1986	39	General Chemical Company Liberia Elec. Engineer
4.	Mr. K.V. Sahasranam	Company Secretary & Consultant	48,000	38,400	B.Sc., LLB, A.C.S.	41	01.05.1987	61	Tata Consulting Engineers F.C. & S.
5.	Mr. S.S. Akhtar	Safety Engineer	13,945	13,545	B.Sc. (Engg.)	35	25.08.1987	59	Hindustan Petroleum Corporation
6.	Mr. M.B. Vaidya	Construction Supdt. (Elec.)	53,075	47,675	DEE	38	10.10.1986	61	Tata Electric Companies
7.	Mr. J. Bhujanga Rao	Senior Engineer	38,617	34,766	BE (Mech.)	14	10.03.1987	37	John Brown Eng. Sult. of Oman
8.	Mr. K. Krishna Rao	Senior Engineer	38,449	35,808	B.Sc. (Mech. Engg.)	15	18.03.1987	37	ACC-Babcock Ltd. Shahabad
9.	Mr. K. Satyanarayana	Senior Engineer (Inspection)	44,303	41,722	B.E. (Mech) MBA	15	21.03.1986	37	Elect. Corp. Saudi Arabia
10.	Mr. K. Sampath	Project Manager	36,181	32,495	ME	26	13.07.1987	49	IAEC (I) Ltd.
11.	Mr. B.P. Kulkarni	Principal Engineer	22,539	21,995	BE (Chem.)	13	16.07.1987	43	Self Employment

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NOTES:

1. "Remuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. "Net Remuneration" is arrived at by deducting from the gross remuneration income-tax, and Company's contribution to Provident Fund.
3. The nature of employment is contractual.
4. None of the employees named above is a relative of any Director of the Company, except Brig. N.P. Manaktala who is the brother of Mr. S.P. Manaktala, Director of the Company.

On behalf of the Board
K.M. CHINNAPPA
Chairman

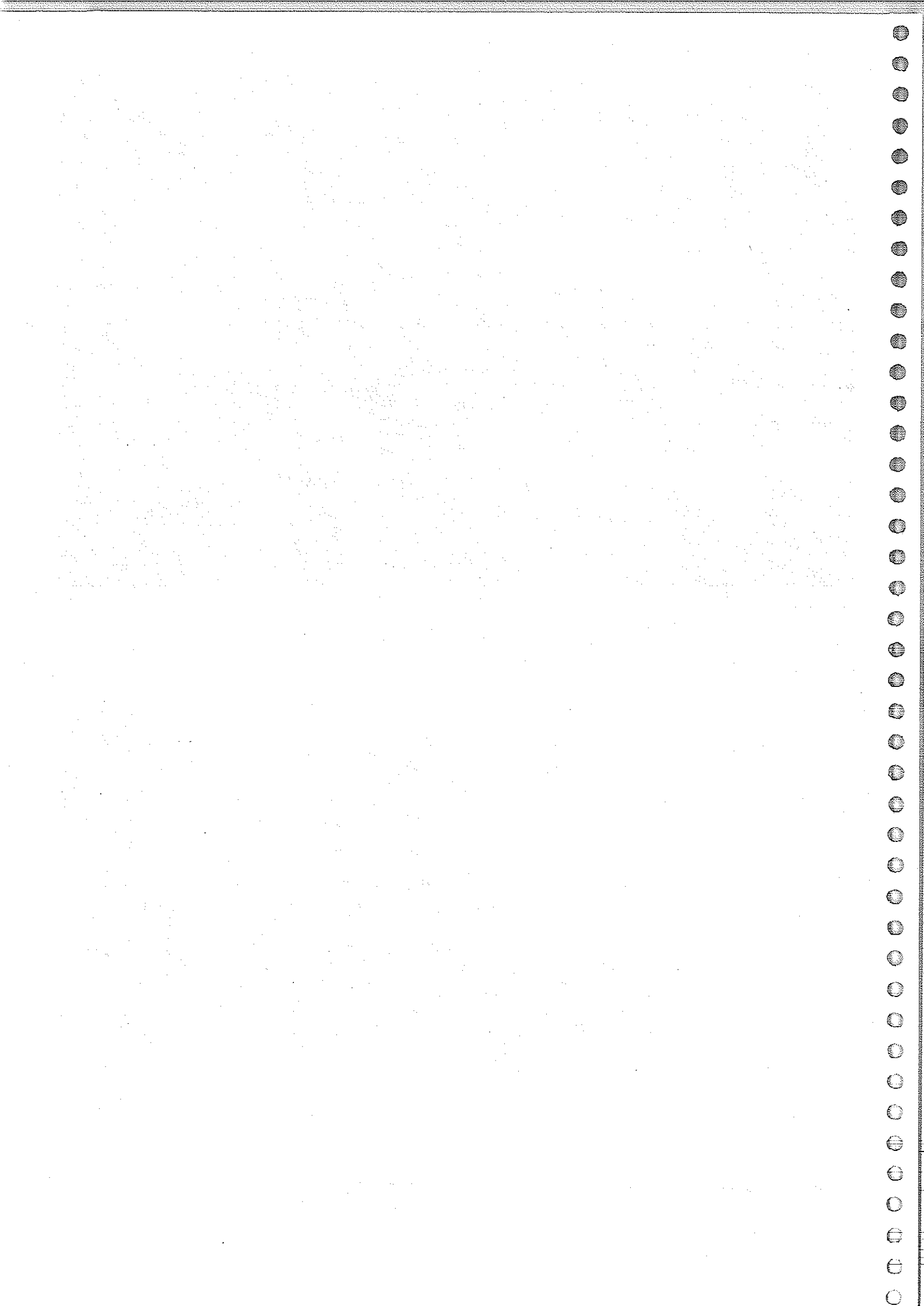
Bombay, 27th May, 1988



Godavari Fertilisers & Chemicals Ltd. Kakinada — DAP Plant



Kothari General Foods Corporation Ltd., Mysore — Instant Coffee Plant



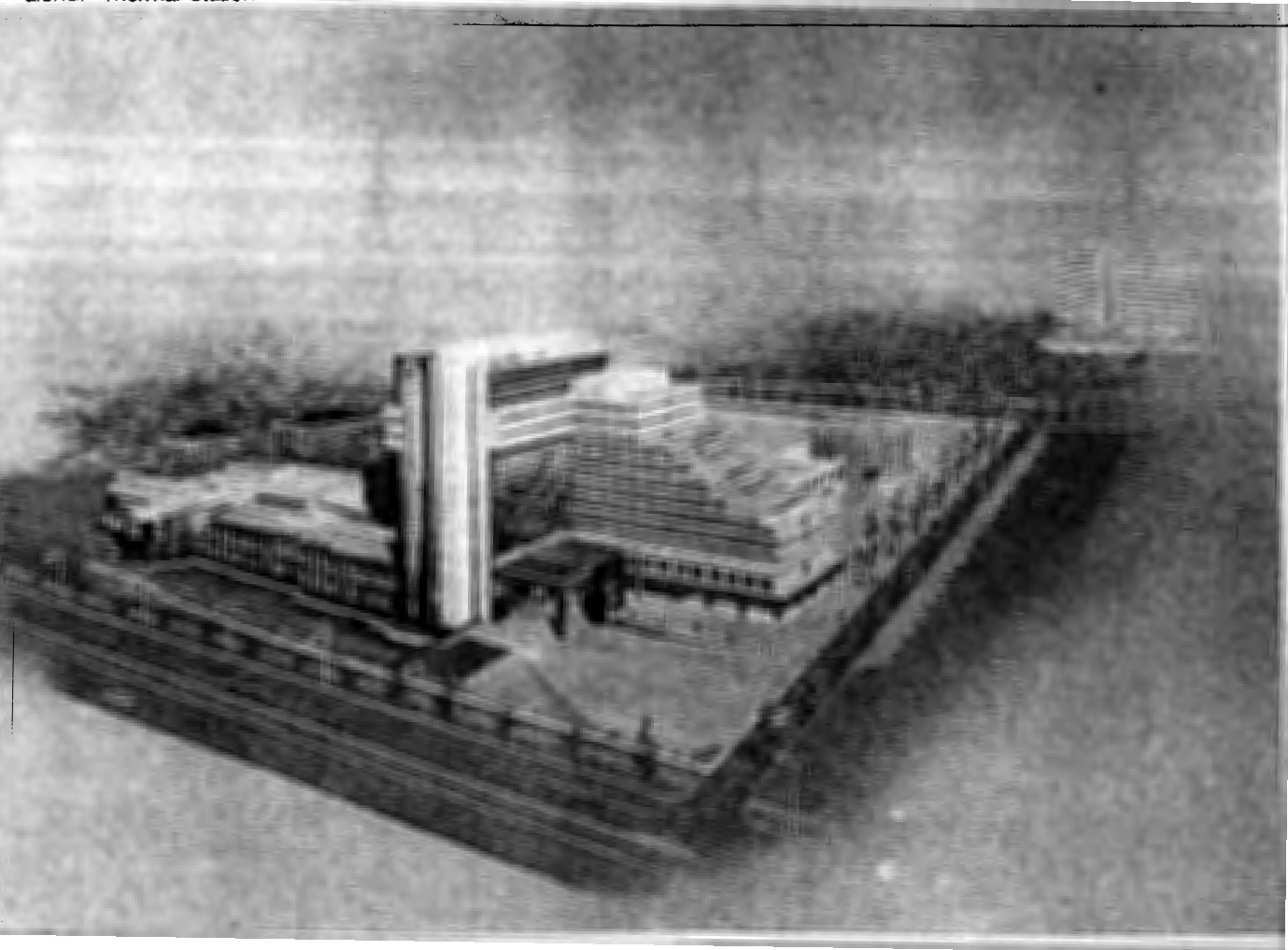
TATA PROJECTS LIMITED

TENTH
ANNUAL REPORT
1988-89





*Operation and Maintenance—
Tashkent Thermal Station*



Turnkey Construction—600 Bed Hotel Project at Tashkent

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BOARD OF DIRECTORS

Chairman

K.M. Chinnappa

**Vice-Chairman and
Managing Director**

A.R. Jagannathan

Directors

A.H. Tobaccowala

F.K. Kavarana

S.P. Manaktala

S.R. Subbaraman

B.V. Chitnis

S. Gupta

S. Ramakrishnan

A.V. Thomas

N. S. Sunder Rajan

(Effective 26th April, 89)

Secretary

K.V. Sahasranam (Until 30.4.89)

Senior Executives

N.A. De X. Alphonso

(Vice-President, Chemical and Industrial Projects)

S.W. Goklany

(Vice-President, Power Projects)

REGISTERED OFFICE

Bombay House, 24, Homi Mody
Street, Fort, Bombay 400 001

BANKERS

Grindlays Bank p.l.c.

Citibank N.A.

State Bank of India

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates

Chartered Accountants

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Tenth Annual Report and Audited Accounts of the Company for the 15 months ended 31st March, 1989.

Consequent to the amendment to the Income Tax Act, 1961 the financial year of the Company has been changed from calendar year to April-March and the Report and Accounts cover a 15 month period.

FINANCIAL RESULTS

	1988-89 (15 months) Rs./Millions	1987 (12 months) Rs./Millions
Income	109.138	74.810
Expenses	103.334	70.466
Surplus before tax	5.804	4.344
Provision for taxation	1.022	1.700
Net Surplus	4.782	2.644
Backlog of work at the beginning of the year	435.553	53.384
New jobs secured during the year	30.00	454.626
Extension of continuing jobs	40.00	—
Total	505.553	508.010
Backlog at close of year	402.263	435.553

The income at Rs. 109.13 million as compared to Rs. 74.81 million in the previous year represented an increase of 16.7% on an annualised basis. The surplus after tax of Rs. 4.8 million was also higher on an annualised basis by 44.67%.

OPERATIONS

Substantial portions of work on the erection jobs at Rihand and Trombay have been completed. Progress on other jobs at Panchet, Hindustan Photo Film Project at Ooty, Captive Power Plant for Khammam Refinery and others were satisfactory. The turnkey project for a compressed air facility for the Defence Department is progressing as per schedule and will be completed during the year. The other major turnkey hotel project in Tashkent, USSR has also progressed satisfactorily.

Business prospects continued to be good and new assignments of value over Rs. 30.0 million were secured during the period. Proposals submitted against a number of enquiries were under negotiations/discussions with the clients.

DIVIDEND

Your Directors recommend a dividend of 30%, subject to deduction of tax, on Equity Shares for the 15 month period ended on 31st March 1989. The dividend if approved, will be paid to those members whose names appear in the Register of Members of the Company on the date of the next Annual General Meeting.

EQUITY SHARES

To meet the purchase of certain construction equipment and tools, your Directors offered 45,000 Equity Shares of Rs. 100 each on a right basis to the existing shareholders during the current year which has been fully subscribed.

TATA-KLOCKNER

TATA-KLOCKNER in which the company has a major investment has made substantial improvement in its operations and has almost wiped off the carry forward loss of Rs. 8.78 lacs during the year ended 31st March, 1989. The Company's order book is satisfactory and business prospects also seem to be good.

TATA-DSMA

The Company has a 60% capital participation in the partnership firm. During 1988-89, though there has been substantial increase in the turnover at Rs. 35.77 lacs as against Rs. 14.80 lacs in the previous year, the operations have resulted in a loss of Rs. 0.91 lacs consequent to write off of bad debts amounting to Rs. 1.21 lacs of previous years.

DIRECTORS

Messrs A.H. Tobaccowala, S.R. Subbaraman and B.V. Chitnis retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment.

Messrs A.V. Thomas and N.S. Sunder Rajan who were appointed as Additional Directors on 17th August 1988 and 26th April 1989 respectively hold such office till the date of the

forthcoming Annual General Meeting. Mr. Thomas and Mr. Sunder Rajan are eligible for appointment. The Company has received notice in writing from Members proposing Mr. Thomas and Mr. Sunder Rajan as Directors of the Company.

AUDITORS

Messrs G.N. Joshi Associates, Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217(2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the excellent work done by the staff at all levels during the year.

On behalf of the Board of Directors-

K.M. CHINNAPPA
CHAIRMAN

Bombay,
September 21, 1989

AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st March, 1989 and also the annexed Profit and Loss Account for the Fifteen month period ended on that date and report that—

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board 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.
2. Further to our comments in the Annexure referred to in paragraph 1 above—
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to Note No. 12 regarding provision of gratuity liability of earlier

years amounting to Rs. 2,76,287/-, read together with Note No. 5 regarding change in accounting policies and the other Notes contained in the Schedule of Notes attached give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view—

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1989; and
- (ii) in the case of the Profit and Loss Account of the profit for the Fifteen month period ended on that date.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

September 21, 1989.

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. The fixed assets of the Company have been physically verified by the management at reasonable intervals during the period and no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the period.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the period and, accordingly items (iii) to (vi) and (xii) of paragraph 4(A) of the Order are not applicable considering the nature of carrying out of the activities by the Company.
4. 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, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interest of the company. We have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interests of the Company. As referred in paragraph (4) above, we have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
6. In respect of loans and advances in the nature of loans given by the Company, where stipulations have been made, the parties are repaying the principal amounts and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, components, plant and machinery, equipment and other assets and with regard to sale of goods.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under Section 301 and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.
9. The company has not accepted fixed deposits from the public during the period and therefore, the question of compliance with the directives

issued by the Reserve Bank of India and the provisions of Section 58A of the Companies Act, 1956 does not arise.

10. As explained to us, the Company has neither by-products nor scrap.
11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
13. According to the records of the Company, provident fund dues have been regularly deposited during the period with the appropriate authorities. As explained to us, there have been no dues in respect of Employees' State Insurance.
14. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, customs duty and excise duty which are outstanding as on 31st March, 1989 for a period of more than six months from the date they become payable.
15. According to the information and explanations given and based on test checks carried out by us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.

5. The Company is not a sick industrial company within the meaning of clause (O) of subsection 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

17. In respect of the Company's service activities we have to report as follows:

- (a) Materials and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase and therefore it does not require system of recording receipts, issues and consumptions of materials and stores.
- (b) There is a system for providing reasonable allocation of the materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
- (c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of Stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

September 21, 1989

BALANCE SHEET AS AT MARCH 31, 1989

	Schedule	Mar 31, 1989 Rupees	Mar 31, 1989 Rupees	Dec 31, 1987 Rupees	Dec 31, 1987 Rupees
SOURCES OF FUNDS:					
SHAREHOLDERS FUND:					
Capital	1		3,000,000		3,000,000
Reserves & Surplus	2		16,333,888		12,451,199
Loan Funds	3		1,840,316		40,465
TOTAL			21,174,204		15,491,664
APPLICATION OF FUNDS:					
a) FIXED ASSETS					
Gross Block	4	19,080,426		7,369,799	
Less: Depreciation		5,216,529		4,191,789	
NET BLOCK			13,863,897		3,178,010
b) INVESTMENT	5		1,404,500		1,404,500
c) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	58,540,628		38,351,598	
Cash and bank balances	7	5,537,084		7,429,979	
Other current assets	8	67,183,032		5,471,125	
Loans and advances	9	64,269,532		44,944,210	
			195,530,276		96,196,912
LESS:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	10	182,224,469		79,037,758	
Provisions		7,400,000		6,250,000	
			189,624,469		85,287,758
NET CURRENT ASSETS			5,905,807		10,909,154
TOTAL			21,174,204		15,491,664
Notes on Accounts	13				

For and on behalf of the Board

K.M. CHINNAPPA

CHAIRMAN

A.R. JAGANNATHAN

VICE-CHAIRMAN &
MANAGING DIRECTORA.H. TOBACOWALA
S.R. SUBBARAMAN
S. RAMAKRISHNAN
N.S. SUNDER RAJAN

} DIRECTORS

As per attached report of even date.
For G.N. Joshi Associates
Chartered AccountantsG.N. JOSHI
Partner

Bombay, September 21, 1989.

PROFIT AND LOSS ACCOUNT FOR THE 15 MONTHS PERIOD ENDED 31ST MARCH, 1989

	Schedule	Mar 31, 1989 Rupees	Mar 31, 1989 Rupees	Dec 31, 1987 Rupees	Dec 31, 1987 Rupees
I. INCOME					
From Services		103,290,104		72,431,271	
Others	11	5,848,874		2,378,729	
			109,138,978		74,810,000
II. EXPENDITURE					
Engineering Services & Erection/Construction Expenses		106,771,870		43,161,798	
Establishment and other expenses	12	53,123,233		26,591,525	
Depreciation		1,803,610		1,556,909	
		161,698,713		71,310,232	
Less: Increase in work in progress		58,364,560		844,266	
			103,334,153		70,465,966
Profit before taxes and statutory appropriations			5,804,825		4,344,034
Provision for taxation			1,000,000		1,700,000
			4,804,825		2,644,034
Tax provision for tax of previous year			22,136		—
Profit after tax			4,782,689		2,644,034
Balance brought forward from last year			1,700,000		1,700,000
			6,482,689		4,344,034
Appropriations:					
Proposed dividend		900,000		750,000	
Transfer to General Reserve		1,000,000		1,894,034	
Invest. Allow. Reserve		2,000,000			
			3,900,000		2,644,034
Balance carried to Balance Sheet			2,582,689		1,700,000

Notes on accounts

13

For and on behalf of the Board

As per attached report of even date.
For G.N. Joshi Associates
Chartered Accountants

K.M. CHINNAPPA

CHAIRMAN

A.R. JAGANNATHAN

VICE-CHAIRMAN &
MANAGING DIRECTOR

G.N. JOSHI

Partner

A.H. TOBACOWALA
S.R. SUBBARAMAN
S. RAMAKRISHNAN
N.S. SUNDER RAJAN

} DIRECTORS

Bombay, September 21, 1989.

SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**SCHEDULE—1****SHARE CAPITAL:**

	March 31 1989	December, 31 1987
	Rupees	Rupees
Authorised— 1,00,000 Equity Shares @ Rs. 100/- each	10,000,000	5,000,000
Issued and subscribed— 30,000 Equity Shares of Rs. 100/- each Rs. 100/- called up	3,000,000	3,000,000
Paid-up 30,000 Equity Shares of Rs. 100/- each	3,000,000	3,000,000

SCHEDULE—2**RESERVES AND SURPLUS**

Foreign Projects Reserves (as per Sec. 80-HHB of I.T. Act) Balance as per last Balance Sheet	313,045	313,045
General Reserves— Balance as per last Balance Sheet Add: Amount set aside during the year	10,438,154 1,000,000	8,544,120 1,894,034
Investment Allowance Reserve— Amount set aside during the year	2,000,000	
Surplus— Balance in Profit & Loss Account	2,582,689	1,700,000
	<u>16,333,888</u>	<u>12,451,199</u>

SCHEDULE—3**LOAN FUNDS**

Secured—Bank Overdraft (Secured by hypothecation of book debts)	1,840,316	40,465
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SCHEDULE—4

FIXED ASSETS

Sl. No.	Description	COST			DEPRECIATION			NET BLOCK			
		As at 31.12.87	Additions	Deductions	As at 31.03.89	Upto 31.12.87	For 1988-89	On Deductions	Upto 31.03.89	As on 31.03.89	As at 31.12.87
		Rs	Rs	Rs.	Rs	Rs	Rs	Rs	Rs	Rs	
1.	Furniture, Fixtures and Fittings	1,726,159	300,001	154,863	1,871,297	726,588	133,036	43,398	816,226	1,055,071	999,571
2.	Office Equipment	1,571,641	383,220	794,166	1,160,695	1,128,502	99,195	605,960	621,737	538,958	443,139
3.	Vehicles	2,021,384	840,132	129,512	2,732,004	1,199,834	335,545	129,512	1,405,867	1,326,137	821,550
4.	Air-conditioning Equipment	108,818	2,700		111,518	63,144	9,000		72,144	39,374	45,674
5.	Survey and drawing instrument	19,947			19,947	12,293	1,436		13,729	6,218	7,654
6.	Erection Machinery	1,746,700	10,565,897		12,312,597	984,817	1,003,321		1,988,138	10,324,459	61,883
7.	Computer	175,150	577,611		752,761	76,611	211,405		288,016	464,745	98,539
8.	Electrical Equipment		119,607		119,607		10,672		10,672	108,935	
		7,369,799	12,789,168	1,078,541	19,080,426	4,191,789	1,803,610	778,870	5,216,529	13,863,897	3,178,010
	Previous Year	5,665,578	1,875,007	170,786	7,369,799	2,693,277	1,556,909	58,397	4,191,789	3,178,010	

	March 31, 1989 Rupees	December 1987 Rupees
SCHEDULE—5		
INVESTMENTS:		
) In Shares:		
Unquoted		
Equity Shares of Tata Klockner Industrial Plants Limited		
at cost (12245 Equity shares of Rs. 100/- each fully paid)	1,224,500	1,224,500
) In Partnership Firms: CAPITAL:		
Tata-Dilworth, Secord Meagher & Associates	180,000	180,000
	<u>1,404,500</u>	<u>1,404,500</u>
 SCHEDULE—6		
UNDRY DEBTORS—Unsecured		
) Outstanding for a period exceeding 6 months		
considered good	25,494,184	17,055,885
considered doubtful	3,058,300	3,058,300
	<u>28,552,484</u>	<u>20,114,185</u>
Less: Provision for doubtful debts	3,058,300	3,058,300
	<u>25,494,184</u>	<u>17,055,885</u>
) Other debts considered good		
	33,046,444	21,295,713
	<u>58,540,628</u>	<u>38,351,598</u>

	March 31, 1989 Rupees	December 31, 1987 Rupees
SCHEDULE—7		
CASH AND BANK BALANCES:		
Cash on hand	17,898	12,006
Balance with scheduled banks on Current Account	3,948,962	6,121,558
With Other Banks on Current Account:		
Tashkent Zilsuth Bank (Max. during the period Rs. 1,444,512—1987 Nil)	475,860	—
Grindlays Bank p.l.c., Zurich (Max. during the period Rs. 307,996—1987 Rs. 3,047,854)	14,731	290,245
Citibank N.A., Singapore (Max. during the period Rs. 1,874,648—1987 Rs. 761,313)	896,206	435,675
Bank Tejarat, Iran (Max. during the period Rs. 1,731,379—1987 Rs. 3,140,162)	182,940	570,008
Citibank N.A., Kuala Lumpur (Max. during the period Rs. 487—1987 Rs. 487)	487	487
TOTAL	<u>5,537,084</u>	<u>7,429,979</u>

SCHEDULE—8**OTHER CURRENT ASSETS:**

Work done but not billed. (at contract value including Profit/Losses thereon)	7,974,206	4,626,859
CLOSING WORK IN PROGRESS (TURNKEY PROJECTS) :		
Opening work in progress	844,266	—
Add: Increase in work in progress	58,364,560	844,266
	<u>59,208,826</u>	<u>844,266</u>
	67,183,032	5,471,125

March 31, 1989	December 31, 1987
Rupees	Rupees

SCHEDULE—9**LOANS AND ADVANCES:**

(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received	50,752,249	37,101,140
Advance payment of tax	13,517,283	7,843,070
	<u>64,269,532</u>	<u>44,944,210</u>

SCHEDULE—10**CURRENT LIABILITIES AND PROVISIONS:**

Liabilities:		
Advance from Customers	44,331,275	13,448,809
Sundry Creditors for expenses	55,397,312	42,305,939
Others	6,569,701	4,227,334
Advance billings (including Rs. 6,61,44,116 in respect of turnkey projects)	75,926,181	19,055,676
	<u>182,224,469</u>	<u>79,037,758</u>
Provisions:		
Provision for taxation	6,500,000	5,500,000
Proposed dividend	9,00,000	750,000
	<u>7,400,000</u>	<u>6,250,000</u>

SCHEDULE—11**INCOME:**

Others		
Difference in exchange (Net)	435,200	259,463
Interest:		
Banks	708,586	92,982
Others (Tax Deducted at Source—Rs. 278,877/- previous year Rs. 1,02,831/-)	3,492,269	556,255
Miscellaneous income	36,143	163,253
Profit on sale of fixed assets (Net)	134,723	11,458
Surplus on foreign currency revaluation	—	1,295,318
Cash Compensatory Support	184,972	—
Provision no longer required written back	856,981	—
	<u>5,848,874</u>	<u>2,378,729</u>

March 31, 1989 Rupees	December 31, 1987 Rupees
-----------------------------	--------------------------------

SCHEDULE—12**ESTABLISHMENT AND OTHER EXPENSES:**

Staff Salaries	16,627,739	9,953,315
Director's sitting fees	12,250	7,500
Travelling expenses	5,861,356	3,224,477
Printing & Stationery	1,588,714	741,784
Interest charges	958,125	55,016
Rent	1,236,938	921,502
Books, Periodicals & Subscription	160,359	70,396
Advertisement expenses	129,242	59,227
Bank Guarantee and Commission Charges	860,881	238,464
Professional and Legal Charges	3,474,759	1,482,171
Motor Vehicle Expenses	1,222,675	803,930
Postage, Telephone, Telegram & Telex	3,233,224	1,458,158
Auditor's Remuneration	41,550	30,100
Entertainment expenses	195,754	196,315
Repairs and Maintenance	2,811,953	355,472
Electricity and water charges	182,549	164,152
Freight charges	2,993,870	130,112
General expenses	275,331	128,471
Overseas Living Expenses	3,171,328	2,832,079
Staff Recruitment Expenses	211,790	80,733
Rates and taxes	125,042	125,211
Staff Welfare Expenses	2,898,624	1,451,021
Tax paid/payable overseas	868,850	1,517,445
Donation	25,000	80,595
Sales Tax	940,626	—
Insurance and ECGC Premium	2,197,771	292,513
Net loss from Partnership firm—TDSMA	48,171	—
Net deficit on foreign currency A/c revaluation	495,353	—
Commission	273,409	191,366
	53,123,233	26,591,525

SCHEDULE—13

DETAILS ON ACCOUNTS:

Information pursuant to Part II of Schedule VI of Companies Act, 1956

	March 31, 1989 Rupees	December 31, 1987 Rupees
a) Gross income from Engg Services	103,290,104	72,431,279
b) Break-up of expenditure incurred on employees drawing Rs. 90,000/- for 15 months ending March 31, 1989 (previous year Rs. 36,000/- for 12 months period) if employed throughout the year or Rs. 6,000/- (previous year Rs. 3,000/-) or more per month, if employed for part of the year.		
	Employed throughout the period Rs.	Employed part of the period Rs.
i) Salaries and other benefits	1,158,060 (2,940,133)	133,793 (393,783)
ii) Contribution to Provident Fund and Family Pension Scheme	166,879 (137,018)	15,787 (10,913)
iii) No. of Employees	11 (52)	2 (11)
c) Expenditure in foreign currency other matters	21,759,015	11,153,355
d) Earnings in foreign exchange for services rendered	20,000,798	16,035,000
(a) The remuneration paid during the period to the Managing Director amounting to Rs. 2,27,446 (previous year Rs. 1,62,670/-) includes estimated money value of benefits Rs. 11,579/- (previous year Rs. 17,979/-).		
(b) Computation of Managing Director's commission:		
Profit before taxation as per profit & loss account	5,865,270	4,390,277
Add: Depreciation	1,803,610	1,556,909
Directors' sitting fees	12,250	7,500
Managing Director's remuneration including value of perquisites	167,001	116,427
	7,848,131	6,071,113
Less: Depreciation as per Section 350 of the Companies Act, 1956	1,803,610	1,446,820
NET PROFIT FOR THE PERIOD UNDER SECTION 198(i) OF THE COMPANIES ACT, 1956	6,044,521	4,624,293
1% THEREOF	60,445	46,243
Restricted to	60,445	46,243
Auditor's remuneration includes:		
Audit fees	15,750	12,500
Tax Audit Fees	6,250	5,000
Taxation, Company Laws & other matters	19,250	11,000
Out of Pocket expenses	300	1,600
TOTAL	41,550	30,100

4) The details of investment in partnership:

Partner	Percentage of Profit/ Loss	Capital Rs.
Tata Projects Limited	60%	180,000
Dilworth, Secord, Meagher & Associates	40%	120,000

5) During the year, the Company has initiated a policy of revaluing the foreign currency balances in Debtors account at year end rates. The loss on such revaluation amounting to Rs. 6,34,405/- has been taken into Profit & Loss Account as other expenses.

6) The Company has accounted Export benefits like Cash Compensatory Support/Project Assistance etc., on approval by the concerned authorities.

7) It is the policy of the Company to account income from turn-key projects on completed contract basis. The work in progress has been valued at cost.

8) Stores and consumable purchased by the Company are written off in the year of purchase.

9) Repairs & Maintenance Expenses include:

Repairs & Maintenance (Plant & Machinery)	1,144,240	—
Repairs & Maintenance (Others)	1,667,713	355,472
	<u>2,811,953</u>	<u>355,472</u>

10) The depreciation provided during the year is calculated on WDV basis at rates prescribed in Schedule XIV of the Companies Act of 1956.

11) Profit & Loss account for the current accounting period is for 15 months and as such is not comparable with that of the previous year.

12) Upto 31.12.1987, gratuity was accounted by the company on cash basis. However, to comply with the requirements of Section 209 (3) duly amended of the Companies Act, 1956, the necessary provision was made by the company during the year, including provisions relating to earlier years amounting to Rs. 2,76,287/-

13) Contingent Liabilities:

i) Taxation matters in dispute (Rs.) 7,819,862.00

14) Previous year's figures have been regrouped wherever necessary.

Schedules 1 to 13.

As per attached report of even date.

For G.N. Joshi Associates
Chartered Accountants

N. JOSHI

Partner

For and on behalf of the Board

K.M. CHINNAPPA CHAIRMAN

A.R. JAGANNATHAN VICE-CHAIRMAN &
MANAGING DIRECTOR

A.H. TOBACOWALA }
S.R. SUBBARAMAN } DIRECTORS
S. RAMAKRISHNAN }
N.S. SUNDER RAJAN }

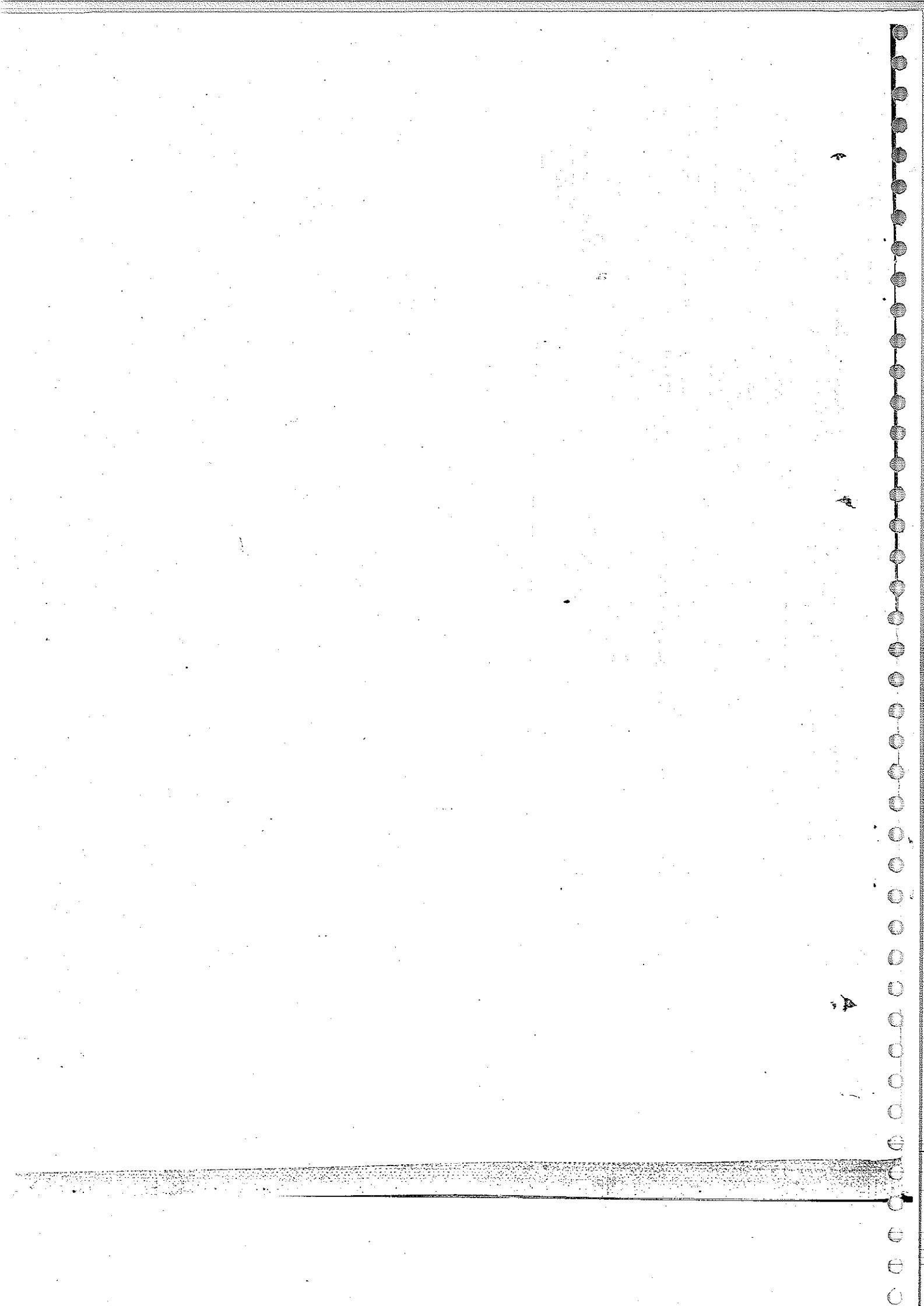
Bombay, September 21, 1989.

INFORMATION AS PER SECTION 217(2A) READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 1989

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(a) Particulars of employees employed throughout the period of 15 months and who are in receipt of remuneration of not less than Rs. 90,000/- in terms of Section 217(2A)									
1.	Mr. N.A. de. X. Alphonso	Vice President	139,930	110,951	B.Sc. (Chem) B.E.(Chem).	33	01.03.1983	57	Tata Consulting Engineers— Commercial & Development Manager
2.	Mr. J.B. Godambe	Construction Manager	91,977	77,534	B.E. (Mech)	22	02.02.1981	47	Tata Electric Companies— Unit-V Construction Engineer (Project)
3.	Mr. S.W. Goklany	Vice President	137,166	120,810	B.E. (Elec) B.E. (Mech)	33	01.04.1983	60	Tata Consulting Engineers— Addl Chief Engineer
4.	Mr. A.R. Jagannathan	Managing Director	273,892	210,498	B.E. (Elec)	40	01.03.1981	64	Tata Consulting Engineers— Director (Commercial)
5.	Mr. R. Prabhakar	Construction Manager	91,627	81,547	B.E.	23	25.10.1982	49	Engineers India Limited Sr. Engineer
6.	Mr. S.R. Raj	Project Manager	93,739	83,879	B.Tech (M) M. Engg (M)	19	16.09.1981	44	Engineers India Limited Project Manager (Design)
7.	Mr. K.V. Sahasranam	Company Secretary/ Consultant	90,000	73,927	B.Sc. LL.B. A.C.S.	42	01.05.1987	62	Tata Consulting Engineers— Financial Controller & Secretary
8.	Mr. K. Sampath	Project Manager	105,155	86,476	M.E.	27	13.07.1987	50	IAEC (India) Ltd.
9.	Mr. K. Srinivasan	Supdt. Electrical	98,209	89,837	B.E. (Elec)	35	05.04.1985	59	TNEB—Elec. Supt.
10.	Mr. V.N. Subramanian	Project Manager	106,330	98,913	B.Sc. Engg. (Mech)	24	09.05.1983	48	Gammon India Limited Sr Divisional Engineer
11.	Mr. M.A. Surury	Manager—(Inspection, QA & QC)	96,914	82,709	B.Sc. (Mech)	22	17.05.1984	47	Bharat Heavy Electricals Limited

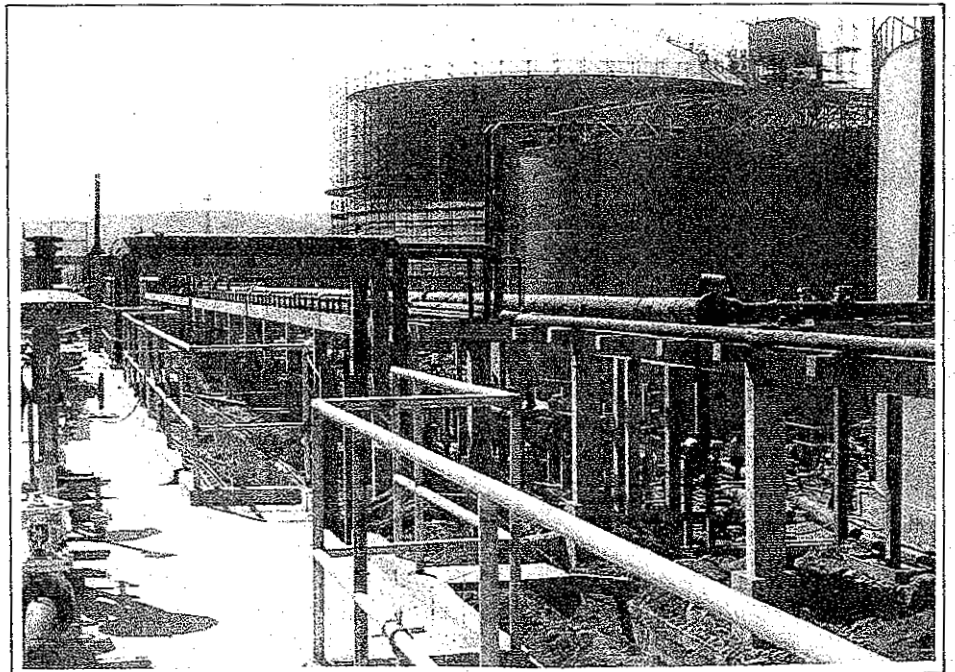
INFORMATION AS PER SECTION 217(2A) READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 1989

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(b) Particulars of employees employed throughout the period of 15 months and who are in receipt of remuneration at the rate not less than Rs. 6,000/- per month in terms of Section 217(2A)(ii):									
1.	Mr. S. Balakrishnan	Chief Engineer	100,782	88,708	BE (Mech)	29	01.02.1988	51	TCE
2.	Mr. V.G. Khandekar	Resident Manager	48,798	47,298	B.E. (Civil), C. Engg. F.I. Struct E (London), F.I.E. (India)		23.08.1988	56	Self Employment
Bombay, September 21, 1989									On behalf of the Board, K.M. CHINNAPPA Chairman

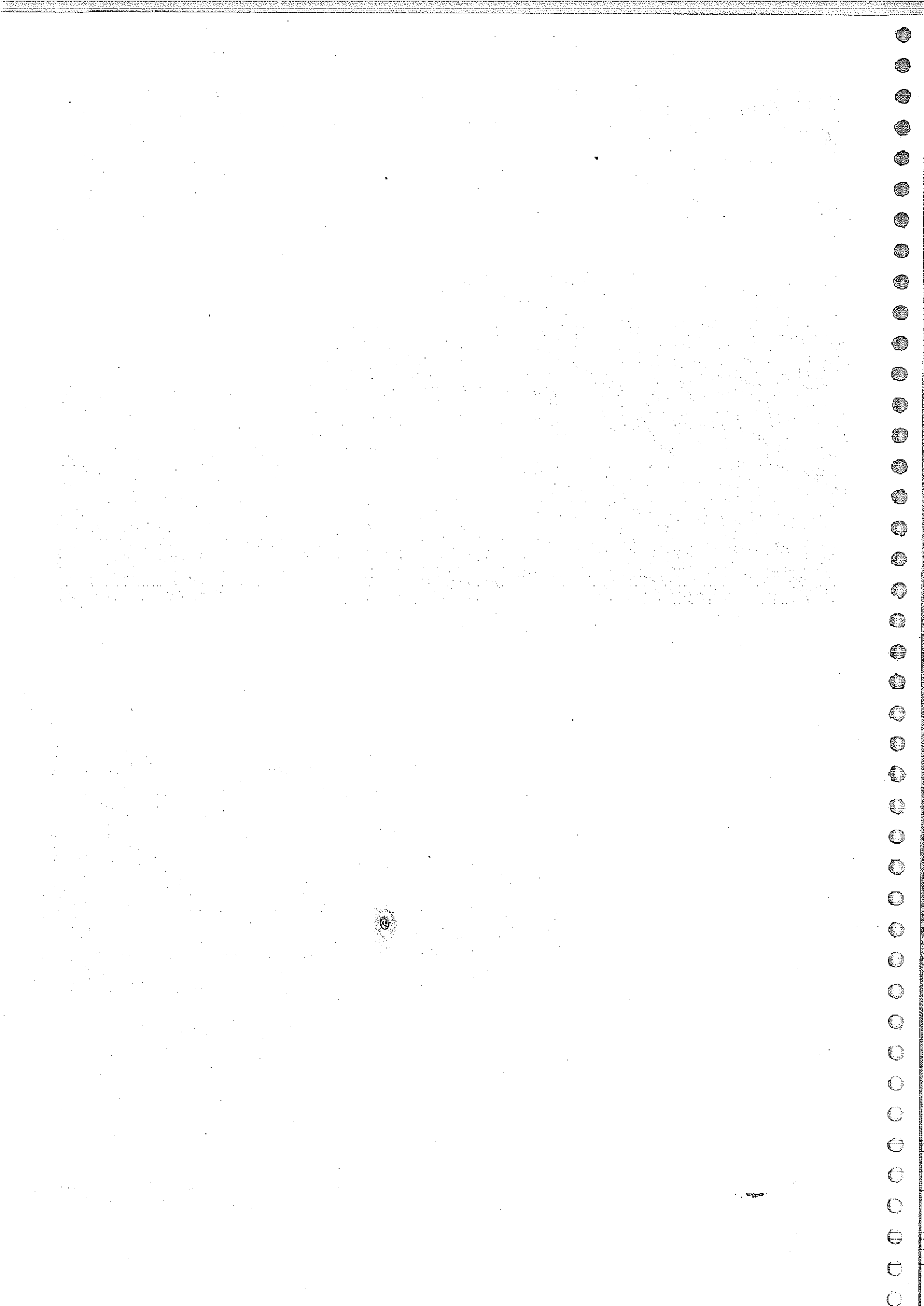




Erection—2 × 500 MW Turbo Generators at Rihand



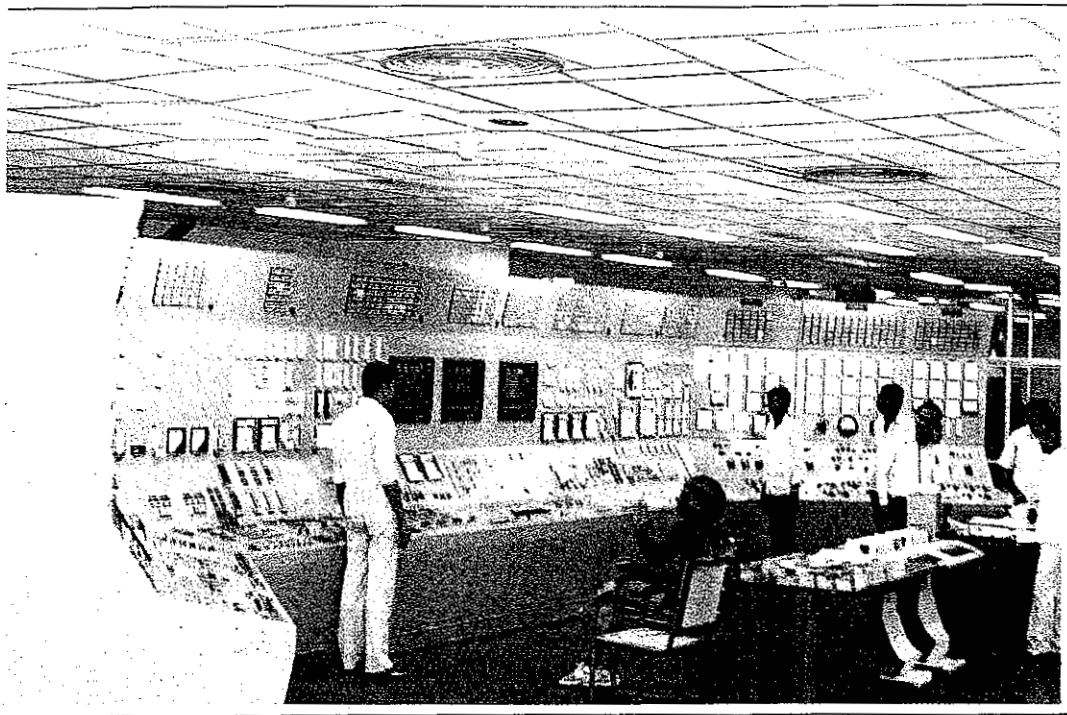
Design and Construction Management—Phosphoric Acid Facilities at Vishakhapatnam



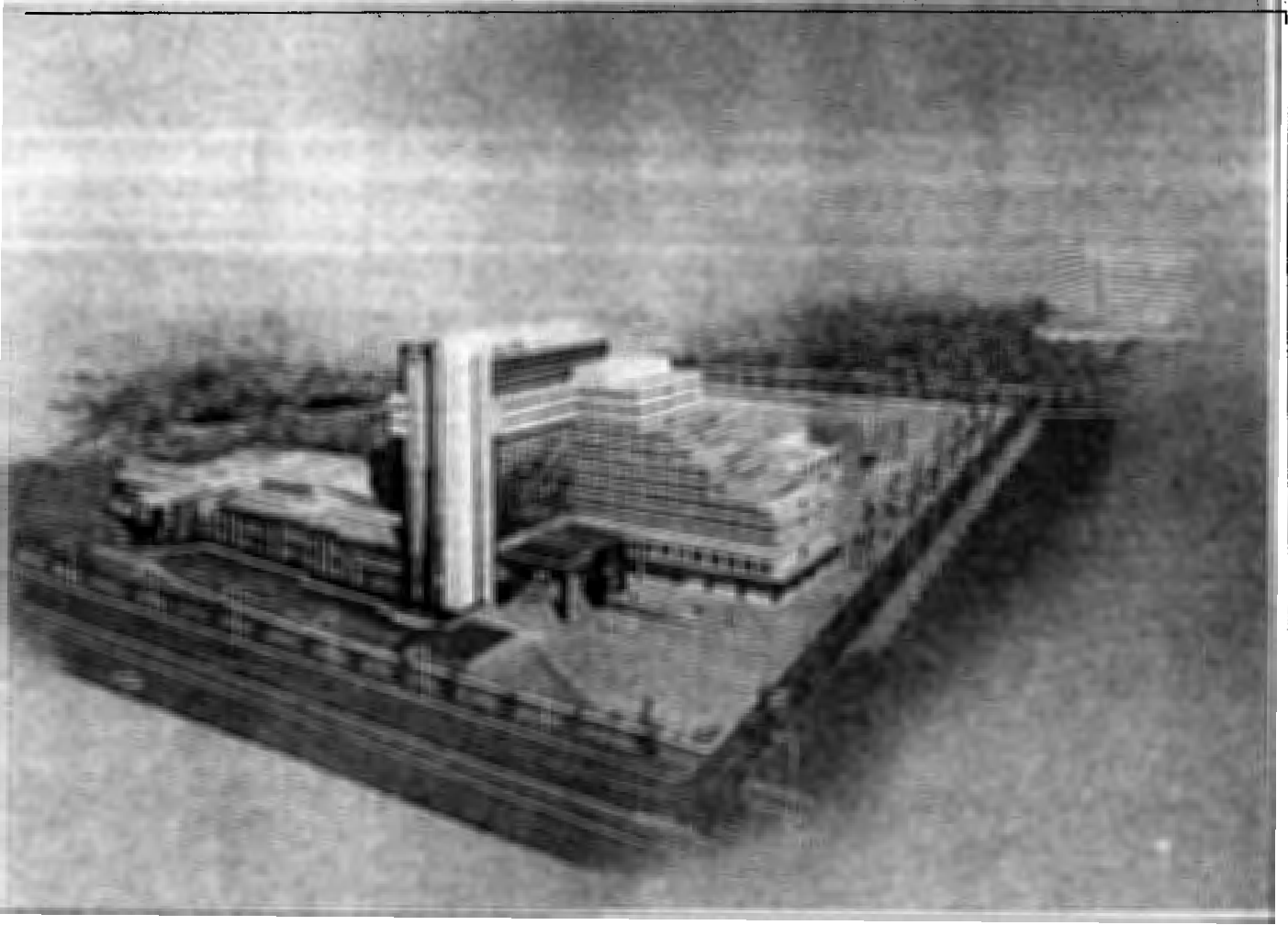
TATA PROJECTS LIMITED

TENTH
ANNUAL REPORT
1988-89





Operation and Maintenance—
Maichur Thermal Station



Turnkey Construction—600 Bed Hotel Project at Tashkent

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Annexure to Directors' Report	18

BOARD OF DIRECTORS

Chairman

K.M. Chinnappa

**Vice-Chairman and
Managing Director**

A.R. Jagannathan

Directors

A.H. Tobaccowala

F.K. Kavarana

S.P. Manaktala

S.R. Subbaraman

B.V. Chitnis

S. Gupta

S. Ramakrishnan

A.V. Thomas

N. S. Sunder Rajan

(Effective 26th April, 89)

Secretary

K.V. Sahasranam (Until 30.4.89)

Senior Executives

N.A. De X. Alphonso

(Vice-President, Chemical and Industrial Projects)

S.W. Goklany

(Vice-President, Power Projects)

REGISTERED OFFICE

Bombay House, 24, Homi Mody
Street, Fort, Bombay 400 001

BANKERS

Grindlays Bank p.l.c.

Citibank N.A.

State Bank of India

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates

Chartered Accountants

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Tenth Annual Report and Audited Accounts of the Company for the 15 months ended 31st March, 1989.

Consequent to the amendment to the Income Tax Act, 1961 the financial year of the Company has been changed from calendar year to April-March and the Report and Accounts cover a 15 month period.

FINANCIAL RESULTS

	1988-89 (15 months) Rs./Millions	1987 (12 months) Rs./Millions
Income	109.138	74.810
Expenses	103.334	70.466
Surplus before tax	5.804	4.344
Provision for taxation	1.022	1.700
Net Surplus	4.782	2.644
Backlog of work at the beginning of the year	435.553	53.384
New jobs secured during the year	30.00	454.626
Extension of continuing jobs	40.00	—
Total	505.553	508.010
Backlog at close of year	402.263	435.553

The income at Rs. 109.13 million as compared to Rs. 74.81 million in the previous year represented an increase of 16.7% on an annualised basis. The surplus after tax of Rs. 4.8 million was also higher on an annualised basis by 44.67%.

OPERATIONS

Substantial portions of work on the erection jobs at Rihand and Trombay have been completed. Progress on other jobs at Panchet, Hindustan Photo Film Project at Ooty, Captive Power Plant for Khammam Refinery and others were satisfactory. The turnkey project for a compressed air facility for the Defence Department is progressing as per schedule and will be completed during the year. The other major turnkey hotel project in Tashkent, USSR has also progressed satisfactorily.

Business prospects continued to be good and new assignments of value over Rs. 30.0 million were secured during the period. Proposals submitted against a number of enquiries were under negotiations/discussions with the clients.

DIVIDEND

Your Directors recommend a dividend of 30%, subject to deduction of tax, on Equity Shares for the 15 month period ended on 31st March 1989. The dividend if approved, will be paid to those members whose names appear in the Register of Members of the Company on the date of the next Annual General Meeting.

EQUITY SHARES

To meet the purchase of certain construction equipment and tools, your Directors offered 45,000 Equity Shares of Rs. 100 each on a right basis to the existing shareholders during the current year which has been fully subscribed.

TATA-KLOCKNER

TATA-KLOCKNER in which the company has a major investment has made substantial improvement in its operations and has almost wiped off the carry forward loss of Rs. 8.78 lacs during the year ended 31st March, 1989. The Company's order book is satisfactory and business prospects also seem to be good.

TATA-DSMA

The Company has a 60% capital participation in the partnership firm. During 1988-89, though there has been substantial increase in the turnover at Rs. 35.77 lacs as against Rs. 14.80 lacs in the previous year, the operations have resulted in a loss of Rs. 0.91 lacs consequent to write off of bad debts amounting to Rs. 1.21 lacs of previous years.

DIRECTORS

Messrs A.H. Tobaccowala, S.R. Subbaraman and B.V. Chitnis retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment.

Messrs A.V. Thomas and N.S. Sunder Rajan who were appointed as Additional Directors on 17th August 1988 and 26th April 1989 respectively hold such office till the date of the

forthcoming Annual General Meeting. Mr. Thomas and Mr. Sunder Rajan are eligible for appointment. The Company has received notice in writing from Members proposing Mr. Thomas and Mr. Sunder Rajan as Directors of the Company.

AUDITORS

Messrs G.N. Joshi Associates, Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217(2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the excellent work done by the staff at all levels during the year.

On behalf of the Board of Directors-

K.M. CHINNAPPA
CHAIRMAN

Bombay,
September 21, 1989

**AUDITOR'S REPORT TO
THE MEMBERS**

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY as at 31st March, 1989 and also the annexed Profit and Loss Account for the Fifteen month period ended on that date and report that—

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board 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.
2. Further to our comments in the Annexure referred to in paragraph 1 above—
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of these books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to Note No. 12 regarding provision of gratuity liability of earlier

years amounting to Rs. 2,76,287/-, read together with Note No. 5 regarding change in accounting policies and the other Notes contained in the Schedule of Notes attached give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view—

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1989; and
- (ii) in the case of the Profit and Loss Account of the profit for the Fifteen month period ended on that date.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

September 21, 1989.

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. The fixed assets of the Company have been physically verified by the management at reasonable intervals during the period and no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the period.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the period and, accordingly items (iii) to (vi) and (xii) of paragraph 4(A) of the Order are not applicable considering the nature of carrying out of the activities by the Company.
4. 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, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interest of the company. We have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interests of the Company. As referred in paragraph (4) above, we have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
6. In respect of loans and advances in the nature of loans given by the Company, where stipulations have been made, the parties are repaying the principal amounts and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, components, plant and machinery, equipment and other assets and with regard to sale of goods.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under Section 301 and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.
9. The company has not accepted fixed deposits from the public during the period and therefore, the question of compliance with the directives

- issued by the Reserve Bank of India and the provisions of Section 58A of the Companies Act, 1956 does not arise.
10. As explained to us, the Company has neither by-products nor scrap.
 11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
 12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
 13. According to the records of the Company, provident fund dues have been regularly deposited during the period with the appropriate authorities. As explained to us, there have been no dues in respect of Employees' State Insurance.
 14. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, customs duty and excise duty which are outstanding as on 31st March, 1989 for a period of more than six months from the date they become payable.
 15. According to the information and explanations given and based on test checks carried out by us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
6. The Company is not a sick industrial company within the meaning of clause (0) of subsection 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
 17. In respect of the Company's service activities we have to report as follows:
 - (a) Materials and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase and therefore it does not require system of recording receipts, issues and consumptions of materials and stores.
 - (b) There is a system for providing reasonable allocation of the materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - (c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of Stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

September 21, 1989

BALANCE SHEET AS AT MARCH 31, 1989

	Schedule	Mar 31, 1989 Rupees	Mar 31, 1989 Rupees	Dec 31, 1987 Rupees	Dec 31, 1987 Rupees
SOURCES OF FUNDS:					
SHAREHOLDERS FUND:					
Capital	1		3,000,000		3,000,000
Reserves & Surplus	2		16,333,888		12,451,199
Loan Funds	3		1,840,316		40,465
TOTAL			21,174,204		15,491,664
APPLICATION OF FUNDS:					
a) FIXED ASSETS					
Gross Block	4	19,080,426		7,369,799	
Less: Depreciation		5,216,529		4,191,789	
NET BLOCK			13,863,897		3,178,010
b) INVESTMENT	5		1,404,500		1,404,500
c) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	58,540,628		38,351,598	
Cash and bank balances	7	5,537,084		7,429,979	
Other current assets	8	67,183,032		5,471,125	
Loans and advances	9	64,269,532		44,944,210	
			195,530,276		96,196,912
LESS:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	10	182,224,469		79,037,758	
Provisions		7,400,000		6,250,000	
			189,624,469		85,287,758
NET CURRENT ASSETS			5,905,807		10,909,154
TOTAL			21,174,204		15,491,664
Notes on Accounts	13				

For and on behalf of the Board

K.M. CHINNAPPA

CHAIRMAN

A.R. JAGANNATHAN

VICE-CHAIRMAN &
MANAGING DIRECTORA.H. TOBACOWALA
S.R. SUBBARAMAN
S. RAMAKRISHNAN
N.S. SUNDER RAJAN

} DIRECTORS

As per attached report of even date.
For G.N. Joshi Associates
Chartered AccountantsG.N. JOSHI
Partner

Bombay, September 21, 1989.

PROFIT AND LOSS ACCOUNT FOR THE 15 MONTHS PERIOD ENDED 31ST MARCH, 1989

	Schedule	Mar 31, 1989 Rupees	Mar 31, 1989 Rupees	Dec 31, 1987 Rupees	Dec 31, 1987 Rupees
INCOME					
From Services		103,290,104		72,431,271	
Others	11	5,848,874	109,138,978	2,378,729	74,810,000
II. EXPENDITURE					
Engineering Services & Erection/Construction Expenses		106,771,870		43,161,798	
Establishment and other expenses	12	53,123,233		26,591,525	
Depreciation		1,803,610		1,556,909	
		161,698,713		71,310,232	
Less: Increase in work in progress		58,364,560		844,266	
			103,334,153		70,465,966
Profit before taxes and statutory appropriations			5,804,825		4,344,034
Provision for taxation			1,000,000		1,700,000
			4,804,825		2,644,034
Tax provision for tax of previous year			22,136		—
Profit after tax			4,782,689		2,644,034
Balance brought forward from last year			1,700,000		1,700,000
			6,482,689		4,344,034
Appropriations:					
Proposed dividend		900,000		750,000	
Transfer to General Reserve		1,000,000		1,894,034	
Invest. Allow. Reserve		2,000,000			
			3,900,000		2,644,034
Balance carried to Balance Sheet			2,582,689		1,700,000
Notes on accounts	13		For and on behalf of the Board		
As per attached report of even date. For G.N. Joshi Associates Chartered Accountants			K.M. CHINNAPPA	CHAIRMAN	
			A.R. JAGANNATHAN	VICE-CHAIRMAN & MANAGING DIRECTOR	
G.N. JOSHI Partner			A.H. TOBACOWALA S.R. SUBBARAMAN S. RAMAKRISHNAN N.S. SUNDER RAJAN	} DIRECTORS	

Bombay, September 21, 1989.

SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

	March 31	December, 31
	1989	1987
	Rupees	Rupees
SCHEDULE—1		
SHARE CAPITAL:		
Authorised—		
1,00,000 Equity Shares @ Rs. 100/- each	10,000,000	5,000,000
Issued and subscribed—		
30,000 Equity Shares of Rs. 100/- each		
Rs. 100/- called up	3,000,000	3,000,000
Paid-up		
30,000 Equity Shares of Rs. 100/- each	3,000,000	3,000,000
SCHEDULE—2		
RESERVES AND SURPLUS		
Foreign Projects Reserves (as per Sec. 80-HHB of I.T. Act) Balance as per last Balance Sheet	313,045	313,045
General Reserves—		
Balance as per last Balance Sheet	10,438,154	8,544,120
Add: Amount set aside during the year	1,000,000	1,894,034
Investment Allowance Reserve— Amount set aside during the year	2,000,000	
Surplus—		
Balance in Profit & Loss Account	2,582,689	1,700,000
	16,333,888	12,451,199
SCHEDULE—3		
BANK FUNDS		
Secured—Bank Overdraft (Secured by hypothecation of book debts)	1,840,316	40,465

SCHEDULE—4

FIXED ASSETS

Sl. No.	Description	COST			DEPRECIATION			NET BLOCK			
		As at 31.12.87	Additions	Deductions	As at 31.03.89	Upto 31.12.87	For 1988-89	On Deductions	Upto 31.03.89	As on 31.03.89	As at 31.12.87
		Rs	Rs	Rs.	Rs	Rs	Rs	Rs	Rs	Rs	
1.	Furniture, Fixtures and Fittings	1,726,159	300,001	154,863	1,871,297	726,588	133,036	43,398	816,226	1,055,071	999,571
2.	Office Equipment	1,571,641	383,220	794,166	1,160,695	1,128,502	99,195	605,960	621,737	538,958	443,139
3.	Vehicles	2,021,384	840,132	129,512	2,732,004	1,199,834	335,545	129,512	1,405,867	1,326,137	821,550
4.	Air-conditioning Equipment	108,818	2,700		111,518	63,144	9,000		72,144	39,374	45,674
5.	Survey and drawing instrument	19,947			19,947	12,293	1,436		13,729	6,218	7,654
6.	Erection Machinery	1,746,700	10,565,897		12,312,597	984,817	1,003,321		1,988,138	10,324,459	61,883
7.	Computer	175,150	577,611		752,761	76,611	211,405		288,016	464,745	98,539
8.	Electrical Equipment		119,607		119,607		10,672		10,672	108,935	
		7,369,799	12,789,168	1,078,541	19,080,426	4,191,789	1,803,610	778,870	5,216,529	13,863,897	3,178,010
	Previous Year	5,665,578	1,875,007	170,786	7,369,799	2,693,277	1,556,909	58,397	4,191,789	3,178,010	

SCHEDULE—5**INVESTMENTS:**

a) In Shares:

Unquoted

Equity Shares of Tata Klockner Industrial Plants Limited
at cost (12245 Equity shares of Rs. 100/- each fully paid)

March 31, 1989 Rupees	December 1987 Rupees
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1,224,500	1,224,500
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b) In Partnership Firms: CAPITAL:

Tata-Dilworth, Secord Meagher & Associates

180,000	180,000
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1,404,500	1,404,500
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SCHEDULE—6**UNPAID DEBTORS—Unsecured**a) Outstanding for a period exceeding 6-months
considered good
considered doubtful

25,494,184	17,055,885
3,058,300	3,058,300

28,552,484	20,114,185
------------	------------

3,058,300	3,058,300
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25,494,184	17,055,885
------------	------------

33,046,444	21,295,713
------------	------------

58,540,628	38,351,598
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Less: Provision for doubtful debts

b) Other debts considered good

	March 31, 1989 Rupees	December 31, 1987 Rupees
SCHEDULE—7		
CASH AND BANK BALANCES:		
Cash on hand	17,898	12,006
Balance with scheduled banks on Current Account	3,948,962	6,121,558
With Other Banks on Current Account:		
Tashkent Zilsuth Bank (Max. during the period Rs. 1,444,512—1987 Nil)	475,860	—
Grindlays Bank p.l.c., Zurich (Max. during the period Rs. 307,996—1987 Rs. 3,047,854)	14,731	290,245
Citibank N.A., Singapore (Max. during the period Rs. 1,874,648—1987 Rs. 761,313)	896,206	435,675
Bank Tejarat, Iran (Max. during the period Rs. 1,731,379—1987 Rs. 3,140,162)	182,940	570,008
Citibank N.A., Kuala Lumpur (Max. during the period Rs. 487—1987 Rs. 487)	487	487
TOTAL	5,537,084	7,429,979

SCHEDULE—8**OTHER CURRENT ASSETS:**

Work done but not billed (at contract value including Profit/Losses thereon)	7,974,206	4,626,859
CLOSING WORK IN PROGRESS (TURNKEY PROJECTS) :		
Opening work in progress	844,266	—
Add: Increase in work in progress	58,364,560	844,266
	59,208,826	844,266
	67,183,032	5,471,125

March 31, 1989	December 31, 1987
Rupees	Rupees

SCHEDULE—9**LOANS AND ADVANCES:**

(Unsecured and considered good)

Loans and advances recoverable in cash or in kind for value to be received

Advance payment of tax

50,752,249	37,101,140
13,517,283	7,843,070
64,269,532	44,944,210

SCHEDULE—10**CURRENT LIABILITIES AND PROVISIONS:**

Liabilities:

Advance from Customers

Sundry Creditors for expenses

Others

Advance billings (including Rs. 6,61,44,116 in respect of turnkey projects)

44,331,275	13,448,809
55,397,312	42,305,939
6,569,701	4,227,334
75,926,181	19,055,676
182,224,469	79,037,758

Provisions:

Provision for taxation

Proposed dividend

6,500,000	5,500,000
9,00,000	750,000
7,400,000	6,250,000

SCHEDULE—11**INCOME:**

Others

Difference in exchange (Net)

Interest:

Banks

Others (Tax Deducted at Source—Rs. 278,877/- previous year Rs. 1,02,831/-)

Miscellaneous income

Profit on sale of fixed assets (Net)

Surplus on foreign currency revaluation

Cash Compensatory Support

Provision no longer required written back

435,200	259,463
708,586	92,982
3,492,269	556,255
36,143	163,253
134,723	11,458
—	1,295,318
184,972	—
856,981	—
5,848,874	2,378,729

SCHEDULE—12

ESTABLISHMENT AND OTHER EXPENSES:

	March 31, 1989 Rupees	December 31, 1987 Rupees
Staff Salaries	16,627,739	9,953,315
Director's sitting fees	12,250	7,500
Travelling expenses	5,861,356	3,224,477
Printing & Stationery	1,588,714	741,784
Interest charges	958,125	55,016
Rent	1,236,938	921,502
Books, Periodicals & Subscription	160,359	70,396
Advertisement expenses	129,242	59,227
Bank Guarantee and Commission Charges	860,881	238,464
Professional and Legal Charges	3,474,759	1,482,171
Motor Vehicle Expenses	1,222,675	803,930
Postage, Telephone, Telegram & Telex	3,233,224	1,458,158
Auditor's Remuneration	41,550	30,100
Entertainment expenses	195,754	196,315
Repairs and Maintenance	2,811,953	355,472
Electricity and water charges	182,549	164,152
Freight charges	2,993,870	130,112
General expenses	275,331	128,471
Overseas Living Expenses	3,171,328	2,832,079
Staff Recruitment Expenses	211,790	80,733
Rates and taxes	125,042	125,211
Staff Welfare Expenses	2,898,624	1,451,021
Tax paid/payable overseas	868,850	1,517,445
Donation	25,000	80,595
Sales Tax	940,626	—
Insurance and ECGC Premium	2,197,771	292,513
Net loss from Partnership firm—TDSMA	48,171	—
Net deficit on foreign currency A/c revaluation	495,353	—
Commission	273,409	191,366
	<u>53,123,233</u>	<u>26,591,525</u>

SCHEDULE—13

NOTES ON ACCOUNTS:

Information pursuant to Part II of Schedule VI of Companies Act, 1956

	March 31, 1989 Rupees	December 31, 1987 Rupees
a) Gross income from Engg Services	103,290,104	72,431,279
b) Break-up of expenditure incurred on employees drawing Rs. 90,000/- for 15 months ending March 31, 1989 (previous year Rs. 36,000/- for 12 months period) if employed throughout the year or Rs. 6,000/- (previous year Rs. 3,000/-) or more per month, if employed for part of the year.		
	Employed throughout the period Rs.	Employed part of the period Rs.
i) Salaries and other benefits	1,158,060 (2,940,133)	133,793 (393,783)
ii) Contribution to Provident Fund and Family Pension Scheme	166,879 (137,018)	15,787 (10,913)
iii) No. of Employees	11 (52)	2 (11)
c) Expenditure in foreign currency other matters	21,759,015	11,153,355
d) Earnings in foreign exchange for services rendered	20,000,798	16,035,000
(a) The remuneration paid during the period to the Managing Director amounting to Rs. 2,27,446 (previous year Rs. 1,62,670/-) includes estimated money value of benefits Rs. 11,579/- (previous year Rs. 17,979/-).		
(b) Computation of Managing Director's commission:		
Profit before taxation as per profit & loss account	5,865,270	4,390,277
Add: Depreciation	1,803,610	1,556,909
Directors' sitting fees	12,250	7,500
Managing Director's remuneration including value of perquisites	167,001	116,427
	7,848,131	6,071,113
Less: Depreciation as per Section 350 of the Companies Act, 1956	1,803,610	1,446,820
NET PROFIT FOR THE PERIOD UNDER SECTION 198(i) OF THE COMPANIES ACT, 1956	6,044,521	4,624,293
1% THEREOF	60,445	46,243
Restricted to	60,445	46,243
Auditor's remuneration includes:		
Audit fees	15,750	12,500
Tax Audit Fees	6,250	5,000
Taxation, Company Laws & other matters	19,250	11,000
Out of Pocket expenses	300	1,600
TOTAL	41,550	30,100

4) The details of investment in partnership:

Partner	Percentage of Profit/Loss	Capital Rs.
Tata Projects Limited	60%	180,000
Dilworth, Secord, Meagher & Associates	40%	120,000

5) During the year, the Company has initiated a policy of revaluing the foreign currency balances in Debtors account at year end rates. The loss on such revaluation amounting to Rs. 6,34,405/- has been taken into Profit & Loss Account as other expenses.

6) The Company has accounted Export benefits like Cash Compensatory Support/Project Assistance etc., on approval by the concerned authorities.

7) It is the policy of the Company to account income from turn-key projects on completed contract basis. The work in progress has been valued at cost.

8) Stores and consumable purchased by the Company are written off in the year of purchase.

9) Repairs & Maintenance Expenses include:

Repairs & Maintenance (Plant & Machinery)	1,144,240	—
Repairs & Maintenance (Others)	1,667,713	355,472
	<u>2,811,953</u>	<u>355,472</u>

10) The depreciation provided during the year is calculated on WDV basis at rates prescribed in Schedule XIV of the Companies Act of 1956.

11) Profit & Loss account for the current accounting period is for 15 months and as such is not comparable with that of the previous year.

12) Upto 31.12.1987, gratuity was accounted by the company on cash basis. However, to comply with the requirements of Section 209 (3) duly amended of the Companies Act, 1956, the necessary provision was made by the company during the year, including provisions relating to earlier years amounting to Rs. 2,76,287/-

13) Contingent Liabilities:

i) Taxation matters in dispute	(Rs.) 7,819,862.00
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14) Previous year's figures have been regrouped wherever necessary.

Schedules 1 to 13.

As per attached report of even date.

For G.N. Joshi Associates
Chartered Accountants

N. JOSHI

Partner

Bombay, September 21, 1989.

For and on behalf of the Board

K.M. CHINNAPPA

CHAIRMAN

A.R. JAGANNATHAN

VICE-CHAIRMAN &
MANAGING DIRECTOR

A.H. TOBACOWALA
S.R. SUBBARAMAN
S. RAMAKRISHNAN
N.S. SUNDER RAJAN

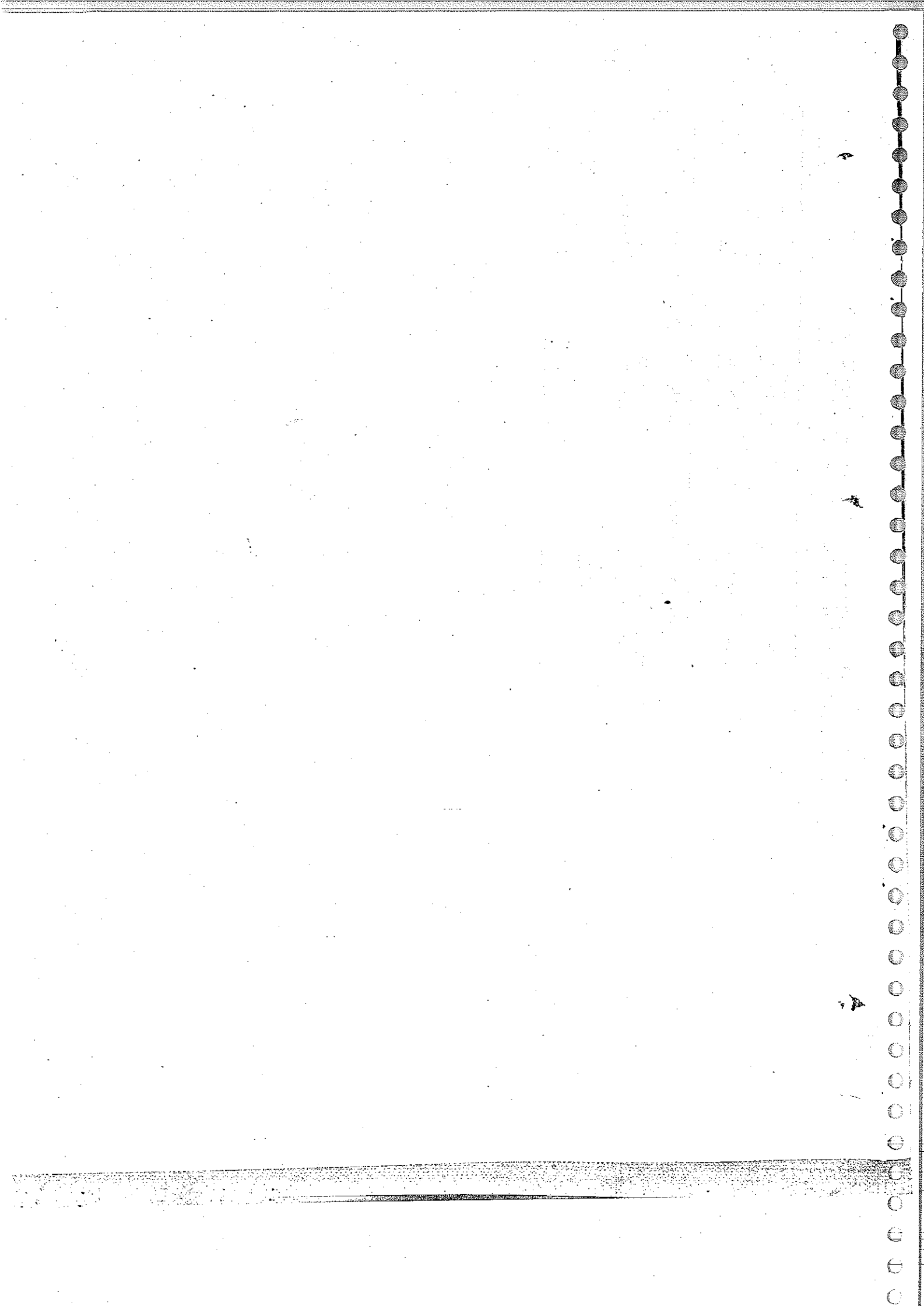
} DIRECTORS

FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 1989

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(a) Particulars of employees employed throughout the period of 15 months and who are in receipt of remuneration of not less than Rs. 90,000/- in terms of Section 217(2A)									
1.	Mr. N.A. de. X. Alphonso	Vice President	139,930	110,951	B.Sc. (Chem) B.E.(Chem).	33	01.03.1983	57	Tata Consulting Engineers-- Commercial & Development Manager
2.	Mr. J.B. Godambe	Construction Manager	91,977	77,534	8.E. (Mech)	22	02.02.1981	47	Tata Electric Companies-- Unit-V Construction Engineer (Project)
3.	Mr. S.W. Goklany	Vice President	137,166	120,810	B.E. (Elec) B.E. (Mech)	33	01.04.1983	60	Tata Consulting Engineers-- Addl Chief Engineer
4.	Mr. A.R. Jagannathan	Managing Director	273,892	210,498	B.E. (Elec)	40	01.03.1981	64	Tata Consulting Engineers-- Director (Commercial)
5.	Mr. R. Prabhakar	Construction Manager	91,627	81,547	B.E.	23	25.10.1982	49	Engineers India Limited Sr. Engineer
6.	Mr. S.R. Raj	Project Manager	93,739	83,879	B.Tech (M) M. Engg (M)	19	16.09.1981	44	Engineers India Limited Project Manager (Design)
7.	Mr. K.V. Sahasranam	Company Secretary/ Consultant	90,000	73,227	B.Sc. LL.B. A.C.S.	42	01.05.1987	62	Tata Consulting Engineers-- Financial Controller & Secretary
8.	Mr. K. Sampath	Project Manager	105,155	86,476	M.E.	27	13.07.1987	50	IAEC (India) Ltd.
9.	Mr. K. Srinivasan	Supdt. Electrical	98,209	89,837	B.E. (Elec)	35	05.04.1985	59	TNEB--Elec. Supt.
10.	Mr. V.N. Subramanian	Project Manager	106,330	98,913	B.Sc. Engg. (Mech)	24	09.05.1983	48	Gammon India Limited Sr Divisional Engineer
11.	Mr. M.A. Surury	Manager--(Inspection, QA & QC)	96,914	82,709	B.Sc. (Mech)	22	17.05.1984	47	Bharat Heavy Electricals Limited

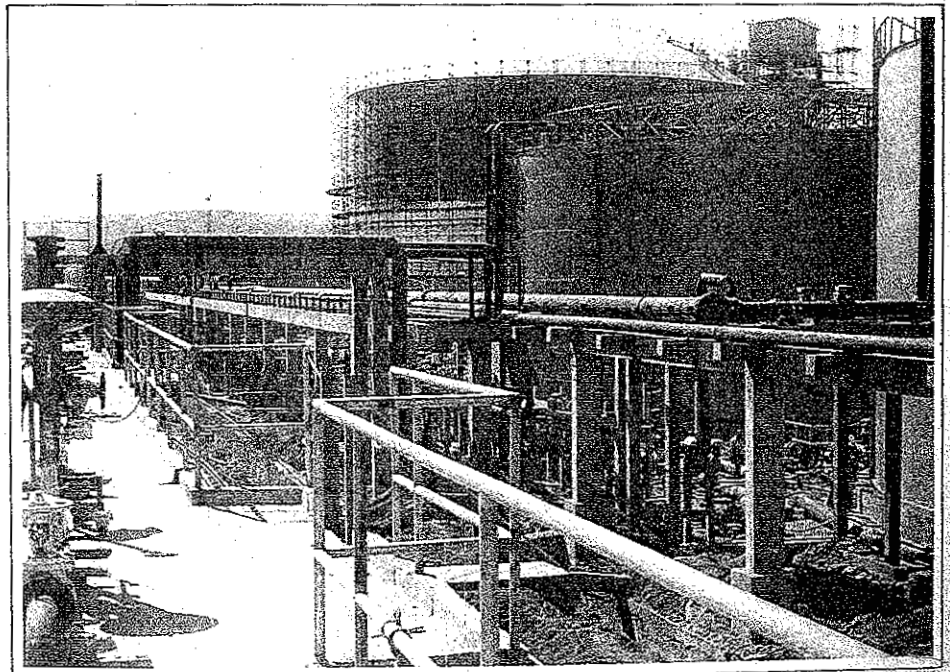
INFORMATION AS PER SECTION 217(2A) READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 1989

Sr. No.	Name	Designation/ Nature of duties	Gross Remuneration Rs.	Net Remuneration Rs.	Qualification	Experience years	Date of commencement of employment with the Company	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8	9	10
(b) Particulars of employees employed throughout the period of 15 months and who are in receipt of remuneration at the rate not less than Rs. 6,000/- per month in terms of Section 217(2A)(ii):									
1.	Mr. S. Balakrishnan	Chief Engineer	100,782	88,708	BE (Mech)	29	01.02.1988	51	TCE
2.	Mr. V.G. Khandekar	Resident Manager	48,798	47,298	8.E. (Civil), C. Engg. F.I. Struct E (London), F.I.E. (India)		23.08.1988	56	Self Employment
Bombay, September 21, 1989									On behalf of the Board, K.M. CHINNAPPA Chairman

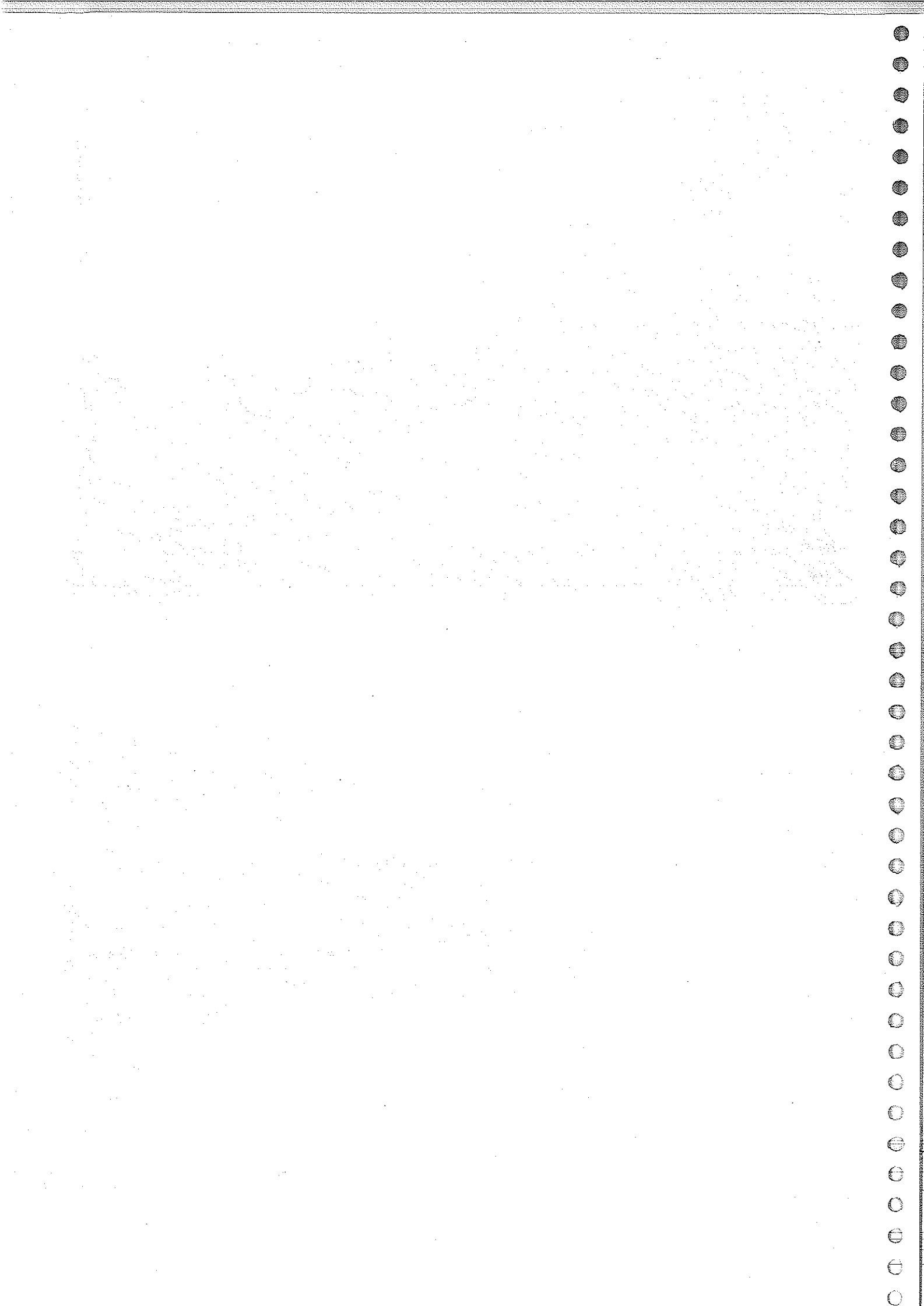




Erection—2 x 500 MW Turbo Generators at Rihand



Design and Construction Management—Phosphoric Acid Facilities at Vishakhapatnam



TATA PROJECTS LIMITED

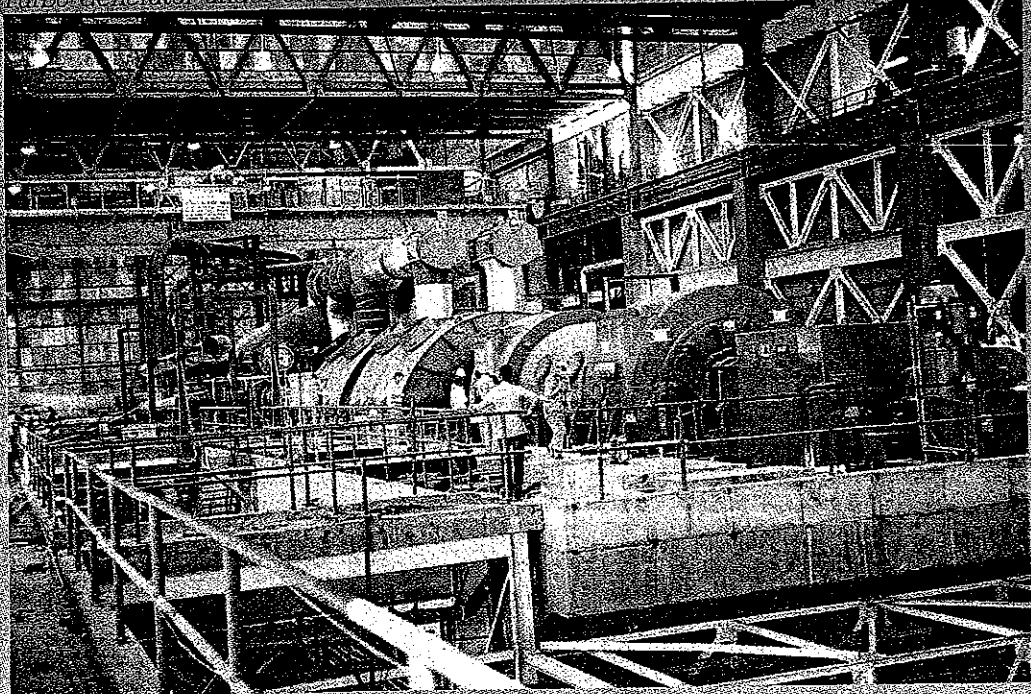
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1989-90



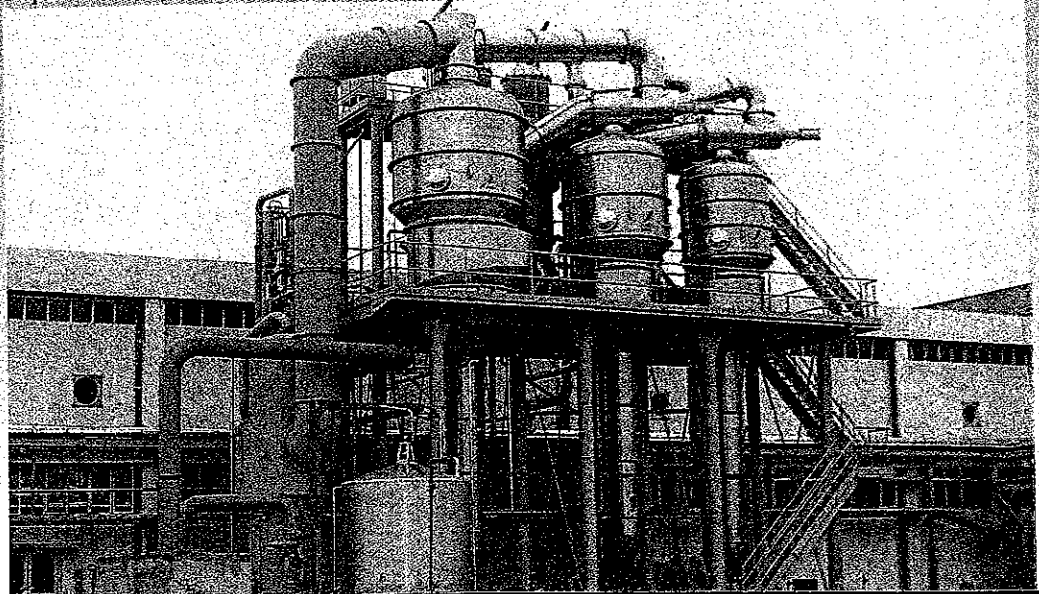


Hotel Project—Skeletal Frame—Construction

*Pulano Thermal Power Station—2,200 MW Installation—
Turbo-generator under erection*



Pepsi Foods Tomato Processing Plant—Evaporator



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BOARD OF DIRECTORS**Chairman**

K.M. Chinnappa

**Vice-Chairman &
Managing Director**

A.R. Jagannathan

Directors

A.H. Tobaccowala

F.K. Kavarana

S.P. Manaktala

S.R. Subbaraman

B.V. Chitnis

Syamal Gupta

S. Ramakrishnan

A.V. Thomas

N.S. Sunder Rajan

Company Secretary

V. Sampath

Senior Executives

N.A. de X. Alphonso
(Vice-President)

S.W. Goklany
(Vice-President)

Vijaya Singh
(Executive Director)

S.N. Krishna Swamy
(General Manager)

K. Sampath
(General Manager)

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street
Fort, Bombay 400 001.

BANKERS

State Bank of India
ANZ Grindlays Bank
Citibank N.A.

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Jeshi Associates
Chartered Accountants

INTERNAL AUDITORS

B.K. Khare & Co.
Chartered Accountants

DIRECTORS' REPORT
TO THE MEMBERS

Your Directors have pleasure in presenting the Eleventh Annual Report and Audited Accounts of the Company for the year ended 31st March, 1990.

FINANCIAL RESULTS

	1989-90 (12 months) Rs./Millions	1988-89 (15 months) Rs./Millions
Income	126.816	109.139
Expenses	120.522	103.334
Surplus before tax	6.294	5.805
Provision for taxation	1.000	1.022
Net Surplus	5.294	4.783
Add: Balance surplus brought forward from previous year	2.583	1.700
Balance (A)	7.877	6.483

which the Directors have appropriated as under, to:

a) Investment Allowance Reserve	0.300	2.000
b) General Reserve	2.061	1.000
c) Dividend on equity shares	1.170	0.900
(B)	3.531	3.900
Leaving balance of surplus (A-B) to be carried forward	4.346	2.583

OPERATIONS

Backlog of work at the beginning of the year	402.263	435.553
New jobs secured/Extension of continuing jobs	107.137	70.000
Backlog at the close of the year	368.950	402.263

Business prospects continued to be good and new assignments of value over Rs. 107.00 million were secured during the year.

Proposals submitted against a number of enquiries were under negotiations/discussions with the clients.

The turnkey hotel project in Tashkent, USSR is progressing satisfactorily. The erection jobs at

Panchet, Rihand and Trombay have been completed during the year. Installation of 3 x 10 MW Diesel Generator Sets at Facor (India) and the expansion project of Hindustan Photo Films are progressing as per schedule. Likewise, the overseas assignments with Esso Refinery in Singapore and with Tavanir in Iran are in progress.

DIVIDEND

Your Company allotted on 31st May 1989, 45,000 equity shares of Rs. 100/- each (Rs. 50/- payable on application) on rights basis. Your Directors recommend a dividend of 24% for the 12 month period ended 31st March 1990 in the manner explained below, as against 30% for the 15 month period ended 31st March 1989, subject to deduction of tax at source:

- (a) 24% dividend payable on 30,000 equity shares of Rs. 100/- each fully paid-up for 12 months.
- (b) 24% dividend payable on 45,000 equity shares of Rs. 100/- each (Rs. 50/- paid-up as on 31st March 1990) for 10 months since the date of allotment being 31st May, 1989.

The dividend, if approved, will be paid to those members whose names appear in the Register of Members of the Company on the date of the Eleventh Annual General Meeting.

TATA-KLOCKNER

TATA-KLOCKNER in which the Company has a major investment has made substantial improvement in its operations. In association with TCE, TATA-KLOCKNER continued detailed engineering for the Styrene Butadiene Rubber Facility as also Lactose Debottlenecking Project of Synthetics & Chemicals Limited. The carried forward losses of TATA-KLOCKNER were completely wiped out during the year and made a profit of Rs. 6.44 lakhs. This Company is actively pursuing a number of chemical and petrochemical projects in Saudi Arabia and Overseas.

TATA-DSMA

Your Company has a 60% capital participation in the partnership firm. The assignment for the Nuclear Power Corporation on the fuel handling system for the 500 MW Nuclear Project is in progress. During the year under review, TDSMA management have advised a loss of Rs. 0.89 lakhs after writing off of bad debts amounting to Rs. 0.49 lakhs of previous years, based on unaudited results.

DIRECTORS

Messrs. K.M. Chinnappa, F.K. Kavarana and S. Ramakrishnan are Directors to retire by rotation at the forthcoming Annual General Meeting. Mr. F.K. Kavarana and Mr. S. Ramakrishnan, being eligible, offer themselves for reappointment. Mr. K.M. Chinnappa, though eligible, does not offer himself for reappointment. The Board accepted Mr. Chinnappa's decision with regret. The Board of Directors placed on record their sincere appreciation of the services rendered by Mr. Chinnappa from the stage of its conception to the present where a profitable organisation has been established with great promise for the future.

The Board of Directors at their meeting held on 20th August, 1990, decided that Mr. H.N. Sethna, Mr. J.E. Talaulicar and Dr. J.J. Irani be invited to join the Board.

AUDITORS

Messrs G. N. Joshi Associates, Chartered Accountants, Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for reappointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required by Section 217 (2A) of the Companies Act, 1956, are annexed hereto and forms part of this Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the excellent work done by the staff at all levels during the year.

For and on behalf of
the Board of Directors

K.M. CHINNAPPA
Chairman

Bombay,
20th August, 1990.

9. The Company has not accepted fixed deposits from the public during the year and, therefore, the question of compliance with directives issued by the Reserve Bank of India and the provisions of Section 58A of the Companies Act, 1956 does not arise.
10. As explained to us, the Company has neither by-products nor scrap.
11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for this company.
13. According to the records of the Company, provident fund dues have been regularly deposited during the year with the appropriate authorities. As explained to us, the provisions of Employees' State Insurance Act are not applicable.
14. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, customs duty and excise duty which are outstanding as on 31st March, 1990 for a period of more than six months from the date they become payable.
15. According to the information and explanations given and based on test checks carried out by us, no personal expenses of employees or Directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
16. The Company is not a sick industrial company within the meaning of clause (o) of subsection 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
17. In respect of the Company's service activities we have to report as follows:
- a) Materials and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase and, therefore, it does not require system of recording receipts, issues and consumptions of materials and stores.
 - b) There is a system for providing reasonable allocation of the materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay,
17th August, 1990

BALANCE SHEET AS AT 31ST MARCH, 1990

	Schedule	Mar 31, 1990 Rupees	Mar 31, 1990 Rupees	Mar 31, 1989 Rupees	Mar 31, 1989 Rupees
I. SOURCES OF FUNDS:					
SHAREHOLDERS FUND:					
Share Capital	1	5,250,000		3,000,000	
Reserves & Surplus	2	20,458,219		16,333,888	
Loan Funds	3	21,880,244		1,840,316	
TOTAL			47,588,463		21,174,204
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS	4				
Gross Block		22,069,628		19,080,426	
Less: Depreciation		7,511,588		5,216,529	
NET BLOCK			14,558,040		13,863,897
b) INVESTMENT	5		1,404,500		1,404,500
c) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	57,839,814		58,540,628	
Cash & Bank balances	7	5,513,672		5,537,084	
Other current assets	8	130,660,688		67,183,032	
Loans & advances	9	63,610,479		64,269,532	
			257,624,653		195,530,276
LESS:					
CURRENT LIABILITIES AND PROVISIONS	10				
Liabilities		217,328,730		182,224,469	
Provisions		8,670,000		7,400,000	
			225,998,730		189,624,469
NET CURRENT ASSETS			31,625,923		5,905,807
TOTAL			47,588,463		21,174,204
Notes on Accounts	13				

As per attached report of even date.
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

V. SAMPATH
COMPANY SECRETARY

For and on behalf of the Board
K.M. CHINNAPPA
A.R. JAGANNATHAN

CHAIRMAN
VICE-CHAIRMAN &
MANAGING DIRECTOR

A.H. TOBACOWALA
S.P. MANAKTALA
F.K. KAVARANA
S.R. SUBBARAMAN
SYAMAL GUPTA
N.S. SUNDER RAJAN

DIRECTORS

Bombay, 17th August, 1990.

**AUDITOR'S REPORT
TO THE MEMBERS**

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY, as at 31st March, 1990 and also the annexed Profit and Loss Account for the year ended on that date and report that—

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above—
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account, as required by Law, have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with Notes contained in the Schedule of Notes attached, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view—

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1990; and
- (ii) in the case of the Profit and Loss Account for the year ended on that date.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay
17th August, 1990

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. The fixed assets of the Company have been physically verified by the Management at reasonable intervals during the period and no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the year and, accordingly items (iii) to (vi) and (xii) of paragraph 4(A) of the Order are not applicable considering the nature of carrying out of the activities by the Company.
4. 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, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interest of the company. We have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interests of the Company. As referred in paragraph (4) above, we have been informed that there are no companies under the same management as defined under Section 370(1B) of the Companies Act, 1956.
6. In respect of loans and advances in the nature of loans given by the Company, where stipulations have been made, the parties are repaying the principal amounts and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, components, plant and machinery, equipment and other assets and with regard to sale of goods.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956, and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1990

	Schedule	Mar 31, 1990 Rupees	Mar 31, 1990 Rupees	Mar 31, 1989 Rupees	Mar 31, 1989 Rupees
I. INCOME					
From Services		123,926,288		103,290,104	
Others	11	2,889,921		5,848,874	
			126,816,209		109,138,978
II. EXPENDITURE					
Engineering Services and Erection/Construction Expenses		121,173,130		106,771,870	
Establishment and other expenses	12	54,141,643		53,123,233	
Depreciation		2,365,270		1,803,610	
		177,680,043		161,698,713	
Less: Increase in work in progress (Net)		57,158,165		58,364,560	
			120,521,878		103,334,153
Profit before taxes and statutory appropriations			6,294,331		5,804,825
Provision for taxation			1,000,000		1,000,000
Tax provision for tax of previous year			5,294,331		4,804,825
			—		22,136
Profit after tax			5,294,331		4,782,689
Balance brought forward from previous year			2,582,689		1,700,000
			7,877,020		6,482,689
Appropriations:					
Proposed dividend		1,170,000		900,000	
Transfer to General Reserve		2,061,391		1,000,000	
Investment allowance reserve		300,000		2,000,000	
			3,531,391		3,900,000
Balance carried to Balance Sheet			4,345,629		2,582,689
Notes on accounts:	13				

As per attached report of even date.
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

V. SAMPATH
COMPANY SECRETARY

For and on behalf of the Board
K.M. CHINNAPPA
A.R. JAGANNATHAN

CHAIRMAN
VICE-CHAIRMAN &
MANAGING DIRECTOR

A.H. TOBACOWALA
S.P. MANAKTALA
F.K. KAVARANA
S.R. SUBBARAMAN
SYAMAL GUPTA
N.S. SUNDER RAJAN

DIRECTORS

Bombay, 17th August 1990.

**SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1990
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1990**

	Mar, 31 1990 Rupees	Mar, 31 1990 Rupees	Mar, 31 1989 Rupees	Mar, 31 1989 Rupees
SCHEDULE—1				
SHARE CAPITAL:				
Authorised—				
100,000 Equity Shares of Rs. 100/- each		10,000,000		10,000,000
Issued and subscribed—				
75,000 Equity Shares of Rs. 100/- each (Previous year 30,000 Equity Shares of Rs. 100/- each)		7,500,000		3,000,000
Paid-up—				
30,000 Equity Shares of Rs. 100/- each fully paid up.		3,000,000		3,000,000
45,000 Equity Shares of Rs. 100/- each, Rs. 50/- paid up		2,250,000		—
		<u>5,250,000</u>		<u>3,000,000</u>
SCHEDULE—2				
RESERVES AND SURPLUS				
Foreign Projects Reserves— (as per Sec. 80-HHB of I.T. Act)				
Balance as per last Balance Sheet	313,045		313,045	
Less: Amount Transferred to General Reserve	300,455		—	
		12,590		313,045
General Reserves—				
Balance as per last Balance Sheet	11,438,154		10,438,154	
Add: Amount set aside during the year	2,061,391		1,000,000	
Add: Amount transferred from foreign Projects Reserve	300,455		—	
		13,800,000		11,438,154
Investment Allowance Reserve—				
Balance as per last Balance Sheet	2,000,000		2,000,000	
Less: Utilised for purchase of plant & machinery transferred to Investment Allowance Reserve (Utilised)	1,912,358		—	
	87,642		2,000,000	
Add: Transferred from Profit & Loss Account	300,000		—	
		387,642		2,000,000
Investment Allowance (Utilised) Reserve A/c—				
Balance as per last Balance Sheet	—		—	
Add: Amount transferred from Investment Allowance Reserve A/c	1,912,358		—	
		1,912,358		—
Surplus—				
Balance in Profit & Loss Account		4,345,629		2,582,689
		<u>20,458,219</u>		<u>16,333,888</u>
SCHEDULE—3				
LOAN FUNDS				
Secured—				
Bank Overdraft (Secured by hypothecation of book debts & current assets including movable properties)		9,380,244		1,840,316
Others (Secured by hypothecation of book debts & current assets including movable properties)		12,500,000		—
		<u>21,880,244</u>		<u>1,840,316</u>

SCHEDULE—4

FIXED ASSETS

Sl. No.	Description	COST				DEPRECIATION				NET BLOCK	
		As on 31.03.89	Additions	Deductions	As on 31.03.90	As on 31.03.89	For 1989-90	On Deduction	As on 31.03.90	As on 31.03.90	As on 31.03.89
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1.	Furniture & Fixtures	1,871,297	264,289	—	2,135,586	816,226	115,499	—	931,725	1,203,861	1,055,071
2.	Office Equipment	1,160,695	172,643	94,923	1,238,415	621,737	100,717	66,486	655,968	582,447	538,958
3.	Vehicles	2,732,004	414,129	5,264	3,140,869	1,405,867	260,540	3,725	1,662,682	1,478,187	1,326,137
4.	Air-conditioning Equipment	111,518	59,490	—	171,008	72,144	9,607	—	81,751	89,257	39,374
5.	Survey and drawing Equipment	19,947	—	—	19,947	13,729	933	—	14,662	5,285	6,218
6.	Erection/Construction Machinery	12,312,597	1,677,772	—	13,990,369	1,988,138	1,601,768	—	3,589,906	10,400,463	10,324,459
7.	Computers	752,761	479,236	—	1,231,997	288,016	257,032	—	545,048	686,949	464,745
8.	Electrical Equipment	119,607	21,830	—	141,437	10,672	19,174	—	29,846	111,591	108,935
	Total	19,080,426	3,089,389	100,187	22,069,628	5,216,529	2,365,270	70,211	7,511,588	14,558,040	13,863,897
	Previous Year	7,369,799	12,789,168	1,078,541	19,080,426	4,191,789	1,803,610	778,870	5,216,529	13,863,897	—

	Mar, 31, 1990 Rupees	Mar, 31, 1989 Rupees
SCHEDULE—5		
INVESTMENTS:		
1) In Shares:		
Unquoted		
Equity Shares of Tata Klockner Industrial Plants Limited at cost (12,245 shares of Rs. 100/- each fully paid up)	1,224,500	1,224,500
2) In Partnership Firms—Capital:		
Tata Dilworth, Secord Meagher & Associates	180,000	180,000
	1,404,500	1,404,500

SCHEDULE—6		
SUNDRY DEBTORS—Unsecured		
a) Outstanding for more than 6 months		
Considered good	24,107,916	25,494,184
Considered doubtful	2,274,260	3,058,300
	26,382,176	28,552,484
Less: Provision for doubtful debts	2,274,260	3,058,300
	24,107,916	25,494,184
b) Other debts considered good	33,731,898	33,046,444
	57,839,814	58,540,628

	Mar, 31, 1990 Rupees	Mar, 31, 1989 Rupees
SCHEDULE—12		
ESTABLISHMENT AND OTHER EXPENSES:		
Staff Salaries	16,791,594	16,627,739
Directors' sitting fees	14,250	12,250
Travelling expenses	5,531,052	5,861,356
Printing & Stationery	1,747,786	1,588,714
Interest charges	1,520,668	958,125
Rent	1,507,903	1,236,938
Books, Periodicals & Subscription	167,633	160,359
Advertisement expenses	124,029	129,242
Bank Guarantee and Commission Charges	1,978,952	860,881
Professional and Legal Charges	1,841,339	3,474,759
Motor Vehicle Expenses	1,135,359	1,222,675
Postage, Telephone, Telegram & Telex	3,755,608	3,233,224
Auditor's Remuneration	62,675	41,550
Entertainment expenses	83,981	195,754
Repairs and Maintenance	3,400,484	2,811,953
Electricity and water charges	315,904	182,549
Freight charges	1,350,105	2,993,870
General expenses	283,460	275,331
Overseas Living Expenses	3,977,029	3,171,328
Staff Recruitment Expenses	73,989	211,790
Rates and taxes	139,742	125,042
Staff Welfare Expenses	2,975,219	2,898,624
Tax paid/payable overseas	1,664,666	868,850
Donation	6,000	25,000
Sales tax	1,452,228	940,626
Insurance & ECGC Premium	1,251,340	2,197,771
Net loss from partnership firm—TDSMA	50,000	48,171
Net deficit on foreign currency a/c revaluation	—	495,353
Commission	149,632	273,409
Bad debts written off	784,040	—
Loss on sale of asset (Net)	4,976	—
	54,141,643	53,123,233

SCHEDULE—13**NOTES ON ACCOUNTS:**

1. Information pursuant to Part II of Schedule VI of the Companies Act, 1956.

a) Gross income from Engineering Services **123,926,288** 103,290,104
(includes Rs. 36,200,000/- relating to completed turnkey contract, previous year nil)

b) Break-up of expenditure incurred on employees drawing Rs. 72,000/- or more for 12 months ending March 31, 1990 (Previous year Rs. 90,000/- for 15 months period), if employed throughout the year or Rs. 6,000/- (previous year Rs. 6,000/-) or more per month, if employed for part of the year.

	Mar, 31, 1990 Rupees	Mar, 31, 1989 Rupees
	Employed throughout the year Rs.	Employed part of the year Rs.
i) Salaries and other benefits	2,266,680 (1,158,060)	363,409 (133,793)
ii) Contribution to Provident Fund and Family Pension Scheme	136,692 (166,879)	27,472 (15,787)
iii) No of Employees	27 (11)	8 (2)
c) Expenditure in foreign currency other matters	23,890,437	21,759,015
d) Earning in foreign exchange for services rendered	18,345,197	20,000,798

2. (a) The remuneration paid during the year to the Managing Director amounting to Rs. 215,038/- (previous year Rs. 227,446/-) includes estimated money value of benefits Rs. 14,949/- (previous year Rs. 11,579/-)

	Mar, 31, 1990 Rupees	Mar, 31, 1989 Rupees
(b) Computation of Managing Director's commission		
Profit before taxation as per Profit & Loss Account	6,359,612	5,865,270
Add: Depreciation	2,365,270	1,803,610
Directors' sitting fees	14,250	12,250
Managing Directors' remuneration including value of perquisites	154,593	167,001
	8,893,725	7,848,131
Less: Depreciation as per Section 350 of the Companies Act, 1956	2,365,270	1,803,610
Net profit for the year under section 198(i) of the Companies Act, 1956	6,528,455	6,044,521
1% Thereof	65,285	60,445
Restricted to	65,285	60,445

3. Auditor's remuneration includes:

Audit Fees	25,000	15,750
Tax Audit Fees	6,600	6,250
Taxation, Company Law & other matters	29,500	19,250
Out of pocket expenses	1,575	300
	62,675	41,550

	Mar, 31, 1990 Rupees	Mar, 31, 1990 Rupees	Mar, 31, 1989 Rupees	Mar, 31, 1989 Rupees
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SCHEDULE—7**CASH AND BANK BALANCES**

Cash on hand		164,829		17,898
Balance with scheduled banks on Current Account		1,551,757		3,948,962
With Scheduled Banks on term deposits		500,000		—
With other banks on Current Account—				
Tashkent Zilsuth Bank (Max. during the year 1989-90 Rs. 1,083,671/-, 1988-89 Rs. 1,444,512/-)		846,307		475,860
Grindlays Bank p.l.c., Zurich (Max. during the year 1989-90 Rs. 14,731/- 1988-89 Rs. 307,996/-)		—		14,731
Citibank NA, Singapore (Max. during the year 1989-90 Rs. 2,624,806/-, 1988-89 Rs. 1,874,648/-)		2,321,816		896,206
Bank Tejarat, Iran (Max. during the year 1989-90 Rs. 306,390/-, 1988-89 Rs. 1,731,379/-)		128,963		182,940
Citibank NA, Kuala Lumpur (Max. during the year 1989-90 Rs. 487/- 1988-89 Rs. 487/-)		—		487
		<u>5,513,672</u>		<u>5,537,084</u>

SCHEDULE—8**OTHER CURRENT ASSETS:**

Work done but not billed (at contract value including Profit/Losses thereon)		14,293,697		7,974,206
Work-in-Progress (Turnkey Projects):				
Opening work-in-progress	59,208,826		844,266	
Add: Increase in work-in-progress	57,158,165		58,364,560	
Closing Work-in-Progress		<u>116,366,991</u>		<u>59,208,826</u>
		<u>130,660,688</u>		<u>67,183,032</u>

	Mar, 31, 1990 Rupees	Mar, 31, 1989 Rupees
SCHEDULE—9		
LOANS AND ADVANCES:		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received (including capital advance of Rs. 176,330/-, previous year Nil)	45,166,436	50,752,249
Advance payment of tax	18,444,043	13,517,283
	63,610,479	64,269,532
SCHEDULE—10		
CURRENT LIABILITIES AND PROVISIONS:		
Liabilities:		
Advance from Customers	42,191,948	44,331,275
Sundry Creditors for expenses	53,366,349	55,397,312
Others	12,351,690	6,569,701
Advance billings (including Rs. 99,600,248/- in respect of turnkey contracts, previous year Rs. 66,144,116/-)	109,418,743	75,926,181
	217,328,730	182,224,469
Provisions:		
Provision for taxation	7,500,000	6,500,000
Proposed dividend	1,170,000	900,000
	8,670,000	7,400,000
SCHEDULE—11		
INCOME:		
Others:		
Difference in exchange (Net)	95,143	435,200
Interest:		
Banks	283,384	708,586
Others	548,859	3,492,269
Miscellaneous income	47,665	36,143
Profit on sale of fixed assets	—	134,723
Surplus on foreign currency revaluation	86,923	—
Cash compensatory support	413,759	184,972
Provision no longer required:		
a) Provision for Bad and Doubtful debts	784,040	
b) Other provisions	630,148	
	1,414,188	856,981
	2,889,921	5,848,874

4. Repairs & maintenance Expenses include:		
Repairs & maintenance (Plant & Machinery)	1,118,757	1,144,240
Repairs & maintenance (Others)	2,281,727	1,667,713

5. The details of investment in partnership firm:

Partners	Percentage of Profit/ Loss	Capital Rs.
Tata Projects Limited	60%	180,000
Dilworth, Secord, Meagher & Associates	40%	120,000

6. The Company has accounted export benefits like Cash Compensatory Support/Project Assistance etc., on approval by the concerned authorities.
7. It is the policy of the Company to account income from turn-key projects on completed contract basis. The work in progress has been valued at cost.
8. Stores and consumables purchased by the Company are written off in the year of purchase.
9. The depreciation provided during the year is calculated on WDV basis at rates prescribed in Schedule XIV of the Companies Act 1956.
10. The loss from the Partnership firm, TDSMA, has been provided for based on unaudited accounts.
11. The Company is following a policy of revaluing the foreign currency balances in Debtors and Bank Accounts at the year end rates. The profit on such revaluation amounting to Rs. 86,923/- has been taken into Profit and Loss Account as other income.
12. Profit & Loss Account for the current accounting period is for 12 months and as such is not comparable with that of the previous year (15 months)
13. Previous year's figures have been regrouped wherever necessary.

Schedules 1 to 13.

As per attached report of even date.
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

V. SAMPATH
COMPANY SECRETARY

For and on behalf of the Board
K.M. CHINNAPPA
A.R. JAGANNATHAN

CHAIRMAN
VICE-CHAIRMAN &
MANAGING DIRECTOR

A.H. TOBACOWALA
S.P. MANAKTALA
F.K. KAVARANA
S.R. SUBBARAMAN
SYAMAL GUPTA
N.S. SUNDER RAJAN

} DIRECTORS

Bombay, 17th August, 1990.

ANNEXURE TO DIRECTORS' REPORT

STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT 1956, READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) (AMENDMENT) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1990

Sr. No.	Name	Designation/ Nature of duties	Gross remuneration Rs.	Qualification	Experience years	Date of joining	Age years	Last employment before joining the Company
1	2	3	4	5	6	7	8	9
(A) EMPLOYED THROUGHOUT THE FINANCIAL YEAR AND IN RECEIPT OF REMUNERATION OF NOT LESS THAN RS. 72,000/-, PER ANNUM.								
1.	Mr. Alphonso N.A.de.X	Vice-President	177,516	B.Sc. (Hons.) B.Chem. Eng.	35	01.03.1983	58	Tata Consulting Engineers, Manager Commercial & Business Development
2.	Mr. Balasubramaniam K.	Sr. Manager (Inst.)	89,633	B.E.(Elec.)	26	02.11.1983	49	Tamil Nadu Electricity Board Assistant Divisional Engineer
3.	Mr. Balkrishna V	Dy. General Manager (PS)	88,925	B.A. (Econ.) D.B.M.	31	02.04.1982	53	Engineers India Limited Purchase Officer
4.	Mr. Chandrasekaran D	Dy. Manager (Proj.)	76,812	B.E. (Mech.) M.O.T.	17	21.10.1985	43	Ratnakar Shipping Co. Ltd., Engineer
5.	Mr. Godambe J.B.	Sr. Manager (Constn.)	95,633	B.E. (Mech.)	26	02.02.1981	48	Tata Electric Companies Constn. Engr. (Proj.)
6.	Mr. Goklany S.W.	Vice President	183,516	B.E. (Elec & Mech)	36	01.01.1982	61	Tata Consulting Engineers Addl Chief Mechanical Engineer
7.	Mr. Gupta A.K.	Manager (Constn.)	76,191	B.E. (Mech.) P.G.C.G.M.	17	24.06.1988	43	Tata Consulting Engineers Senior Engineer
8.	Mr. Jagannathan A.R.	Vice Chairman & Managing Director	247,722	B.E. (Elect.)	41	01.03.1981	65	Tata Consulting Engineers Director (Commercial)
9.	Mr. Karpur V.S.	Sr. Manager (Constn.)	84,409	B.E. (Mech.)	18	03.10.1983	40	Engineers India Limited Engineer
10.	Mr. Khole S.M.	Dy. Manager (Inst.)	72,214	B.Sc. (Hons.) B.E. (Inst.)	21	21.06.1984	47	Deccan Fibre Glass Ltd., Sr. Inst. Engineer
11.	Mr. Khandekar V.G.	Dy. General Manager (Civil Constn)	109,188	B.E. (Civil) Hons F.I. Struct. E (London) F.I.E. (India)	34	23.08.1988	56	Self Employment
12.	Mr. Krishna Rao K	Manager (Constn.)	79,700	B.Sc. (Mech Engg.)	18	18.03.1987	39	ACC Babcock Limited Shahabad-Deputy Superintendent
13.	Mr. Krishnan H	Manager (Proc.)	81,203	B.Sc. (Elec.)	17	24.10.1983	39	Engineers India Limited Sr. Engineer
14.	Mr. Madhava Rao K	Manager—Personnel	76,620	M.A. (PM/IR)	13	02.06.1983	33	Central Telegraph Office Telegraphist

Sr. No.	Name	Designation/ Nature of duties	Gross remuneration Rs.	Qualification	Experience years	Date of joining	Age years	Last employment before joining the Company
15.	Mr. Narasimha Rao M	Dy. Manager (Inspn.)	77,334	L.M.E. A.M.I.E. (Mech.) D.B.M.	20	23.09.1983	39	Toyo Engineering (I) Ltd. (Kuwait) Inspection Engineer
16.	Mr. Prabhakar R	Sr. Manager (Constn.)	80,251	B.E. (Civil)	25	25.10.1982	51	Engineers India Limited Senior Engineer
17.	Mr. Pulla Reddy G	Dy. Manager (Proj.)	75,898	M.Tech (Chem. Eng.)	15	16.08.1984	46	Reliance Cellulose Products Ltd. Plant Incharge
18.	Mr. Raj S.R.	Sr. Manager (Proj.)	92,918	B.Tech (Mech.) M.E. (Mech.)	22	16.09.1981	44	Engineers India Limited Project Manager (Design)
19.	Mr. Sampath K	General Manager (Projects)	107,386	B.E. (Mech.) M.E. (Power) M.S.M.E.	27	13.07.1987	51	I.A.E.C. (India) Ltd. Joint General Manager
20.	Mr. Sarangan G.R.	Project Manager	78,309	B.E. (Elec.)	38	09.12.1985	61	Maharashtra State Electricity Board, Chief Engineer.
21.	Mr. Shankar C	Manager—Project Accounts	77,615	B.Sc., A.C.A. I.C.W.A.	8	01.07.1985	32	Hifco Growth Fund Ltd. Asst Manager.
22.	Mr. Sharma A.K.	Manager (Const)	85,158	B.Sc. (Civil Engg)	17	03.10.1982	38	Engineers India Limited Lead Planning Engineer
23.	Mr. Sreenivasa Rao G	Manager (Inspn)	73,891	B.E. (Mech)	17	06.01.1986	44	Ansaldo—Italy Shift Charge Engineer
24.	Mr. Surury M.A.	Sr. Manager Inspection & QA/QC	99,658	B.Sc. (Mech.)	24	17.05.1985	48	Bharat Heavy Electricals Limited Manager—Quality control
25.	Mr. Subramanian R.G.	Manager (Inst.)	80,818	B.E. (Elec.)	20	29.04.1983	42	Tamil Nadu Electricity Board— Asst. Divisional Engineer (Instrumentation)
26.	Mr. Subrainanian V.N.	Dy.General Manager (Projects)	108,344	B.Sc. (Mech Engg.)	27	09.05.1983	48	Gammon India Ltd. Technical Manager
27.	Mr. Varghese P.V.	Dy. Manager (Projects)	74,232	B.Sc. (Hons) (Engg) B.Sc. (Chem. Eng.)	14	03.10.1983	40	Gammon India Ltd Estimation Engineer

STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT 1956, READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) (AMENDMENT) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1990

Sr. No.	Name	Designation/ Nature of duties	Gross remuneration Rs.	Qualification	Experience years	Date of joining	Age years	Last employment before joining the Company
1	2	3	4	5	6	7	8	9
(B) EMPLOYED FOR A PART OF THE FINANCIAL YEAR AND IN RECEIPT OF REMUNERATION AT THE RATE OF NOT LESS THAN RS. 6,000/- PER MONTH.								
1.	Mr. Balakrishnan S.	Chief Engineer (Constn)	7,668	B.E (Mech.)	30	01.02.1988	52	Tata Consulting Engineers, Deputy Chief Engineer (Const)
2.	Mr. Krishnaswamy S.N.	General Manager (Constn)	114,550	B.Sc., B.E.(Civil)	33	01.06.1989	58	Tata Consulting Engineers Chief Construction Engineer (Civil)
3.	Mr. Mehta K.G.	Sr. Manager (Projects)	74,600	B.E. (Civil.) M.I.E. (India)	29	01.06.1989	53	Feroz Kudianawala Consultants Engineers Bombay Project Manager
4.	Mr. Sahasranam K.V.	Consultant	37,742	B.Sc. L.L.B. A.C.S.	43	01.05.1987	63	Tata Consulting Engineers Financial Controller & Secretary
5.	Mr. Srinivasan K.	Project Engineer (Electrical)	20,645	B.E. (Elect.)	34	05.04.1985	60	Tamil Nadu Electricity Board Superintending Engineer
6.	Mr. Sastry P.B.	Manager (Electrical)	9,160	B.Sc. B.E. (Elect)	21	21.02.1990	43	Entech Consultancy Madras Manager Engineering
7.	Venkata Rao J.	Manager (Constn.)	57,155	B.E. (Elect.)	22	25.07.1989	45	General Electric Company Homs Power Station—Libya Shift Charge Engineer
8.	Mr. Vijaya Singh	Executive Director	69,361	B.E. (Civil.)	37	09.10.1989	58	Central Railway General Manager

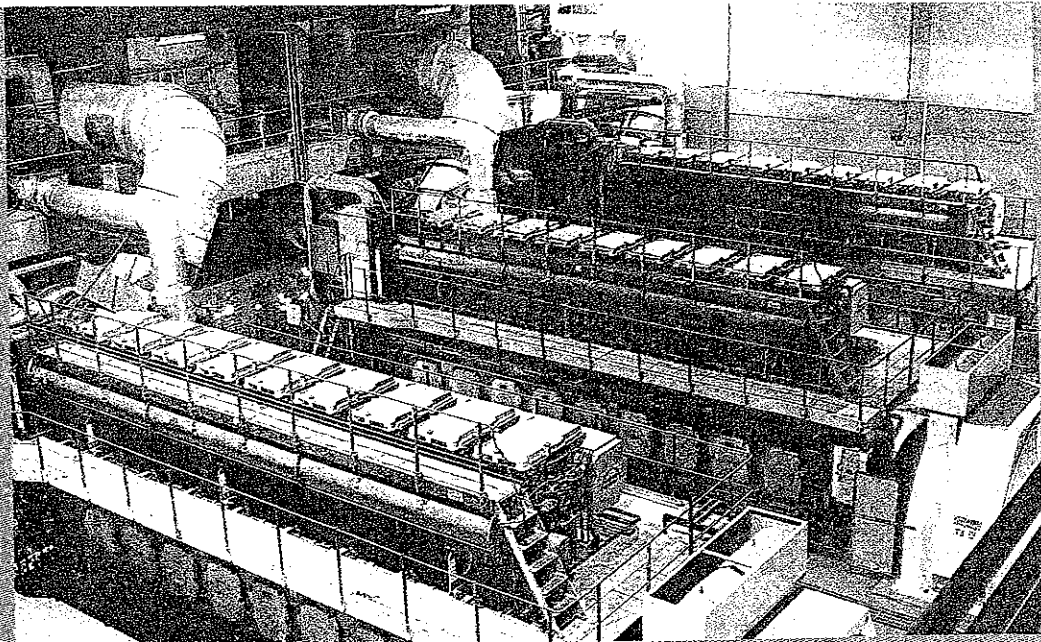
NOTES:

1. "Remuneration Received" includes salary, taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable.
2. The nature of employment is contractual.
3. None of the employees named above is a relative of any Director of the Company.

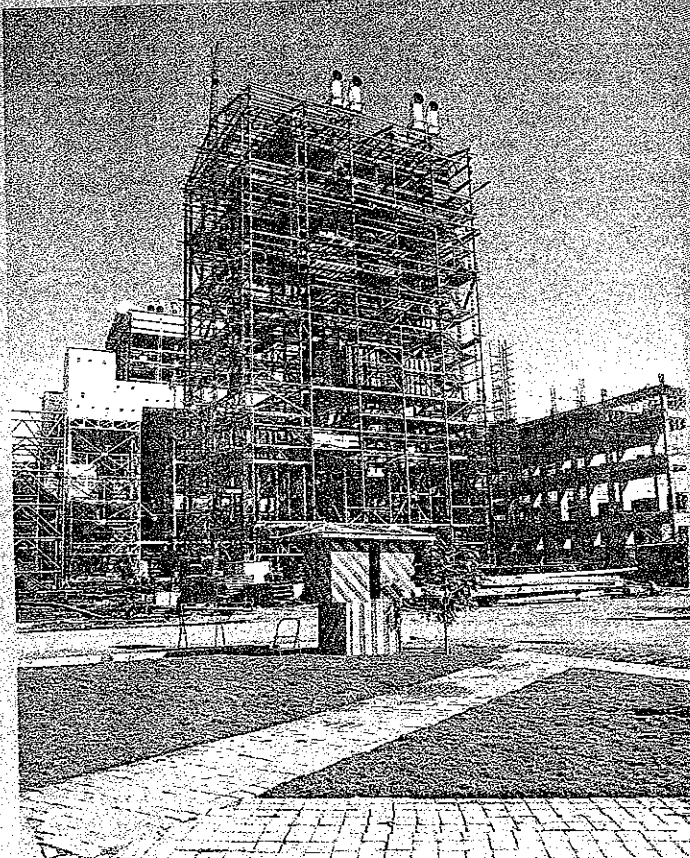
For and on behalf of the Board of Directors

K.M. CHINNAPPA
Chairman

Bombay
20th August, 1990.



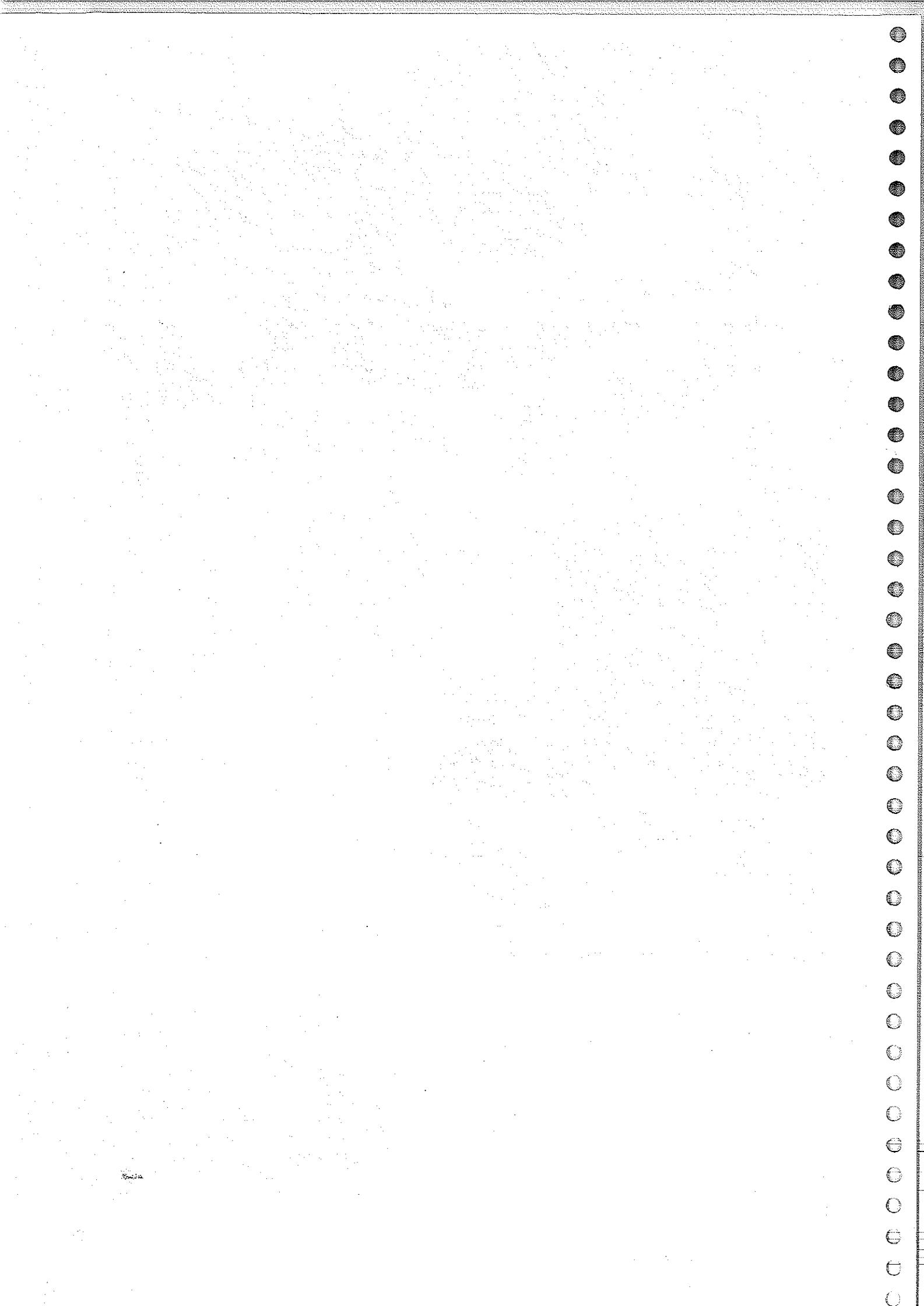
3 x 10 MW Diesel Generating Sets for Ferro Alloys Corpn. India, Vizag



Trombay 500 MW Installation—Boiler under erection

Polyester X-Ray Project, Ootacamund, under construction

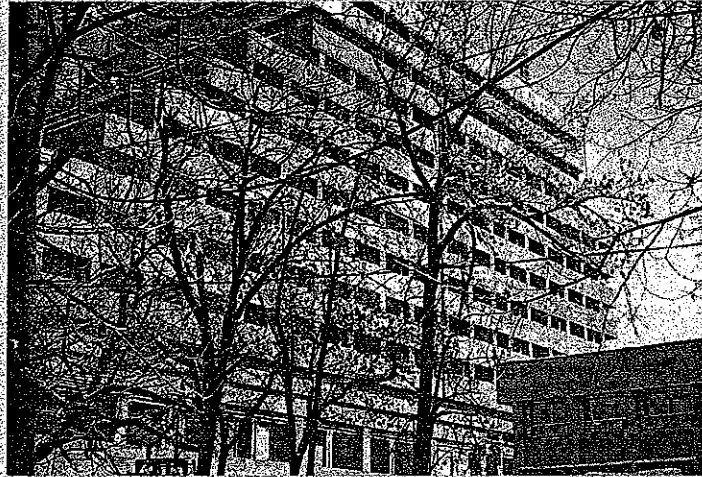




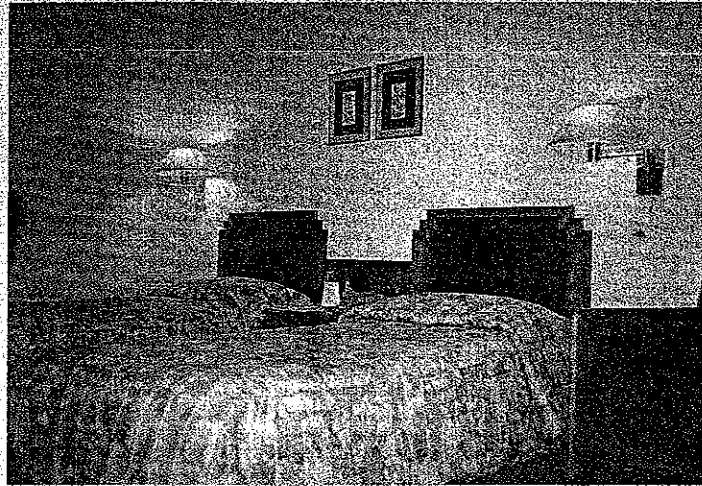
TATA PROJECTS LIMITED

TWELFTH
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1990-91

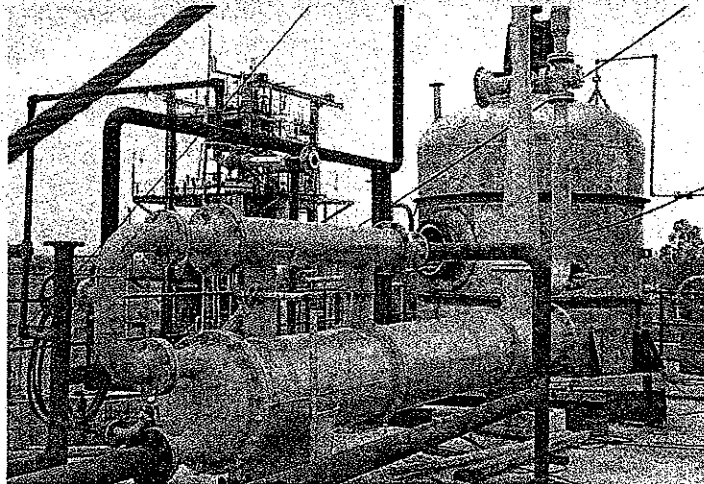




600-Bed international class hotel being built on turnkey basis at Tashkent, USSR



Sample of hotel room interiors for the Tashkent Hotel.



A view of scrubbing unit for fumaric acid plant for Ambuja Petrochemicals Ltd., Hyderabad.

BOARD OF DIRECTORS**Chairman**

H.N. Sethna

Directors

A.H. Tobaccowala

F.K. Kavarana

S.P. Manaktala

J.E. Talaulicar

J.J. Irani

S.R. Subbaraman

B.V. Chitnis

Syamal Gupta

S. Ramakrishnan

N.S. Sunder Rajan

A.V. Thomas

Company Secretary

V. Sampath

Senior Executives

Vijaya Singh

Executive Director

N.A. de X. Alphonso

Vice-President

S.W. Goklany

Vice-President

S.N. Krishna Swamy

General Manager

K. Sampath

General Manager

REGISTERED OFFICEBombay House, 24, Homi Mody Street
Fort, Bombay 400 001.**BOMBAY OFFICE**C/o Tata Electric Companies
Distribution Division
Senapati Bapat Marg
Lower Parel
Bombay-400 013**HYDERABAD OFFICE**'Suryodaya'
1-10-60/3
Begumpet
Hyderabad-500 016**DELHI OFFICE**C/o Tata Iron & Steel Co. Ltd.
Jeevan Bharati, Tower No. 1
10th Floor, 124, Connaught Circus
New Delhi-110 001.**BANKERS**ANZ Grindlays Bank
State Bank of Hyderabad
State Bank of India**SOLICITORS**

S.R. Vakil

AUDITORSG.N. Joshi Associates
Chartered Accountants**INTERNAL AUDITORS**B.K. Khare & Co.
Chartered Accountants

**DIRECTORS' REPORT
TO THE MEMBERS**

Your Directors have pleasure in presenting the Twelfth Annual Report and Audited Accounts of the Company for the year ended 31st March, 1991.

FINANCIAL RESULTS

	1990-91	1989-90
	Rs./Millions	Rs./Millions
Income	80.896	126.816
Expenses	74.669	120.522
Surplus before tax	6.227	6.294
Provision for taxation	1.898	1.000
Net Surplus	4.329	5.294
Add: Balance surplus brought forward from previous year	4.346	2.583
Balance (A)	8.675	7.877
Which the Directors have appropriated as under, to:		
a) General Reserve	1.055	2.061
b) Dividend on equity shares	1.620	1.170
c) Investment Allowance Reserve	Nil	0.300
(B)	2.675	3.531
Leaving balance of surplus (A-B) to be carried forward	6.000	4.346

OPERATIONS

There was considerable increase in the volume of work handled by the Company during 1990-91 in relation to the preceding year. The total value of work handled during 1990-91 including the work done on Tashkent hotel project was Rs. 232.286 Millions as against Rs. 183.974 Millions during 1989-90

The turnkey hotel project in Tashkent, USSR, has made considerable progress during the year and all efforts are being made to complete the project by the end of the current financial year. Another important project completed during the year was the installation of 3 x 10 MW DG sets for the Ferro Alloys Corpn.

The work on water treatment plant for Chambal Fertilizers & Chemicals Limited made 86% progress during the year. DRDL, Hyderabad have placed a lot of confidence in TPL and they awarded three projects during the year on single tender basis. All of them were completed ahead of schedule and to their entire satisfaction. Two of the three generating sets of Captive Power Plant of Khammam Chemical Refinery, at Maruguru, were commissioned and the third one has also been substantially completed and will be commissioned soon. The work on Hindustan Photo Films project is progressing satisfactorily. A new project was secured for fabrication

and erection of structural steel for the sponge iron project of Goldstar Steel & Alloys Limited, Vizag, and the work has been taken up.

Overseas assignments with ESSO Refinery at Singapore and with Tavanir in Iran are in progress.

The Company is going in for more and more turnkey projects and a number of tenders have been submitted and they are at various stages of negotiations. A concerted effort has also been made to send our technical manpower on deputation to foreign countries and prospects are promising in Iran.

The Company is also trying to establish itself as a third party inspection agency and some of the contracts were secured during the year.

DIVIDEND

Your Directors recommend a dividend of 24% subject to deduction of tax on equity shares for the year ended 31st March, 1991. The dividend, if approved, will be paid to those members of the Company whose names appear in the Register of Members of the company on the date of the Twelfth Annual General Meeting.

TATA-KLOCKNER

Tata Klockner, in which the Company has a 50% shareholding, has continued the successful execution of the various SBR contracts for Synthetics & Chemicals Ltd. Tata Klockner entered into a Cooperative Marketing Agreement with HRI, Inc., USA and joint bids have been submitted for a number of major refinery and petrochemical projects. Various other domestic as well as overseas projects are being actively pursued.

TATA-DSMA

Your Company has a 60% capital participation in the partnership

firm. The operations of the firm were satisfactory during the year under review. TDSMA management have advised us a profit of Rs. 17,827/-, based on unaudited results.

DIRECTORS

Mr. A.R. Jagannathan retired on 22nd November 1990 as Managing Director and continued as a Director till 27th March, 1991.

The Board placed on record their sincere appreciation of the services rendered by Mr. Jagannathan.

Mr. Vijaya Singh, Executive Director, was invited on the Board as an Additional Director and appointed as Managing Director of the Company, for a term of five years, effective 29th July, 1991.

Messrs S. P. Manaktala, Syamal Gupta, N.S. Sunder Rajan, and A.V. Thomas are Directors to retire by rotation, at the forthcoming Annual General Meeting and, being eligible, offer themselves for reappointment.

AUDITORS

Messrs G.N. Joshi Associates, Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for reappointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required by Section 217 (2A) of the Companies Act, 1956, are annexed hereto and forms part of this Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the excellent work done by the staff at all levels during the year.

For and on behalf of
the Board of Directors

H.N. SETHNA
Chairman

Bombay,
29th July, 1991.

**AUDITOR'S REPORT
TO THE MEMBERS**

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY, as at 31st March 1991 and also the annexed Profit and Loss Account for the year ended on that date and report that—

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above—
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account, as required by Law, have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with Notes contained in the Schedule of Notes attached, give the information as required by the Companies Act, 1956, in the manner so required and give true and fair view—

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1991; and
- (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay
29th July, 1991

**ANNEXURE TO
AUDITOR'S REPORT**

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. The fixed assets of the Company have been physically verified by the Management at reasonable intervals during the period and no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the year and, accordingly items (iii) to (vi) and (xii) of paragraph 4(A) of the Order are not applicable.
4. 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, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interest of the Company. We have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interests of the Company. As referred in paragraph (4) above, we have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
6. In respect of loans and advances in the nature of loans given by the Company, where stipulations have been made, the parties are repaying the principal amounts and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of plant and machinery, equipment and other assets.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods, materials and services, made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956, and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.
9. The company has not accepted fixed deposits from the public during the year and, therefore, the question of compliance with directives issued by the Reserve Bank of India and the provisions of Section 58A of the Companies Act, 1956, does not arise.
10. As explained to us, the Company has neither by-products nor scrap.

11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956, for this company.
13. According to the records of the Company, provident fund dues have been regularly deposited during the year with the appropriate authorities. As explained to us, the provisions of Employees' State Insurance Act are not applicable.
14. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, customs duty and excise duty which are outstanding as on 31st March, 1991 for a period of more than six months from the date they become payable.
15. According to the information and explanations given and based on test checks carried out by us, no personal expenses of employees or Directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
16. The Company is not a sick industrial company within the meaning of clause (o) of subsection 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
17. In respect of the Company's service activities we have to report as follows:
 - a) Materials and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase and, therefore, it does not require system of recording receipts, issues and consumptions of materials and stores.
 - b) There is a system for providing reasonable allocation of materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and the nature of its service activities.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay
29th July, 1991.

BALANCE SHEET AS AT 31ST MARCH 1991

	Schedule	Mar 31, 1991 Rupees	Mar 31, 1991 Rupees	Mar 31, 1990 Rupees	Mar 31, 1990 Rupees
I. SOURCES OF FUNDS:					
SHAREHOLDERS FUND:					
Share Capital	1	7,500,000		5,250,000	
Reserves and Surplus	2	23,167,273		20,458,219	
Loan Funds	3	47,393,733		21,880,244	
TOTAL			78,061,006		47,588,463
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS					
Gross Block	4	22,150,387		22,069,628	
Less: Depreciation		9,455,344		7,511,588	
NET BLOCK			12,695,043		14,558,040
b) INVESTMENTS					
	5		1,404,500		1,404,500
c) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	96,354,373		57,839,814	
Cash and Bank Balances	7	2,233,947		5,513,672	
Other Current Assets	8	277,571,148		130,660,688	
Loans and Advances	9	45,575,167		63,610,479	
			421,734,635		257,624,653
LESS:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	10	350,853,172		217,328,730	
Provisions		6,920,000		8,670,000	
			357,773,172		225,998,730
NET CURRENT ASSETS			63,961,463		31,625,923
TOTAL			78,061,006		47,588,463
Notes on Accounts	13				

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

V. SAMPATH
COMPANY SECRETARY

For and on behalf of the Board

H.N. SETHNA CHAIRMAN
S.P. MANAKTALA DIRECTOR
J.E. TALAULICAR DIRECTOR
N.S. SUNDER RAJAN DIRECTOR

Bombay, 29th July, 1991.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1991

	Schedule	Mar 31, 1991 Rupees	Mar 31, 1991 Rupees	Mar 31, 1990 Rupees	Mar 31, 1990 Rupees
I. INCOME					
From Services		77,051,970		123,926,288	
Others	11	3,843,931		2,889,921	
			80,895,901		126,816,209
II. EXPENDITURE					
Engineering Services and Erection/Construction expenses		156,538,059		121,173,130	
Establishment and other expenses	12	67,108,818		54,141,643	
Depreciation		2,413,353		2,365,270	
		226,060,230		177,680,043	
Less: Increase in work in progress (Net)		151,390,998		57,158,165	
			74,669,232		120,521,878
PROFIT BEFORE TAXES			6,226,669		6,294,331
Provision for taxation			1,100,000		1,000,000
			5,126,669		5,294,331
Tax provision for tax of previous year (Net)			797,615		—
PROFIT AFTER TAX			4,329,054		5,294,331
Balance brought forward from previous year			4,345,629		2,582,689
			8,674,683		7,877,020
APPROPRIATIONS:					
Proposed dividend		1,620,000		1,170,000	
Transfer to General Reserve		1,054,683		2,061,391	
Investment Allowance Reserve		Nil		300,000	
			2,674,683		3,531,391
BALANCE CARRIED TO BALANCE SHEET			6,000,000		4,345,629
Notes on accounts:	13				

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

V. SAMPATH
COMPANY SECRETARY

For and on behalf of the Board

H.N. SETHNA CHAIRMAN
S.P. MANAKTALA DIRECTOR
J.E. TALAULICAR DIRECTOR
N.S. SUNDER RAJAN DIRECTOR

Bombay, 29th July, 1991.

**SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1991
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1991**

	Mar, 31 1991 Rupees	Mar, 31 1991 Rupees	Mar, 31 1990 Rupees	Mar, 31 1990 Rupees
SCHEDULE—1				
SHARE CAPITAL				
Authorised—				
100,000 Equity Shares of Rs. 100/- each		10,000,000		10,000,000
Issued and subscribed—				
75,000 Equity Shares of Rs. 100/- each		7,500,000		3,000,000
Paid-up—				
75,000 Equity Shares of Rs. 100/- each		7,500,000		5,250,000
(Previous Year 30,000 Equity Shares of Rs. 100/- each fully paid up. 45,000 Equity Shares of Rs. 100/- each Rs. 50/- paid up)				
		7,500,000		5,250,000
SCHEDULE—2				
RESERVES AND SURPLUS				
Foreign Projects Reserves —				
(as per Sec. 80-HHB of I.T. Act)				
Balance as per last Balance Sheet	12,590		313,045	
Less: Amount Transferred to General Reserve	12,590		300,455	
		—		12,590
General Reserves—				
Balance as per last Balance Sheet	13,800,000		11,438,154	
Add: Amount set aside during the year	1,054,683		2,061,391	
Add: Amount transferred from Foreign Project Reserve	12,590		300,455	
		14,867,273		13,800,000
Investment Allowance Reserve —				
Balance as per last Balance Sheet	387,642		2,000,000	
Less: Utilised for purchase of plant & machinery transferred to Investment Allowance Reserve (Utilised) A/c.	296,728		1,912,358	
	90,914		87,642	
Add: Transferred from Profit & Loss Account	—		300,000	
		90,914		387,642
Investment Allowance (Utilised) Reserve A/c —				
Balance as per last Balance Sheet	1,912,358		—	
Add: Amount transferred from Investment Allowance Reserve A/c	296,728		1,912,358	
		2,209,086		1,912,358
Surplus—				
Balance in Profit & Loss Account		6,000,000		4,345,629
		23,167,273		20,458,219
SCHEDULE—3				
LOAN FUNDS				
Secured—				
Bank Overdraft		30,893,733		9,380,244
(Secured by hypothecation of book debts & current assets including movable properties)				
Others		16,500,000		12,500,000
(Secured by hypothecation of book debts & current assets including movable properties)				
		47,393,733		21,880,244

SCHEDULE—4

FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.03.90	Additions	Deductions	As on 31.03.91	As on 31.03.90	For 1990-91	On Deduction	As on 31.03.91	As on 31.03.91	As on 31.03.90
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture & Fixtures	2,135,586	216,562	3,000	2,349,148	931,725	133,737	1,243	1,064,219	1,284,929	1,203,861
Office Equipment	1,238,415	72,198	—	1,310,613	655,968	89,363	—	745,331	565,282	582,447
Vehicles	3,140,869	129,844	693,045	2,577,668	1,662,682	280,559	468,354	1,474,887	1,102,781	1,478,187
Air Conditioning Equipment	171,008	21,750	—	192,758	81,751	15,748	—	97,499	95,259	89,257
Survey & Drawing Equipment	19,947	—	—	19,947	14,662	793	—	15,455	4,492	5,285
Erection/Construction Machinery	13,990,369	296,728	—	14,287,097	3,589,906	1,598,041	—	5,187,947	9,099,150	10,400,463
Computers	1,231,997	—	—	1,231,997	545,048	274,779	—	819,827	412,170	686,949
Electrical Equipment	141,437	39,722	—	181,159	29,846	20,333	—	50,179	130,980	111,591
Total	22,069,628	776,804	696,045	22,150,387	7,511,588	2,413,353	469,597	9,455,344	12,695,043	14,558,040
Previous Year	19,080,426	3,089,389	100,187	22,069,628	5,216,529	2,365,270	70,211	7,511,588	14,558,040	—

	Mar, 31, 1991 Rupees	Mar, 31, 1990 Rupees
SCHEDULE—5		
INVESTMENTS		
1) In Shares:		
Unquoted		
Equity Shares of Tata Klockner Industrial Plants Limited		
at cost (12,245 shares of Rs: 100/- each fully paid-up)	1,224,500	1,224,500
2) In Partnership Firms—Capital:		
Tata Dilworth, Secord Meaghar & Associates	180,000	180,000
	1,404,500	1,404,500

SCHEDULE—6**SUNDRY DEBTORS—Unsecured****a) Outstanding for more than 6 months**

Considered good

Considered doubtful

20,530,141 24,107,916

2,274,260 2,274,260

22,804,401 26,382,176

2,274,260 2,274,260

Less: Provision for doubtful debts

20,530,141 24,107,916

75,824,232 33,731,898

b) Other debts considered good

96,354,373 57,839,814

	Mar, 31, 1991 Rupees	Mar, 31, 1991 Rupees	Mar, 31, 1990 Rupees	Mar, 31, 1990 Rupees
SCHEDULE—7				
CASH AND BANK BALANCES				
Cash on hand		71,077		164,829
Balance with scheduled banks on Current Account		865,280		1,551,757
With Scheduled Banks on term deposits		—		500,000
With other Banks on Current Account—				
Tashkent Zilsuth Bank (Max. during the year 1990-91 Rs. 1,011,588/- 1989-90 Rs. 1,083,671/-)		704,949		846,307
Citibank NA, Singapore (Max. during the year 1990-91 Rs. 2,463,758/-, 1989-90 Rs. 2,624,806/-)		321,438		2,321,816
Bank Tejarat, Iran (Max. during the year 1990-91 Rs. 1,387,632/-, 1989-90 Rs. 306,390/-)		264,619		128,963
Deutsche Bank, Kuala Lumpur (Max. during the year 1990-91 Rs. 146,685/-, 1989-90 Rs. Nil)		6,584		—
		2,233,947		5,513,672

SCHEDULE—8**OTHER CURRENT ASSETS**

Work done but not billed (at Contract value including profit/losses thereon)		9,813,159		14,293,697
Work-in-Progress (Turnkey Projects):				
Opening work-in-progress	116,366,991		59,208,826	
Add: Increase in work-in-progress (Net)	151,390,998		57,158,165	
Closing work-in-progress		267,757,989		116,366,991
		277,571,148		130,660,688

	Mar, 31, 1991 Rupees	Mar, 31, 1990 Rupees
SCHEDULE—9		
LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received	34,942,419	45,166,436
Advance payment of tax	10,632,748	18,444,043
	<u>45,575,167</u>	<u>63,610,479</u>

SCHEDULE—10**CURRENT LIABILITIES AND PROVISIONS****Liabilities:**

Advance from Customers	17,943,571	42,191,948
Sundry Creditors for expenses	65,741,509	53,366,349
Others	10,440,082	12,351,690
Advance billings (including Rs. 255,647,504/- in respect of turnkey contracts, previous year Rs. 99,600,248/-)	256,728,010	-109,418,743
	<u>350,853,172</u>	<u>217,328,730</u>

Provisions:

Provisions for taxation	5,300,000	7,500,000
Proposed dividend	1,620,000	1,170,000
	<u>6,920,000</u>	<u>8,670,000</u>

SCHEDULE—11**INCOME****Others:**

Difference in exchange (Net)	—	95,143
Interest:		
Banks	15,123	283,384
Others	1,904,732	548,859
Miscellaneous income	15,005	47,665
Profit on sale of fixed assets	61,028	—
Surplus on foreign currency revaluation	—	86,923
Cash Compensatory Support	1,830,216	413,759
Provision no longer required:		
a) Provision for bad and doubtful debts	—	784,040
b) Other provisions	—	630,148
Profit from Partnership firm (Net)—TDSMA	17,827	—
	<u>3,843,931</u>	<u>2,889,921</u>

	Year ended Mar. 31, 1991 Rupees	Year ended Mar. 31, 1990 Rupees
SCHEDULE-12		
ESTABLISHMENT AND OTHER EXPENSES:		
Staff salaries	22,656,201	19,766,813
Directors' sitting fees	13,000	14,250
Travelling expenses	7,624,086	5,531,052
Printing & stationery	1,472,834	1,747,786
Interest charges	4,737,405	1,520,668
Rent	1,768,471	1,507,903
Books, periodicals & subscription	128,506	167,633
Advertisement expenses	117,784	124,029
Bank guarantee and commission charges	675,035	1,978,952
Professional and legal charges	5,547,364	1,841,339
Motor vehicle expenses	1,723,798	1,135,359
Postage, telephone, telegram & telex	4,669,523	3,755,608
Auditor's remuneration	59,525	62,675
Entertainment expenses	32,467	83,981
Repairs and maintenance	3,534,160	3,400,484
Electricity and water charges	246,123	315,904
Freight charges	4,736,309	1,350,105
General expenses	593,171	283,460
Overseas living expenses	4,290,425	3,977,029
Staff recruitment expenses	111,255	73,989
Rates and taxes	125,381	139,742
Tax paid/payable overseas	776,000	1,664,666
Donation	54,771	6,000
Sales tax	35,795	1,452,228
Insurance & ECGC Premium	1,214,871	1,251,340
Net loss from partnership firm-TDSMA	—	50,000
Commission	—	149,632
Bad debts written off	—	784,040
Loss on sale of asset	—	4,976
Difference in exchange rate	164,558	—
	67,108,818	54,141,643

	Year ended Mar, 31, 1991 Rupees	Year ended Mar, 31, 1990 Rupees
SCHEDULE—13		
NOTES ON ACCOUNTS		
1. Information pursuant to Part II of Schedule VI of Companies Act, 1956		
a) Gross income from Engineering Services (includes Rs. 30,982,000/- relating to turnkey contract, previous year Rs. 36,200,000/-)	77,051,970	123,926,288
b) Expenditure in foreign currency—Other matters	43,426,432	23,890,437
c) Earning in foreign currency for services rendered	17,377,291	18,345,197
2. Staff salaries		
a) Salaries and Bonus	17,356,395	15,669,016
b) Contribution to Provident Fund and other funds	1,794,814	1,122,578
c) Staff welfare expenditure	3,504,992	2,975,219
3. a) The remuneration paid during the period to the Managing Director amounting to Rs. 157,566/- (previous year Rs. 215,038/-) includes estimated money value of benefits Rs. 4,775/- (previous year Rs. 14,949/-)		
b) Computation of Managing Director's commission		
Profit before taxation as per Profit & Loss Account	6,268,032	6,359,612
Add: Depreciation	2,413,353	2,365,270
Directors' sitting fees	13,000	14,250
Managing Director's remuneration including value of perquisites	116,204	154,593
	8,810,589	8,893,725
Less: Depreciation as per Section 350 of the Companies Act, 1956	2,413,353	2,365,270
Net Profit for the year under section 198(i) of the Companies Act, 1956	6,397,236	6,528,455
1% Thereof	63,972	65,285
Restricted upto 22.11.1990	41,362	65,285
4. Auditor's remuneration includes:		
Audit Fees	25,000	25,000
Tax Audit Fees	6,600	6,600
Other matters	26,650	29,500
Out of pocket expenses	1,275	1,575
5. The details of investment in partnership:		
Partners	Percentage of Profit/ Loss	Capital Rs.
Tata Projects Limited	60%	180,000
Dilworth, Secord, Meagher & Associates	40%	120,000
6. The Company has accounted Export benefit like Cash Compensatory Support/Project Assistance etc., on approval by the concerned authorities.		
7. a) It is the policy of the Company to account income from turn-key projects on completed contract basis. The work in progress has been valued at cost.		
b) In respect of other than turnkey projects, the company has accounted income on percentage completion method based on stage of completion, certified by the management.		

	Year ended March 31, 1991 Rupees	Year ended March 31, 1990 Rupees
8. Stores and consumables purchased by the Company are written off in the year of purchase.		
9. Repairs & maintenance Expenses include:		
a) Repairs & maintenance (Plant & Machinery)	1,997,187	1,118,757
b) Repairs & maintenance (Others)	1,536,972	2,281,727
10. The depreciation provided during the year is calculated on WDV basis at rates prescribed in Schedule XIV of the Companies Act, 1956.		
11. The profit from the partnership firm TDSMA has been provided for based on unaudited accounts.		
12. The Company was following a policy of revaluing the repatriable foreign currency balances in Debtors and Bank Accounts at year end rates. During the year, in accordance with Accounting Standard 11 (AS 11) issued by the Council of the Institute of Chartered Accountants of India on "Accounting for the Effects of Changes in Foreign Exchange Rates", the Company has not accounted the gain on revaluation of its current assets and current liabilities in foreign currency at year end rates, amounting Rs. 643,129/-.		
13. Demands for Incometax and interest thereon in respect of earlier years has not been provided for to the extent of Rs. 1.678 millions (previous year—nil) as the appeals filed by the Company are pending disposal.		
14. The Company has issued Bank Guarantees amounting Rs. 37.80 millions to its clients as on the close of the year.		
15. Previous year's figures have been regrouped wherever necessary.		

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

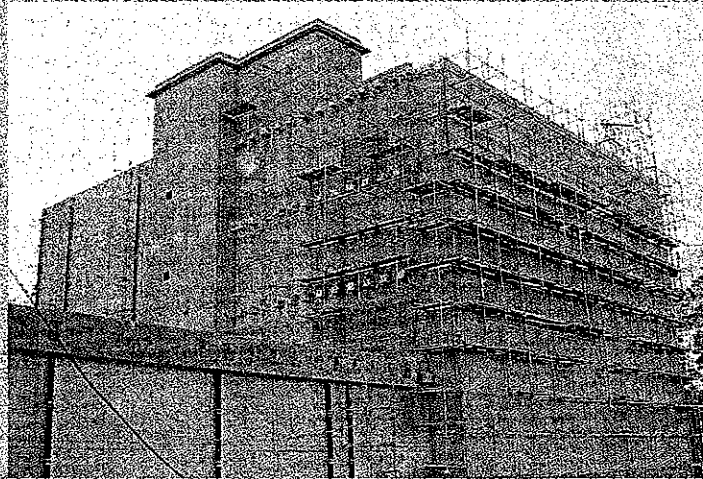
V. SAMPATH
COMPANY SECRETARY

For and on behalf of the Board

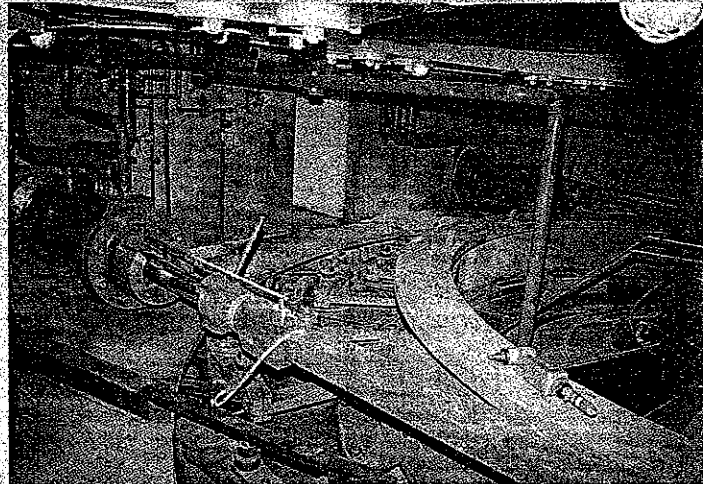
H.N. SETHNA	CHAIRMAN
S.P. MANAKTALA	DIRECTOR
J.E. TALAULICAR	DIRECTOR
N.S. SUNDER RAJAN	DIRECTOR

Bombay, 29th July, 1991.

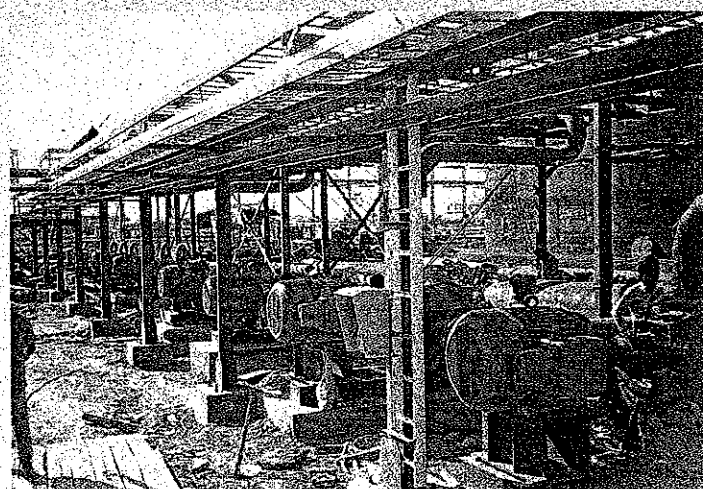
A view of civil structure
for X-ray film project of
Hindustan Photofilms at
Ooty

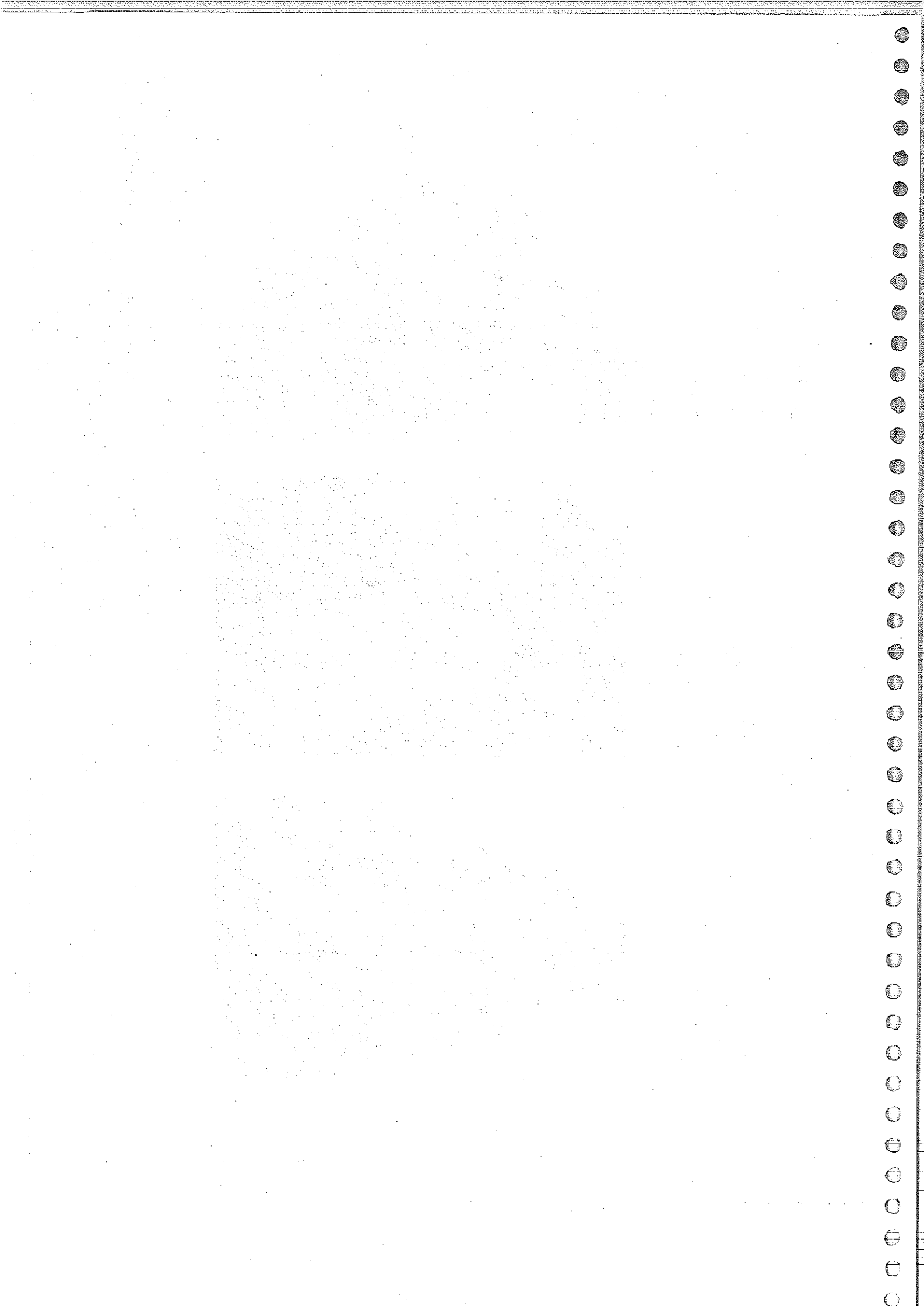


Servo motor and piping
of 40MW reversible
pump for turbine of
Damodar Valley
Corporation, hydro
power station at
Panchet, Bihar.



Chambal Fertilisers &
Chemicals Ltd.,—
water pretreatment plant—
load centre pumps.





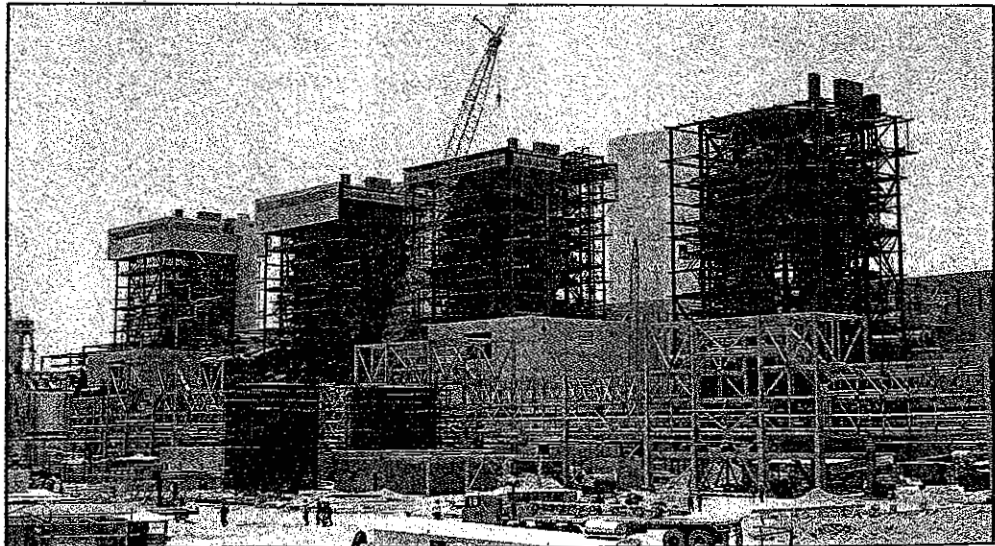
TATA PROJECTS LIMITED

THIRTEENTH
ANNUAL REPORT
1991-92





Hotel project in Tashkent,
UZBEKISTAN



Boilers of 4 × 250 MW
Shahid Rajai Project at
Qazvin/Iran.

BOARD OF DIRECTORS**Chairman**

H.N. Sethna

Managing Director

Vijaya Singh

Directors

A.H. Tobaccowala
F.K. Kavarana
S.P. Manaktala
J.E. Talaulicar
J.J. Irani
S.R. Subbaraman
B.V. Chitnis (upto 25.02.92)
Syamal Gupta
S. Ramakrishnan
N.S.Sunder Rajan
A.V. Thomas

Asst. Company Secretary

K. Lokanatha Reddy

Senior Executives

N.A. de X. Alphonso
Vice-President

S.W. Goklany
Vice-President

S.N. Krishna Swamy
General Manager

K. Sampath
General Manager

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street
Fort, Bombay 400 001.

BOMBAY OFFICE

C/o Tata Electric Companies
Distribution Division
Senapati Bapat Marg
Lower Parel
Bombay-400 013

HYDERABAD OFFICE

'Suryodaya'
1-10-60/3
Begumpet
Hyderabad-500 016

DELHI OFFICE

C/o Tata Iron & Steel Co. Ltd.
Jeevan Bharati, Tower No. 1
10th Floor, 124, Connaught Circus
New Delhi-110 001.

BANKERS

State Bank of Hyderabad
ANZ Grindlays Bank
State Bank of India

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates
Chartered Accountants

INTERNAL AUDITORS

Khatau & Co.
Chartered Accountants

DIRECTORS' REPORT

TO
THE MEMBERS

Your Directors have pleasure in presenting the Thirteenth Annual Report and Audited Accounts of the Company for the year ended 31st March, 1992.

FINANCIAL RESULTS

	1991-92 Rs./Millions	1990-91 Rs./Millions
Income	456.104	80.896
Expenses	436.040	74.669
Surplus before tax	20.064	6.227
Provision for taxation	6.00	1.898
Net Surplus	14.064	4.329
Add: Balance surplus brought forward from previous year	6.000	4.346
Balance (A)	20.064	8.675
Which the Directors have appropriated as under, to:		
a) General Reserve	1.500	1.055
b) Dividend on equity shares	1.800	1.620
c) Foreign Projects Reserve	14.000	Nil
(B)	17.300	2.675
Leaving balance of surplus (A-B) to be carried forward.	2.764	6.000

The income at Rs. 456.104 million includes, inter alia, the Income from the Company's major turnkey contract, Tashkent Hotel Project, which has been completed

substantially during the year. Due to this the Income and Profit of this year are substantially higher than those of previous year.

OPERATIONS

Tashkent Hotel Project faced considerable difficulties during the year due to dissolution of the former Soviet Union and with it the clients M/s Soyuzvneshtroj-import with effect from 31st December, 1991. Most of these difficulties have been overcome and the Government of Uzbekistan has taken full responsibility for implementation

of the project and they have nominated M/s INTERALOKA, the state trading organisation of that country as the client for Tashkent Project. A fresh agreement has been signed with M/s INTERALOKA and they have agreed to release the payments progressively during 1992 and 1993. The project completion period has been extended upto 31st March, 1993.

The work of water pre-treatment plant of Chambal Fertilisers and Chemicals Ltd., Kota, structural steel work for Mini Sponge Iron Plant of Goldstar Steel and Alloys Ltd at Vizag and Hospital Extension for Tata Memorial Centre were completed during the year to the satisfaction of the respective clients. The work of Polyester Based X-Ray and Graphics Arts Films Project of Hindustan Photo Films Mfg. Co. Ltd., at Ooty is also nearing completion and most of the manpower working on the Captive Power Plant of Khammam Chemical Refinery at Manuguru has been withdrawn.

Intensive efforts have been made during the year to secure new projects and contracts were signed for Cabot Reactor Project, with United Carbon India Ltd., Bombay, for Installation of 6 x 20 MW Diesel Generating Sets, Piping and other equipment for Karnataka Electricity Board at Yelahanka, Supply and Installation of 66 KV Switchyard for the same power project and Erection of Water Treatment Plant and HP/LP piping for M/s Siemens for 2 x 130 Mw Combined Cycle Power Plant at Uran. Work on all the projects is well in progress.

A contract was also signed with M/s Ghods Niroo Consulting Engineers (GNCE) of Iran to undertake Engineering Services for 10 years at their power house projects and nine of our engineers have been posted under this contract. Another contract was signed with GNCE for Tariff Studies and one more contract with M/s Iran Power Generation and Transimission Company Iran for implementation of Inventory Codification System for their power houses. Overseas assignment with Esso Singapore has been progressing satisfactorily.

Our effort to establish the Company as a third party inspection organisation have also been successful and a major contract has been signed with Associated Cement Co. Ltd for inspection and expediting services for all the equipment to be procured by them for their Cement factory at Galgal.

The company has quoted for a number of new projects for implementation on turnkey basis and it is expected that the volume of work would increase substantially during the coming years.

DIVIDEND

Your Directors have recommended dividend of 24%, subject to deduction of tax, on Equity Shares for the year ended on 31st March, 1992. The dividend if approved, will be paid to those members whose names appear in the Register of Members of the company on the date of the next Annual General Meeting.

TATA-KLOCKNER

TATA KLOCKNER in which the company has a major investment has fared reasonably well in its operations during the year. The turn over of the company was of Rs. 1.14 crores and the profit before tax was 3.77 lakhs. The Company is pursuing a number of domestic and overseas projects.

TATA-DSMA

The Company has 60% capital participation in the partnership firm. TDSMA management have advised us a profit of Rs. 15,600/- based on the unaudited results. We have further been advised that DSMA Canada has gone into liquidation and the Board has decided to wind up TDSMA also.

DIRECTORS

Messrs. A.H. Tobaccowala, F.K. Kavarana and S.R. Subbaraman retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

AUDITORS

Messrs G.N. Joshi Associates Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 217 (2A) of the Companies Act, 1956, are annexed hereto.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the excellent work done by the staff at all levels during the year.

On behalf of
the Board of Directors

H.N. SETHNA
CHAIRMAN

Bombay,
25th June, 1992.

**AUDITOR'S REPORT
TO THE MEMBERS**

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED BOMBAY, as at 31st March 1992 and also the annexed Profit and Loss Account for the year ended on that date and report that —

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4 A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matter specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above —
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of these books:
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account:

- d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with Notes contained in the Schedule of Notes attached, give the information as required by the Companies Act, 1956, in the manner so required and give true and fair view —
 - (i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1992; and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. JOSHI ASSOCIATES
Chartered Accountants

G.N. Joshi
Partner

Bombay
25th June, 1992.

**ANNEXURE TO
AUDITOR'S REPORT**

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. The fixed assets of the Company have been physically verified by the Management at reasonable intervals during the period and no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the year and, accordingly items (iii) to (vi) and (xii) of paragraph 4(A) of the Order are not applicable.
4. The Company has not taken any loans, secured or unsecured, from Companies, firms or other parties listed in the Register maintained under Sec. 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie, prejudicial to the interest of the Company. We have been informed that there are no Companies under the same management as defined under Sec. 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the Register maintained under Sec. 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interests of the Company. As referred in paragraph (4) above, we have been informed that there are no companies under the same management as defined under Sec. 370 (1B) of the Companies Act, 1956.
6. In respect of loans and advances in the nature of loans given by the Company, where stipulations have been made, the parties are repaying the principal amount and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of plant and machinery, equipment and other assets.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and services, made in pursuance of contracts or arrangements entered in the Register maintained under Sec. 301 of the Companies Act, 1956, and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions of similar goods, materials or services have been made with other parties.

9. The Company has not accepted fixed deposits from the public during the year and, therefore the question of compliance with Directives issued by the Reserve Bank of India and the provisions of Sec. 58A of the Companies Act, 1956, does not arise.
10. As explained to us, the Company has neither by-products nor scrap.
11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Sec. 209 (1)(d) of the Companies Act, 1956, for this Company.
13. According to the records of the Company, Provident Fund dues have been regularly deposited during the year with the appropriate authorities. As explained to us, the provisions of Employee's State Insurance Act are not applicable to the Company.
14. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income-tax, Wealth-tax, Sales-tax, Customs duty, and Excise duty which are outstanding as on 31st March, 1992 for a period of more than six months from the date they become payable.
15. According to the information and explanations given to us, based on test checks carried out by us, no personal expenses of employees or Directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.
16. The Company is not a sick industrial company within the meaning of Clause (o) of sub-Sec.1 of Sec.3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
17. In respect of the Company's service activities, we have to report as follows:
 - a) Material and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase and, therefore, it does not require system of recording receipts, issues and consumptions of materials and stores.
 - b) There is a system for providing reasonable allocation of materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and the nature of its services and activities.

For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay
25th June, 1992.

BALANCE SHEET AS AT 31ST MARCH 1992

	Schedule	Mar 31, 1992 Rupees	Mar 31, 1992 Rupees	Mar 31, 1991 Rupees	Mar 31, 1991 Rupees
I. SOURCES OF FUNDS:					
a) SHAREHOLDERS FUND:					
Share Capital	1	7,500,000		7,500,000	
Reserves and Surplus	2	35,431,346		23,167,273	
b) LOAN FUNDS	3	25,000,000		47,393,733	
TOTAL			67,931,346		78,061,006
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS					
Gross Block	4	27,438,993		22,150,387	
Less: Depreciation		11,548,835		9,455,344	
NET BLOCK			15,890,158		12,695,043
b) INVESTMENTS	5		1,404,500		1,404,500
c) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	84,685,974		96,354,373	
Cash and Bank Balances	7	22,062,144		2,233,947	
Other Current Assets	8	14,617,847		277,571,148	
Loans and Advances	9	48,263,557		45,575,167	
			169,629,522		421,734,635
LESS:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	10	105,892,834		350,853,172	
Provisions		13,100,000		6,920,000	
			118,992,834		357,773,172
NET CURRENT ASSETS			50,636,688		63,961,463
TOTAL			67,931,346		78,061,006
Notes on Accounts	13				

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

K. LOKANATHA REDDY
ASST. COMPANY SECRETARY

For and on behalf of the Board

H.N. SETHNA	CHAIRMAN
VIJAYA SINGH	MANAGING DIRECTOR
S.P. MANAKTALA	DIRECTOR
J.E. TALAULICAR	DIRECTOR
N.S. SUNDER RAJAN	DIRECTOR

Bombay, 25th June, 1992.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1992

	Schedule	Year Ended Mar 31, 1992 Rupees	Year Ended Mar 31, 1992 Rupees	Year Ended Mar 31, 1991 Rupees	Year Ended Mar 31, 1991 Rupees
I. INCOME					
From Services		452,893,794		77,051,970	
Others	11	3,210,509	456,104,303	3,843,931	80,895,901
II. EXPENDITURE					
Engineering Services and Erection/Construction expenses		95,290,832		156,538,060	
Establishment and other expenses	12	80,338,660		67,108,818	
Depreciation		2,293,483		2,413,353	
		177,922,975		226,060,230	
Less: Increase in work in progress (Net)		—		151,390,998	
Add: Decrease in work in progress (Net)		258,117,255	436,040,230	—	74,669,232
PROFIT BEFORE TAXES			20,064,073		6,226,669
Provision for taxation			6,000,000		1,100,000
			14,064,073		5,126,669
Tax provision for tax of previous year (Net)			—		797,615
PROFIT AFTER TAX			14,064,073		4,329,054
Balance brought forward from previous year			6,000,000		4,345,629
			20,064,073		8,674,683
APPROPRIATIONS:					
Proposed dividend		1,800,000		1,620,000	
Transfer to Foreign Project Reserve		14,000,000		—	
Transfer to General Reserve		1,500,000	17,300,000	1,054,683	2,674,683
BALANCE CARRIED TO BALANCE SHEET			2,764,073		6,000,000
Notes on accounts:	13				

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

K. LOKANATHA REDDY
ASST. COMPANY SECRETARY

For and on behalf of the Board

H.N. SETHNA
VIJAYA SINGH
S.P. MANAKTALA
J.E. TALAULICAR
N.S. SUNDER RAJAN

CHAIRMAN
MANAGING DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR

Bombay, 25th June, 1992.

**SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1992
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1992**

	Mar, 31 1992 Rupees	Mar, 31 1992 Rupees	Mar, 31 1991 Rupees	Mar, 31 1991 Rupees
SCHEDULE—1				
SHARE CAPITAL				
Authorised—				
100,000 Equity Shares of Rs. 100 each		10,000,000		10,000,000
Issued and subscribed—				
75,000 Equity Shares of Rs. 100 each		7,500,000		7,500,000
Paid-up—				
75,000 Equity Shares of Rs. 100 each		7,500,000		7,500,000
		7,500,000		7,500,000
SCHEDULE—2				
RESERVES AND SURPLUS				
Foreign Project Reserves—				
(as per Sec. 80-HHB of I.T. Act)				
Balance as per last Balance Sheet	—		12,590	
Less: Amount transferred to General Reserve	—		12,590	
Add: Amount transferred during the year	14,000,000	14,000,000	—	—
General Reserves—				
Balance as per last Balance Sheet	14,867,273		13,800,000	
Add: Amount set aside during the year	1,500,000		1,054,683	
Add: Amount transferred from Foreign Project Reserve.	—	16,367,273	12,590	14,867,273
Investment Allowance Reserve—				
Balance as per last Balance sheet	90,914		387,642	
Less: Utilised for purchase of plant & machinery transferred to Investment Allowance Reserve (Utilised) A/c	90,914	—	296,728	90,914
Investment Allowance (Utilised) Reserve A/c—				
Balance as per last Balance Sheet	2,209,086		1,912,358	
Add: Amount transferred from Investment Allowance Reserve A/c	90,914	2,300,000	296,728	2,209,086
Surplus—				
Balance in Profit & Loss Account		2,764,073		6,000,000
		35,431,346		23,167,273
SCHEDULE—3				
LOAN FUNDS				
Secured—				
Bank Overdraft				
(Secured by Hypothecation of book debts & current assets including moveable properties)		—		30,893,733
Others		25,000,000		16,500,000
(Secured by Hypothecation of book debts & current assets including movable properties)		25,000,000		47,393,733

SCHEDULE—4

FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.03.91	Additions	Deductions	As on 31.03.92	As on 31.03.91	For 1991-92	On Deduction	As on 31.03.92	As on 31.03.92	As on 31.03.91
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture & Fixtures	2,349,148	152,730	—	2,501,878	1,064,219	132,677	—	1,196,896	1,304,982	1,284,929
Office Equipments	1,310,613	77,873	248,336	1,140,150	745,331	90,007	199,992	635,346	504,804	565,282
Vehicles	2,577,668	1,117	—	2,578,785	1,474,887	220,594	—	1,695,481	883,304	1,102,781
Air Conditioning Equipment	192,758	—	—	192,758	97,499	14,289	—	111,788	80,970	95,259
Survey & Drawing Equipment	19,947	16,285	—	36,232	15,455	1,028	—	16,483	19,749	4,492
Erection/Construction Machinery	14,287,097	5,077,327	—	19,364,424	5,187,947	1,599,896	—	6,787,843	12,576,581	9,099,150
Computers	1,231,997	141,000	—	1,372,997	819,827	209,962	—	1,029,789	343,208	412,170
Electrical Equipment	181,159	70,610	—	251,769	50,179	25,030	—	75,209	176,560	130,980
Total	22,150,387	5,536,942	248,336	27,438,993	9,455,344	2,293,483	1,99,992	11,548,835	15,890,158	12,695,043
Previous Year	22,069,628	776,804	696,045	22,150,387	7,511,588	2,413,353	469,597	9,455,344	12,695,043	—

	Mar, 31, 1992 Rupees	Mar 31, 1991 Rupees
SCHEDULE—5		
INVESTMENTS		
1) In Shares:		
Unquoted		
Equity Shares of Tata Klockner Industrial Plants Limited at cost (12,245 shares of Rs. 100/- each fully paid-up)	1,224,500	1,224,500
2) In Partnership Firm—Capital:		
Tata Dilworth, Secord Meaghar & Associates	180,000	180,000
	1,404,500	1,404,500

SCHEDULE—6**SUNDRY DEBTORS—Unsecured****a) Outstanding for more than 6 months**

Considered good

16,278,119 20,530,141

Considered doubtful

2,274,260 2,274,260**18,552,379** 22,804,401

Less: Provision for doubtful debts

2,274,260 2,274,260**16,278,119** 20,530,141**b) Other debts: (considered good)****68,407,855** 75,824,232**84,685,974** 96,354,373

	Mar, 31, 1992 Rupees	Mar 31, 1992 Rupees	Mar, 31, 1991 Rupees	Mar, 31, 1991 Rupees
SCHEDULE—7				
CASH AND BANK BALANCES				
Cash on hand		133,639		71,077
Balance with scheduled banks on Current Account		14,588,193		865,280
With Scheduled Banks on term deposits		3,552,000		—
With other Banks on Current Account—				
Tashkent Zilsuth Bank (Max. during the year 1991-92 Rs. 20,99,166 1990-91 Rs. 10,11,588/-)		2,099,166		704,949
Citibank NA, Singapore (Max. during the year 1991-92 Rs. 49,57,541 1990-91 Rs. 2,463,758/-)		278,591		321,438
Bank Tejarat, Iran (Max. during the year 1991-92 Rs. 20,07,574 1990-91 Rs. 1,387,632/-)		1,433,971		264,619
Deutsche Bank Kuala Lumpur (Max. during the year 1991-92 Rs. 6,584 1990-91 Rs. 146,685)		6,584		6,584
		<u>22,062,144</u>		<u>2,233,947</u>

SCHEDULE—8**OTHER CURRENT ASSETS:**

Work done but not billed (at Contract value including profit/losses thereon)		4,977,113		9,813,159
Work-in-Progress (Turnkey Contracts)				
Opening work-in-progress	267,757,989		116,366,991	
Add: Increase in work-in-progress (Net)	—		151,390,998	
Less: Decrease in work-in-progress (Net)	258,117,255		—	
Closing work-in-progress		<u>9,640,734</u>		<u>267,757,989</u>
		<u>14,617,847</u>		<u>277,571,148</u>

	Mar, 31, 1992 Rupees	Mar 31, 1991 Rupees
SCHEDULE—9		
LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received	35,400,068	34,942,419
Advance payment of tax	12,863,489	10,632,748
	<u>48,263,557</u>	<u>45,575,167</u>

SCHEDULE—10**CURRENT LIABILITIES AND PROVISIONS****Liabilities:**

Advance from customers	20,920,578	17,943,571
Sundry Creditors for expenses	49,075,567	65,741,508
Others	16,649,091	10,440,083
Advance billings (including Rs. 165,24,000/- in respect of turnkey contracts, previous year Rs. 25,56,47,504/-)	19,247,598	256,728,010
	<u>105,892,834</u>	<u>350,853,172</u>

Provisions:

Provision for taxation	11,300,000	5,300,000
Proposed dividend	1,800,000	1,620,000
	<u>13,100,000</u>	<u>6,920,000</u>

SCHEDULE—11**INCOME****Others:**

Difference in exchange (Net)	1,261,690	—
Interest:		
Banks (Tax deducted at source 1991-92 Rs. 15,943, previous year Nil)	1,71,522	15,123
Others (Tax deducted at source 1991-92 Rs. 110,000 previous year Nil)	1,450,521	1,904,732
Miscellaneous income	26,763	15,005
Profit on sale of fixed assets:	—	61,028
Cash compensatory support:	284,310	1,830,216
Profit from Partnership firm (Net)—TDSMA	15,703	17,827
	<u>3,210,509</u>	<u>3,843,931</u>

SCHEDULE—12

ESTABLISHMENT AND OTHER EXPENSES

	Year Ended Mar, 31, 1992 Rupees	Year Ended Mar 31, 1991 Rupees
Staff salaries	25,862,436	22,656,201
Directors sitting fees	7,000	13,000
Travelling expenses	8,434,819	7,624,086
Printing and Stationery	1,805,811	1,472,834
Interest charges	5,864,109	4,737,405
Rent	1,723,624	1,768,471
Books, Periodicals and Subscriptions	207,306	128,506
Advertisement expenses	62,842	117,784
Bank guarantee and Commission charges	1,939,775	675,035
Professional and Legal charges	4,982,991	5,547,364
Motor Vehicle expenses	2,354,291	1,723,798
Postage, Telephone, Telegram & Telex	4,003,732	4,669,523
Auditors' Remuneration	42,725	59,525
Entertainment expenses	53,955	32,467
Repairs and Maintenance	2,208,998	3,534,160
Electricity and Water Charges	366,404	246,123
Freight charges	3,557,892	4,736,309
General expenses	431,931	593,171
Overseas living expenses	4,708,807	4,290,425
Staff recruitment expenses	71,373	111,255
Rates and Taxes	184,417	125,381
Tax paid/payable Overseas	855,769	776,000
Donations	4,000	54,771
Sales Tax	222,971	35,795
Insurance & ECGC Premium	984,155	1,214,871
Bad Debts written off	9,356,184	—
Loss on sale of assets (Net)	40,343	—
Difference in exchange (Net)	—	164,558
	80,338,660	67,108,818

Year ended Mar, 31, 1992 Rupees	Year ended Mar, 31, 1991 Rupees
--	--

SCHEDULE—13**NOTES ON ACCOUNTS****1. Significant Accounting Policies:**

The accounts have been prepared under the historical cost convention.

The significant accounting policies followed by the Company are stated below:

(a) Fixed Assets

Fixed assets are shown at cost less depreciation. The cost comprises purchase price and other attributable expenses.

(b) Depreciation 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 of the Companies Act 1956.

(c) Investments:

Investments are valued at cost of acquisition inclusive of other attributable expenses.

(d) Revenue Recognition:

i. Income from Turnkey contracts is recognised on the basis of completed contract method. The work in Progress has been valued at cost.

ii. In respect of other than Turnkey contracts the Company has a policy of accounting income on percentage completion method based on the stage of completion certified by the Management.

iii. The Company follows a policy of accounting export benefits like Cash Compensatory Support/Project Assistance on approval by the concerned authorities. The revenue from Eximscrip is recognised on sale of Eximscrip.

(e) Foreign Currency Transactions:

The company follows a policy of converting all foreign currency Transactions at the closing rate of exchange. During the current year in accordance with the above policy, the company has converted all foreign currency Transactions at the closing rate of exchange as against the respective month end rate followed in the earlier years. The gain due to the above change in the method of accounting is Rs. 10,28,452/-.

(f) Retirement benefits:

Retirement benefit liabilities are funded by payments to individual trust or insurance companies.

2. Information pursuant to Part II of Schedule VI of Companies Act, 1956.

a) Gross income from Engineering Services (Includes Rs. 389,183,748/- relating to Turnkey contract, previous year Rs. 30,982,000/-)	452,893,794	77,051,970
b) Expenditure in foreign currency—other matters	38,240,514	43,426,432
c) Earning in foreign currency for services rendered	403,316,572	17,377,291
3. Staff Salaries		
a) Salaries and bonus	21,108,742	17,356,395
b) Contribution to provident funds and other funds	1,469,077	1,794,814
c) Staff welfare expenditure	3,284,617	3,504,992

	Year ended Mar, 31, 1992 Rupees	Year ended Mar, 31, 1991 Rupees
4. a) The remuneration paid during the period to the Managing Director amounting to Rs. 120,000/- (previous year Rs. 157,566) includes estimated money value of benefits Rs. Nil (Previous year Rs. 4,775/-)		
b) Computation of Managing Director's Commission		
Profit before taxation as per Profit & Loss A/c	20,104,073	6,268,032
Add: Depreciation	2,293,483	2,413,353
Directors' Sitting fees	7,000	13,000
Managing Director's remuneration including value of perquisites	80,000	116,204
	22,484,556	8,810,589
Less: Depreciation as per Sec 350 of Companies Act 1956	2,293,483	2,413,353
Net profit for the year under section 198(i) of the Companies Act, 1956	20,191,073	6,397,236
1% Thereof	201,910	63,972
Restricted to 50% of salary (Previous year upto 20.11.90)	40,000	41,362
5. Auditor's Remuneration includes:		
Audit Fees	25,000	25,000
Tax Audit Fees	6,000	6,600
Other Matters	10,500	26,650
Out of Pocket Expenses	465	1,275
6. The details of Investment in partnership Firm:		
Partners	Percentage of Profit	Capital Rs.
Tata Projects Limited	60%	1,80,000
Dilworth, Secord, Meaghar & Associates	40%	1,20,000
7. Stores and consumable purchased by the Company are written off in the year of purchase.		
8. Repairs and maintainance include:		
a) Repairs & maintainance (Plant & Machinery)	210,545	1,997,187
b) Repairs & maintainance (others)	1,990,811	1,536,972
9. The profit from the partnership firm TDSMA has been provided for based on unaudited accounts.		
10. The Company has issued Bank Guarantees and Letters of Credit amounting to 51.08 millions and 10.50 millions to its clients/suppliers respectively as on the close of the year.		
11. Previous year's figures have been regrouped wherever necessary.		

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

K. LOKANATHA REDDY
ASST. COMPANY SECRETARY

For and on behalf of the Board

H.N. SETHNA	CHAIRMAN
VIJAYA SINGH	MANAGING DIRECTOR
S.P. MANAKTALA	DIRECTOR
J.E. TALAULICAR	DIRECTOR
N.S. SUNDER RAJAN	DIRECTOR

Bombay, 25th June, 1992.

STATEMENT PURSUANT TO SECTION 217(A) (2A) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) (AMENDMENT) RULES, 1988, AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 1992.

Sl No.	Name	Designation Nature of Duties	Gross Remuneration	Qualifications	Experience in years	Date of joining	Age years	Last employment before joining the company
EMPLOYED THROUGHOUT THE FINANCIAL YEAR AND IN RECEIPT OF REMUNERATION OF NOT LESS THAN RS. 1,44,000/- PER ANNUM								
1.	Mr. Vijaya Singh	Managing Director	2,06,250	B.E. (Civil) (Hons)	39	09.10.1989	61	General Manager, Central Railway
2.	Mr. N.A.de X Alphonso	Vice President	1,90,980	B.Sc., (Hons) B.E. (Chem. Eng.)	37	01.08.1983	60	Manager-Commercial and Business Development Tata Consulting Engineers
3.	Mr. S.W. Goklany	Vice President	1,90,980	B.E. (Electrical & Mechanical)	38	01.01.1982	63	Addl. Chief Mechanical Engineer Tata Consulting Engineers

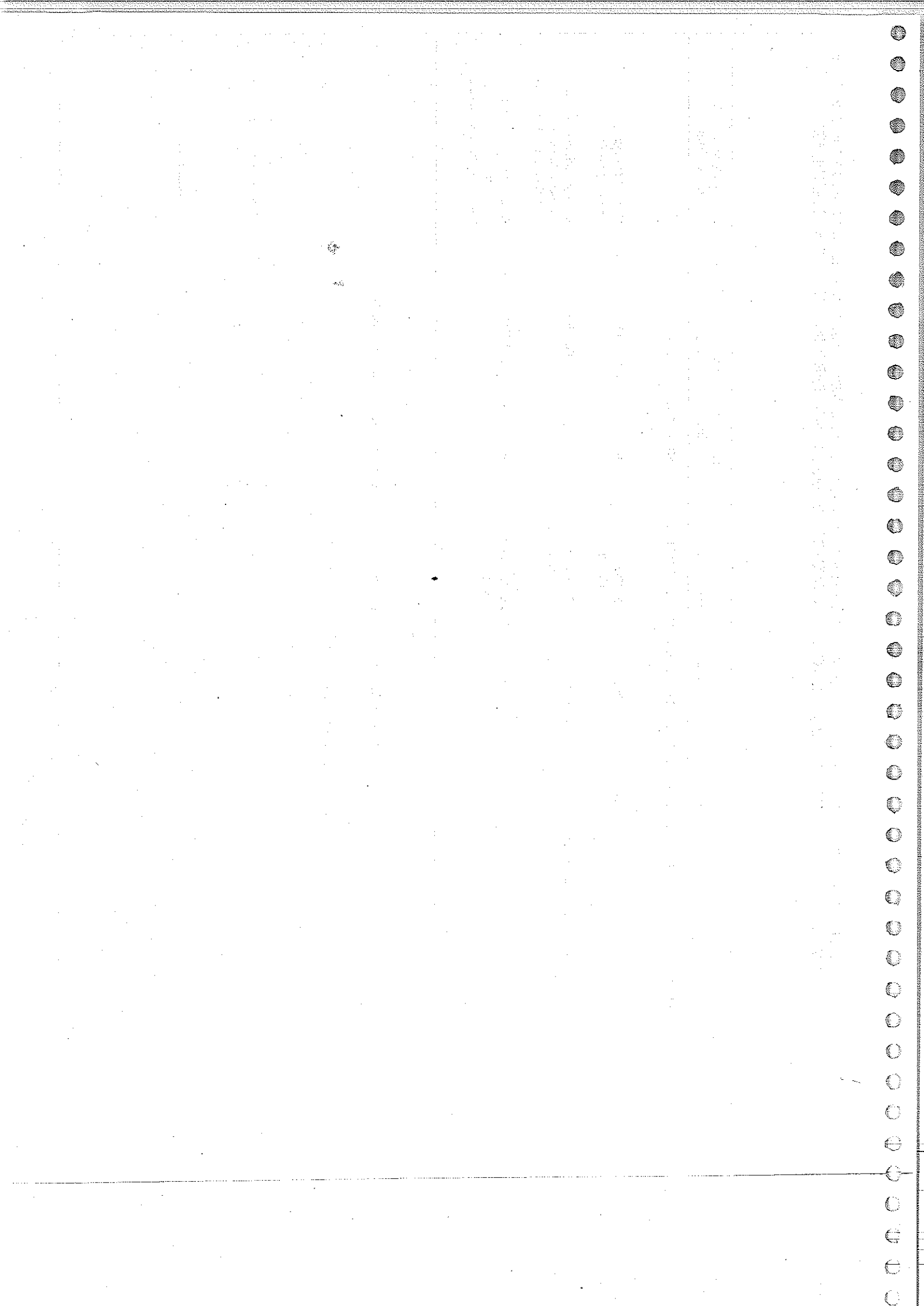
NOTES:

- "Remuneration received" includes Salary, Taxable value of perquisites and Company's contribution to Provident Fund, wherever applicable
- The nature of the employment is contractual.
- None of the employees named above is a relative of any Director of the Company.

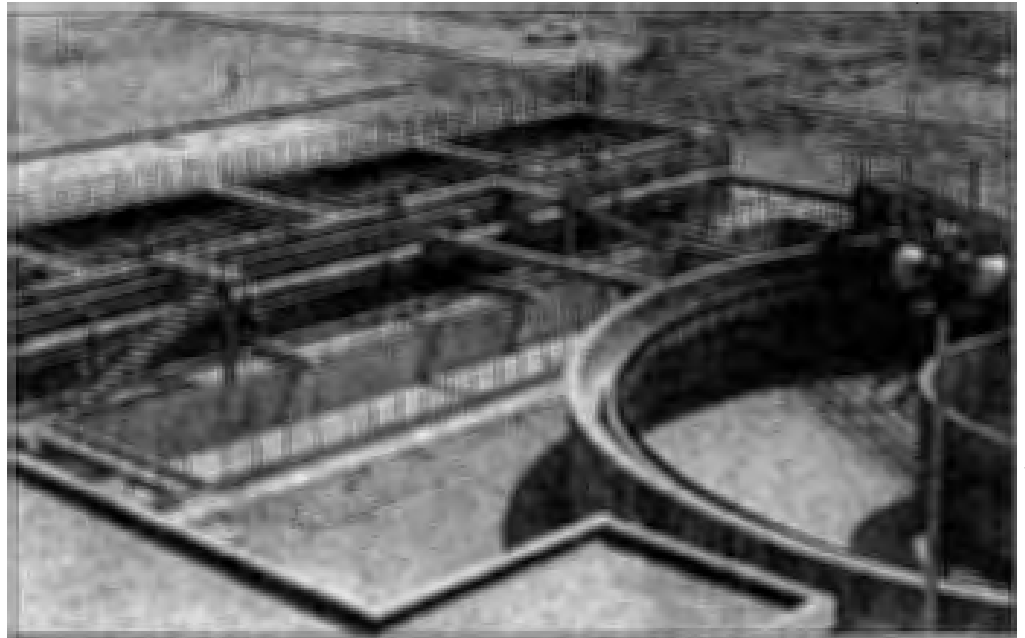
On behalf of the Board of Directors

Bombay
25th June, 1992.

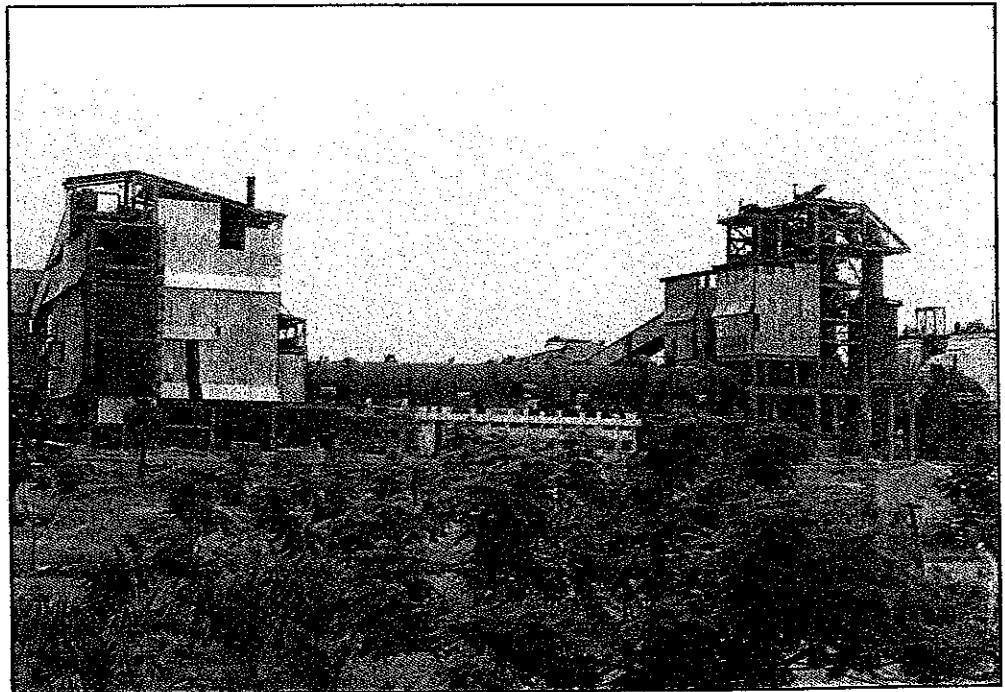
H.N. SETHNA
Chairman

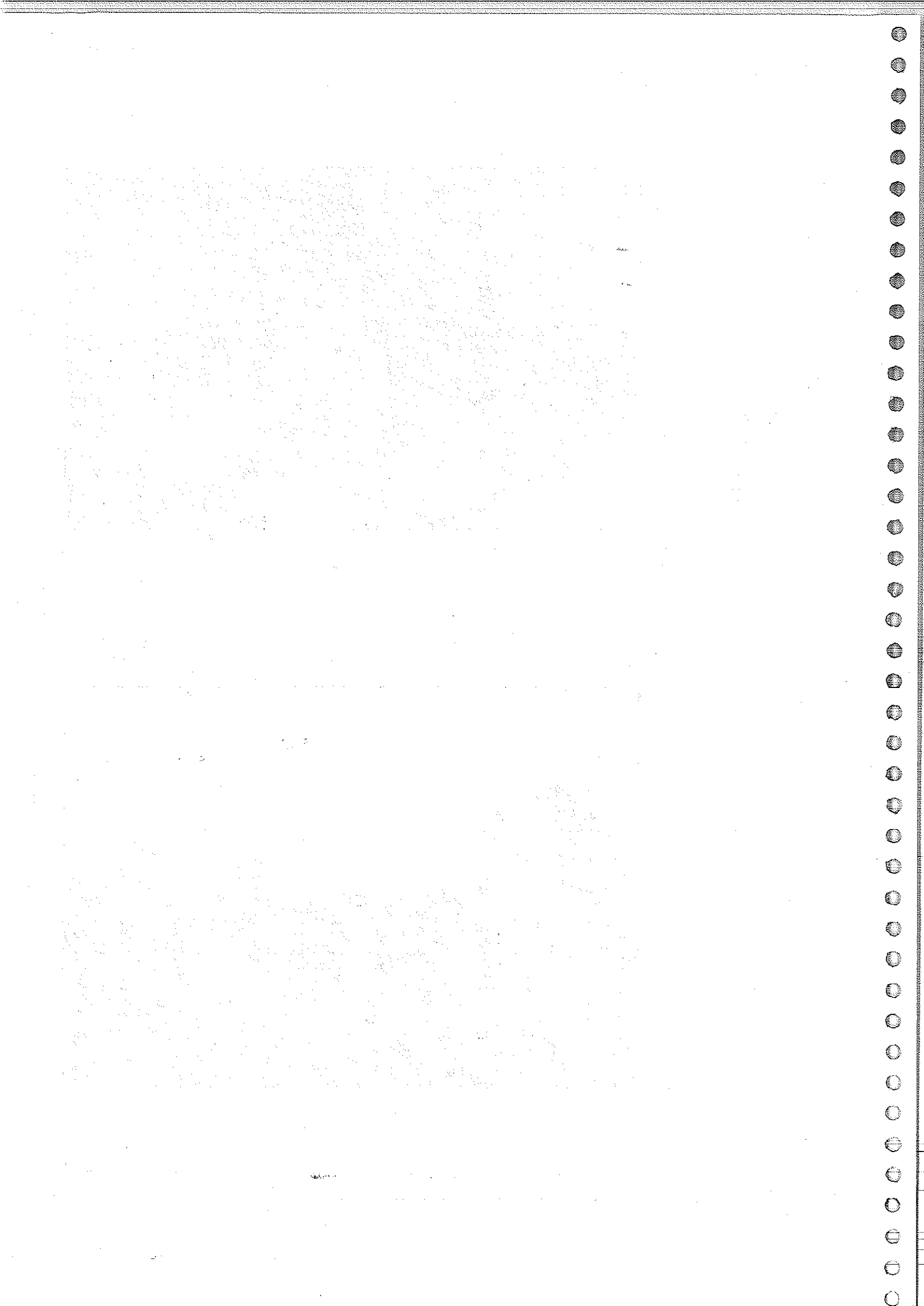


Clarifier, Filter &
Backwash Storage
Pit Water Pre-
Treatment Plant,
Chambal Fertilizers
and Chemicals Ltd. at
Kota, Rajasthan,
India.



Fabrication and Erection
of structures for Kiln Feed
building and walkways for
Rotary Kiln's and Kiln
Discharge building for
Gold-Star Alloys steel plant
near Vizianagaram, A.P.





TATA PROJECTS LIMITED

FOURTEENTH
ANNUAL REPORT
1992-93





Model of Kalanidhi and Kalakosha Buildings of Indira Gandhi National Centre for the Arts at New Delhi



6 x 21-32 MW Diesel Power Plant & 66 KV Switchyard of Karnataka Electricity Board at Yelahanka

BOARD OF DIRECTORS**Chairman**

H.N. Sethna

Managing Director

Vijaya Singh

Directors

A.H. Tobacowala
F.K. Kavarana
S.P. Manaktala
J.E. Talaulicar
J.J. Irani
S.R. Subbaraman
Syamal Gupta
S. Ramakrishnan
N.S. Sunder-Rajan
A.V. Thomas

Asst. Company Secretary

K. Lokanatha Reddy

Senior Executives

N.A. de X. Alphonso
Vice-President

S.W. Goklany
Vice-President

S.N. Krishna Swamy
General Manager

K. Sampath
General Manager

REGISTERED OFFICE

Bombay House, 24, Homi Mody Street
Fort, Bombay 400 001.

BOMBAY OFFICE

C/o Tata Electric Companies
Distribution Division
Senapati Bapat Marg
Lower Parel
Bombay-400 013

HYDERABAD OFFICE

'Suryodaya'
1-10-60/3
Begumpet
Hyderabad-500 016

DELHI OFFICE

C/o Tata Iron & Steel Co. Ltd.
Jeevan Bharati, Tower No. 1
10th Floor, 124, Connaught Circus
New Delhi-110 001.

BANKERS

State Bank of Hyderabad

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates
Chartered Accountants

INTERNAL AUDITORS

Khatau & Co.
Chartered Accountants

DIRECTORS' REPORT
TO
THE MEMBERS

Your Directors have pleasure in presenting the Fourteenth Annual Report on the Business and Operations of the Company and Audited Accounts of the Company for the year ended 31st March, 1993.

FINANCIAL RESULTS

	1992-93 Rs./Millions	1991-92 Rs./Millions
Income	310.865	456.104
Expenses	279.561	436.040
Surplus before tax	31.304	20.064
Provision for taxation	11.000	6.000
Net Surplus	20.304	14.064
Add: i) Excess Tax Provision of earlier years	1.445	—
ii) Balance Surplus brought forward from previous year	2.764	6.000
Balance (A)	24.513	20.064
Which the Directors have appropriated as under, to:		
a) Foreign Projects Reserve	2.000	14.000
b) General Reserve	16.132	1.500
c) Dividend on Equity Shares	2.250	1.800
(B)	20.382	17.300
Leaving balance of surplus (A-B) to be carried forward.	4.131	2.764

DIVIDEND

Your Directors have recommended dividend of 30%, subject to deduction of tax, on Equity Shares for the year ended on 31st March, 1993. The dividend if approved,

will be paid to those members whose names appear in the Register of Members of the company on the date of the next Annual General Meeting.

OPERATIONS

The year saw further expansion of the activities of the Company. The net worth of the Company went up from Rs. 4.29 crores to Rs. 6.24 crores at the end of the year. A prestigious IDA financed Sunsari Morang Headworks project was secured in Nepal in face of stiff international competition. Another contract was signed for complete

project management for the Breakfast Cereal Project of Kellogg India Ltd at Taloja, Maharashtra. The Company was also awarded by Sulzer India Ltd; erection and commissioning of turbine generators and all mechanical and electrical equipment for Pumped Storage Power Project of Tata Electric Companies at Bhira.

The work of Cabot Reactor Project of United Carbon India Ltd., Bombay, has been substantially completed during the year inspite of 41% increase in the scope of work. The 66 KV Switchyard for Karnataka Electricity Board at Yelahanka has also been substantially completed and commissioned.

The work of installation of 6 x 21.32 MW Diesel generating sets, piping and other equipment for Karnataka Electricity Board at Yelahanka was progressed according to schedule and the first unit was commissioned during the year.

The work on Water Treatment Plant and HP/LP piping for 2 x 130 MW Combined Cycle Power Plant at Uran, Maharashtra, is also progressing according to schedule and the work on the Breakfast Cereal Project of Kellogg India Ltd; is progressing ahead of schedule.

Preparatory work for the Building Project for the Indira Gandhi National Centre for the Arts at New Delhi has been completed and the contract for the first lot of buildings is to be awarded shortly.

Satisfactory progress was also maintained on Third Party Inspection for Galgal and Kymore projects of ACC. Our engineers sent on deputation to Iran and Singapore on different projects have earned a good name for the Company.

Non-receipt of payment for Tashkent Hotel Project has been causing concern and we have been able to receive only a small portion out of the total amount of outstanding receivables. Vigorous efforts are being made to obtain the outstanding amount.

With the successful implementation of some of the important projects, the Company has been receiving favourable response from a number of international and Indian companies and a number of tenders have been submitted, some of which are expected to fructify in the near future. It is expected that the volume of work to be handled would increase considerably in the coming years.

TATA-KLOCKNER

TATA KLOCKNER in which the company has a major investment has fared reasonably well in its operations during the year. The turnover of the company was Rs. 98.74 lakhs and profit before tax was Rs. 2.96 lakhs. The Company is pursuing a number of domestic and overseas projects.

TATA-DSMA

The Company has 60% capital participation in the Partnership firm. TDSMA management have advised us a profit of Rs. 14,000/- based on the unaudited results. We have further been advised that DSMA Canada has gone into liquidation and the Board has decided to wind up TDSMA and the same is under process.

DIRECTORS

Messrs. J.E. Talaulicar, S. Ramakrishnan, Dr. J.J. Irani, Dr. H.N. Sethna retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

AUDITORS

Messrs G.N. Joshi Associates Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for reappointment.

PERSONNEL

The Board of Directors wishes to express its appreciation to all the employees of the Company for their outstanding contribution to the operations of the Company during the year. Information as per Sec. 217(2A) of the Companies Act, 1956, read with the Company's (particulars of employees) Rules, 1975, as amended is annexed hereto.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGOS

The Company has no activities relating to conservation of Energy, Technology Absorption. The Company's earnings in foreign currency for services rendered and supply of goods during the year under review is Rs. 8.64 Crores.

During the year, the Company incurred foreign exchange outgo equivalent to Rs. 3.70 Crores towards project related expenditure.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent support and co-operation received from its Bankers, State Bank of Hyderabad, Hyderabad and Exim Bank of India, Bombay.

On behalf of
the Board of Directors

H.N. SETHNA
CHAIRMAN

Bombay
25th June, 1993.

**AUDITOR'S REPORT
TO THE MEMBERS**

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED BOMBAY, as at 31st March 1993 and also the annexed Profit and Loss Account for the year ended on that date and report that—

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4 A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above—
 - 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 have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of account;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with Notes contained in the Schedule of Notes attached, give the information as required by the Companies Act, 1956, in the manner so required and give true and fair view—
 - (i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1993; and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. JOSHI ASSOCIATES
Chartered Accountants

G.N. Joshi
Partner

Bombay
30th June, 1993.

**ANNEXURE TO
AUDITOR'S REPORT**

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. As informed to us, the fixed assets of the Company have been physically verified by the Management at reasonable intervals during the year and, no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the year and, accordingly items (iii) to (vi) and (xii) of paragraph 4(A) of the Order are not applicable considering the nature of activities carried out by the Company.
4. The Company has not taken any loans, secured or unsecured, from Companies, firms or other parties listed in the Register maintained under Sec. 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie, prejudicial to the interest of the Company. We have been informed that there are no Companies under the same management as defined under Sec. 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interests of the Company. As referred in paragraph (4) above, we have been informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
6. In respect of loans and advances in the nature of loans given by the Company, where stipulations as to repayment of principal and interest have been made, the parties are repaying the principal amount and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, plant and machinery, equipment and other assets, and supply of project materials.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and supply of project materials and sale of services, made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies

Act, 1956, and aggregating during the year to Rs: 50,000/- or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions of similar goods, materials or services have been made with other parties.

9. The Company has not accepted fixed deposits from the public to which the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
10. As explained to us, the Company has neither by-products nor scrap.
11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956, for this Company.
13. According to the records of the Company, Provident Fund dues have regularly been deposited during the year with the appropriate authorities. In the view of the Company, it is not liable to make contributions towards Employees' State Insurance Scheme.
14. According to the information and explanations given to us, there are no undisputed amounts, payable in respect of Income-tax, Wealth-tax, Sales-tax, Customs duty, and Excise duty which are outstanding as on 31st March, 1993 for a period of more than six months from the date they become payable.
15. According to the information and explanations given to us,

and based on test checks carried out by us, no personal expenses of employees or Directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.

16. The Company is not a sick industrial company within the meaning of Clause (o) of sub-Sec.1 of Sec.3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
 17. In respect of the Company's service activities, we have to report as follows:
 - a) Material and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase, and, therefore, in view of the Company it does not require system of recording receipts, issues and consumptions of materials and stores.
 - b) There is a system for providing reasonable allocation of materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and nature of its services and activities.
- For G.N. JOSHI Associates
Chartered Accountants
G.N. JOSHI
Partner
- Bombay
30th June, 1993.

BALANCE SHEET AS AT 31ST MARCH 1993

	Schedule	Mar 31, 1993 Rupees	Mar 31, 1993 Rupees	Mar 31, 1992 Rupees	Mar 31, 1992 Rupees
I. SOURCES OF FUNDS:					
a) SHAREHOLDERS FUND:					
Share Capital	1	7,500,000		7,500,000	
Reserves and Surplus	2	54,931,006		35,431,346	
			62,431,006		42,931,346
b) LOAN FUNDS	3		40,432,974		25,000,000
TOTAL			102,863,980		67,931,346
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS	4				
Gross Block		41,120,755		27,438,993	
Less: Depreciation		15,208,225		11,548,835	
Net Block			25,912,530		15,890,158
b) INVESTMENTS	5		2,157,000		1,404,500
c) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	294,580,026		84,685,974	
Cash and Bank Balances	7	14,875,036		22,062,144	
Other Current Assets	8	12,663,209		14,617,847	
Loans and Advances	9	37,856,985		48,263,557	
			359,975,256		169,629,522
LESS: CURRENT LIABILITIES AND PROVISIONS	10				
Liabilities		263,830,806		105,892,834	
Provisions		213,50,000		13,100,000	
			285,180,806		118,992,834
NET CURRENT ASSETS			74,794,450		50,636,688
TOTAL			102,863,980		67,931,346
Notes on Accounts	13				

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

Bombay, 30th June, 1993.

K. LOKANATHA REDDY
ASST. COMPANY SECRETARY

For and on behalf of the Board

H.N. SETHNA
VIJAYA SINGH

CHAIRMAN
MANAGING DIRECTOR

Bombay, 25th June, 1993.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1993

	Schedule	Year Ended Mar 31, 1993 Rupees	Year Ended Mar 31, 1993 Rupees	Year Ended Mar 31, 1992 Rupees	Year Ended Mar 31, 1992 Rupees
I. INCOME					
From Services and Supplies	11	296,008,006	310,865,735	452,893,794	456,104,303
Others		14,857,729		3,210,509	
II. EXPENDITURE					
Engineering Services and Erection/Construction expenses	12	183,203,095	279,561,397	95,290,832	436,040,230
Establishment and Other expenses		93,576,237		80,338,660	
Depreciation		3,753,665		2,293,483	
		280,532,997		177,922,975	
Less: Increase in work in progress (Net)		971,600			
Add: Decrease in work in progress (Net)		—		258,117,255	
III. PROFIT BEFORE TAXES					
Provision for taxation			31,304,338		20,064,073
			11,000,000		6,000,000
			20,304,338		14,064,073
Tax provision for tax of previous year (Net)			1,445,322		—
IV. PROFIT AFTER TAX					
Balance brought forward from previous year			21,749,660		14,064,073
			2,764,073		6,000,000
			24,513,733		20,064,073
APPROPRIATIONS:					
Proposed dividend		2,250,000		1,800,000	
Transfer to Foreign Project Reserve		2,000,000		14,000,000	
Transfer to General Reserve		16,132,727	20,382,727	1,500,000	17,300,000
V. BALANCE CARRIED TO BALANCE SHEET					
			4,131,006		2,764,073
Notes on accounts:	13				

For and on behalf of the Board

As per attached report of even date
For G.N. JOSHI Associates
Chartered AccountantsH.N. SETHNA
VIJAYA SINGHCHAIRMAN
MANAGING DIRECTORG.N. JOSHI
PartnerK. LOKANATHA REDDY
ASST. COMPANY SECRETARY

Bombay, 30th June, 1993.

Bombay, 25th June, 1993.

**SCHEDULES 1 TO 13 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1993
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1993**

	Mar, 31 1993 Rupees	Mar, 31 1993 Rupees	Mar, 31 1992 Rupees	Mar, 31 1992 Rupees
SCHEDULE—1				
SHARE CAPITAL				
Authorised— 100,000 Equity Shares of Rs. 100 each		10,000,000		10,000,000
Issued and subscribed— 75,000 Equity Shares of Rs. 100 each		7,500,000		7,500,000
Paid-up— 75,000 Equity Shares of Rs. 100 each		7,500,000		7,500,000
		7,500,000		7,500,000
SCHEDULE—2				
RESERVES AND SURPLUS				
Foreign Project Reserves— (as per Sec. 80-HHB of I.T. Act)				
Balance as per last Balance Sheet	14,000,000			
Less: Amount transferred to General Reserve				
Add: Amount transferred during the year	2,000,000	16,000,000	14,000,000	14,000,000
General Reserves—				
Balance as per last Balance Sheet	16,367,273	-	14,867,273	
Add: Amount set aside during the year	16,132,727		1,500,000	
Add: Amount transferred from Foreign Project Reserve		32,500,000		16,367,273
Investment Allowance (Utilised) Reserve—A/C				
Balance as per last Balance sheet	2,300,000		2,209,086	
Add: Amount transferred from Investment Allowance Reserve Account		2,300,000	90,914	2,300,000
Surplus—				
Balance in Profit & Loss Account		4,131,006		2,764,073
		54,931,006		35,431,346
SCHEDULE—3				
LOAN FUNDS				
Secured—				
Bank Overdraft				
(Secured by Hypothecation of book debts & current assets including moveable properties)		15,432,974		Nil
Others				
(Secured by Hypothecation of book debts & current assets including movable properties)		25,000,000		25,000,000
		40,432,974		25,000,000

SCHEDULE—4

FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.04.92	Additions	Deductions	As on 31.03.93	As on 1.04.92	For 1992-93	On Deduction	As on 31.03.93	As on 31.03.93	As on 31.03.92
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture & Fixture	2,501,878	341,165	30,723	2,812,320	1,196,896	145,349	17,632	1,324,613	1,487,707	1,304,982
Office Equipments	1,140,150	300,761	—	1,440,911	635,346	106,140	—	741,486	699,426	504,803
Vehicles	2,578,785	2,382,255	83,140	4,877,900	1,695,481	465,225	76,643	2,084,063	2,793,836	883,304
Air Conditioning Equipment	192,758	—	—	192,758	111,788	12,146	—	123,934	68,824	80,970
Survey & Drawing Equipment	36,232	—	—	36,232	16,483	2,962	—	19,445	16,787	19,749
Erection/Construction Machinery	19,364,424	10,211,092	—	29,575,516	6,787,843	2,701,081	—	9,488,924	20,086,592	12,576,580
Computers	1,372,997	458,400	—	1,831,397	1,029,789	283,648	—	1,313,437	517,960	343,210
Electrical Equipment	251,769	101,952	—	353,721	75,209	37,114	—	112,323	241,398	176,560
Total	27,438,993	13,795,625	113,863	41,120,755	11,548,835	3,753,665	94,275	15,208,225	25,912,530	15,890,158
Previous Year	22,150,387	5,536,942	248,336	27,438,993	9,455,344	2,293,483	199,992	11,548,835	15,890,158	—

	Mar, 31, 1993 Rupees	Mar 31, 1992 Rupees
SCHEDULE—5		
INVESTMENTS—(at cost)		
1) In Trust Securities: (Non trade; Quoted) 50,000 Units of Unit Trust of India (Previous Year Nil (Market value Rs. 800,000; Previous Year Nil)	752,500	—
2) In Shares: Trade; Unquoted Equity Shares of Tata Klockner Industrial Plants Limited at cost (12245 shares of Rs. 100/- each fully paid)	1,224,500	1,224,500
3) In Partnership Firms: Capital Tata Dilworth Secord Meghar & Associates	180,000	180,000
	<u>2,157,000</u>	<u>1,404,500</u>

SCHEDULE—6

SUNDRY DEBTORS—Unsecured

a) Outstanding for more than 6 months

Considered good

161,224,963

16,278,119

Considered doubtful

—

2,274,260

161,224,963

18,552,379

Less: Provision for doubtful debts

—

2,274,260

161,224,963

16,278,119

b) Other debts:(considered good)

133,355,063

68,407,855

294,580,02684,685,974

	Mar, 31, 1993 Rupees	Mar 31, 1993 Rupees	Mar, 31, 1992 Rupees	Mar, 31, 1992 Rupees
SCHEDULE—7				
CASH AND BANK BALANCES				
Cash on hand		283,182		133,639
Balance with scheduled banks on Current Account		5,124,563		14,558,193
With Scheduled Banks on term deposits including Margin Money		1,690,100		3,552,000
With other Banks on Current Account—				
Tashkent Zilsuth Bank (Max. during the year 1992-93 Rs. 21,24,542) (1991-92 Rs. 20,99,166/-)		2,124,542		2,099,166
Citibank NA, Singapore (Max. during the year 1992-93 Rs. 58,57,081/-) (1991-92 Rs. 49,57,541/-)		2,602,227		278,591
Bank Tejarat, Iran (Max. during the year 1992-93 Rs. 39,64,486/-) (1991-92 Rs. 20,07,574/-)		3,050,422		1,433,971
Deutsche Bank Kuala Lumpur (Max. during the year 1992-93 Rs. 6,584/-) (1991-92 Rs. 6,584/-)		—		6,584
		<u>14,875,036</u>		<u>22,062,144</u>

SCHEDULE—8**OTHER CURRENT ASSETS:**

Work done but not billed (at Contract value including profit/losses thereon)

2,050,875

4,977,113

Closing Work-in-Progress
(Turnkey Projects):

Opening work-in-progress **9,640,734**
Add: Increase in work-in-progress (Net) **971,600**
Less: Decrease in work-in-progress (Net) **—**

267,757,989

258,117,255

9,640,734

14,617,847

	Mar, 31, 1993 Rupees	Mar 31, 1992 Rupees
SCHEDULE—9		
LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received	21,226,564	35,400,068
Advance payment of tax	16,630,421	12,863,489
	<u>37,856,985</u>	<u>48,263,557</u>

SCHEDULE—10**CURRENT LIABILITIES AND PROVISIONS****Liabilities:**

Advance from customers	19,995,735	20,920,578
Sundry Creditors for expenses	88,424,750	49,075,567
Others	4,065,826	16,649,091
Advance billings (including Rs. 148,106,343/- in respect of turnkey contracts. Previous year Rs. 1,65,24,000/-)	151,344,495	19,247,598
	<u>263,830,806</u>	<u>105,892,834</u>

Provisions:

Provision for taxation	19,100,000	11,300,000
Proposed dividend	2,250,000	1,800,000
	<u>21,350,000</u>	<u>13,100,000</u>

SCHEDULE—11**INCOME****Others:**

Difference in exchange (Net)	—	1,261,690
Interest:		
Banks (Tax deducted at source Rs. 17,656, previous year Rs. 15,943)	488,090	171,522
Others (Tax deducted at source Rs. 125,901 previous year Rs. 110,000)	1,173,751	1,450,521
Miscellaneous income	140,485	26,763
Profit on sale of fixed assets:	39,308	—
Cash compensatory support:	9,829,892	284,310
Profit from Partnership firm (Net)	13,743	15,703
Provision no longer required:		
Provision for Bad & Doubtful Debts	2,274,260	—
Premium on sale of Eximscrip	898,200	—
	<u>14,857,729</u>	<u>3,210,509</u>

SCHEDULE—12**ESTABLISHMENT AND OTHER EXPENSES**

	Year ended Mar, 31, 1993 Rupees	Year ended Mar 31, 1992 Rupees
Staff salaries	31,662,961	25,862,436
Directors sitting fees	7,000	7,000
Travelling expenses	9,396,603	8,434,819
Printing and Stationery	2,046,654	1,805,811
Interest charges	6,387,911	5,864,109
Rent	2,824,655	1,723,624
Books, Periodicals and Subscriptions	257,525	207,306
Advertisement expenses	129,288	62,842
Bank guarantee and Commission charges	3,757,714	1,939,755
Professional and Legal charges	4,643,791	4,982,991
Motor Vehicle expenses	3,305,005	2,354,291
Postage, Telephone, Telegram & Telex	5,469,537	4,003,732
Auditors' Remuneration	70,189	42,725
Entertainment expenses	29,596	53,955
Repairs and Maintenance	2,837,360	2,208,998
Electricity and Water Charges	466,332	366,404
Freight charges	1,875,796	3,557,892
General expenses	443,384	431,931
Overseas living expenses	7,464,670	4,708,807
Staff Recruitment expenses	184,161	71,373
Rates and Taxes	355,994	184,417
Tax paid/payable Overseas	3,749,210	855,769
Donations	18,410	4,000
Sales Tax	490,373	222,971
Insurance & ECGC Premium	3,068,591	984,155
Bad Debts written off	2,432,793	9,356,184
Loss on sale of assets (Net)	—	40,343
Difference in exchange rate (Net)	200,734	—
	93,576,237	80,338,660

Year ended Mar, 31, 1993 Rupees	Year ended Mar, 31, 1992 Rupees
--	--

SCHEDULE—13**NOTES ON ACCOUNTS****1. Significant Accounting Policies:**

The accounts have been prepared under the historical cost convention.

The significant accounting policies followed by the Company are stated below:

(a) Fixed Assets

Fixed assets are shown at cost less depreciation. The cost comprises purchase price and other attributable expenses.

(b) Depreciation 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 of the Companies Act 1956.

(c) Investments:

Investments are valued at cost of acquisition inclusive of other attributable expenses.

(d) Revenue Recognition:

i. In respect of Turnkey contracts income is recognised on the basis of substantial completion under the completed contract method. However, during the year, Company has accounted income from Tashkent Hotel project on the basis of approval and payment release commitment granted by the client due to unfavourable economic situation prevailing in Uzebekistan (part of erstwhile U.S.S.R.). Due to the above reasons, an amount of Rs. 148,106,343 has been considered as advance billing.

ii. In respect of other than Turnkey contracts the Company has a policy of accounting income on percentage completion method based on the stage of completion certified by the Management.

iii. The income in respect of Extra works is recognised on approval by the client.

iv. The Company follows a policy of accounting export benefits like Cash Compensatory Support/Assistance on approval by the concerned authorities. The revenue from Exmiscip is recognised on sale of Exmiscip.

(e) Foreign Currency Transactions:

i. The company follows a policy of converting all foreign currency transactions at the closing rate of exchange. The current assets and current liabilities remaining unsettled at the end of accounting year continue to appear in the books at the rate at which they were originally translated.

ii. Financial statements of foreign branches are converted at the closing rate of exchange. The net exchange difference resulting from the translation is considered in the Profit and Loss Account.

(f) Retirement benefits:

Retirement benefit liabilities are funded by payments to individual trust or insurance companies.

(g) Stores and Consumables:

Stores and consumable purchased by the Company are written off in the year of purchase.

2. Information pursuant to Part II of Schedule VI of Companies Act, 1956.

a) i. Gross income from Engineering Services (Includes Rs. 34,931,782/- relating to Turnkey contract, previous year Rs. 167,307,373/-)	157,027,496	236,370,419
ii. Income from supply of goods, materials and equipment to Hotel Project, Electrical Switchyard Project and other Industrial Projects.	138,980,510	216,523,375
b) i. Earnings in foreign currency for services rendered	59,752,888	186,793,197
ii. Earnings in foreign currency for supply of goods	26,742,774	216,523,375
c) Expenditure in foreign currency-other matters	37,023,376	38,240,514

3. The Company's business activity of execution of project involves procurement and supply of materials alongwith the rendering of services. The materials procured by

the company are directly delivered to the project sites and charged off in the year of purchase and included under the head "Engineering Services & Erection/Construction expenses." The materials supplied 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 the materials.

4. Staff Salaries

	Year ended Mar, 31, 1993 Rupees	Year ended Mar, 31, 1992 Rupees
a) Salaries and bonus	22,018,845	21,108,742
b) Contribution to Provident Fund and other funds	1,400,197	1,469,077
c) Staff Welfare expenditure	4,487,724	3,284,617

5. a) The remuneration paid during the year to the Managing Director amounting to Rs. 208,748/- (previous year Rs. 1,20,000) includes estimated money value of benefits Rs. 19,655/- (Previous year Rs. Nil)
- b) Computation of Managing Director's Commission

Profit before taxation as per Profit & Loss A/c	31,367,371	20,104,073
Add: Depreciation	3,753,665	2,293,483
Directors' Sitting fees	7,000	7,000
Managing Director's remuneration including value of perquisites	145,718	80,000
	35,273,754	22,484,556
Less: Depreciation as per Sec 350 of Companies Act 1956	3,753,665	2,293,483
Net profit for the year under section 198(i) of the Companies Act, 1956	31,520,089	20,191,073
1% Thereof	315,200	201,910
Restricted to 50% of salary	63,030	40,000

6. Auditor's Remuneration includes:

Audit Fees	35,000	25,000
Tax Audit Fees	6,000	6,000
Other Matters	12,600	10,500
Out of Pocket Expenses	1,413	465

7. Sundry Debtors (Others) include retention of Rs. 30,983,170 receivable on completion of projects.

8. The details of Investment in partnership firm:

Partners	Share	Capital Rs.
Tata Projects Limited	60 %	1,80,000
Dilworth, Secord, Meaghar & Associates	40 %	1,20,000

9. Repairs and maintainance include:

a) Repairs & maintainance (Plant & Machinery)	295,918	210,545
b) Repairs & maintainance (others)	4,484,771	1,990,811

10. The profit from the partnership firm TDSMA has been provided for based on unaudited accounts.

11. The Company has issued Bank Guarantees and Letters of Credit amounting to 83.358 millions and 2.191 millions to its clients/suppliers respectively as on the close of the year.

12. Previous year's figures have been regrouped wherever necessary.

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. JOSHI
Partner

K. LOKANATHA REDDY
ASST. COMPANY SECRETARY

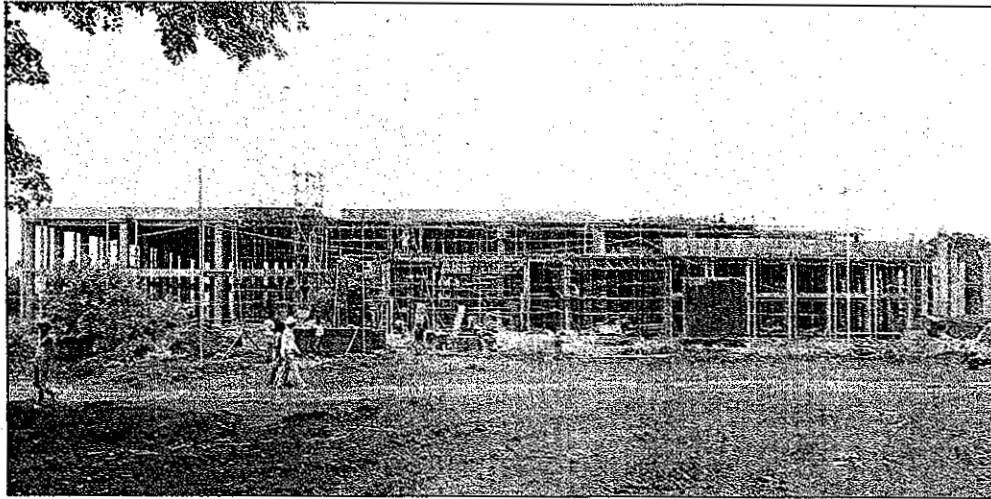
Bombay, 30th June, 1993.

For and on behalf of the Board

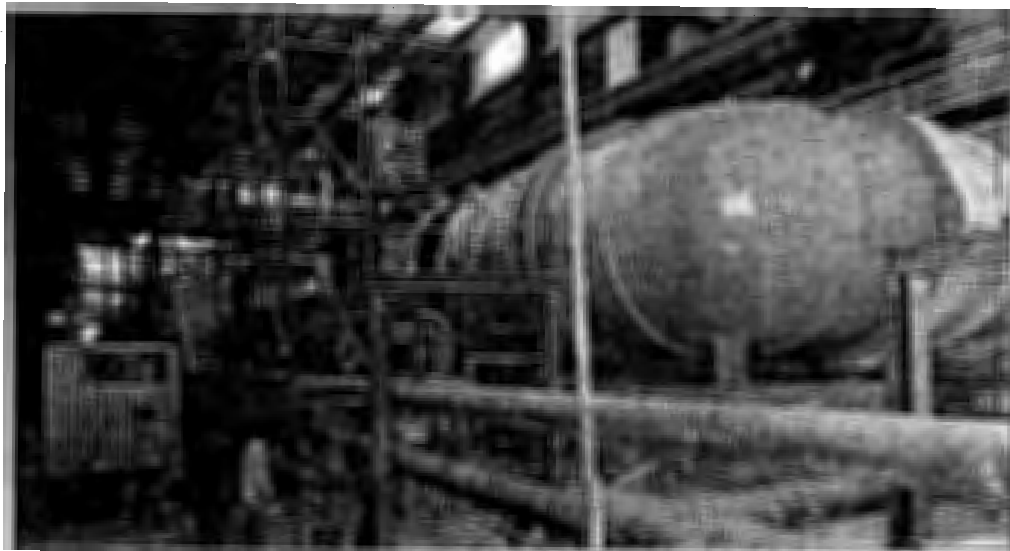
H.N. SETHNA
VIJAYA SINGH

CHAIRMAN
MANAGING DIRECTOR

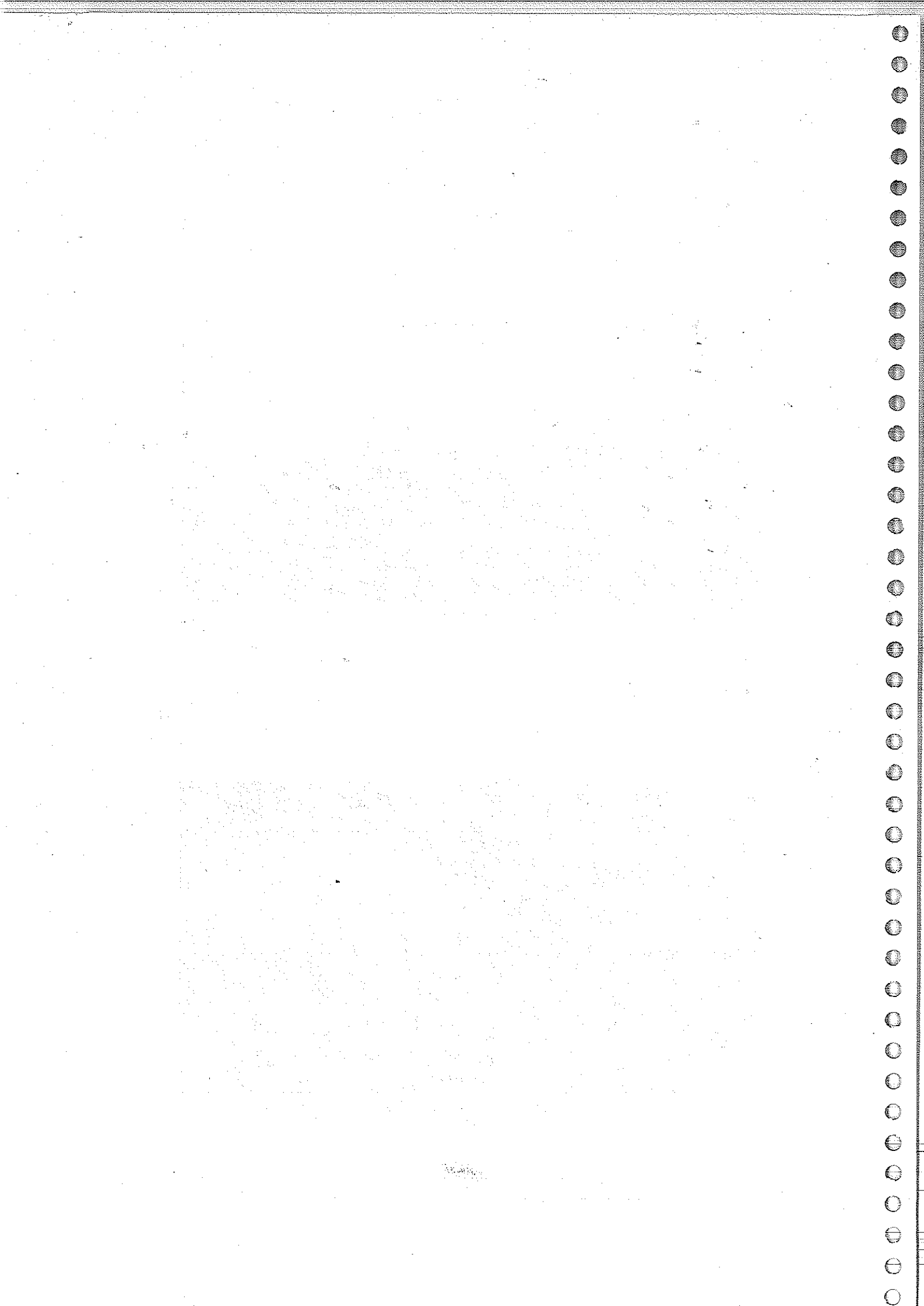
Bombay, 25th June, 1993.



Breakfast Cereals Project of Kellogg India Limited at Taloja, Maharashtra



2 x 120 MW Combined Cycle Power Plant of Maharashtra State Electricity Board at Uran



TATA PROJECTS LIMITED

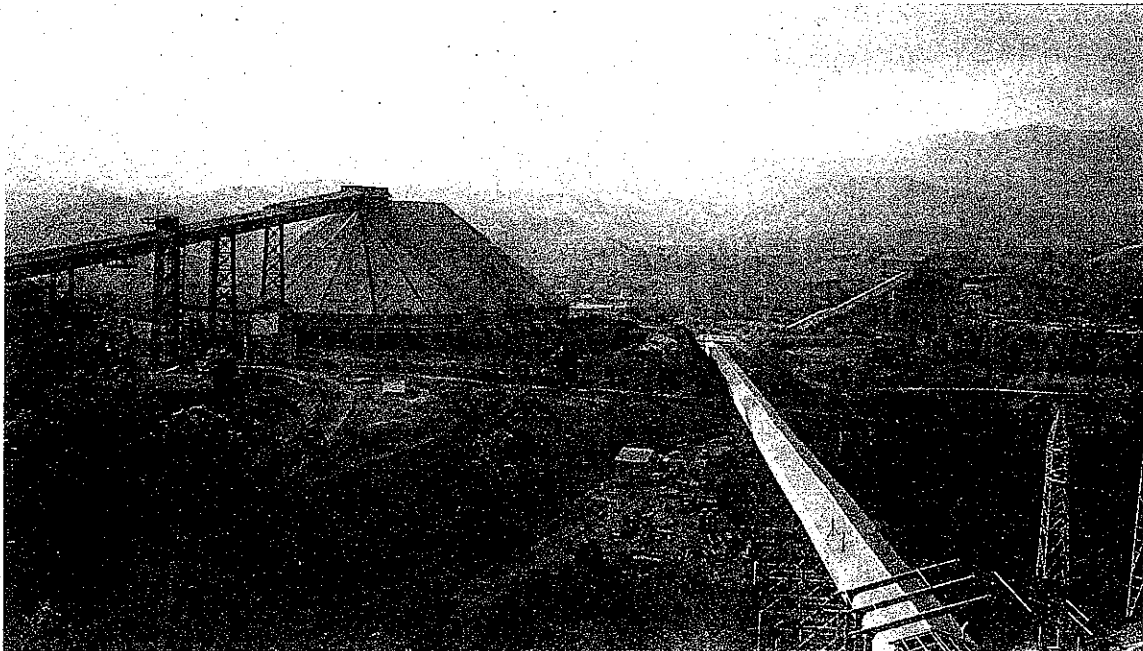


FIFTEENTH ANNUAL REPORT 1993-94

Breakfast Cereal Project of
Kellogg India Ltd. at
Pune, Maharashtra



Location of Crusher and
Aerial Handling System
at Kudremukh Iron Ore
Company at Kudremukh.





BOARD OF DIRECTORS

CHAIRMAN	H.N. Sethna
MANAGING DIRECTOR	Vijaya Singh
DIRECTORS	A.H. Tobaccowala F.K. Kavarana S.P. Manaktala J.E. Talaulicar J.J. Irani S.R. Subbaraman Syamal Gupta S. Ramakrishnan N.S. Sunder Rajan A.V. Thomas • M.R. Ranga Rao
COMPANY SECRETARY	S. Santhanagopalan
ASST. COMPANY SECRETARY	K. Lokanatha Reddy
SENIOR EXECUTIVES	N.A. de X. Alphonso Vice-President D.S. Rao Vice President S.N. Krishna Swamy General Manager K. Sampath General Manager V. Balkrishna General Manager

REGISTERED OFFICE	Bombay House, 24, Horni Mody Street, Fort, Bombay 400 001.
CORPORATE OFFICE	'Suryodaya' 1-10-60/3 Begumpet, Hyderabad-500 016
BOMBAY OFFICE	C/o Tata Electric Companies Distribution Division Senapati Bapat Marg Lower Parel Bombay-400 013
DELHI OFFICE	C/o Tata Iron & Steel Co. Ltd. Jeevan Bharati, Tower No. 1 10th Floor, 124, Connaught Circus New Delhi-110 001.

BANKERS	State Bank of Hyderabad State Bank of Travancore
SOLICITORS	S.R. Vakil
AUDITORS	G.N. Joshi Associates Chartered Accountants
INTERNAL AUDITORS	Khatau & Co. Chartered Accountants

DIRECTORS' REPORT

To
THE MEMBERS

Your Directors are pleased to submit the 15th Annual Report on the business and operations of the Company and the Audited Accounts for the year ended 31st March, 1994

FINANCIAL RESULTS

	1993-94 Rs./Millions	1992-93 Rs./Millions
Income	289.836	312.891
Expenses	229.777	281.587
Surplus	60.059	31.304
Provision for Taxation	15.000	11.000
Net Surplus	45.059	20.304
Add: Excess Tax provision of earlier years	—	1.445
Balance Surplus brought forward from previous year	4.131	2.764
Balance (A)	49.190	24.513
Which the Directors have appropriated as under, to:		
a) Foreign Projects Reserve	25.000	2.000
b) General Reserve	10.000	16.132
c) Dividend on Equity Shares	2.429	2.250
(B)	37.429	20.382
Leaving Balance of Surplus (A-B) to be carried forward	11.761	4.131

DIVIDEND

Your Directors have recommended a dividend of 30%, subject to deduction of tax, on Equity Shares for the year ended on 31st March, 1994. The dividend, if approved, will be payable for the full year in respect of all Equity Shares, except for the 75,000 Equity Shares allotted as Rights Shares during the previous year, on which it will be on pro-rata basis from the date of allotment.

BONUS ISSUE

Considering the position of reserves, the Board of Directors has recommended, for the Shareholder's approval, an issue of bonus shares in the ratio of one Equity Share for every two shares held by the Members.

MR. J R D TATA

Mr. J R D Tata expired on 29th November, 1993 marking the end of an era and the beginning of an immortal legend. He strode the global stage like a colossus and his encompassing vision provided the corner-stone on which your Company was established in 1979 with the object of pooling the extensive and diversified in-house expertise in the Tata group in the fields of power, steel, chemicals, transportation and the hotel construction industry.



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Your Company today has become the main bidding vehicle for Tata Companies which form a recognised industrial consortium capable of managing the construction of large industrial projects. The Directors express their sorrow on the passing away of Mr. J R D Tata and will make every effort to perpetuate his ideals and values in furthering the activities of your Company.

OPERATIONS

As a result of economic implementation of projects, the profitability of the Company has shown marked improvement with profits before tax doubling from Rs. 31.30 Million recorded in the preceding year to Rs. 60.06 Million in the current year. It has, therefore, been possible to maintain the Dividend of 30% for the year on the enhanced capital after the Rights issue. The outstanding dues from Tashkent Hotel Project had appeared at one time to be elusive but after persistent follow-up, a substantial amount was received from the client.

The projects handled by the Company during the current year were as follows:

Power Projects

1. Installation of all mechanical and electrical equipment of 6 x 20 MW Diesel Power Project together with implementation of switchyard on turnkey basis at Yelahanka was completed.
2. Piping and water treatment plant for the 2 x 130 MW Combined Cycle Power Project at Uran was substantially completed and one Unit has been commissioned.
3. Technical supervision of 4 x 250 MW Gas Turbine Shahid Rajai Power Project at Qazvin in Iran has been completed.
4. Supply and installation of Mechanical and Electrical Equipment of 2 x 1.644 MW Mini Hydro Power Plant at Sunsari Morang in Nepal is in Progress.
5. Installation of 1 x 150 MW Pumped Storage Project at Bhira is in progress.
6. Electrical and instrumentation work of the Desalination Plant of Al-Taweelah "B" Power House at Abu Dhabi has commenced.
7. Supply and Installation of 220 KV Transmission line for Andhra Pradesh State Electricity Board-50 KM. Work has commenced.
8. Supply and Installation of 400 KV Transmission line for Bihar State Electricity Board-56 KM. Work has commenced.
9. Installation and part supply of seven sub-stations for Railway Electrification Project in Bihar is in progress.

Other Projects

1. Turnkey implementation of Carbon Black Project of United Carbon India Ltd. has been completed and commissioned.
2. Total project management of Breakfast Cereal Project of Kellogg India Ltd. has been substantially completed.
3. Turnkey construction of Test Basin for DRDL at Hyderabad has been completed.
4. Turnkey provision of Ground facilities for GSLV project of ISRO at Sriharikota—is in progress.
5. Project management of Indira Gandhi National Centre for Arts at New Delhi—is in progress.
6. Relocation of crusher at Kudremukh is in progress.
7. Tashkent Hotel Project is receiving final finishing touches.

The Company has established itself as an Inspection Agency for rendering services for inspection and expediting for a number of clients at manufacturers' works for which experienced inspection engineers have been based at all important locations in the country. This service has been found to be most essential for timely completion of projects and ensuring good quality under the conditions prevailing in our country.

Future Prospects

The level of operation and the turnover, which has reached Rs. 289.836 Million mark, are likely to improve further in the current year. The Company has submitted a number of tenders for power and industrial projects in Gulf Countries and in India. Offers have also been made for a number of power projects sponsored by foreign investors. Some of those projects are likely to fructify and this will ensure further growth of business for the Company in the coming year.

FINANCE

The Company offered Rights shares at a premium of Rs. 150/- per share to the shareholders in accordance with the decision taken in General Body Meeting held on August 10, 1993. The issue was fully subscribed and with the allotment of the shares, the equity of the Company increased from Rs. 7.5 Million to Rs. 15.0 Million. As a result of the Rights Issue and the profit, the net worth of the Company has almost doubled during the year from Rs. 62.4 Million to Rs. 123.8 Million.

During the year, the Company repaid the entire outstanding Loan of Rs. 25 Million availed from Exim Bank. During the year, the Company also made investments to the extent of Rs. 47.726 Million in tax-free Public Sector Bonds and also in Units of Unit-64 Scheme of Unit Trust of India.

PERSONNEL

The Board of Directors wishes to express their appreciation to all the employees of the Company for their dedicated work and outstanding contribution which were largely responsible for continued improvement in the operations of the Company during the year. Information as per Section 217 (2A) of the Companies' Act, 1956 read with Companies (particulars of employees) Rules, 1975, as amended is annexed hereto.

SECTION 217 (1) (e) OF THE COMPANIES' ACT OF 1956

The Company's earnings in foreign currency for services rendered and supply of goods during the year under review is Rs. 160.695 Million against foreign exchange outgo equivalent to Rs. 28.667.

The Company does not fall under the specified Schedule of Industries and hence disclosure as required in Part A & B are not applicable.

DIRECTORS

Messrs N S Sunder Rajan, Syamal Gupta, A V Thomas and S P Manaktala retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

M/s G N Joshi Associates, Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation for the excellent support and cooperation received by the Company from its Bankers, State Bank of Hyderabad and State Bank of Travancore and Exim Bank.

On behalf of
the Board of Directors

(H N SETHNA)
CHAIRMAN

Bombay
Dated: 4th July, 1994

AUDITOR'S REPORT

TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED BOMBAY, as at 31st March, 1994 and also the annexed Profit and Loss Account for the year ended on the date and report that

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above
 - 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 have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with Notes contained in the Schedule of Notes attached, give the information as required by the Companies Act, 1956, in the manner so required and give true and fair view
 - (i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1994 and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. JOSHI ASSOCIATES
Chartered Accountants

G.N. Joshi
Partner

Bombay, 4th July, 1994

ANNEXURE TO AUDITOR'S REPORT

(Referered to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. As informed to us, the fixed assets of the Company have been physically verified by the Management at reasonable intervals during the year and, no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the year and accordingly items (iii) to (vi) and (xii) of paragraph 4(A) of the Order are not applicable considering the nature of activities carried out by the Company.
4. The Company has not taken any loans, secured or unsecured, from Companies, firms or other parties listed in the Register maintained under Sec. 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie, prejudicial to the interest of the Company. We have been informed that there are no Companies under the same management as defined under Sec. 370 (1B) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interest of the Company. As referred in paragraph (4) above, we have been informed that there are no companies under the same management as defined under Section 370 (1B) of the

6. In respect of loans and advances in the nature of loans given by the Company, where stipulations as to repayment of principal and interest have been made, the parties are repaying the principal amount and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, plant and machinery, equipment and other assets, and supply of project materials.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and supply of project materials and sale of services, made in pursuance of contracts or arrangements entered in the Register maintained under the Section 301 of the Companies Act, 1956, and aggregating during the year to Rs. 50,000 or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions of similar goods, materials or services have been made with other parties.
9. The Company has not accepted fixed deposits from the public to which the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
10. As explained to us, the Company has neither by-products nor scrap.
11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956. for this Company.
13. According to the records of the Company, Provident Fund dues have been regularly deposited during the year with appropriate authorities. In the view of the Company, it is not liable to make contributions towards Employee's State Insurance Scheme.
14. According to the information and explanations given to us, there are not undisputed amounts, payable in respect of Income tax, Wealth tax, Sales tax, Customs duty and Excise Duty which are outstanding as on 31st March, 1994 for a period of more than six months from the date they become payable.
15. According to the information and explanations given to us, and based on the test checks carried out by us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.
16. The Company is not a sick industrial company within the meaning of Clause (o) of sub-Sec. 1 of Sec. 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
17. In respect of the Company's service activities, we have to report as follows:
 - a) Materials and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase, and therefore, in view of the Company it does not require system of recording receipts, issues and consumptions of materials and stores.
 - b) There is a system for providing reasonable allocation of materials with man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and nature of its services activities.

For G.N. JOSHI ASSOCIATES
Chartered Accountants

G.N. JOSHI
Partner

Bombay, 4th July, 1994

**BALANCE SHEET
AS AT 31ST MARCH 1994**

	Schedule	Mar 31, 1994 Rupees	Mar 31, 1994 Rupees	Mar 31, 1993 Rupees	Mar 31, 1993 Rupees
I. SOURCES OF FUNDS:					
a) SHAREHOLDERS FUND:					
Share Capital	1	15,000,000		7,500,000	
Reserves and Surplus	2	108,811,347	123,811,347	54,931,006	62,431,006
b) LOAN FUNDS					
Secured Loan	3		19,316,025		40,432,974
TOTAL			<u>143,127,372</u>		<u>102,863,980</u>
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS					
Gross Block	4	46,436,447		41,120,755	
Less: Depreciation		19,833,875		15,208,225	
Net Block			26,602,572		25,912,530
b) INVESTMENTS					
	5		49,883,171		2,157,000
c) CURRENT ASSETS, LOANS AND ADVANCES:					
Sundry Debtors	6	148,001,228		294,580,026	
Cash and Bank Balances	7	46,578,325		14,875,036	
Other Current Assets	8	26,361,113		12,663,209	
Loans and Advances	9	59,809,708		37,856,985	
			280,750,374		359,975,256
LESS:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	10	177,579,978		263,830,806	
Provisions		36,528,767		21,350,000	
			214,108,745		285,180,806
NET CURRENT ASSETS			<u>66,641,629</u>		<u>74,794,450</u>
TOTAL			<u>143,127,372</u>		<u>102,863,980</u>
Notes on Accounts	13				

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

G.N. Joshi
Partner

Bombay, 4th July, 1994

S Santhanagopalan
Company Secretary

For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

Bombay, 4th July, 1994

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 1994

	Schedule	Year Ended Mar 31, 1994 Rupees	Year Ended Mar 31, 1994 Rupees	Year Ended Mar 31, 1993 Rupees	Year Ended Mar 31, 1993 Rupees
I. INCOME					
From Services and Supplies		286,290,810		296,008,006	
Others	11	<u>3,545,372</u>		<u>16,883,855</u>	
			289,836,182		312,891,861
II. EXPENDITURE					
Engineering Services and Erection/Construction expenses		128,441,475		183,203,095	
Establishment and other expenses	12	107,202,628		95,602,363	
Depreciation		<u>4,640,105</u>		<u>3,753,665</u>	
		240,284,208		282,559,123	
Less: Increase in work in progress (Net)		<u>10,507,134</u>		<u>971,600</u>	
			229,777,074		281,587,523
III. PROFIT BEFORE TAXES					
Provision for taxation			60,059,108		31,304,338
			<u>15,000,000</u>		<u>11,000,000</u>
			45,059,108		20,304,338
Tax Provision for tax of previous years (Net)			—		<u>1,445,322</u>
IV. PROFIT AFTER TAX					
Balance brought forward from previous year			45,059,108		21,749,660
			<u>4,131,006</u>		<u>2,764,073</u>
			49,190,114		24,513,733
APPROPRIATIONS:					
Proposed dividend		2,428,767		2,250,000	
Transfer to Foreign Project Reserve		25,000,000		2,000,000	
Transfer to General Reserve		<u>10,000,000</u>		<u>16,132,727</u>	
			37,428,767		20,382,727
V. BALANCE CARRIED TO BALANCE SHEET					
			<u>11,761,347</u>		<u>4,131,006</u>
Notes on accounts:	13				

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

G.N. Joshi
Partner
Bombay, 4th July, 1994

S Santhanagopalan
Company Secretary

Bombay, 4th July, 1994



SCHEDULES 1 to 13

**ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH 1994 AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1994**

	Mar 31, 1994 Rupees	Mar 31, 1994 Rupees	Mar 31, 1993 Rupees	Mar 31, 1993 Rupees
SCHEDULE—1				
SHARE CAPITAL				
Authorised—				
200,000 Equity Shares of Rs. 100 each (Previous year 100,000 Equity Shares of Rupees 100 each)		<u>20,000,000</u>		<u>10,000,000</u>
Issued and subscribed—				
150,000 Equity Shares of Rs. 100 each (Previous year 75,000 Equity Shares of Rupees 100 each)		<u>15,000,000</u>		<u>7,500,000</u>
Paid-up—				
150,000 Equity Shares of Rs. 100 each (Previous year 75,000 Equity Shares of Rupees 100 each)		<u>15,000,000</u>		<u>7,500,000</u>
		<u>15,000,000</u>		<u>7,500,000</u>
SCHEDULE—2				
RESERVES AND SURPLUS				
Share Premium		11,250,000		
Foreign Projects Reserves (as per Sec. 80-HHB of I.T. Act)				
Balance as per last Balance Sheet	16,000,000		14,000,000	
Add: Amount transferred during the year	<u>25,000,000</u>		<u>2,000,000</u>	
		41,000,000		16,000,000
General Reserves—				
Balance as per last Balance Sheet	32,500,000		16,367,273	
Add: Amount set aside during the year	<u>10,000,000</u>		<u>16,132,727</u>	
		42,500,000		32,500,000
Investment Allowance (Utilised) Reserve A/c		2,300,000		2,300,000
Surplus—				
Balance in Profit & Loss Account		11,761,347		4,131,006
		<u>108,811,347</u>		<u>54,931,006</u>
SCHEDULE—3				
LOAN FUNDS				
Secured—				
Bank Overdraft (Secured by Hypothecation of book debts & current assets including moveable properties)		19,316,025		15,432,974
Others (Secured by Hypothecation of book debts & current assets including moveable properties)		—		25,000,000
		<u>19,316,025</u>		<u>40,432,974</u>

SCHEDULE—4
FIXED ASSETS

SL NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As on 01.04.93	Additions	Deductions	As on 31.03.94	As on 01.04.93	For 1993-94	on Deduction	As on 31.03.94	As on 31.03.94	As on 31.03.93
1.	FURNITURES & FIXTURES	2,812,320	367,138	42,081	3,137,377	1,324,613	431,223	7,080	1,748,756	1,388,621	1,487,707
2.	OFFICE EQUIPMENTS	1,440,911	6,439	8,143	1,439,207	741,486	97,507	7,375	831,618	607,589	699,425
3.	VEHICLES	4,877,900	1,412,163		6,290,063	2,084,063	777,671		2,861,734	3,428,329	2,793,837
4.	AIR CONDITIONING EQUIPMENT	192,758	33,230		225,988	123,934	12,575		136,509	89,479	68,824
5.	SURVEY & DRAWING EQUIPMENT	36,232			36,232	19,445	2,335		21,780	14,452	16,787
6.	ERN./CONSRTN MACHINERY	29,575,516	2,040,542		31,616,058	9,488,924	2,933,968		12,422,892	19,193,166	20,086,592
7.	COMPUTERS	1,831,397	262,503		2,093,900	1,313,437	256,998		1,570,435	523,465	517,960
8.	ELE. EQUIPMENTS	353,721	1,243,901		1,597,622	112,323	127,828		240,151	1,357,471	241,398
	TOTAL	41,120,755	5,365,916	50,224	46,436,447	15,208,225	4,640,105	14,455	19,833,875	26,602,572	25,912,530
	PREVIOUS YEAR	27,438,993	13,795,625	113,863	41,120,755	11,548,835	3,753,665	94,275	15,208,225	25,912,530	



	Mar 31, 1994 Rupees	Mar 31, 1993 Rupees
SCHEDULE-5		
INVESTMENTS—(at cost)		
a) In Trust Securities: (Non trade; Quoted) 13,00,000 Units of Unit Trust of India (Previous Year 50000 Units) (Market value Rs. 2,37,25,000/-; Previous Year Rs. 8,00,000)	22,916,000	752,500
b) Other Investment at cost 20000 9% Taxfree Neyveli Lignite Corporation Bonds 2000 of the face value of Rs. 1000/- each (Previous year Nil)	17,244,657	—
10000 9% Taxfree Indian Railway Finance Corporation Ltd Bonds 2001 of the face value of Rs. 1000/- each (Previous Year Nil)	8,318,014	—
c) In Shares: Trade; Unquoted Equity Shares of Tata Klockner Industrial Plants Ltd. at cost (12245 shares of Rs. 100/- each fully paid)	1,224,500	1,224,500
d) In Partnership Firms: Capital Tata Dilworth Secord Meghar & Associates	180,000	180,000
	<u>49,883,171</u>	<u>2,157,000</u>

SCHEDULE-6**SUNDRY DEBTORS—Unsecured**

a) Outstanding for more than 6 months Considered good	57,204,458	161,224,963
b) Other debts: (considered good)	90,796,770	133,355,063
	<u>148,001,228</u>	<u>294,580,026</u>

	Mar 31, 1994 Rupees	Mar 31, 1994 Rupees	Mar 31, 1993 Rupees	Mar 31, 1993 Rupees
SCHEDULE-7				
CASH AND BANK BALANCES				
a) Cash on hand		186,545		283,182
b) Balance with scheduled banks				
On current account		3,243,107		5,124,563
On term deposits including Margin money		21,715,100		1,690,100
c) With other banks on Current Account				
Promstroi Bank (Formerly Zil Soth Bank) (Max. during the year 1993-94 Rs. 2,124,542) (1992-93 Rs. 2,124,542)		133,608		2,124,542
Citibank NA, Singapore (Max. during the year 1993-94 Rs. 6,490,548) (1992-93 Rs. 5,857,081)		3,035,939		2,602,227
Bank Tejarat, Iran (Max. during the year 1993-94 Rs. 3,144,548) (1992-93 Rs. 3,964,486)		250,587		3,050,422
Abu Dhabi Commercial Bank, Abu Dhabi (Max. during the year 1993-94 Rs. 17,911,530) (1992-93 Rs. Nil)		17,911,530		
Nepal Grindlays Bank Limited, Nepal (Max. during the year 1993-94 Rs. 9,909) (1992-93 Rs. Nil)		9,909		
d) Remittance in Transit		92,000		
		<u>46,578,325</u>		<u>14,875,036</u>

SCHEDULE-8

OTHER CURRENT ASSETS:

Work done but not billed (at Contract value including profit/losses thereon)		5,241,645		2,050,875
Closing Work-in-Progress (Turnkey projects)				
Opening work-in-progress	10,612,334		9,640,734	
Add: Increase in Work-in-Progress (Net)	10,507,134		971,600	
		<u>21,119,468</u>		<u>10,612,334</u>
		<u>26,361,113</u>		<u>12,663,209</u>



A N N U A L R E P O R T - 1 9 9 3 - 9 4

	Year ended Mar 31, 1994 Rupees	Year ended Mar 31, 1993 Rupees
SCHEDULE—9		
LOANS AND ADVANCES		
(Unsecured and considered good)		
Loans and advances recoverable in cash or in kind for value to be received	35,358,723	21,226,564
Advance payment of tax	24,450,985	16,630,421
	59,809,708	37,856,985
 SCHEDULE—10		
CURRENT LIABILITIES AND PROVISIONS		
Liabilities:		
Advance from customers	49,834,981	19,995,735
Sundry Creditors for expenses	63,703,803	88,424,750
Others	1,133,274	4,065,826
Advance billings including Rs. 61,410,988 in respect of turnkey contracts. (Previous year Rs. 148,106,343)	62,907,920	151,344,495
	177,579,978	263,830,806
 Provisions:		
Provision for taxation	34,100,000	19,100,000
Proposed dividend	2,428,767	2,250,000
	36,528,767	21,350,000
 SCHEDULE—11		
INCOME		
Others:		
Interest:		
Banks (Tax deducted at source Rs. NIL prev. year 17,656)	389,425	488,090
Others (Tax deducted at source Rs. 14,461 prev. year Rs. 125,901)	1,497,306	1,173,751
Dividend from UTI (Tax Deducted at source Rs. 32,143/-)(previous year Nil)	130,000	—
Miscellaneous income	422,068	140,485
Profit on sale of fixed assets	—	39,308
Cash compensatory support	—	9,829,892
Profit from Partnership firm (Net)	—	13,743
Provision no longer required:		
Provision for Bad & Doubtful Debts	—	2,274,260
Premium on sale of Eximscrip	—	898,200
Difference in exchange rate	1,106,573	2,026,126
	3,545,372	16,883,855

SCHEDULE—12

ESTABLISHMENT & OTHER EXPENSES

	Year ended Mar 31, 1994 Rupees	Year ended Mar 31, 1993 Rupees
Staff salaries	44,352,866	31,662,961
Directors sitting fees	—	7,000
Commission to Directors	225,000	—
Travelling expenses	10,786,740	9,396,603
Printing and Stationery	2,000,893	2,046,654
Interest charges	6,325,968	6,387,911
Rent	2,910,694	2,824,655
Books, Periodicals and Subscriptions	238,539	257,525
Advertisement expenses	84,975	129,288
Bank guarantee and Commission charges	2,784,222	3,757,714
Professional and Legal charges	4,401,844	4,643,791
Motor Vehicle expenses	4,092,404	3,305,005
Postage, Telephone, Telegram & Telex	6,065,904	5,469,537
Auditor's Remuneration	105,940	70,189
Entertainment expenses	537,801	29,596
Repairs and Maintenance	2,475,463	2,837,360
Electricity and Water charges	393,768	466,332
Freight charges	5,518,801	1,875,796
General expenses	133,851	443,384
Overseas living expenses	7,184,567	7,464,670
Staff Recruitment expenses	270,888	184,161
Rates and Taxes	332,220	355,994
Tax paid/payable Overseas	55,455	3,749,210
Donations	24,860	18,410
Sales Tax	566,330	490,373
Insurance & ECGC Premium	3,064,757	3,068,591
Bad Debts written off	—	2,432,793
Loss on sale of assets (Net)	21,275	—
Difference in exchange rate	2,246,603	2,226,860
	<u>107,202,628</u>	<u>95,602,363</u>



Year ended Mar 31, 1994 Rupees	Year ended Mar 31, 1993 Rupees
--------------------------------------	--------------------------------------

SCHEDULE—13

NOTES ON ACCOUNTS

1. Significant Accounting Policies:

The accounts have been prepared under the historical cost convention. The significant accounting policies followed by the Company are stated below.:

(a) Fixed Assets:

Fixed Assets are shown at cost less depreciation. The cost comprises purchase price and other attributable expenses.

(b) Depreciation of fixed assets:

Depreciation has been provided for on the written down value method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

(c) Investments:

Investments are valued at cost of acquisition inclusive of other attributable expenses.

(d) Revenue Recognition:

(i) In respect of Turnkey contracts income is recognised on the basis of substantial completion under the completed contract method. However, in respect of Tashkent Project, the Company continue to recognise revenue as approved and settled by the Client, due to the prevailing economic uncertainties in Uzbekistan. Due to the above reasons Rs. 49,159,577 has been treated as billing in advance. The work-in-progress has been valued at cost as certified by Management.

(ii) In respect of other Turnkey contracts the Company has a policy of accounting income on percentage completion method based on the stage of completion certified by the management.

(iii) The income in respect of Extra works is recognised on approval by the client.

(iv) The Company follows a policy of accounting export benefits on approval by the concerned authorities.

(e) Foreign Currency Transactions:

(i) The Company follows a policy of converting all foreign currency transactions at the closing rate of exchange. The current assets and current liabilities remaining unsettled at the end of accounting year continue to appear in the books at the rate at which they were originally translated except for bank accounts of non-repatriable currencies which are valued at the closing rate of exchange. This change has resulted into reduction of profit by Rs. 2,243,599

(ii) Financial Statements of foreign branches are converted at the closing rate of exchange. The net exchange difference resulting from the translation is considered in the Profit and Loss Account.

(f) Retirement benefits:

Retirement benefit liabilities are funded by payment to individual trust or insurance companies.

2. Information pursuant to Part II of Schedule VI of Companies Act, 1956.

a) i) Gross income from Engineering Services	184,000,098	157,027,496
ii) Income from supply of goods, materials and equipment to Hotel Project, Electrical Project and other Industrial Projects.	102,290,712	138,980,510
b) i) Earnings in foreign currency for services rendered	89,534,317	59,752,888
ii) Earnings in foreign currency for supply of goods	71,161,701	26,742,774
c) Expenditure in foreign currency-other matters	28,667,871	37,023,376

3. The Company's business activity of execution of project involves procurement and supply of materials alongwith the rendering of services. The materials procured by the company are directly delivered to the project sites and charged

off in the year of purchase and included under the head "Engineering Services & Erection/Construction expenses". The materials supplied 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 the materials.

	Year ended Mar 31, 1994 Rupees	Year ended Mar 31, 1993 Rupees
4. Staff salaries		
a) Salaries and bonus	34,936,476	25,775,040
b) Contribution to Provident Fund and other funds	4,543,182	1,400,197
c) Staff Welfare expenditure	4,873,208	4,487,724
5. a) The remuneration paid during the year to the Managing Director amounting to Rs. 264,932/- (previous year Rs. 208,748) includes estimated money value of benefits Rs. 14,200/- (Previous Year 19,655/-)		
b) Computation of Commission to Directors		
Profit before taxation as per Profit & Loss A/c	60,059,108	31,367,371
Add: Depreciation	4,640,105	3,753,665
Directors' Sitting fees	—	7,000
Managing Director's remuneration and commission to non-whole time Directors	605,872	145,718
	<u>65,305,085</u>	<u>35,273,754</u>
Less: Depreciation as per Sec. 350 of Companies Act, 1956.	4,640,105	3,753,665
Net profit for the year as per section 198 (i) of the Companies Act, 1956	<u>60,664,980</u>	<u>31,520,089</u>
Maximum Permissible	3,374,967	315,200
Restricted to (Rs. 1,72,422/- for Managing Director and Rs. 2,25,000/- for other Directors)	397,422	63,630
6. Auditor's Remuneration includes:		
Audit Fees	35,000	35,000
Tax Audit Fees	16,000	6,000
Other matters	52,500	12,600
Out of pocket expenses	2,440	1,413
7. Sundry Debtors (Others) include retention of Rs. 35,022,379 receivable on completion of projects.		
8. The details of investment in partnership firm:		
Partners	Share	Capital Rs.
Tata Projects Limited	60%	1,80,000
Dilworth, Secord, Meghar & Associates	40%	1,20,000
9. The profit/loss from the partnership firm TDSMA has not been provided for as the firm is in the process of dissolution.		
10. Repairs and maintenance include:		
a) Repairs & maintenance (Plant & Machinery)	495,220	295,918
b) Repairs & maintenance (others)	1,980,243	2,541,442
11. The Company has issued Bank Guarantees and Letters of Credit amounting to 151.597 millions and 60.909 millions to its clients/suppliers respectively as on the close of the year.		
12. Previous year's figures have been regrouped wherever necessary.		

As per attached report of even date
For G.N. JOSHI Associates
Chartered Accountants

For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

G.N. Joshi
Partner

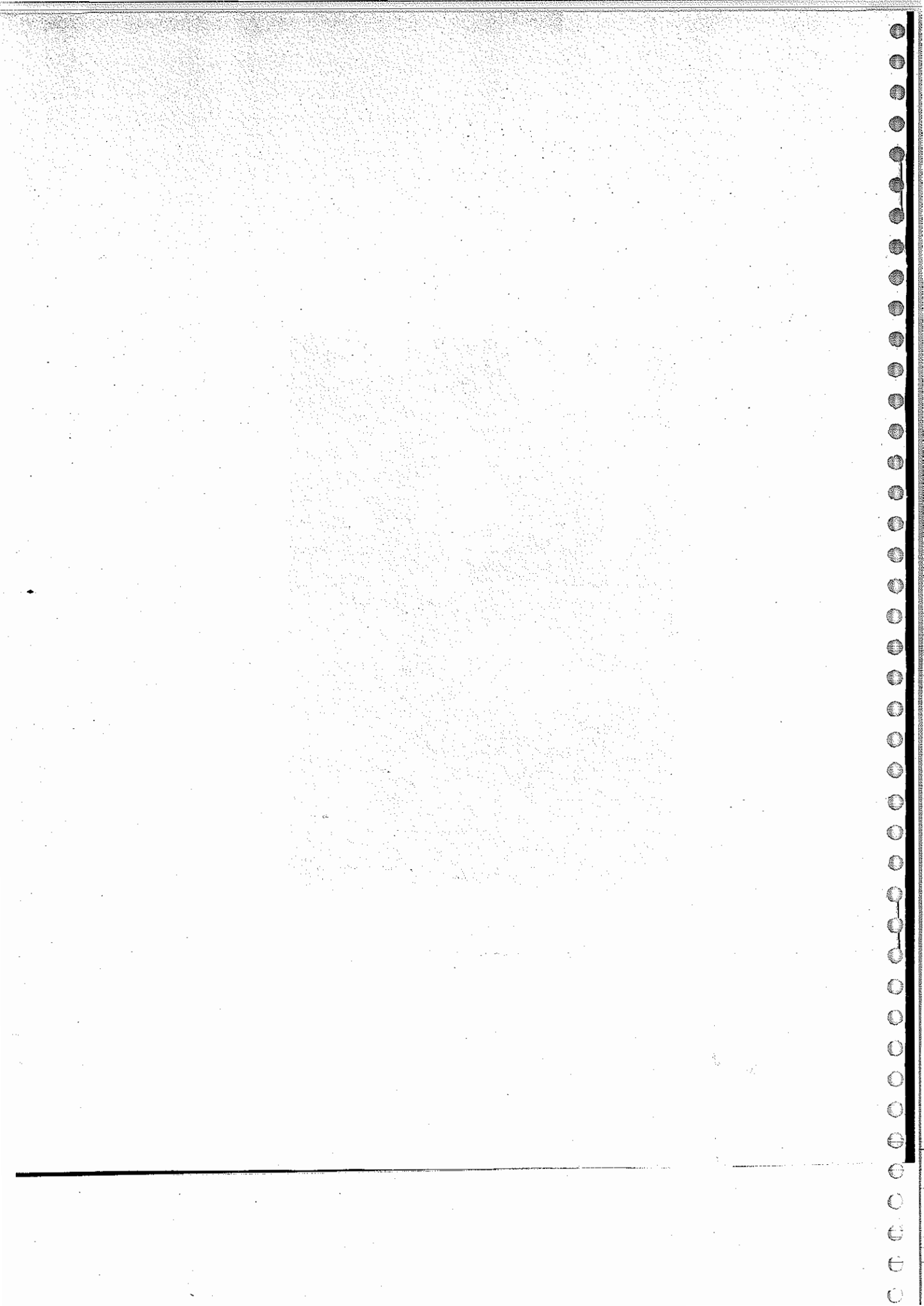
S Santhanagopalan
Company Secretary

Bombay, 4th July, 1994

Bombay, 4th July, 1994



Welding of the Spiral Casing of
1x150 MW Pumped Storage Hydro
Power Plant of Tata Electric
Companies at Bhira, Maharashtra.



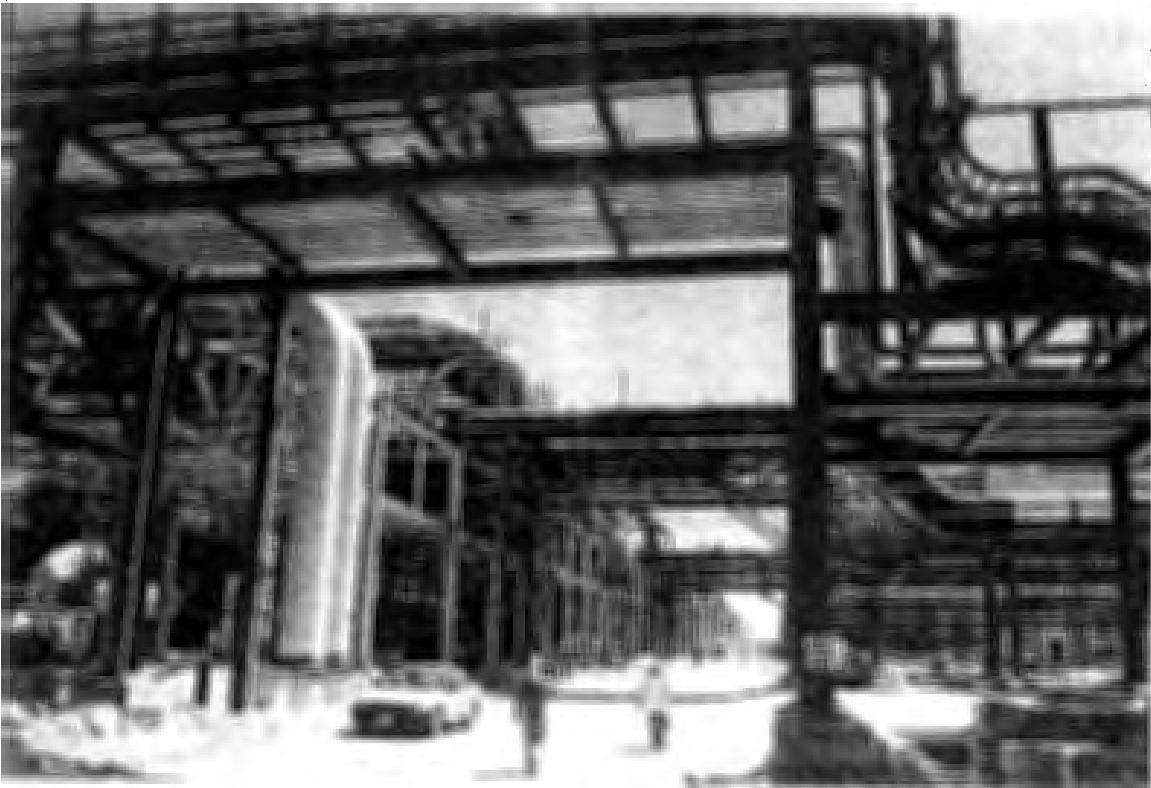
TATA PROTECTIS LIMITED



SIXTEENTH ANNUAL REPORT 1994-95



Positioning of Turbine Casing (33.7 M T)
for 2 x 1.664 MW Sunsari Morang Mini Hydel
Power Plant at Biratnagar, Nepal



120 MW Al Taweelah, Abu Dhabi, Power Station and Desalination
Plant - Electrical and Instrumentation



BOARD OF DIRECTORS

CHAIRMAN	H.N. Sethna
MANAGING DIRECTOR	Vijaya Singh
DIRECTORS	A.H. Tobaccowala
	F.K. Kavarana
	S.P. Manaktala
	J.J. Irani (upto 26.06.95)
	S.R. Subbaraman
	Syamal Gupta
	S. Ramakrishnan
	A.V. Thomas
	M.R. Ranga Rao (upto 26.6.95)
	J.E. Talaulicar (upto 1.2.95)
	N.S. Sunder Rajan (upto 11.08.94)

COMPANY SECRETARY K. Lokanatha Reddy

SENIOR EXECUTIVES
D.S. Rao
Vice President
S.N. Krishna Swamy
General Manager
K. Sampath
General Manager
V. Balkrishna
General Manager

REGISTERED OFFICE

Bombay House,
24, Homi Mody Street,
Fort, Bombay 400 001.

CORPORATE OFFICE

'Suryodaya' 1-10-60/3
Begumpet, Hyderabad-500 016

BOMBAY OFFICE

C/o Tata Electric Companies
Distribution Division
Senapati Bapat Marg
Lower Parel
Bombay - 400 013

DELHI OFFICE

C/o Tata Iron & Steel Co. Ltd.
Jeevan Bharati, Tower No.1
10th Floor, 124, Connaught Circus
New Delhi-110 001.

BANKERS

State Bank of Hyderabad
Abu Dhabi Commercial Bank
State Bank of Travancore
Corporation Bank

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates
Chartered Accountants

INTERNAL AUDITORS

Khatau & Co.
Chartered Accountants



DIRECTORS' REPORT TO THE MEMBERS

Your Directors are pleased to submit the 16th Annual Report on the business and operations of the Company and the audited accounts for the year ended 31st March, 1995.

FINANCIAL RESULTS

	1994-95	1993-94
	(Rs. in Millions)	
Income	546.653	289.836
Expenses	455.428	229.777
Surplus before Tax	91.225	60.059
Provision for Taxation	20.000	15.000
Net Surplus	71.225	45.059
Add: Excess Tax Provision of earlier years written back	1.274	-
Balance Surplus brought forward from previous year	11.761	4.131
Balance (A)	84.260	49.190
Which the Directors have appropriated as under, to:		
a) Foreign Project Reserve	50.000	25.000
b) General Reserve	20.000	10.000
c) Dividend on Equity Shares	6.125	2.429
(B)	76.125	37.429
Leaving balance of surplus (A-B) to be carried forward	8.135	11.761

DIVIDEND

Your Directors have recommended a dividend of 35% subject to deduction of tax on Equity Shares for the year ended 31st March, 1995. The dividend, if approved, will be payable for the full year in respect of all the Equity Shares, except for the 75,000 Equity Shares allotted as Bonus Issue during the year. The dividend on these Equity Shares will be paid on prorata basis for the period from the date of allotment i.e. 01.12.1994.

OPERATIONS

The year witnessed significant all-round improvement in the operations of the company. The gross earnings for the year are Rs. 546.65 million as against Rs. 289.84 million during the previous year. The surplus also registered an increase to Rs. 91.22 million from Rs. 60.06 million during 1993-94. The networth of the company at the end of the Financial Year is Rs. 190.18 million which may be compared with the networth of Rs. 123.81 million as on March 31, 1994. Out of the gross earnings of the Company during the year Rs. 401 million, (73%) was in foreign exchange.

As a result of the excellent financial performance of the company during the year, it has been possible to enhance the dividend to 35% even after the Bonus issue (Rs. 7.5 Million) in 1994-95 and Rights Issue (Rs. 7.5 million) in 1993-94. Due to the above share issues in the last two years, the Company's paid up capital has been increased from Rs. 7.5 million as on 31st March, 1993 to Rs. 22.5 million as on 31st March, 1995.

The prospects for future are also very promising and it has been possible to secure new business of about Rs. 1,150 million during the year which includes a major project of Rs. 840 million for strengthening of 33 KV Network in Abu Dhabi, Relocation of the Crusher for Kudremukh Iron Ore and Company Ltd. for Rs. 130 million and Augmentation of facilities in High Energy Material Research Laboratory at Pune for Rs. 81.7 million.



One of the thrust areas of the company is construction of transmission lines and sub-stations on turnkey basis. The company is already executing two transmission line projects, one in Bihar and the other in Andhra Pradesh and has secured two more projects in Andhra Pradesh during the year. The company is now confident of taking up major projects in this field.

TPL has already executed 66 KV Switchyard on turnkey basis for Diesel Generator power plant at Yelahanka, Bangalore, and is at present constructing seven sub-stations for Eastern Railway in Bihar. A major project involving construction of seven new sub-stations and providing additional capacity in 17 existing sub-stations has been taken up in Abu Dhabi. Another project involving construction of six 33KV/11KV sub-stations has been taken up in Andhra Pradesh.

The company has gained considerable experience in the erection of boilers, turbines, auxiliaries, piping and electrical work in thermal and hydro power stations. The work of 1 x 130 MW Combined Cycle Power Plant at Uran, Maharashtra, for Maharashtra State Electricity Board which was completed last year has now been commissioned and is operating successfully. A major project of installation of all the electrical and instrumentation equipment and cabling for 6 x 120 MW Oil fired thermal power house and the associated Desalination Plant for Al-Taweelah "B" Project at Abu Dhabi is currently in hand.

In the case of Hydroelectric power houses, TPL completed the installation of all the mechanical and electrical equipment of 1 x 150 MW Pumped Storage project of Tata Electric Companies at Bhira during the year. Welding of part length of Penstock pipes for this project was also carried out by the company. The work of supply and installation of mechanical and electrical equipment of 2 x 1.6 MW Hydro Power Plant at Sunsari Morang of Irrigation Development Board in Nepal was substantially completed during the year and the finishing work and the commissioning activities have been taken up.

As a result of the experience gained by the company, it has been possible for to quote for major contracts for civil work and supply and installation of mechanical and electrical equipment of large thermal power houses proposed to be taken up by multinational companies in India. The Company has during the year submitted bids for various packages for Mangalore Power Project of M/s. Cogentrix, USA, Ib Valley Power Project in Orissa, Barsingsar Thermal Power Project in Rajasthan and ROSA Power Project in Uttar Pradesh and Dabhol Power House in Maharashtra.

Tashkent Hotel Project which faced a difficult period on account of the political developments in the region has been finally completed and an agreement has been signed laying down the schedule of payment of the outstanding dues of the company by Uzbektourism. The project has been formally handed over to Uzbektourism during the month of June'95.

Tata Projects Limited completed the prestigious Breakfast Cereals "Paras" Project of M/s. Kellogg at Taloja in Bombay during the year and the quality of work has been very much appreciated by M/s. Kellogg.

Three contracts for mechanical, electrical and civil works for Relocation of Crusher no. 3 at Kudremukh were completed during the year and the work on Indira Gandhi National Centre for the Arts at New Delhi continues to make satisfactory progress. The work on Ground facilities for GSLV Project of Indian Space Research Organisation at Srihankota and the project of High Energy Material Research Laboratory are also progressing according to schedule.

The company has procured a batching plant of 30 cu.m. per hour capacity, a concrete pump, tippers and shuttering material for carrying out the RCC work for the project for Shifting of the Crusher Plant of Kudremukh Iron Ore Co. Ltd., at Kudremukh. Adequate trained staff has been recruited for operation and maintenance of this equipment and they have been brought into use. It would now be possible for TPL to take up many more civil construction projects in future using their own equipment and capability.

The company has further expanded its activities as a Third Party Inspection agency and a number of major companies in the private and public sectors are using its services. The company also continue to provide engineering consultancy services to Petrochemical Corporation of Singapore in Singapore.



DIRECTORS

M/s. A. H. Tobacowala, S. R. Subbaraman and Mr. F. K. Kavarana who retire by rotation at the forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment.

AUDITORS

M/s. G. N. Joshi Associates, Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

PERSONNEL

The Board of Directors wishes to express its appreciation to all the employees of the Company for their dedicated work and outstanding contribution which were largely responsible for continued improvement in the operations of the Company during the year. Information as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended is annexed hereto.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGOS

The Company has no activities relating to conservation of energy and technology absorption.

The Companies earnings in foreign currency for services rendered and supply of goods during the year under review is Rs. 401.60 Millions.

During the year the Company incurred foreign exchange outgo equivalent to Rs. 224.143 Millions towards project related expenditure.

ACKNOWLEDGMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent support and cooperation received by the Company from its Bankers i.e. State Bank of Hyderabad, Abu Dhabi Commercial Bank, State Bank of Travancore, Corporation Bank and Exim Bank.

On behalf of
the Board of Directors

(H. N. Sethna)
Chairman

Place: Bombay

Date: 26.06.1995



AUDITOR'S REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, BOMBAY, as at 31st March, 1995 and also the annexed Profit and Loss Account for the year ended on that date and report that -

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4 A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above -
 - 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 have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with Notes contained in the Schedule of Notes attached, give the information as required by the Companies Act, 1956, in the manner so required and give true and fair view -
 - (i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1995 and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. JOSHI ASSOCIATES
Chartered Accountants

G. N. Joshi
Partner

Bombay, 4th July, 1995

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation, of its fixed assets. As informed to us, the fixed assets of the Company have been physically verified by the Management at reasonable intervals during the year and, no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the year and accordingly items (iii) to (vi) and (xii) of paragraph 4 (A) of the Order are not applicable considering the nature of activities carried out by the Company.
4. 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, the rate of interest and other terms and conditions of which are prima facie, prejudicial to the interest of the Company. We have been informed that there are no companies under the same management as defined under Section 370 (IB) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interest of the Company. As referred in paragraph (4) above, we have been informed that there are no Companies under the same management as defined under Section 370 (IB) of the Companies Act, 1956.



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6. In respect of loans and advances in the nature of loans given by the Company, where stipulations as to repayment of principal and interest have been made, the parties are repaying the principle amount and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, plant and machinery, equipment and other assets and supply of project materials.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and supply of project materials and sale of services, made in pursuance of contracts or arrangements entered in the Register maintained under the Section 301 of the Companies Act, 1956, and aggregating during the year to Rs. 50,000 or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions of similar goods, materials or services have been made with other parties.
9. The Company has not accepted fixed deposits from the public to which the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
10. As explained to us, the Company has neither by-products nor scrap.
11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, for this Company.
13. According to the records of the Company, Provident Fund dues have regularly been deposited during the year with appropriate authorities. In the view of the Company, it is not liable to make contributions towards Employees' State Insurance Scheme.
14. According to the information and explanations given to us, there are no undisputed amounts, payable in respect of Income tax, Wealth tax, Sales tax, Customs duty and Excise duty which are outstanding as on 31st March, 1995 for a period of more than six months from the date they become payable.
15. According to the information and explanations given to us, and based on the test checks carried out by us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.
16. The Company is not a sick industrial company within the meaning of Clause (o) of Sub-sec. 1 of Sec. 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
17. In respect of the Company's service activities, we have to report as follows:
 - a) Material and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase, and therefore, in view of the Company it does not require system of recording receipts, issues and consumptions of materials and stores.
 - b) There is a system for providing reasonable allocation of materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and nature of its service activities.

For G.N.JOSHI ASSOCIATES
Chartered Accountants

G.N.JOSHI
Partner

Bombay 4th July, 1995

**BALANCE SHEET
AS AT 31ST MARCH 1995**

	Schedule	Mar 31, 1995 Rupees	Mar 31, 1995 Rupees	Mar 31, 1994 Rupees	Mar 31, 1994 Rupees
I. SOURCES OF FUNDS:					
a) SHAREHOLDERS FUND:					
Share Capital	1	22,500,000		15,000,000	
Reserves and Surplus	2	167,685,897		108,811,347	
		-----	190,185,897	-----	123,811,347
b) LOAN FUNDS					
Secured Loan	3		53,691,861		19,316,025
Unsecured Loan	3		10,000,000		-
			-----		-----
TOTAL			253,877,758		143,127,372
II. APPLICATIONS OF FUNDS:					
a) FIXED ASSETS					
Gross Block	4	66,076,985		46,436,447	
Less: Depreciation		26,791,100		19,833,875	
		-----		-----	
Net Block			39,285,885		26,602,572
b) INVESTMENTS					
	5		52,440,571		49,883,171
c) CURRENT ASSETS, LOANS & ADVANCES					
Sundry Debtors	6	324,972,624		148,001,228	
Cash and Bank Balances	7	14,631,927		46,578,325	
Other Current Assets	8	68,736,097		26,361,113	
Loans and Advances	9	83,169,464		59,809,708	
		-----		-----	
			491,510,112		280,750,374
Less:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	10	270,133,810		177,579,978	
Provisions		59,225,000		36,528,767	
		-----		-----	
			329,358,810		214,108,745
NET CURRENT ASSETS					
			162,151,302		66,641,629
TOTAL					
			253,877,758		143,127,372
Notes on Accounts					
	13				

As per attached report of even date
For G. N. JOSHI Associates
Chartered Accountants

G.N. Joshi
Partner

Bombay, 4th July, 1995

K. Lokanatha Reddy
Company Secretary

For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

Bombay, 26th June, 1995



**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 1995**

	Schedule	Year Ended Mar 31, 1995 Rupees	Year Ended Mar 31, 1995 Rupees	Year Ended Mar 31, 1994 Rupees	Year Ended Mar 31, 1994 Rupees
I. INCOME					
From Services and Supplies		535,513,758		286,290,810	
Others	11	11,138,952		3,545,372	
			546,652,710		289,836,182
II. EXPENDITURE					
Engineering Services and Erection/Construction Expenses		332,369,363		128,441,475	
Establishment and Other Expenses	12	161,790,041		107,202,628	
Depreciation		7,030,552		4,640,105	
		501,189,956		240,284,208	
Less: Increase in work in progress (Net)		45,762,037		10,507,134	
			455,427,919		229,777,074
III. PROFIT BEFORE TAXES					
Provision for taxation			91,224,791		60,059,108
			20,000,000		15,000,000
			71,224,791		45,059,108
Excess Tax Provision for earlier assessment years written back			1,274,759		-
IV. PROFIT AFTER TAX					
Balance brought forward from Previous year			72,499,550		45,059,108
			11,761,347		4,131,006
			84,260,897		49,190,114
APPROPRIATIONS :					
Proposed dividend		6,125,000		2,428,767	
Transfer to Foreign Project Reserve		50,000,000		25,000,000	
Transfer to General Reserve		20,000,000		10,000,000	
			76,125,000		37,428,767
V. BALANCE CARRIED TO BALANCE SHEET					
			8,135,897		11,761,347
Notes on accounts:	13				

As per attached report of even date
For G. N. JOSHI Associates
Chartered Accountants

For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

G.N. Joshi
Partner

K. Lokanatha Reddy
Company Secretary



SCHEDULES 1 TO 13

**ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 1995 AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 1995**

	March 31, 1995 Rupees	March 31, 1995 Rupees	March 31, 1994 Rupees	March 31, 1994 Rupees
SCHEDULE - 1				
SHARE CAPITAL:				
Authorised - 300,000 Equity Shares of Rs. 100/- each (Previous Year 200,000 Equity shares of Rs. 100/- each)		30,000,000		20,000,000
Issued, Subscribed and Paid-up 225,000 Equity Shares of Rs. 100/- each (Previous Year 150,000 Equity Shares of Rs. 100/- each) (Out of the above shares, 75,000 shares are allotted during the year as fully paid-up Bonus Shares by capitalising Share Premium Account)		22,500,000		15,000,000
SCHEDULE - 2				
RESERVES AND SURPLUS				
Share Premium (as per last Balance Sheet)	11,250,000		11,250,000	
Less: Amount utilised for issuing Bonus Shares	7,500,000			
		3,750,000		11,250,000
Foreign Projects Reserves (as per Sec. 80-HHB of I.T.Act)				
Balance as per last Balance Sheet	41,000,000		16,000,000	
Add: Amount transferred during the year	50,000,000		25,000,000	
		91,000,000		41,000,000
General Reserves -				
Balance as per last Balance Sheet	42,500,000		32,500,000	
Add: Amounts set aside during the year	20,000,000		10,000,000	
		62,500,000		42,500,000
Investment Allowance (Utilised) Reserve - A/c		2,300,000		2,300,000
Surplus -				
Balance in Profit & Loss Account		8,135,897		11,761,347
		167,685,897		108,811,347
SCHEDULE - 3				
LOAN FUNDS				
Secured-				
Bank Overdraft (Secured by Hypothecation of book debts & Current Assets including Movable Properties)		52,116,356		19,316,025
Others (Secured by equitable Mortgage of House Properties of Employees under the HDFC Employee Housing Loan Scheme, Refer Note No. 11 of Schedule 13)		1,575,505		Nil
Unsecured:				
Short Term Loans from Others. (Since repaid)		10,000,000		Nil
		63,691,861		19,316,025



SCHEDULE - 4
FIXED ASSETS

SL NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.94	Additions	Deductions	As on 31.03.95	As on 01.04.94	For 1994-95	On Deductions	As on 31.03.95	As on 31.03.95	As on 31.03.94
1	FURNITURE & FIXTURES	3,137,377	892,425	96,199	3,933,603	1,748,756	689,825	61,292	2,377,289	1,556,314	1,388,621
2	OFFICE EQUIPMENTS	1,439,207	338,956	-	1,778,163	831,618	153,776	-	985,394	792,769	607,589
3	VEHICLES	6,290,063	1,966,092	-	8,256,155	2,861,734	1,056,013	-	3,917,747	4,338,408	3,428,329
4	AIR CONDITIONING EQUIPMENT	225,988	33,350	-	259,338	136,509	12,739	-	149,248	110,090	89,479
5	SURVEY & DRAWING EQUIPMENT	36,232	-	-	36,232	21,780	2,010	-	23,790	12,442	14,452
6	ERECTION/ CONSTRUCTION MACHINERY	31,616,058	15,756,054	-	47,372,112	12,422,892	4,562,789	-	16,985,681	30,386,431	19,193,166
7	COMPUTERS	2,093,900	366,509	28,570	2,431,839	1,570,435	271,532	12,035	1,829,932	601,907	523,465
8	ELECTRICAL EQUIPMENTS	1,597,622	411,921	-	2,009,543	240,151	281,868	-	522,019	1,487,524	1,357,471
	TOTAL	46,436,447	19,765,307	124,769	66,076,985	19,833,875	7,030,552	73,327	26,791,100	39,285,885	26,602,572
	PREVIOUS YEAR	41,120,755	5,365,916	50,224	46,436,447	15,208,225	4,640,105	14,455	19,833,875	26,602,572	

March 31, 1995 March 31, 1994
Rupees Rupees**SCHEDULE - 5****INVESTMENTS - (at cost)**

1. In Trust Securities: (Non trade; Quoted)		
14,30,000 Units of Unit Trust of India (Previous Year 1,300,000 units) (Market value Rs. 25,668,500/-; Previous Year Rs. 23,725,000/-)	24,473,400	22,916,000
1,00,000 Units of G.I.C. Fortune-94 (Previous Year Nil) (Market value Rs. 945,000/-; Previous Year Nil)	1,000,000	—
2. Other Investments		
20,000 No. 9% Tax free Neyveli Lignite Corporation Bonds - Maturity Year 2000 of the face value of Rs. 1000 each (Previous Year 20000 No.)	17,244,657	17,244,657
10,000 No. 9% Tax free Indian Railway Finance Corporation Ltd. Bonds - Maturity year 2001 of the face value of Rs. 1000 each (Previous Year 10000 No.)	8,318,014	8,318,014
3. In Shares: Trade: Unquoted		
Equity Shares of Tata Klockner Industrial Plants Limited (12245 shares of Rs. 100 each fully paid)	1,224,500	1,224,500
4. In Partnership Firm: Capital		
Tata Dilworth Secord Meghar & Associates	180,000	180,000
	52,440,571	49,883,171

SCHEDULE - 6**SUNDRY DEBTORS-UNSECURED**

a) Outstanding for more than 6 months:		
(Considered good)	166,100,461	57,204,458
b) Other debts: (Considered good)	158,872,163	90,796,770
	324,972,624	148,001,228



	March 31, 1995 Rupees	March 31, 1994 Rupees
SCHEDULE - 7		
CASH AND BANK BALANCES		
a) Cash on hand	399,996	186,545
b) Balance with Scheduled Banks		
On current account	5,546,721	3,243,107
On Margin money deposit account	1,138,100	21,715,100
c) With other banks on Current Account		
Promstroi Bank (formerly Zil Suth Bank) (Max. during the year 1994-95 Rs. 11,465,111/-) (1993-94 Rs. 2,124,542/-)	460,837	133,608
Citibank NA, Singapore (Max. during the year 1994-95 Rs. 9,298,442/-) (1993-94 Rs. 6,490,548)	3,830,345	3,035,939
Bank Tejarat, Iran (Max. during the year 1994-95 Rs. 1,430,422/-) (1993-94 Rs. 3,144,548/-)	1,257,442	250,587
Abu Dhabi Commercial Bank, Abu Dhabi (Max. during the year 1994-95 Rs. 85,300/-) (1993-94 Rs. 17,911,530/-)	85,300	17,911,530
Nepal Grindlays Bank, Nepal (Max. during the year 1994-95 Rs. 1,523,876/-) (1993-94 Rs. 9,909/-)	254,427	9,909
d) With other bank on Call Account		
Abu Dhabi Commercial Bank, Abu Dhabi (Max. during the year 1994-95 Rs. 10,901,889/-) (1993-94 Rs. 17,911,530/-)	1,658,759	-
e) Remittance in Transit	-	92,000
	<u>14,631,927</u>	<u>46,578,325</u>

SCHEDULE - 8

OTHER CURRENT ASSETS:

Work done but not billed (at Contract value including profit/loss thereon)	1,854,592	5,241,645
Closing Work-in-Progress (Turnkey projects)		
Opening Work-in-Progress	21,119,468	10,612,334
Add: Increase in Work-in-Progress (Net)	45,762,037	10,507,134
	<u>66,881,505</u>	<u>21,119,468</u>
	<u>68,736,097</u>	<u>26,361,113</u>



March 31, 1995
Rupees

March 31, 1994
Rupees

SCHEDULE - 9**LOANS AND ADVANCES**

Loan and advances recoverable in cash
or in kind for value to be received
Secured and considered good
Unsecured and considered good
Advance payment of tax

	1,517,262	Nil
	36,982,844	35,358,723
	44,669,358	24,450,985
	<u>83,169,464</u>	<u>59,809,708</u>

SCHEDULE - 10**CURRENT LIABILITIES AND PROVISIONS**

Liabilities
Advance from customers
Sundry Creditors for expenses
Others
Advance billings (including Rs. 101,735,746/-
in respect of turnkey contracts)
(Previous Year Rs. 61,410,988)

	32,603,811	49,834,981
	129,179,033	63,703,803
	2,635,222	1,133,274
	105,715,744	62,907,920
	<u>270,133,810</u>	<u>177,579,978</u>

Provisions:

Provision for taxation
Proposed dividend

	53,100,000	34,100,000
	6,125,000	2,428,767
	<u>59,225,000</u>	<u>36,528,767</u>

SCHEDULE - 11**INCOME:**

Others
Interest:
Banks
Others (tax deducted at source Rs. 11,675/- Prev. year Rs. 14,461)
Dividend from UTI (Tax Deducted at source Rs. 835,711/-)
(Previous Year Rs. 32,143/-)
Miscellaneous Income
Provision no longer required:
Bad debts Recovered
Difference in exchange rate (Net)

	213,780	389,425
	5,357,011	1,497,306
	3,380,000	130,000
	867,415	422,068
	72,184	-
	1,248,562	1,106,573
	<u>11,138,952</u>	<u>3,545,372</u>



	March 31, 1995 Rupees	March 31, 1994 Rupees
SCHEDULE - 12		
ESTABLISHMENT AND OTHER EXPENSES		
Staff salaries	55,993,075	44,352,866
Commission to Directors	306,680	225,000
Travelling Expenses	13,296,417	10,786,740
Printing and Stationery	3,493,433	2,000,893
Interest Charges	6,632,821	6,325,968
Rent	3,751,731	2,910,694
Books, Periodicals and Subscriptions	347,907	238,539
Advertisement expenses	196,926	84,975
Bank guarantee and Commission Charges	5,091,660	2,784,222
Professional and Legal Charges	8,064,658	4,401,844
Motor Vehicle Expenses	9,705,284	4,092,404
Postage, Telephone, Telegram & Telex	8,621,806	6,065,904
Auditors' Remuneration	73,450	105,940
Entertainment Expenses	207,352	537,801
Repairs and Maintenance	3,109,982	2,475,463
Electricity and Water Charges	489,262	393,768
Freight Charges	6,065,222	5,518,801
General Expenses	209,968	133,851
Overseas Living Expenses	20,380,827	7,184,567
Staff Recruitment Expenses	250,391	270,888
Rates and Taxes	661,104	332,220
Tax paid/payable Overseas	2,996,262	55,455
Donations	2,000	24,860
Commission Charges	496,538	-
Sales Tax/Contract Tax	6,688,616	566,330
Insurance & ECGC Premium	4,506,886	3,064,757
Bad Debts written off	132,844	-
Loss on sale of assets (Net)	7,589	21,275
Difference in exchange rate	-	2,246,603
Loss from Partnership firm (Net)	9,350	-
	<u>161,790,041</u>	<u>107,202,628</u>

SCHEDULE - 13**NOTES ON ACCOUNTS****1. Significant Accounting Policies:**

The accounts have been prepared under the historical cost convention.

The significant accounting policies followed by the Company are stated below:

(a) Fixed Assets:

Fixed Assets are shown at cost less depreciation. The cost comprises purchase price and other attributable expenses.

(b) Depreciation 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 of the Companies Act, 1956.

(c) Investments:

Investments are valued at costs of acquisition inclusive of other attributable expenses.



March 31, 1995 March 31, 1994
Rupees Rupees

SCHEDULE - 13 (Contd.)**NOTES ON ACCOUNTS (Contd.)****(d) Revenue Recognition:**

- (i) In respect of Turnkey contracts, income is recognised on the basis of substantial completion under the completed contract method. However, in respect of Tashkent Project, the Company continues to recognise revenue as approved and settled by the client, due to the prevailing economic uncertainties in Uzbekistan. Due to the above reasons Rs. 26,451,396/- has been treated as billing in advance.
- (ii) In respect of other than Turnkey contracts the Company has a policy of accounting income on percentage completion method based on the stage of completion certified by the management.
- (iii) The income in respect of Extra works and other works not covered by written contract is recognised on approval by the client.
- (iv) The Company follows a policy of accounting export benefits on approval by the concerned authorities.

(e) Work-in-Progress:

Work-in-Progress in respect of turnkey contracts is valued at cost as certified by the management.

(f) Foreign Currency Transactions:

- (i) The Company follows a policy of converting all foreign currency transactions at the closing rate of exchange. The current assets and current liabilities remaining unsettled at the end of accounting year continue to appear in the books at the rate at which they were originally translated except for bank accounts of non-repatriable currencies which are valued at the closing rate of exchange.
- (ii) Financial statements of foreign branches are converted at the closing rate of exchange. The net exchange difference resulting from the translation is considered in the Profit and Loss Account.

(g) Retirement benefits:

Retirement benefit liabilities are funded by payment to individual trust or insurance companies.

2. Information pursuant to Part II of Schedule VI of Companies Act, 1956.

a) i) Gross income from Engineering Services	326,833,684	184,000,098
ii) Income from supply of goods, materials and equipment to Hotel Project, Electrical Projects and other Industrial Projects.	208,680,074	102,290,712
b) i) Earnings in foreign currency for services rendered	240,535,049	89,534,317
ii) Earnings in foreign currency for supply of goods	160,524,667	71,161,701
c) Expenditure in foreign currency-other matters	224,143,698	28,667,871
3. The Company's business activity of execution of project involves procurement and supply of materials along with the rendering of services. The materials procured by the company are directly delivered to the project sites and charged off in the year of purchase and included under the head "Engineering Services & Erection/Construction expenses". The materials supplied 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 the materials.		
4. Staff salaries		
a) Salaries and bonus	44,672,571	34,936,476
b) Contribution to Provident Fund and other funds	5,654,139	4,543,182
c) Staff Welfare Expenditure	5,666,365	4,873,208



March 31, 1995 March 31, 1994
Rupees Rupees

5. a) The remuneration paid during the year to the Managing Director amounting to Rs. 837,235/- (previous year Rs. 421,249/-) includes estimated money value of benefits Rs. 33,350/- (Previous Year Rs. 14,200/-)		
b) Computation of Commission to Directors		
Profit before taxation as per Profit & Loss A/c	91,224,791	60,059,108
Add: Depreciation	7,030,552	4,640,105
Managing Director's remuneration	837,235	421,249
Loss on sale of Assets	7,589	21,275
	<hr/>	<hr/>
	99,100,167	65,141,737
Less: Depreciation as per Sec. 350 of Companies Act, 1956.	7,030,552	4,640,105
	<hr/>	<hr/>
Net Profit for the year under section 198(1) of the Companies Act, 1956	92,069,615	60,501,632
Maximum Permissible	5,524,177	3,630,098
Restricted to Rs. 492,000/- (Previous Year Rs. 172,422/-) for Managing Director and Rs. 306,680/- (Previous Year Rs. 225,000/-) for other Directors	798,680	397,422
6. Auditor's Remuneration includes:		
Audit Fees	35,000	35,000
Tax Audit Fees	16,000	16,000
Other matters	21,750	52,500
Out of pocket expenses	700	2,440
7. Sundry Debtors (Others) include retention of Rs. 44,502,768/- (Previous Year Rs. 35,022,379/-) receivable on completion of projects.		
8. The details of investment in partnership firm:		
Partners	Share	Capital Rs.
Tata Projects Limited	60%	180,000
Dilworth, Secord, Meghar & Associates	40%	120,000
9. The profit/loss from the partnership firm TDSMA has been provided and the firm is in the process of dissolution.		
10. Repairs and maintenance include:		
a) Repairs & maintenance (Plant & Machinery)	644,616	495,220
b) Repairs & maintenance (others)	2,465,366	1,980,243
11. During the year, the Company has borrowed Rs. 1,575,505/- from Housing Development Finance Corporation for the purpose of onward lending to the employees of the Company under the Housing Loan Scheme. Out of the above Rs. 1,280,505/- has been disbursed and Rs. 295,000/- being the balance pending for disbursement is included in the Current Bank Balances of the Company.		
12. The Company has issued Bank Guarantees and Letters of Credit amounting to Rs. 259.907 million (Previous Year Rs. 151.597 Million) and Rs. 11.05 million (Previous Year Rs. 60.909 Million) to its clients/suppliers respectively as on the close of the year.		
13. Previous year's figures have been regrouped and amended for comparison with current year figures, wherever necessary.		

As per attached report of even date
For G. N. JOSHI Associates
Chartered Accountants

G.N. Joshi
Partner

K. Lokanatha Reddy
Company Secretary

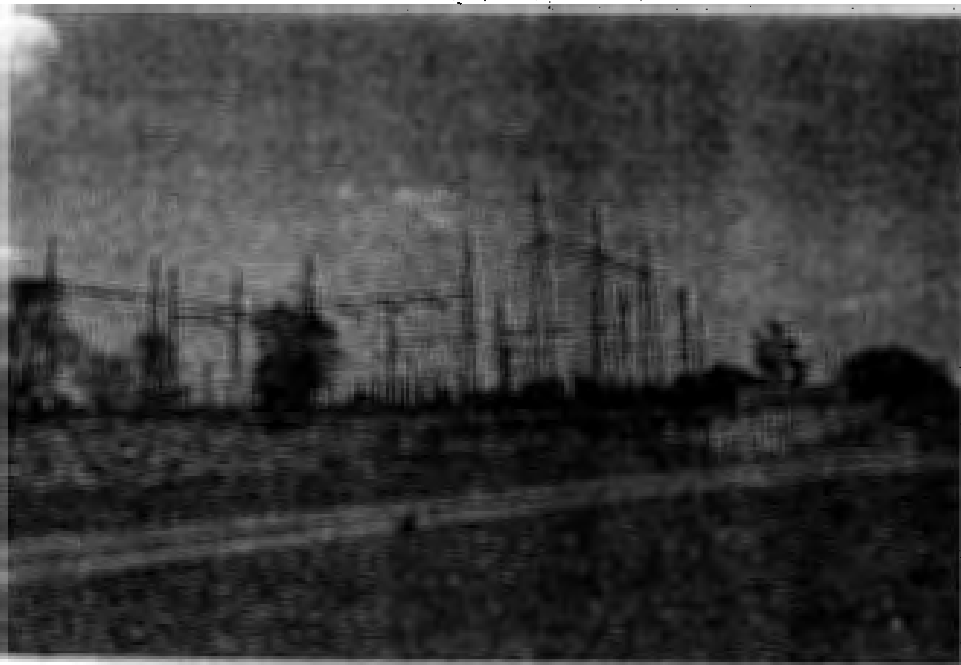
For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

Bombay, 4th July, 1995

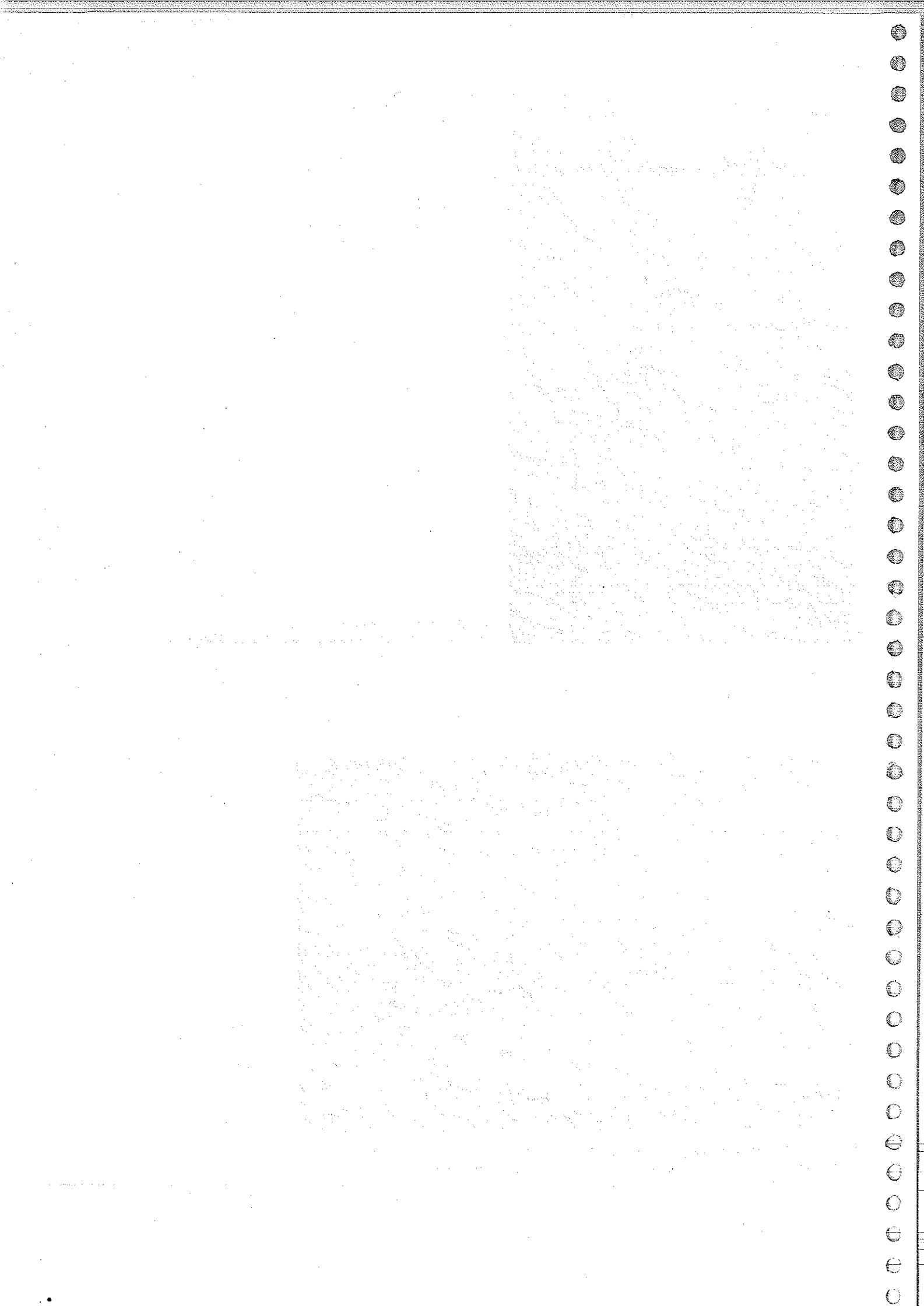
Bombay, 26th June, 1995



400 KV Double Circute Transmission Line
Tower for Bihar State Electricity Board, Patratu, Bihar



Construction of 132/25 KV 7 No. Substations for
Railway Electrification Project on Eastern Railway — Toira Substation



TATA PROJECTS LIMITED



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Reinforcement of 33 KV Network in Abu Dhabi and Al Ain, UAE—Town Centre Sub Station.



Construction of 33 KV/11 KV Sub-stations for OECF Funded Rural Electrification Programme at Warangal – Andhra Pradesh – Geesukonda Substation.



BOARD OF DIRECTORS

CHAIRMAN	H.N. Sethna
MANAGING DIRECTOR	Vijaya Singh
DIRECTORS	A.H. Tobaccowala F.K. Kavarana S.P. Manaktala S.R. Subbaraman Syamal Gupta S. Ramakrishnan A.V. Thomas K.C. Mehra V.N. Manohar

COMPANY SECRETARY K. Lokanatha Reddy

SENIOR EXECUTIVES

SENIOR VICE PRESIDENT	D.S. Rao
VICE PRESIDENT	K. Sampath
GENERAL MANAGERS	S.N. Krishnaswamy V. Balkrishna R.N. Kharshingkar

REGISTERED OFFICE

Bombay House,
24, Homi Mody Street,
Fort, Mumbai 400 001.

CORPORATE OFFICE

'Suryodaya', 1-10-60/3,
Begumpet, Hyderabad-500 016.

MUMBAI OFFICE

C/o Tata Electric Companies,
Distribution Division,
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.

DELHI OFFICE

C/o Tata Iron & Steel Co. Ltd.,
Jeevan Bharati, Tower No.1,
10th Floor, 124, Connaught Circus,
New Delhi-110 001.

BANKERS

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

SOLICITORS

S.R. Vakil

AUDITORS

G.N. Joshi Associates
Chartered Accountants

INTERNAL AUDITORS

Khatau & Co.
Chartered Accountants



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to submit the 17th Annual Report on the business and operations of the Company and the audited accounts for the year ended 31st March, 1996.

FINANCIAL RESULTS

	1995-96 (Rs. in Millions)	1994-95 (Rs. in Millions)
Income	581.656	546.653
Expenses	501.916	455.428
Surplus before Tax	79.740	91.225
Provision for Taxation	19.000	20.000
Net Surplus	60.740	71.225
Add : Excess Tax Provision of earlier years	-	1.275
Balance Surplus brought forward from previous year	8.136	11.761
Balance (A)	68.876	84.261
Which the Directors have appropriated as under, to:		
a) Foreign Project Reserve	50.000	50.000
b) General Reserve	9.000	20.000
c) Dividend on Equity Shares	9.000	6.125
(B)	68.000	76.125
Leaving balance of surplus (A-B) to be carried forward	0.876	8.136

DIVIDEND

Your Directors have recommended a dividend of 40%, subject to deduction of tax, on Equity Shares for the year ended 31st March, 1996. The dividend, if approved, will be payable for the full year in respect of all the Equity Shares.

OPERATIONS

The year witnessed consolidation and further improvement in the operations of the Company. The turnover of the Company increased from Rs.546.65 Millions in 1994-95 to Rs.581.65 Millions in the year 1995-96. High level of profitability was maintained and the surplus before tax for the year is Rs.79.74 Millions. The networth of the Company at the end of the year is Rs.241.93 Millions as against Rs.190.18 Millions at the end of the previous year.



Out of the gross earnings of the Company during the year, Rs. 368.05 Millions (63%) is in foreign exchange. The Company won two prestigious awards for its export performance in 1994-95 viz., Certificate of Merit from Overseas Construction Council of India and Export Excellence Award from Engineering Export Promotion Council. The Company received "Export House Status" from the Government of India.

The prospects for the future are also very promising. The Company is all set for a quantum jump in its operations and the turnover of the Company is expected to cross Rs. 1,500 Millions in 1996-97.

The Company has made entry in the field of telecommunications and has already secured a contract for Rs. 150 Millions from Tata Communications Limited for providing infrastructure for Cellular Services in Hyderabad, Visakhapatnam and Vijayawada. A contract for similar work in Maharashtra and Gujarat States is being negotiated with Tata Telecom and is expected to be awarded shortly. Negotiations are also being held with other Companies who have been awarded licenses for providing Cellular and Basic telephone services in other States.

The Company also secured from Kerala State Electricity Board a contract for installation of diesel engines, alternators, auxiliary equipments and piping, electrical work and fabrication and installation of some of the storage tanks at a contract value of Rs. 108.20 Millions for 5 x 20 MW diesel power station at Brahmapuram in Kochi, Kerala. This is the second largest diesel power project in the country. The largest diesel power project of 6 x 20 MW capacity at Yelahanka in Karnataka was also installed by TPL.

Two important projects viz., Ground Facilities for GSLV Project of Indian Space Research Organisation at Sriharikota and augmentation of facilities in High Energy Material Research Laboratory at Pune were substantially completed during the year and finishing work is in hand. The work of installation of electrical and instrumentation equipment for the 6 x 120 MW Power Plant and the associated Desalination Plant at Al-Taweelah, Abu Dhabi was also completed according to schedule inspite of substantial increase in the contract value from Rs. 179.13 Millions to Rs. 353.85 Millions. Some of the additional works awarded subsequently are in hand. Tashkent Hotel Project was finally completed and handed over to the client during the year and substantial portion of the outstanding dues was also realised. The Company has signed an O & M Contract for the equipment supplied by us for the Hotel.

The high value project for strengthening of 33 KV Network in Abu Dhabi is progressing according to schedule. The Water and Electricity Department (WED) of Abu Dhabi has enhanced the scope of the project by including two additional new sub-stations, thus increasing the contract value to Rs. 1086.46 Millions. The work of Relocation of the Crusher No.4 for Kudremukh Iron Ore Company Limited (KIOCL) is also progressing according to the schedule.

Two transmission line projects, one in Bihar and the other in Andhra Pradesh were completed during the year and satisfactory progress is being maintained on the other two transmission line projects in Andhra Pradesh. The Company is tendering for a number of transmission line projects in India and in foreign countries and it is proposed to expand our activities in this field in which heavy investments are expected to be made in our country in the coming years.

TPL has already gained considerable experience in the execution of switchyards and sub-stations on turnkey basis and apart from the project of Water and Electricity Department (WED) in Abu Dhabi, satisfactory progress was maintained on six sub-stations being constructed on turnkey basis which are being financed by Rural Electrification Corporation in Andhra Pradesh and seven sub-stations being constructed for Eastern Railways in Bihar



for their Electrification Project. A new contract for construction of three more sub-stations in Andhra Pradesh financed by Rural Electrification Corporation was awarded to TPL during the year at a cost of Rs. 39.96 Millions. Another contract for 400 KV Indravati Switching Station was awarded by the Power Grid Corporation of India Limited at Indravati in Orissa for Rs. 9.10 Millions.

The Company has been tendering for contracts of high value for major thermal power projects proposed to be taken up by multinational Companies and also for power houses of small and medium capacity to be executed on turnkey basis. It is expected that some of these projects will materialise as there has been a revival of activity in this area in recent months.

In order to build up the capacity of the Company to take up major projects on its own strength, the Company has procured a number of major construction equipment. The Company purchased a plot of land of 9.1 acres on the Hyderabad-Nagpur National Highway at a distance of 20 km from Hyderabad for developing facilities for stocking and servicing construction equipments.

The Third Party Inspection activities of the Inspection Division of the Company were further expanded during the year and the turnover of this division is nearing Rs. 10 Millions mark. The Division has applied for Certification under ISO-9001 and it is expected that the certification will be obtained shortly.

The Company is continuing to provide consultancy services to Petrochemical Corporation of Singapore, Singapore Aeromatics and Polyolefin Company (Singapore) Pte. Ltd., TAVANIR in Iran and has recently entered into an agreement with WAPCOS for deputing two of our engineers to a Project in Zimbabwe.

FINANCE

During the year, the Company made investments to the extent of Rs. 38.20 Millions in US-95 of UTI, SBH Bonds and IRFC Bonds.

PERSONNEL

The Board of Directors wishes to express its appreciation to all the employees of the Company for their dedicated work and outstanding contribution which were largely responsible for continued improvement in the operations of the Company during the year. Information as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended is annexed hereto.

SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's earnings in foreign currency for services rendered and supply of goods during the year under review is Rs.368.05 Millions against foreign exchange outgo equivalent to Rs.288.58 Millions.

The Company does not fall under the specified Schedule of Industries and hence disclosure as required in Part A & B are not applicable.



DIRECTORS

Dr. H.N. Sethna, Mr. S.P. Manaktala, Mr. S. Ramakrishnan and Mr. Syamal Gupta who retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

M/s. G. N. Joshi Associates, Chartered Accountants, the Company's Auditors, retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent support and cooperation received by the Company from its Bankers i.e. State Bank of Hyderabad, Abu Dhabi Commercial Bank, Canara Bank, Indian Overseas Bank, State Bank of Travancore, Corporation Bank and Exim Bank.

On behalf of
the Board of Directors

H. N. Sethna
Chairman

Mumbai, June 21, 1996



AUDITOR'S REPORT

TO THE MEMBERS

We have audited the attached Balance Sheet of TATA PROJECTS LIMITED, MUMBAI as at 31st March, 1996 and also the annexed Profit and Loss Account for the year ended on that date and report that ----

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4 A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above ----
 - 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 have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with Notes contained in the Schedule of Notes attached, give the information as required by the Companies Act, 1956, in the manner so required and give true and fair view --
 - (i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 1996 and
 - (ii) in the case of the Profit and Loss Account of the profit for the year ended on that date.

For G.N. JOSHI ASSOCIATES
Chartered Accountants

G. N. Joshi
Partner

Mumbai, June 21, 1996

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph 1 of our Report of even date)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. As informed to us, the fixed assets of the Company have been physically verified by the Management at reasonable intervals during the year and, no serious discrepancies as compared with the book records have been noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the Company had no stocks of finished goods, stores, spare parts and raw materials at any time during the year and accordingly items (iii) to (vi) and (xii) of paragraph 4 (A) of the Order are not applicable considering the nature of activities carried out by the Company.



4. 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, the rate of interest and other terms and conditions of which are prima facie, prejudicial to the interest of the Company. We have been informed that there are no Companies under the same management as defined under Section 370 (IB) of the Companies Act, 1956.
5. The Company has not granted any loans, secured or unsecured, to the Companies, Firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, the rate of interest and other terms and conditions of which are prima facie prejudicial to the interest of the Company. As referred in paragraph (4) above, we have been informed that there are no Companies under the same management as defined under Section 370 (IB) of the Companies Act, 1956.
6. In respect of loans and advances in the nature of loans given by the Company, where stipulations as to repayment of principal and interest have been made, the parties are repaying the principal amount and interest as stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of stores, plant and machinery, equipment and other assets and supply of project materials.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and supply of project materials and sale of services, made in pursuance of contracts or arrangements entered in the Register maintained under the Section 301 of the Companies Act, 1956, and aggregating during the year to Rs. 50,000 or more in respect of each party have been made at prices for such goods, materials or services or the prices at which transactions of similar goods, materials or services have been made with other parties.
9. The Company has not accepted fixed deposits from the public to which the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
10. As explained to us, the Company has neither by-products nor scrap.
11. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
12. We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, for this Company.
13. According to the records of the Company, Provident Fund dues have regularly been deposited during the year with appropriate authorities. In the view of the Company, it is not liable to make contributions towards Employees' State Insurance Scheme.
14. According to the information and explanations given to us, there are no undisputed amounts, payable in respect of Income tax, Wealth tax, Sales tax, Customs duty and Excise duty which are outstanding as on 31st March, 1996 for a period of more than six months from the date they become payable.



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15. According to the information and explanations given to us, and based on the test checks carried out by us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practices.
16. The Company is not a sick industrial company within the meaning of Clause (o) of sub-sec. 1 of sec. 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
17. In respect of the Company's service activities, we have to report as follows:
 - a) Material and stores purchased by the Company are delivered directly to the sites and charged off in the year of purchase, and therefore, in view of the Company it does not require system of recording receipts, issues and consumptions of materials and stores.
 - b) There is a system for providing reasonable allocation of materials and man-hours consumed to the relative jobs, commensurate with its size and nature of its business.
 - c) There is a reasonable system of authorisation at proper levels with necessary control on allocation of stores and labour to the jobs. In our opinion, the Company has an adequate system of internal control commensurate with its size and nature of its service activities.

For G.N.JOSHI ASSOCIATES
Chartered Accountants

G.N.JOSHI
Partner

Mumbai, June 21, 1996



**BALANCE SHEET
AS AT 31ST MARCH, 1996**

	Schedule	Mar 31, 1996 Rupees	Mar 31, 1996 Rupees	Mar 31, 1995 Rupees	Mar 31, 1995 Rupees
I. SOURCES OF FUNDS:					
a) SHAREHOLDERS FUND:					
Share Capital	1	22,500,000		22,500,000	
Reserves and Surplus	2	219,426,123		167,685,897	
		-----	241,926,123	-----	190,185,897
b) LOAN FUNDS					
Secured Loan	3		82,466,704		53,691,861
Unsecured Loan	3		-		10,000,000
			-----		-----
TOTAL			324,392,827		253,877,758
II. APPLICATION OF FUNDS:					
a) FIXED ASSETS					
Gross Block	4	87,721,760		66,076,985	
Less: Depreciation		34,111,810		26,791,100	
Net Block		-----	53,609,950	-----	39,285,885
b) INVESTMENTS					
	5		90,655,571		52,440,571
c) CURRENT ASSETS, LOANS & ADVANCES					
Sundry Debtors	6	349,529,100		324,972,624	
Cash and Bank Balances	7	76,126,935		14,631,927	
Other Current Assets	8	163,296,540		68,736,097	
Loans and Advances	9	127,434,061		83,169,464	
			-----	-----	-----
			716,386,636		491,510,112
Less:					
CURRENT LIABILITIES AND PROVISIONS					
Liabilities	10	455,159,330		270,133,810	
Provisions		81,100,000		59,225,000	
		-----	536,259,330	-----	329,358,810
NET CURRENT ASSETS					
			180,127,306		162,151,302
TOTAL					
			324,392,827		253,877,758
Notes on Accounts					
Balance Sheet Abstract	13 14				

As per attached report of even date
For: **G. N. JOSHI Associates**
Chartered Accountants

G.N. Joshi
Partner

Mumbai, June 21, 1996

K. Lokanatha Reddy
Company Secretary

For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

Mumbai, June 21, 1996



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**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 1996**

	Schedule	Year Ended Mar 31, 1996 Rupees	Year Ended Mar 31, 1996 Rupees	Year Ended Mar 31, 1995 Rupees	Year Ended Mar 31, 1995 Rupees
I. INCOME					
From Services and Supplies		563,741,858		535,513,758	
Others	11	17,915,083		11,138,952	
		-----	581,656,941	-----	546,652,710
II. EXPENDITURE					
Engineering Services and Erection/Construction Expenses		372,159,725		332,369,363	
Establishment and Other Expenses	12	205,935,074		161,790,041	
Depreciation		7,694,648		7,030,552	
		-----		-----	
		585,789,447		501,189,956	
Less: Increase in work- in-progress (Net)		83,872,732		45,762,037	
		-----	501,916,715	-----	455,427,919
III. PROFIT BEFORE TAXES					
Provision for taxation			79,740,226		91,224,791
			19,000,000		20,000,000
			-----	-----	-----
			60,740,226		71,224,791
Excess Tax Provision for earlier assessment years written back			--		1,274,759
			-----	-----	-----
			60,740,226		72,499,550
IV. PROFIT AFTER TAX					
Balance brought forward from Previous year			8,135,897		11,761,347
			-----	-----	-----
			68,876,123		84,260,897
APPROPRIATIONS					
Proposed dividend		9,000,000		6,125,000	
Transfer to Foreign Project Reserve		50,000,000		50,000,000	
Transfer to General Reserve		9,000,000		20,000,000	
		-----	68,000,000	-----	76,125,000
V. BALANCE CARRIED TO BALANCE SHEET					
			876,123		8,135,897
			=====	=====	=====
Notes on accounts:	13				
Balance Sheet Abstract	14				

As per attached report of even date
For G. N. JOSHI Associates
Chartered Accountants

For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

G.N. Joshi
Partner

K. Lokanatha Reddy
Company Secretary



SCHEDULES 1 TO 14

**ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 1996 AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 1996**

	March 31, 1996 Rupees	March 31, 1996 Rupees	March 31, 1995 Rupees	March 31, 1995 Rupees
SCHEDULE - 1				
SHARE CAPITAL:				
Authorised - 300,000 Equity Shares of Rs. 100/- each (Previous Year 300,000 Equity Shares of Rs. 100/- each)		30,000,000		30,000,000
Issued, Subscribed and Paid-up 225,000 Equity Shares of Rs. 100/- each (Previous Year 225,000 Equity Shares of Rs. 100/- each)		22,500,000		22,500,000
SCHEDULE - 2				
RESERVES AND SURPLUS				
Share Premium		3,750,000		3,750,000
Foreign Projects Reserves (as per Sec. 80-HHB of I.T. Act)				
Balance as per last Balance Sheet	91,000,000		41,000,000	
Add: Amount transferred during the year	50,000,000		50,000,000	
		141,000,000		91,000,000
General Reserves				
Balance as per last Balance Sheet	62,500,000		42,500,000	
Add: Amounts set aside during the year	9,000,000		20,000,000	
		71,500,000		62,500,000
Investment Allowance (Utilised) Reserve- A/c Surplus -		2,300,000		2,300,000
Balance in Profit & Loss Account		876,123		8,135,897
		219,426,123		167,685,897
SCHEDULE - 3				
LOAN FUNDS				
Secured-				
Bank Overdraft (Secured by Hypothecation of book debts & Current Assets including Movable Properties)		80,362,842		52,116,356
Others (Secured by equitable Mortgage of House Properties of Employees under the HDFC Employee Housing Loan Scheme, Refer Note No. 11 on Schedule 13)		2,103,862		1,575,505
Unsecured:				
Short Term Loans and Others		-		10,000,000
		82,466,704		63,691,861



SCHEDULE - 4
FIXED ASSETS

(In Rupees)

SL.NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.95	Additions	Deductions	As on 31.03.96	As on 01.04.95	For 1995-96	On Deduction	As on 31.03.96	As on 31.03.96	As on 31.03.95
1	FURNITURE & FIXTURES	3,933,603	969,919	-	4,903,522	2,377,289	585,164	-	2,962,453	1,941,069	1,556,314
2	OFFICE EQUIPMENT	1,778,163	651,369	-	2,429,532	985,394	184,835	-	1,170,229	1,259,303	792,769
3	VEHICLES	8,256,155	2,693,930	395,810	10,554,275	3,917,747	1,586,936	373,938	5,130,745	5,423,530	4,338,408
4	AIR CONDITIONING EQUIPMENT	259,338	263,542	-	522,880	149,248	50,562	-	199,810	323,070	110,090
5	SURVEY & DRAWING EQUIPMENT	36,232	-	-	36,232	23,790	1,731	-	25,521	10,711	12,442
6	ERECTION/ CONSTRUCTION MACHINERY	47,372,112	5,597,624	-	52,969,736	16,985,681	4,663,628	-	21,649,309	31,320,427	30,386,431
7	COMPUTERS	2,431,839	440,257	-	2,872,096	1,829,932	370,580	-	2,200,512	671,584	601,907
8	ELECTRICAL EQUIPMENT	2,009,543	163,953	-	2,173,496	522,019	251,212	-	773,231	1,400,265	1,487,524
9	LAND	-	11,259,991	-	11,259,991	-	-	-	-	11,259,991	-
	TOTAL	66,076,985	22,040,585	395,810	87,721,760	26,791,100	7,694,648	373,938	34,111,810	53,609,950	39,285,885
	PREVIOUS YEAR	46,436,447	19,765,307	124,769	66,076,985	19,833,875	7,030,552	73,327	26,791,100	39,285,885	-



March 31, 1996 March 31, 1995
Rupees Rupees

SCHEDULE - 5

INVESTMENTS - Long Term (at cost)

1. In Trust Securities: (Non trade)		
1,430,000 Units of Unit Trust of India (Previous Year 1,430,000 units) (Repurchase Price Rs.22,951,500/-; Previous Year Rs.25,668,500/-)	24,473,400	24,473,400
100,000 Units in US 95 of Unit Trust of India (Previous Year NIL Units) (Repurchase Price Rs.10,715,000/-)	10,115,000	-
100,000 Units of G.I.C. Fortune-94 (Previous Year 100,000 Units) (Repurchase Price Rs.925,000/- Previous Year Rs.945,000/-)	1,000,000	1,000,000
2. Other Investments		
20,000 No. 9% Tax free Neyveli Lignite Corporation Bonds - Maturity Year 2000 of the face value of Rs.1,000/- each (Previous Year 20,000 No.)	17,244,657	17,244,657
30,000 No. 9% Tax free Indian Railway Finance Corporation Ltd. Bonds - Maturity year 2001 of the face value of Rs.1,000/- each (Previous Year 10,000 No.)	26,418,014	8,318,014
100 No. 16.5% State Bank of Hyderabad Bonds (Previous Year NIL)	10,000,000	-
3. In Shares: Trade: Unquoted		
Equity Shares of Tata Klockner Industrial Plants Limited (12,245 shares of Rs. 100 each fully paid)	1,224,500	1,224,500
4. In Partnership Firms: Capital		
Tata Dilworth Secord Meghar & Associates	180,000	180,000
	90,655,571	52,440,571

SCHEDULE - 6

SUNDRY DEBTORS-UNSECURED

a) Outstanding for more than 6 months (Considered good)	15,773,774	166,100,461
b) Other debts: (Considered good)	333,755,326	158,872,163
	349,529,100	324,972,624



	March 31, 1996 Rupees	March 31, 1995 Rupees
SCHEDULE - 7		
CASH AND BANK BALANCES		
a) Cash on hand (includes Rs.1,281,971/- equivalent of which is held in foreign currency at various overseas project sites.)	1,726,033	399,996
b) Balance with Scheduled Banks		
On current account	6,325,137	5,546,721
On Margin money deposit account	-	1,138,100
On short term deposits	42,553,220	-
c) With other banks on Current Account		
Promstroi Bank (formerly Zil Suth Bank) (Max. during the year 1995-96 Rs. 93,403,842/-) (1994-95 Rs. 11,465,111/-)	75	460,837
National Bank for Foreign Economic Activity of the Republic of Uzbekistan, Tashkent (Max. during the year 1995-96 Rs.613,928/-) (1994-95 Rs. Nil)	248,210	-
Citibank NA, Singapore (Max. during the year 1995-96 Rs.6,743,297/-) (1994-95 Rs. 9,298,442)	2,753,633	3,830,345
Bank Tejarat, Iran (Max. during the year 1995-96 Rs. 1,253,726/-) (1994-95 Rs. 1,430,422/-)	352,172	1,257,442
Abu Dhabi Commercial Bank, Abu Dhabi (Max. during the year 1995-96 Rs. 25,585,000/-) (1994-95 Rs. 85,300/-)	92,500	85,300
Abu Dhabi Commercial Bank, Abu Dhabi (33 KV) (Max. during the year 1995-96 Rs. 14,493,227/-) (1994-95 Rs. Nil)	1,006,178	-
Nepal Grindlays Bank, Nepal (Max. during the year 1995-96 Rs. 102,706/-) (1994-95 Rs. 1,523,876/-)	102,706	254,427
d) With other banks on Call Account		
Abu Dhabi Commercial Bank, Abu Dhabi (Max. during the year 1995-96 Rs. 26,642,505/-) (1994-95 Rs. 10,901,889/-)	20,119,821	1,658,759
e) Remittance in Transit	847,250	-
	<u>76,126,935</u>	<u>14,631,927</u>

	March 31, 1996 Rupees	March 31, 1996 Rupees	March 31, 1995 Rupees	March 31, 1995 Rupees
SCHEDULE - 8				
OTHER CURRENT ASSETS:				
Work done but not billed (at Contract value including profit/losses thereon)		12,542,303		1,854,592
Work-in-Progress (Turnkey projects)				
Opening Work-in-Progress	66,881,505		21,119,468	
Add: Increase in Work-in-Progress (Net)	83,872,732		45,762,037	
Closing Work-in-Progress		<u>150,754,237</u>		66,881,505
		<u>163,296,540</u>		<u>68,736,097</u>



March 31, 1996 March 31, 1995
Rupees Rupees

SCHEDULE - 9

LOANS AND ADVANCES

Loans and advances recoverable in cash or in kind for value to be received		
Secured and considered good	2,571,019	1,517,262
Unsecured and considered good	66,478,836	36,982,844
Advance payment of tax	58,384,206	44,669,358
	<u>127,434,061</u>	<u>83,169,464</u>

SCHEDULE - 10

CURRENT LIABILITIES AND PROVISIONS

Liabilities:

Advance from customers	38,818,744	32,603,811
Sundry Creditors for expenses	170,572,918	129,179,033
Others	3,334,249	2,635,222
Advance billings	242,433,419	105,715,744
	<u>455,159,330</u>	<u>270,133,810</u>

Provisions:

Provision for taxation	72,100,000	53,100,000
Proposed dividend	9,000,000	6,125,000
	<u>81,100,000</u>	<u>59,225,000</u>

SCHEDULE - 11

INCOME:

Others

Interest:		
Banks	399,548	213,780
Other Interest (tax deducted at source Rs. 742,408/- Previous Year Rs. 11,675/-)	7,941,796	5,357,011
Dividend from UTI (Tax Deducted at source Rs. 898,998/-) (Previous Year 835,711/-)	3,926,776	3,380,000
Miscellaneous Income	2,117,628	867,415
Bad debts Recovered	-	72,184
Difference in exchange rate (Net)	3,437,540	1,248,562
Profit on sale of Fixed Assets	85,880	-
Profit from Patnership Firm	5,915	-
	<u>17,915,083</u>	<u>11,138,952</u>



	March 31, 1996 Rupees	March 31, 1995 Rupees
SCHEDULE - 12		
ESTABLISHMENT AND OTHER EXPENSES		
Staff salaries	67,596,619	55,993,075
Commission to Directors	258,500	306,680
Travelling Expenses	14,864,962	13,296,417
Printing and Stationery	3,538,334	3,493,433
Interest Charges	8,178,595	6,632,821
Rent	6,644,184	3,751,731
Books, Periodicals and Subscriptions	402,285	347,907
Advertisement expenses	95,092	196,926
Bank guarantee and Commission Charges	7,469,127	5,091,660
Professional and Legal Charges	15,289,179	8,064,658
Motor Vehicle Expenses	12,407,245	9,705,284
Postage, Telephone, Telegram & Telex	11,362,387	8,621,806
Auditor's Remuneration	127,840	73,450
Entertainment Expenses	264,935	207,352
Repairs and Maintenance	3,948,545	3,109,982
Electricity and Water Charges	688,117	489,262
Freight Charges	3,987,128	6,065,222
General Expenses	116,866	209,968
Overseas Living Expenses	27,517,161	20,380,827
Staff Recruitment Expenses	598,955	250,391
Rates and Taxes	1,267,164	661,104
Tax paid/payable Overseas	1,031,600	2,996,262
Donations	24,422	2,000
Commission Charges	455,121	496,538
Sales Tax/Contract Tax	6,222,700	6,688,616
Insurance & ECGC Premium	11,578,011	4,506,886
Bad Debts written off	-	132,844
Loss on sale of assets (Net)	-	7,589
Loss from Partnership Firm (Net)	-	9,350
	205,935,074	161,790,041

SCHEDULE - 13

NOTES ON ACCOUNTS

1. Significant Accounting Policies:

The accounts have been prepared under the historical cost convention. The significant accounting policies followed by the Company are stated below:

(a) Fixed Assets:

Fixed Assets are shown at cost less depreciation. The cost comprises purchase price and other attributable expenses.

(b) Depreciation 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 of the Companies Act, 1956.

(c) Investments:

Investments are valued at cost of acquisition inclusive of other attributable expenses.

March 31, 1996 March 31, 1995
Rupees Rupees**SCHEDULE - 13 (Contd.)****NOTES ON ACCOUNTS (Contd.)****(d) Revenue Recognition:**

- (i) In respect of Turnkey contracts, income is recognised on the basis of substantial completion under the completed contract method. However, in respect of Tashkent Project, the Company continues to recognise revenue as approved and settled by the client, due to the prevailing economic uncertainties in Uzbekistan. Due to the above reasons Rs. 36,589,119/- has been treated as billing in advance.
- (ii) In respect of other than Turnkey contracts the Company has a policy of accounting income on percentage completion method based on the stage of completion certified by the management.
- (iii) The income in respect of Extra works and other works not covered by written contract is recognised on approval by the client.
- (iv) The Company follows a policy of accounting export benefits on approval by the concerned authorities.

(e) Work-in-Progress:

Work-in-Progress in respect of turnkey contracts is valued at cost as certified by the Management.

(f) Foreign Currency Transactions:

The Company follows a policy of converting all foreign currency transactions as under :

- (i) Revenue items are accounted at average rate during the year.
- (ii) Current Assets and Current Liabilities are accounted at transaction rates during the year and are restated at closing rate at the end of the year.

Financial statements of Foreign Branches are translated as under :

- (i) Revenue items are accounted at average rate during the year.
- (ii) Current Assets and Current Liabilities are accounted at transaction rates during the year and are restated at closing rate at the end of the year.
- (iii) Fixed Assets and Depreciation thereon are accounted for, using the exchange rate prevalent on the last day of the month in which the fixed assets have been acquired.

The net exchange difference resulting therefrom amounting to Rs. 3,437,540/- has been credited to the Profit & Loss Account.

(g) Retirement benefits:

Retirement benefit liabilities except Leave Encashment are funded by payment to individual trust or insurance companies.

Accrued Liability for Leave Encashment due to employees amounting to Rs. 3,855,154/- is made on the basis that all the employees retire on 31.03.1996.



March 31, 1996 Rupees March 31, 1995 Rupees

SCHEDULE - 13 (Contd.)

2. Information pursuant to Part II of Schedule VI of Companies Act, 1956.

a) i) Gross income from Engineering Services	412,516,125	326,833,684
ii) Income from supply of goods, materials and equipment to Hotel Project, Electrical Projects and other Industrial Projects.	151,225,733	208,680,074
b) i) Earnings in foreign currency for services rendered	326,922,157	240,535,049
ii) Earnings in foreign currency for supply of goods	41,128,894	160,524,667
c) Expenditure in foreign currency-other matters	288,587,141	224,143,698

3. The Company's business activity of execution of project involves procurement and supply of materials along with the rendering of services. The materials procured by the Company are directly delivered to the project sites and charged off in the year of purchase and included under the head "Engineering Services & Erection/Construction expenses". The materials supplied 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 the materials.

4. Staff salaries

a) Salaries and bonus	56,113,940	44,672,571
b) Contribution to Provident Fund and other funds	5,227,372	5,654,139
c) Staff Welfare Expenditure	6,255,307	5,666,365

5. a) The remuneration paid during the year to the Managing Director amounting to Rs.1,324,557/- (Previous Year Rs.837,235/-) includes estimated money value of benefits Rs.100,557/- (Previous Year Rs.33,350/-)

b) Computation of Commission to Directors :		
Profit before taxation as per Profit & Loss A/c	79,740,226	91,224,791
Add: Depreciation	7,694,648	7,030,552
Managing Director's remuneration	1,324,557	837,235
Loss on sale of Assets	-	7,589

(A) **88,759,431** 99,100,167

Less: Depreciation as per Sec. 350 of Companies Act, 1956.	7,694,648	7,030,552
Profit on sale of Assets	85,880	-

(B) **7,780,528** 7,030,552

Net Profit for the year under section 198(1) of the Companies Act, 1956 (A - B)	80,978,903	92,069,615
Maximum Permissible	4,858,734	5,524,177
Restricted to Rs.864,000/- (Previous Year Rs.492,000/-) for Managing Director and Rs. 258,500/- (Previous Year Rs. 306,680/-) for other Directors	1,122,500	798,680



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SCHEDULE - 13 (Contd.)

6. Auditor's Remuneration includes:

Audit Fees	60,000	35,000
Tax Audit Fees	16,000	16,000
Other matters	49,000	21,750
Out of pocket expenses	2,840	700

7. Sundry Debtors (Others) include retention of Rs. 74,420,035/- (Previous Year Rs. 44,502,768/-) receivable on completion of projects.

8. The details of investment in partnership firm, TDSMA :

Partners	Share	Capital Rs.
Tata Projects Limited	60%	180,000
Dilworth, Secord, Meghar & Associates	40%	120,000

9. The profit/loss from the partnership firm, TDSMA has been provided for.

10. Repairs and Maintenance include:

a) Repairs & Maintenance (Erect. & Const. Eqpt.)	1,618,346	644,616
b) Repairs & Maintenance (others)	2,330,199	2,465,366

11. For the period as on 31st March, 1996, the Company has borrowed Rs. 2,103,862/- (Previous Year Rs. 1,575,505/-) from Housing Development Finance Corporation for the purpose of onward lending to the employees of the Company under the Housing Loan Scheme. Out of the above Rs. 1,963,979/- (Previous Year Rs. 1,280,505/-) has been disbursed and Rs. 139,883/- (Previous Year Rs. 295,000/-) being the balance pending disbursement is included in the Current Bank Balances of the Company.

12. The Company has issued Bank Guarantees and Letters of Credit amounting to Rs. 510.70 Millions (Previous Year Rs. 259.907 Millions) and Rs. 325.039 Millions (Previous Year Rs. 11.05 Millions) to its clients/suppliers respectively as on the close of the year. The above are generally backed-up by Bank Guarantees obtained by the Company from its Suppliers.

13. Previous year's figures have been regrouped wherever necessary.

As per attached report of even date
For G. N. JOSHI Associates
Chartered AccountantsG.N. Joshi
PartnerK. Lokanatha Reddy
Company SecretaryFor and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh Managing Director

Mumbai, June 21, 1996

Mumbai, June 21, 1996



SCHEDULE - 14

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (AS PER SCHEDULE VI, PART (iv) OF THE COMPANIES ACT, 1956)

I. REGISTRATION

Registration No.	21034
State Code	11
Balance Sheet Date	31 st March, 1996

II. CAPITAL RAISED DURING THE YEAR

Public Issue	NIL
Rights Issue	NIL
Private Placement	NIL
Bonus Issue	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN Rs.)

Total Liabilities	324,392,827
Total Assets	324,392,827

SOURCES OF FUNDS

Paid-up Capital	22,500,000
Reserves & Surplus	219,426,123
Secured Loans	82,466,704
Unsecured Loans	NIL

APPLICATION OF FUNDS

Net Fixed Assets	53,609,950
Investments	90,655,571
Net Current Assets	180,127,306
Misc. Expenditure	NIL
Accumulated Losses	NIL

IV. PERFORMANCE OF THE COMPANY (AMOUNT IN Rs.)

Turnover including Other Income	581,656,941
Total Expenditure	501,916,715
Profit Before Tax	79,740,226
Earnings Per Share	270
Dividend Rate	40%

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

Erection & Turnkey Contracts including supply of Materials and providing technical services

As per attached report of even date
For G. N. JOSHI Associates
Chartered Accountants

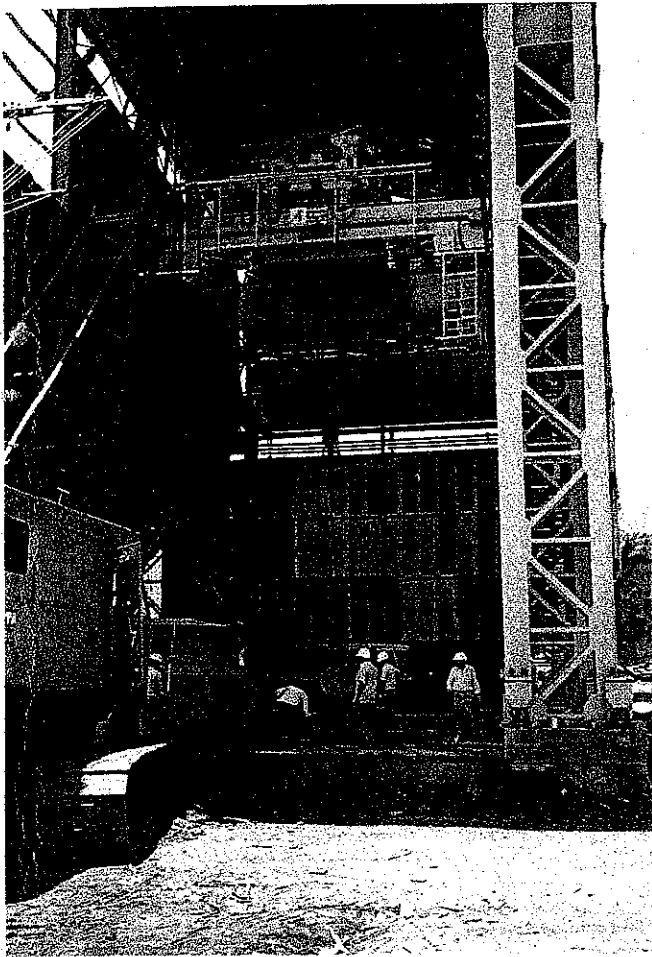
For and on behalf of the Board
H.N. Sethna Chairman
Vijaya Singh - Managing Director

G.N. Joshi
Partner

K. Lokanatha Reddy
Company Secretary

Mumbai, June 21, 1996

Mumbai, June 21, 1996



Relocation of crusher for Kudremukh Iron Ore Company Ltd –
Kudremukh, Karnataka.



1x150 MW Pumped Storage Project at Bhira, Maharashtra –
Erection of Electrical and Mechanical Equipment.

